

COMMUNITIES IN CRISIS

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

Rock Island

2019 Grade: F

In 2003, Rock Island’s police, fire and municipal pension funds already faced a shortfall of **\$44.6 million**. That meant every Rock Island household, on average, was on the hook for **\$2,768** in future taxes just to eliminate that shortfall.

Rock Island 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	\$2.52 million	\$8.04 million	Up 3.2X
Share of city general budget for pensions	11.9%	21.5%	Up 1.8X

Despite the ramp-up in city payments over those 16 years, Rock Island’s pension debts didn’t decrease. Instead, they jumped by 3.1 times!

By 2019, the shortfall in Rock Island’s police, fire and municipal pension funds totaled **\$140.2 million**. That means each Rock Island household, on average, is now on the hook for **\$9,015** in debt.

Everyone loses under Rock Island’s pension crisis:



Taxpayers are tapped out

Rock Island residents are paying more and more into a broken system. City taxpayers in 2019 contributed 3.2 times more to pensions than in 2003, yet city debts are 3.1 times larger.



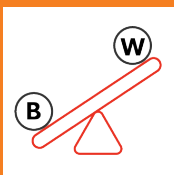
Pension costs are devouring the city’s budget

Rock Island pension contributions have grown to consume 21.5% of the city’s budget, up from 11.9% in 2003. That’s crowded out spending on public safety, roads and other core services.



Rock Island worker retirement security is collapsing

The health of Rock Island’s local pension plans have worsened despite those increased taxpayer contributions. In 2003, the plans had 62.0% of the money they needed. By 2019, that had dropped to just 41.3%.



Rock Island’s crisis will only get worse

Rock Island has fewer active government workers available to help pay for a growing number of retirees. In 2003, there were 0.89 active workers for every pensioner. By 2019, there were 0.70 active workers per pensioner.

2019 GRADE

F

2003 GRADE

D

Rock Island 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).*

Rock Island received an "F" grade in 2019. The city's total score dropped from 62 in 2003 to 38 in 2019, a decline of 24 points.

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

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

Rock Island Key Facts

City demographics	2000	2019
Population	39,684	38,111
Households	16,122	15,551
Median household income	\$34,729	\$48,680
City budget	2003	2019
General revenues	\$21,160,614	\$37,448,679
Total revenues	\$55,123,742	\$108,415,934
Total property taxes	\$9,749,061	\$18,573,209
Pension health (police, fire & IMRF)	2003	2019
Total accrued liabilities (benefits owed)	\$117,394,153	\$238,667,519
Total pension assets	\$72,769,166	\$98,476,949
Funded ratio	62.0%	41.3%
Total pension shortfall	\$44,624,987	\$140,190,570
Per household	\$2,768	\$9,015
Active public safety workers	147	138
Public safety pension beneficiaries	165	196
City pension contributions	2003	2019
City contributions	\$2,519,938	\$8,042,571
Per household	\$156	\$517
Percentage of city's general budget	11.9%	21.5%
Employees' contributions	\$1,142,583	\$1,616,706

Rock Island Score

Metric	2003	2019	2003	2019
1. Police pension funded ratio	43.0%	35.8%	4	3
2. Firefighter pension funded ratio	48.9%	27.6%	4	2
3. Municipal (IMRF) pension funded ratio	105.9%	81.3%	10	8
4. City pension debts per household as a percentage of median household income	8.0%	18.5%	6	1
5. City contributions per household as a percentage of median household income	0.45%	1.06%	8	5
6. City contributions as a percentage of total budget	4.6%	7.4%	7	4
7. Ratio of city contributions to employee contributions	2.21	4.97	7	4
8. Percentage surplus/shortfall in actuarially-required city contribution (Police & Fire only)	-18.6%	-26.3%	6	4
9. Asset-to-payout ratio (Police & Fire only)	10.5	6.6	6	4
10. Worker-to-beneficiary ratio (Police & Fire only)	0.89	0.70	4	3

Total score

62

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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