

COMMUNITIES IN CRISIS

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

Danville

2019 Grade: F

In 2003, Danville’s police, fire and municipal pension funds already faced a shortfall of **\$43.1 million**. That meant every Danville household, on average, was on the hook for **\$3,252** in future taxes just to eliminate that shortfall.

Danville 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	\$2.19 million	\$8.28 million	Up 3.8X
Share of city general budget for pensions	11.7%	34.0%	Up 2.9X

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

By 2019, the shortfall in Danville’s police, fire and municipal pension funds totaled **\$116.0 million**. That means each Danville household, on average, is now on the hook for **\$9,617** in debt.

Everyone loses under Danville’s pension crisis:



Taxpayers are tapped out

Danville 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 2.7 times larger.



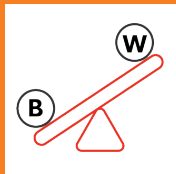
Pension costs are devouring the city’s budget

Danville pension contributions have grown to consume 34.0% of the city’s budget, up from 11.7% in 2003. That’s crowded out spending on public safety, roads and other core services.



Danville worker retirement security is collapsing

The health of Danville’s local pension plans have worsened despite those increased taxpayer contributions. In 2003, the plans had 46.5% of the money they needed. By 2019, that had dropped to just 30.0%.



Danville’s crisis will only get worse

Danville has fewer active government workers available to help pay for a growing number of retirees. In 2003, there were 0.93 active workers for every pensioner. By 2019, there were 0.63 active workers per pensioner.

2019 GRADE



2003 GRADE



Danville 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).*

Danville received an "F" grade in 2019. The city's total score dropped from 53 in 2003 to 29 in 2019, a decline of 24 points.

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

Danville Key Facts		
City demographics	2000	2019
Population	33,904	31,246
Households	13,252	12,064
Median household income	\$30,431	\$36,172
City budget	2003	2019
General revenues	\$18,628,386	\$24,333,962
Total revenues	\$34,470,349	\$65,515,871
Total property taxes	\$5,728,633	\$9,974,971
Pension health (police, fire & IMRF)	2003	2019
Total accrued liabilities (benefits owed)	\$80,537,041	\$165,678,930
Total pension assets	\$37,441,891	\$49,661,176
Funded ratio	46.5%	30.0%
Total pension shortfall	\$43,095,150	\$116,017,754
Per household	\$3,252	\$9,617
Active public safety workers	124	102
Public safety pension beneficiaries	134	161
City pension contributions	2003	2019
City contributions	\$2,185,573	\$8,280,698
Per household	\$165	\$686
Percentage of city's general budget	11.7%	34.0%
Employees' contributions	\$780,436	\$1,058,012

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

Danville Score				
Metric	2003	2019	2003	2019
1. Police pension funded ratio	40.5%	27.9%	4	2
2. Firefighter pension funded ratio	31.8%	16.7%	3	1
3. Municipal (IMRF) pension funded ratio	99.8%	84.6%	9	8
4. City pension debts per household as a percentage of median household income	10.7%	26.6%	5	1
5. City contributions per household as a percentage of median household income	0.54%	1.90%	7	1
6. City contributions as a percentage of total budget	6.3%	12.6%	5	1
7. Ratio of city contributions to employee contributions	2.80	7.83	6	1
8. Percentage surplus/shortfall in actuarially-required city contribution (Police & Fire only)	-23.4%	-6.9%	5	8
9. Asset-to-payout ratio (Police & Fire only)	8.0	4.3	5	3
10. Worker-to-beneficiary ratio (Police & Fire only)	0.93	0.63	4	3
Total score			53	29
Grade			F	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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