

COMMUNITIES IN CRISIS

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

Mattoon

2019 Grade: F

In 2003, Mattoon’s police, fire and municipal pension funds already faced a shortfall of **\$18.0 million**. That meant every Mattoon household, on average, was on the hook for **\$2,217** in future taxes just to eliminate that shortfall.

Mattoon 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	\$1.59 million	\$4.13 million	Up 2.6X
Share of city general budget for pensions	15.6%	22.2%	Up 1.4X

Despite the ramp-up in city payments over those 16 years, Mattoon’s pension debts didn’t decrease. Instead, they jumped by 3.5 times!

By 2019, the shortfall in Mattoon’s police, fire and municipal pension funds totaled **\$63.6 million**. That means each Mattoon household, on average, is now on the hook for **\$8,290** in debt.

Everyone loses under Mattoon’s pension crisis:



Taxpayers are tapped out

Mattoon residents are paying more and more into a broken system. City taxpayers in 2019 contributed 2.6 times more to pensions than in 2003, yet city debts are 3.5 times larger.



Pension costs are devouring the city’s budget

Mattoon pension contributions have grown to consume 22.2% of the city’s budget, up from 15.6% in 2003. That’s crowded out spending on public safety, roads and other core services.



Mattoon worker retirement security is collapsing

The health of Mattoon’s local pension plans have worsened despite those increased taxpayer contributions. In 2003, the plans had 64.6% of the money they needed. By 2019, that had dropped to just 44.5%.



Mattoon’s crisis will only get worse

Mattoon has fewer active government workers available to help pay for a growing number of retirees. In 2003, there were 1.08 active workers for every pensioner. By 2019, there were 0.60 active workers per pensioner.

2019 GRADE



2003 GRADE



Mattoon 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).*

Mattoon received an "F" grade in 2019. The city's total score dropped from 66 in 2003 to 38 in 2019, a decline of 28 points.

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

Mattoon Key Facts		
City demographics	2000	2019
Population	18,291	17,394
Households	8,112	7,674
Median household income	\$31,800	\$39,852
City budget	2003	2019
General revenues	\$10,228,731	\$18,598,234
Total revenues	\$24,858,746	\$42,372,616
Total property taxes	\$3,698,301	\$5,288,804
Pension health (police, fire & IMRF)	2003	2019
Total accrued liabilities (benefits owed)	\$50,814,643	\$114,585,306
Total pension assets	\$32,827,364	\$50,971,470
Funded ratio	64.6%	44.5%
Total pension shortfall	\$17,987,279	\$63,613,836
Per household	\$2,217	\$8,290
Active public safety workers	79	64
Public safety pension beneficiaries	73	106
City pension contributions	2003	2019
City contributions	\$1,592,210	\$4,133,140
Per household	\$196	\$539
Percentage of city's general budget	15.6%	22.2%
Employees' contributions	\$521,277	\$610,162

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

Mattoon Score				
Metric	2003	2019	2003	2019
1. Police pension funded ratio	60.2%	41.2%	6	4
2. Firefighter pension funded ratio	61.8%	32.8%	6	3
3. Municipal (IMRF) pension funded ratio	82.7%	89.2%	8	8
4. City pension debts per household as a percentage of median household income	7.0%	20.8%	7	1
5. City contributions per household as a percentage of median household income	0.62%	1.35%	7	3
6. City contributions as a percentage of total budget	6.4%	9.8%	5	2
7. Ratio of city contributions to employee contributions	3.05	6.77	5	2
8. Percentage surplus/shortfall in actuarially-required city contribution (Police & Fire only)	6.7%	-6.3%	10	8
9. Asset-to-payout ratio (Police & Fire only)	13.2	7.1	7	4
10. Worker-to-beneficiary ratio (Police & Fire only)	1.08	0.60	5	3
Total score			66	38
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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