

COMMUNITIES IN CRISIS

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

Forest Park

2019 Grade: F

In 2003, Forest Park’s police, fire and municipal pension funds already faced a shortfall of **\$8.4 million**. That meant every Forest Park household, on average, was on the hook for **\$1,099** in future taxes just to eliminate that shortfall.

Forest Park 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	\$0.65 million	\$2.53 million	Up 3.9X
Share of city general budget for pensions	5.2%	14.2%	Up 2.7X

Despite the ramp-up in city payments over those 16 years, Forest Park’s pension debts didn’t decrease. Instead, they jumped by 6.5 times!

By 2019, the shortfall in Forest Park’s police, fire and municipal pension funds totaled **\$54.8 million**. That means each Forest Park household, on average, is now on the hook for **\$7,837** in debt.

Everyone loses under Forest Park’s pension crisis:



Taxpayers are tapped out

Forest Park residents are paying more and more into a broken system. City taxpayers in 2019 contributed 3.9 times more to pensions than in 2003, yet city debts are 6.5 times larger.



Pension costs are devouring the city’s budget

Forest Park pension contributions have grown to consume 14.2% of the city’s budget, up from 5.2% in 2003. That’s crowded out spending on public safety, roads and other core services.



Forest Park worker retirement security is collapsing

The health of Forest Park’s local pension plans have worsened despite those increased taxpayer contributions. In 2003, the plans had 80.7% of the money they needed. By 2019, that had dropped to just 49.1%.



Forest Park’s crisis will only get worse

Forest Park has fewer active government workers available to help pay for a growing number of retirees. In 2003, there were 1.09 active workers for every pensioner. By 2019, there were 0.91 active workers per pensioner.

2019 GRADE



2003 GRADE



Forest Park receives an "F" 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).*

Forest Park received an "F" grade in 2019. The city's total score dropped from 78 in 2003 to 48 in 2019, a decline of 30 points.

Forest Park was one of 102 cities to receive an "F" grade in 2019.

Forest Park Key Facts		
City demographics	2000	2019
Population	15,688	13,927
Households	7,625	6,996
Median household income	\$44,103	\$62,664
City budget	2003	2019
General revenues	\$12,430,817	\$17,851,092
Total revenues	\$20,153,447	\$36,423,392
Total property taxes	\$5,137,013	\$9,099,220
Pension health (police, fire & IMRF)	2003	2019
Total accrued liabilities (benefits owed)	\$43,417,414	\$107,691,448
Total pension assets	\$35,039,857	\$52,865,342
Funded ratio	80.7%	49.1%
Total pension shortfall	\$8,377,557	\$54,826,106
Per household	\$1,099	\$7,837
Active public safety workers	59	61
Public safety pension beneficiaries	54	67
City pension contributions	2003	2019
City contributions	\$645,242	\$2,529,025
Per household	\$85	\$361
Percentage of city's general budget	5.2%	14.2%
Employees' contributions	\$464,034	\$707,683

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

Forest Park Score				
Metric	2003	2019	2003	2019
1. Police pension funded ratio	75.1%	43.7%	7	4
2. Firefighter pension funded ratio	73.3%	39.5%	7	3
3. Municipal (IMRF) pension funded ratio	111.6%	94.9%	10	9
4. City pension debts per household as a percentage of median household income	2.5%	12.5%	8	4
5. City contributions per household as a percentage of median household income	0.19%	0.58%	9	7
6. City contributions as a percentage of total budget	3.2%	6.9%	8	5
7. Ratio of city contributions to employee contributions	1.39	3.57	9	5
8. Percentage surplus/shortfall in actuarially-required city contribution (Police & Fire only)	-12.7%	-41.3%	7	1
9. Asset-to-payout ratio (Police & Fire only)	16.3	10.0	8	6
10. Worker-to-beneficiary ratio (Police & Fire only)	1.09	0.91	5	4
Total score			78	48
Grade			C	F

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

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