

COMMUNITIES IN CRISIS

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

Edwardsville

2019 Grade: C

In 2003, Edwardsville’s police, fire and municipal pension funds already faced a shortfall of **\$4.9 million**. That meant every Edwardsville household, on average, was on the hook for **\$610** in future taxes just to eliminate that shortfall.

Edwardsville 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	\$0.57 million	\$2.53 million	Up 4.4X
Share of city general budget for pensions	7.4%	13.3%	Up 1.8X

Despite the ramp-up in city payments over those 16 years, Edwardsville’s pension debts didn’t decrease. Instead, they jumped by 5.6 times!

By 2019, the shortfall in Edwardsville’s police, fire and municipal pension funds totaled **\$27.6 million**. That means each Edwardsville household, on average, is now on the hook for **\$3,256** in debt.

Everyone loses under Edwardsville’s pension crisis:



Taxpayers are tapped out

Edwardsville residents are paying more and more into a broken system. City taxpayers in 2019 contributed 4.4 times more to pensions than in 2003, yet city debts are 5.6 times larger.



Pension costs are devouring the city’s budget

Edwardsville pension contributions have grown to consume 13.3% of the city’s budget, up from 7.4% in 2003. That’s crowded out spending on public safety, roads and other core services.



Edwardsville worker retirement security is collapsing

The health of Edwardsville’s local pension plans have worsened despite those increased taxpayer contributions. In 2003, the plans had 81.8% of the money they needed. By 2019, that had dropped to just 65.6%.



Edwardsville’s crisis will only get worse

Edwardsville has fewer active government workers available to help pay for a growing number of retirees. In 2003, there were 2.20 active workers for every pensioner. By 2019, there were 1.81 active workers per pensioner.

2019 GRADE



2003 GRADE



Edwardsville receives a "C" 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).*

Edwardsville received a "C" grade in 2019. The city's total score dropped from 84 in 2003 to 71 in 2019, a decline of 13 points.

Edwardsville was one of 8 cities to receive a "C" grade in 2019.

Edwardsville Key Facts		
City demographics	2000	2019
Population	21,491	25,171
Households	8,095	8,461
Median household income	\$50,921	\$77,411
City budget	2003	2019
General revenues	\$7,642,652	\$18,975,615
Total revenues	\$21,896,951	\$52,994,544
Total property taxes	\$5,135,569	\$13,299,945
Pension health (police, fire & IMRF)	2003	2019
Total accrued liabilities (benefits owed)	\$27,139,830	\$80,068,057
Total pension assets	\$22,202,351	\$52,516,638
Funded ratio	81.8%	65.6%
Total pension shortfall	\$4,937,478	\$27,551,419
Per household	\$610	\$3,256
Active public safety workers	55	76
Public safety pension beneficiaries	25	42
City pension contributions	2003	2019
City contributions	\$566,977	\$2,530,724
Per household	\$70	\$299
Percentage of city's general budget	7.4%	13.3%
Employees' contributions	\$382,318	\$1,101,673

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

Edwardsville Score				
Metric	2003	2019	2003	2019
1. Police pension funded ratio	66.0%	64.6%	6	6
2. Firefighter pension funded ratio	91.1%	58.5%	9	5
3. Municipal (IMRF) pension funded ratio	94.7%	79.4%	9	7
4. City pension debts per household as a percentage of median household income	1.2%	4.2%	9	8
5. City contributions per household as a percentage of median household income	0.14%	0.39%	9	8
6. City contributions as a percentage of total budget	2.6%	4.8%	9	7
7. Ratio of city contributions to employee contributions	1.48	2.30	9	7
8. Percentage surplus/shortfall in actuarially-required city contribution (Police & Fire only)	-20.6%	-15.6%	5	6
9. Asset-to-payout ratio (Police & Fire only)	22.7	16.4	9	8
10. Worker-to-beneficiary ratio (Police & Fire only)	2.20	1.81	10	9
Total score			84	71
Grade			B	C

*Wirepoints analyzed 175 of Illinois' largest cities, excluding Chicago, that have a local police, firefighter and municipal (IMRF) pension fund.

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