

COMMUNITIES IN CRISIS

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

East Moline

2019 Grade: F

In 2003, East Moline’s police, fire and municipal pension funds already faced a shortfall of **\$8.0 million**. That meant every East Moline household, on average, was on the hook for **\$933** in future taxes just to eliminate that shortfall.

East Moline 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	\$0.80 million	\$2.59 million	Up 3.2X
Share of city general budget for pensions	48.9%	17.1%	Down 38.9%

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

By 2019, the shortfall in East Moline’s police, fire and municipal pension funds totaled **\$40.2 million**. That means each East Moline household, on average, is now on the hook for **\$5,026** in debt.

Everyone loses under East Moline’s pension crisis:



Taxpayers are tapped out

East Moline 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 5.0 times larger.



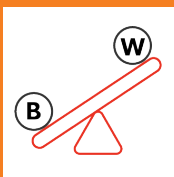
Pension costs are devouring the city’s budget

East Moline pension contributions consume 17.1% of the city’s budget, down from 48.9% in 2003. That’s still crowding out spending on public safety, roads and other core services.



East Moline worker retirement security is collapsing

The health of East Moline’s local pension plans have worsened despite those increased taxpayer contributions. In 2003, the plans had 84.4% of the money they needed. By 2019, that had dropped to just 61.2%.



East Moline’s crisis will only get worse

East Moline has fewer active government workers available to help pay for a growing number of retirees. In 2003, there were 1.17 active workers for every pensioner. By 2019, there were 0.74 active workers per pensioner.

2019 GRADE

F

2003 GRADE

C

East Moline 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).*

East Moline received an "F" grade in 2019. The city's total score dropped from 74 in 2003 to 56 in 2019, a decline of 18 points.

East Moline 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

East Moline Key Facts

City demographics	2000	2019
Population	20,333	20,916
Households	8,530	7,997
Median household income	\$35,836	\$53,660
City budget	2003	2019
General revenues	\$1,627,894	\$15,187,141
Total revenues	\$20,396,721	\$48,772,547
Total property taxes	\$3,532,713	\$7,305,196
Pension health (police, fire & IMRF)	2003	2019
Total accrued liabilities (benefits owed)	\$51,102,390	\$103,639,392
Total pension assets	\$43,139,799	\$63,446,421
Funded ratio	84.4%	61.2%
Total pension shortfall	\$7,962,591	\$40,192,971
Per household	\$933	\$5,026
Active public safety workers	77	73
Public safety pension beneficiaries	66	99
City pension contributions	2003	2019
City contributions	\$795,967	\$2,591,908
Per household	\$93	\$324
Percentage of city's general budget	48.9%	17.1%
Employees' contributions	\$508,709	\$766,180

East Moline Score

Metric	2003	2019	2003	2019
1. Police pension funded ratio	63.2%	50.7%	6	5
2. Firefighter pension funded ratio	82.8%	58.3%	8	5
3. Municipal (IMRF) pension funded ratio	113.7%	91.8%	10	9
4. City pension debts per household as a percentage of median household income	2.6%	9.4%	8	6
5. City contributions per household as a percentage of median household income	0.26%	0.60%	8	7
6. City contributions as a percentage of total budget	3.9%	5.3%	8	6
7. Ratio of city contributions to employee contributions	1.56	3.38	8	5
8. Percentage surplus/shortfall in actuarially-required city contribution (Police & Fire only)	-24.4%	-25.4%	5	4
9. Asset-to-payout ratio (Police & Fire only)	16.5	11.0	8	6
10. Worker-to-beneficiary ratio (Police & Fire only)	1.17	0.74	5	3

Total score

74

56

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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