

COMMUNITIES IN CRISIS

More than half of Illinois cities get “F” grades for local pensions

Flossmoor

2019 Grade: D

In 2003, Flossmoor’s police, fire and municipal pension funds already faced a shortfall of **\$3.9 million**. That meant every Flossmoor household, on average, was on the hook for **\$1,176** in future taxes just to eliminate that shortfall.

Flossmoor began contributing more money – taxpayer dollars – to pensions in an attempt to make the plans healthier. Over the next 16 years, city contributions increasingly crowded out spending for public safety, roads and other core services.

	2003	2019	Change
City (taxpayer) contributions to pensions	\$0.42 million	\$1.18 million	Up 2.8X
Share of city general budget for pensions	8.3%	11.9%	Up 1.4X

Despite the ramp-up in city payments over those 16 years, Flossmoor’s pension debts didn’t decrease. Instead, they jumped by 4.0 times!

By 2019, the shortfall in Flossmoor’s police, fire and municipal pension funds totaled **\$15.7 million**. That means each Flossmoor household, on average, is now on the hook for **\$4,542** in debt.

Everyone loses under Flossmoor’s pension crisis:



Taxpayers are tapped out

Flossmoor residents are paying more and more into a broken system. City taxpayers in 2019 contributed 2.8 times more to pensions than in 2003, yet city debts are 4.0 times larger.



Pension costs are devouring the city’s budget

Flossmoor pension contributions have grown to consume 11.9% of the city’s budget, up from 8.3% in 2003. That’s crowded out spending on public safety, roads and other core services.



Flossmoor worker retirement security is collapsing

The health of Flossmoor’s local pension plans have worsened despite those increased taxpayer contributions. In 2003, the plans had 79.7% of the money they needed. By 2019, that had dropped to just 60.3%.



Flossmoor’s crisis will only get worse

Flossmoor has fewer active government workers available to help pay for a growing number of retirees. In 2003, there were 2.00 active workers for every pensioner. By 2019, there were 1.32 active workers per pensioner.

2019 GRADE



2003 GRADE



Flossmoor receives a "D" grade for its local pension crisis

Local officials handcuffed by state pension mandates.

Wirepoints quantified the negative impact of local pensions by examining the finances of Illinois' 175 largest cities from 2003 to 2019. The analysis was based on ten equally-weighted metrics. Cities were given an A through F grade based on a 100-point scale (10 points per metric).*

Flossmoor received a "D" grade in 2019. The city's total score dropped from 84 in 2003 to 60 in 2019, a decline of 24 points.

Flossmoor was one of 64 cities to receive a "D" grade in 2019.

Flossmoor Key Facts		
City demographics	2000	2019
Population	9,301	9,472
Households	3,304	3,460
Median household income	\$94,222	\$115,288
City budget	2003	2019
General revenues	\$5,069,590	\$9,965,089
Total revenues	\$10,727,606	\$18,380,908
Total property taxes	\$3,248,350	\$6,040,481
Pension health (police, fire & IMRF)	2003	2019
Total accrued liabilities (benefits owed)	\$19,174,571	\$39,593,127
Total pension assets	\$15,288,129	\$23,878,685
Funded ratio	79.7%	60.3%
Total pension shortfall	\$3,886,442	\$15,714,442
Per household	\$1,176	\$4,542
Active public safety workers	18	25
Public safety pension beneficiaries	9	19
City pension contributions	2003	2019
City contributions	\$422,288	\$1,183,345
Per household	\$128	\$342
Percentage of city's general budget	8.3%	11.9%
Employees' contributions	\$203,760	\$370,192

175 Cities - Summary Scores			
Grade	Score	Number of cities	
		2003	2019
A	≥90	4	0
B	80-89	35	1
C	70-79	81	8
D	60-69	48	64
F	≤59	7	102

Flossmoor Score				
Metric	2003	2019	2003	2019
1. Police pension funded ratio	73.1%	61.9%	7	6
2. Firefighter pension funded ratio	80.2%	39.2%	8	3
3. Municipal (IMRF) pension funded ratio	90.3%	73.2%	9	7
4. City pension debts per household as a percentage of median household income	1.2%	3.9%	9	8
5. City contributions per household as a percentage of median household income	0.14%	0.30%	9	8
6. City contributions as a percentage of total budget	3.9%	6.4%	8	5
7. Ratio of city contributions to employee contributions	2.07	3.20	7	5
8. Percentage surplus/shortfall in actuarially-required city contribution (Police & Fire only)	-11.7%	-20.9%	7	5
9. Asset-to-payout ratio (Police & Fire only)	25.5	14.0	10	7
10. Worker-to-beneficiary ratio (Police & Fire only)	2.00	1.32	10	6
Total score			84	60
Grade			B	D

*Wirepoints analyzed 175 of Illinois' largest cities, excluding Chicago, that have a local police, firefighter and municipal (IMRF) pension fund.

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