

COMMUNITIES IN CRISIS

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

Collinsville

2019 Grade: D

In 2003, Collinsville’s police, fire and municipal pension funds already faced a shortfall of **\$3.7 million**. That meant every Collinsville household, on average, was on the hook for **\$348** in future taxes just to eliminate that shortfall.

Collinsville 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	\$0.76 million	\$2.92 million	Up 3.8X
Share of city general budget for pensions	7.4%	10.7%	Up 1.4X

Despite the ramp-up in city payments over those 16 years, Collinsville’s pension debts didn’t decrease. Instead, they jumped by 9.5 times!

By 2019, the shortfall in Collinsville’s police, fire and municipal pension funds totaled **\$34.7 million**. That means each Collinsville household, on average, is now on the hook for **\$3,288** in debt.

Everyone loses under Collinsville’s pension crisis:



Taxpayers are tapped out

Collinsville residents are paying more and more into a broken system. City taxpayers in 2019 contributed 3.8 times more to pensions than in 2003, yet city debts are 9.5 times larger.



Pension costs are devouring the city’s budget

Collinsville pension contributions have grown to consume 10.7% of the city’s budget, up from 7.4% in 2003. That’s crowded out spending on public safety, roads and other core services.



Collinsville worker retirement security is collapsing

The health of Collinsville’s local pension plans have worsened despite those increased taxpayer contributions. In 2003, the plans had 90.5% of the money they needed. By 2019, that had dropped to just 65.9%.



Collinsville’s crisis will only get worse

Collinsville has fewer active government workers available to help pay for a growing number of retirees. In 2003, there were 1.41 active workers for every pensioner. By 2019, there were 0.95 active workers per pensioner.

2019 GRADE



2003 GRADE



Collinsville 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).*

Collinsville received a “D” grade in 2019. The city’s total score dropped from 87 in 2003 to 66 in 2019, a decline of 21 points.

Collinsville was one of 64 cities to receive a “D” 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

Collinsville Key Facts		
City demographics	2000	2019
Population	24,707	24,626
Households	10,542	10,546
Median household income	\$42,353	\$53,490
City budget	2003	2019
General revenues	\$10,271,168	\$27,281,649
Total revenues	\$25,815,174	\$55,206,564
Total property taxes	\$3,749,929	\$7,551,146
Pension health (police, fire & IMRF)	2003	2019
Total accrued liabilities (benefits owed)	\$38,540,856	\$101,738,618
Total pension assets	\$34,876,834	\$67,062,621
Funded ratio	90.5%	65.9%
Total pension shortfall	\$3,664,022	\$34,675,997
Per household	\$348	\$3,288
Active public safety workers	65	80
Public safety pension beneficiaries	46	84
City pension contributions	2003	2019
City contributions	\$762,245	\$2,918,593
Per household	\$72	\$277
Percentage of city’s general budget	7.4%	10.7%
Employees’ contributions	\$451,264	\$1,031,449

Collinsville Score				
Metric	2003	2019	2003	2019
1. Police pension funded ratio	79.3%	60.0%	7	5
2. Firefighter pension funded ratio	91.8%	65.1%	9	6
3. Municipal (IMRF) pension funded ratio	111.7%	83.8%	10	8
4. City pension debts per household as a percentage of median household income	0.8%	6.1%	10	7
5. City contributions per household as a percentage of median household income	0.17%	0.52%	9	7
6. City contributions as a percentage of total budget	3.0%	5.3%	8	6
7. Ratio of city contributions to employee contributions	1.69	2.83	8	6
8. Percentage surplus/shortfall in actuarially-required city contribution (Police & Fire only)	0.1%	0.1%	10	10
9. Asset-to-payout ratio (Police & Fire only)	21.6	14.1	9	7
10. Worker-to-beneficiary ratio (Police & Fire only)	1.41	0.95	7	4
Total score			87	66
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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