

COMMUNITIES IN CRISIS

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

Franklin Park

2019 Grade: F

In 2003, Franklin Park’s police, fire and municipal pension funds already faced a shortfall of **\$27.1 million**. That meant every Franklin Park household, on average, was on the hook for **\$4,191** in future taxes just to eliminate that shortfall.

Franklin 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	\$1.98 million	\$4.62 million	Up 2.3X
Share of city general budget for pensions	9.2%	15.4%	Up 1.7X

Despite the ramp-up in city payments over those 16 years, Franklin Park’s pension debts didn’t decrease. Instead, they jumped by 2.7 times!

By 2019, the shortfall in Franklin Park’s police, fire and municipal pension funds totaled **\$72.0 million**. That means each Franklin Park household, on average, is now on the hook for **\$11,850** in debt.

Everyone loses under Franklin Park’s pension crisis:



Taxpayers are tapped out

Franklin Park residents are paying more and more into a broken system. City taxpayers in 2019 contributed 2.3 times more to pensions than in 2003, yet city debts are 2.7 times larger.



Pension costs are devouring the city’s budget

Franklin Park pension contributions have grown to consume 15.4% of the city’s budget, up from 9.2% in 2003. That’s crowded out spending on public safety, roads and other core services.



Franklin Park worker retirement security is collapsing

The health of Franklin Park’s local pension plans have worsened despite those increased taxpayer contributions. In 2003, the plans had 57.8% of the money they needed. By 2019, that had dropped to just 49.0%.



Franklin Park’s crisis will only get worse

Franklin Park has fewer active government workers available to help pay for a growing number of retirees. In 2003, there were 1.25 active workers for every pensioner. By 2019, there were 0.85 active workers per pensioner.

2019 GRADE



2003 GRADE



Franklin 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).*

Franklin Park received an "F" grade in 2019. The city's total score dropped from 64 in 2003 to 47 in 2019, a decline of 17 points.

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

Franklin Park Key Facts		
City demographics	2000	2019
Population	19,434	17,956
Households	6,471	6,072
Median household income	\$46,688	\$63,971
City budget	2003	2019
General revenues	\$21,624,144	\$30,037,135
Total revenues	\$33,181,623	\$62,861,282
Total property taxes	\$12,253,760	\$18,662,081
Pension health (police, fire & IMRF)	2003	2019
Total accrued liabilities (benefits owed)	\$64,227,493	\$140,967,024
Total pension assets	\$37,105,493	\$69,012,484
Funded ratio	57.8%	49.0%
Total pension shortfall	\$27,122,001	\$71,954,540
Per household	\$4,191	\$11,850
Active public safety workers	94	88
Public safety pension beneficiaries	75	104
City pension contributions	2003	2019
City contributions	\$1,982,504	\$4,621,806
Per household	\$306	\$761
Percentage of city's general budget	9.2%	15.4%
Employees' contributions	\$632,700	\$947,043

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

Franklin Park Score				
Metric	2003	2019	2003	2019
1. Police pension funded ratio	52.1%	42.0%	5	4
2. Firefighter pension funded ratio	50.4%	47.5%	5	4
3. Municipal (IMRF) pension funded ratio	112.7%	99.9%	10	9
4. City pension debts per household as a percentage of median household income	9.0%	18.5%	6	1
5. City contributions per household as a percentage of median household income	0.66%	1.19%	7	5
6. City contributions as a percentage of total budget	6.0%	7.4%	5	4
7. Ratio of city contributions to employee contributions	3.13	4.88	5	4
8. Percentage surplus/shortfall in actuarially-required city contribution (Police & Fire only)	-8.6%	-14.0%	8	7
9. Asset-to-payout ratio (Police & Fire only)	12.2	9.7	7	5
10. Worker-to-beneficiary ratio (Police & Fire only)	1.25	0.85	6	4
Total score			64	47
Grade			D	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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