

COMMUNITIES IN CRISIS

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

Du Quoin

2019 Grade: F

In 2003, Du Quoin’s police, fire and municipal pension funds already faced a shortfall of **\$1.3 million**. That meant every Du Quoin household, on average, was on the hook for **\$472** in future taxes just to eliminate that shortfall.

Du Quoin 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	\$0.15 million	\$0.72 million	Up 4.8X
Share of city general budget for pensions	5.9%	19.0%	Up 3.2X

Despite the ramp-up in city payments over those 16 years, Du Quoin’s pension debts didn’t decrease. Instead, they jumped by 8.0 times!

By 2019, the shortfall in Du Quoin’s police, fire and municipal pension funds totaled **\$10.3 million**. That means each Du Quoin household, on average, is now on the hook for **\$3,770** in debt.

Everyone loses under Du Quoin’s pension crisis:



Taxpayers are tapped out

Du Quoin residents are paying more and more into a broken system. City taxpayers in 2019 contributed 4.8 times more to pensions than in 2003, yet city debts are 8.0 times larger.



Pension costs are devouring the city’s budget

Du Quoin pension contributions have grown to consume 19.0% of the city’s budget, up from 5.9% in 2003. That’s crowded out spending on public safety, roads and other core services.



Du Quoin worker retirement security is collapsing

The health of Du Quoin’s local pension plans have worsened despite those increased taxpayer contributions. In 2003, the plans had 82.7% of the money they needed. By 2019, that had dropped to just 50.3%.



Du Quoin’s crisis will only get worse

Du Quoin has fewer active government workers available to help pay for a growing number of retirees. In 2003, there were 1.55 active workers for every pensioner. By 2019, there were 0.80 active workers per pensioner.

2019 GRADE



2003 GRADE



Du Quoin 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).*

Du Quoin received an "F" grade in 2019. The city's total score dropped from 79 in 2003 to 54 in 2019, a decline of 25 points.

Du Quoin 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

Du Quoin Key Facts		
City demographics	2000	2019
Population	6,448	5,761
Households	2,718	2,727
Median household income	\$29,124	\$39,794
City budget	2003	2019
General revenues	\$2,481,266	\$3,767,193
Total revenues	\$5,439,935	\$9,598,451
Total property taxes	\$487,850	\$853,753
Pension health (police, fire & IMRF)	2003	2019
Total accrued liabilities (benefits owed)	\$7,440,061	\$20,675,436
Total pension assets	\$6,156,344	\$10,394,136
Funded ratio	82.7%	50.3%
Total pension shortfall	\$1,283,717	\$10,281,300
Per household	\$472	\$3,770
Active public safety workers	17	16
Public safety pension beneficiaries	11	20
City pension contributions	2003	2019
City contributions	\$145,563	\$715,920
Per household	\$54	\$263
Percentage of city's general budget	5.9%	19.0%
Employees' contributions	\$101,621	\$149,613

Du Quoin Score				
Metric	2003	2019	2003	2019
1. Police pension funded ratio	91.8%	51.1%	9	5
2. Firefighter pension funded ratio	59.4%	38.0%	5	3
3. Municipal (IMRF) pension funded ratio	98.5%	78.8%	9	7
4. City pension debts per household as a percentage of median household income	1.6%	9.5%	9	6
5. City contributions per household as a percentage of median household income	0.18%	0.66%	9	7
6. City contributions as a percentage of total budget	2.7%	7.5%	9	4
7. Ratio of city contributions to employee contributions	1.43	4.79	9	4
8. Percentage surplus/shortfall in actuarially-required city contribution (Police & Fire only)	-28.1%	-9.5%	4	8
9. Asset-to-payout ratio (Police & Fire only)	21.4	10.0	9	6
10. Worker-to-beneficiary ratio (Police & Fire only)	1.55	0.80	7	4
Total score			79	54
Grade			C	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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