

# COMMUNITIES IN CRISIS

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

## Jacksonville

## 2019 Grade: D

In 2003, Jacksonville’s police, fire and municipal pension funds already faced a shortfall of **\$6.6 million**. That meant every Jacksonville household, on average, was on the hook for **\$905** in future taxes just to eliminate that shortfall.

*Jacksonville 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	\$0.99 million	\$2.65 million	Up 2.7X
Share of city general budget for pensions	12.5%	16.8%	Up 1.3X

*Despite the ramp-up in city payments over those 16 years, Jacksonville’s pension debts didn’t decrease. Instead, they jumped by 4.4 times!*

By 2019, the shortfall in Jacksonville’s police, fire and municipal pension funds totaled **\$29.1 million**. That means each Jacksonville household, on average, is now on the hook for **\$4,018** in debt.

### Everyone loses under Jacksonville’s pension crisis:



#### Taxpayers are tapped out

Jacksonville residents are paying more and more into a broken system. City taxpayers in 2019 contributed 2.7 times more to pensions than in 2003, yet city debts are 4.4 times larger.



#### Pension costs are devouring the city’s budget

Jacksonville pension contributions have grown to consume 16.8% of the city’s budget, up from 12.5% in 2003. That’s crowded out spending on public safety, roads and other core services.



#### Jacksonville worker retirement security is collapsing

The health of Jacksonville’s local pension plans have worsened despite those increased taxpayer contributions. In 2003, the plans had 83.5% of the money they needed. By 2019, that had dropped to just 64.2%.



#### Jacksonville’s crisis will only get worse

Jacksonville has fewer active government workers available to help pay for a growing number of retirees. In 2003, there were 1.00 active workers for every pensioner. By 2019, there were 0.82 active workers per pensioner.

2019 GRADE



2003 GRADE



# Jacksonville 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).\*

Jacksonville received a “D” grade in 2019. The city’s total score dropped from 77 in 2003 to 60 in 2019, a decline of 17 points.

Jacksonville was one of 64 cities to receive a “D” grade in 2019.

Jacksonville Key Facts		
<b>City demographics</b>	<b>2000</b>	<b>2019</b>
Population	18,940	18,859
Households	7,336	7,248
Median household income	\$33,117	\$43,976
<b>City budget</b>	<b>2003</b>	<b>2019</b>
General revenues	\$7,912,156	\$15,787,420
Total revenues	\$20,856,317	\$39,594,208
Total property taxes	\$3,449,172	\$7,092,029
<b>Pension health (police, fire &amp; IMRF)</b>	<b>2003</b>	<b>2019</b>
Total accrued liabilities (benefits owed)	\$40,312,574	\$81,340,698
Total pension assets	\$33,670,625	\$52,220,072
Funded ratio	83.5%	64.2%
Total pension shortfall	\$6,641,949	\$29,120,626
Per household	\$905	\$4,018
Active public safety workers	64	67
Public safety pension beneficiaries	64	82
<b>City pension contributions</b>	<b>2003</b>	<b>2019</b>
City contributions	\$989,519	\$2,650,480
Per household	\$135	\$366
Percentage of city’s general budget	12.5%	16.8%
Employees’ contributions	\$433,566	\$679,092

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

Jacksonville Score				
Metric	2003	2019	2003	2019
1. Police pension funded ratio	68.6%	55.7%	6	5
2. Firefighter pension funded ratio	82.6%	58.8%	8	5
3. Municipal (IMRF) pension funded ratio	112.1%	92.2%	10	9
4. City pension debts per household as a percentage of median household income	2.7%	9.1%	8	6
5. City contributions per household as a percentage of median household income	0.41%	0.83%	8	6
6. City contributions as a percentage of total budget	4.7%	6.7%	7	5
7. Ratio of city contributions to employee contributions	2.28	3.90	7	5
8. Percentage surplus/shortfall in actuarially-required city contribution (Police & Fire only)	7.7%	-1.7%	10	9
9. Asset-to-payout ratio (Police & Fire only)	15.2	11.6	8	6
10. Worker-to-beneficiary ratio (Police & Fire only)	1.00	0.82	5	4
<b>Total score</b>			<b>77</b>	<b>60</b>
<b>Grade</b>			<b>C</b>	<b>D</b>

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

Communities in crisis: More than half of Illinois cities get “F” grades for local pensions

