

COMMUNITIES IN CRISIS

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

Wood River

2019 Grade: D

In 2003, Wood River’s police, fire and municipal pension funds already faced a shortfall of **\$3.2 million**. That meant every Wood River household, on average, was on the hook for **\$686** in future taxes just to eliminate that shortfall.

Wood River 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	\$0.39 million	\$1.58 million	Up 4.1X
Share of city general budget for pensions	10.4%	25.0%	Up 2.4X

Despite the ramp-up in city payments over those 16 years, Wood River’s pension debts didn’t decrease. Instead, they jumped by 5.0 times!

By 2019, the shortfall in Wood River’s police, fire and municipal pension funds totaled **\$16.3 million**. That means each Wood River household, on average, is now on the hook for **\$3,839** in debt.

Everyone loses under Wood River’s pension crisis:



Taxpayers are tapped out

Wood River residents are paying more and more into a broken system. City taxpayers in 2019 contributed 4.1 times more to pensions than in 2003, yet city debts are 5.0 times larger.



Pension costs are devouring the city’s budget

Wood River pension contributions have grown to consume 25.0% of the city’s budget, up from 10.4% in 2003. That’s crowded out spending on public safety, roads and other core services.



Wood River worker retirement security is collapsing

The health of Wood River’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 56.6%.



Wood River’s crisis will only get worse

Wood River has fewer active government workers available to help pay for a growing number of retirees. In 2003, there were 1.81 active workers for every pensioner. By 2019, there were 0.88 active workers per pensioner.

2019 GRADE



2003 GRADE



Wood River 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).*

Wood River 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.

Wood River was one of 64 cities to receive a “D” grade in 2019.

Wood River Key Facts		
City demographics	2000	2019
Population	11,296	10,169
Households	4,733	4,241
Median household income	\$33,875	\$46,860
City budget	2003	2019
General revenues	\$3,739,643	\$6,325,755
Total revenues	\$14,327,525	\$23,578,807
Total property taxes	\$2,037,467	\$2,611,215
Pension health (police, fire & IMRF)	2003	2019
Total accrued liabilities (benefits owed)	\$16,835,752	\$37,501,015
Total pension assets	\$13,587,820	\$21,219,133
Funded ratio	80.7%	56.6%
Total pension shortfall	\$3,247,932	\$16,281,882
Per household	\$686	\$3,839
Active public safety workers	29	28
Public safety pension beneficiaries	16	32
City pension contributions	2003	2019
City contributions	\$389,894	\$1,579,555
Per household	\$82	\$372
Percentage of city’s general budget	10.4%	25.0%
Employees’ contributions	\$217,606	\$538,772

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

Wood River Score				
Metric	2003	2019	2003	2019
1. Police pension funded ratio	82.4%	57.5%	8	5
2. Firefighter pension funded ratio	76.0%	53.3%	7	5
3. Municipal (IMRF) pension funded ratio	82.6%	59.5%	8	5
4. City pension debts per household as a percentage of median household income	2.0%	8.2%	8	6
5. City contributions per household as a percentage of median household income	0.24%	0.79%	8	7
6. City contributions as a percentage of total budget	2.7%	6.7%	9	5
7. Ratio of city contributions to employee contributions	1.79	2.93	8	6
8. Percentage surplus/shortfall in actuarially-required city contribution (Police & Fire only)	0.7%	0.1%	10	10
9. Asset-to-payout ratio (Police & Fire only)	24.3	12.4	9	7
10. Worker-to-beneficiary ratio (Police & Fire only)	1.81	0.88	9	4
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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