In 2003, Pekin’s police, fire and municipal pension funds already faced a shortfall of $30.6 million. That meant every Pekin household, on average, was on the hook for $2,284 in future taxes just to eliminate that shortfall.

Pekin 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.

<table>
<thead>
<tr>
<th></th>
<th>2003</th>
<th>2019</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>City (taxpayer) contributions to pensions</td>
<td>$2.00 million</td>
<td>$5.67 million</td>
<td>Up 2.8X</td>
</tr>
<tr>
<td>Share of city general budget for pensions</td>
<td>12.6%</td>
<td>18.8%</td>
<td>Up 1.5X</td>
</tr>
</tbody>
</table>

Despite the ramp-up in city payments over those 16 years, Pekin’s pension debts didn’t decrease. Instead, they jumped by 2.5 times!

By 2019, the shortfall in Pekin’s police, fire and municipal pension funds totaled $75.7 million. That means each Pekin household, on average, is now on the hook for $5,582 in debt.

Everyone loses under Pekin’s pension crisis:

- **Taxpayers are tapped out**
  Pekin residents are paying more and more into a broken system. City taxpayers in 2019 contributed 2.8 times more to pensions than in 2003, yet city debts are 2.5 times larger.

- **Pension costs are devouring the city’s budget**
  Pekin pension contributions have grown to consume 18.8% of the city’s budget, up from 12.6% in 2003. That’s crowded out spending on public safety, roads and other core services.

- **Pekin worker retirement security is collapsing**
  The health of Pekin’s local pension plans have worsened despite those increased taxpayer contributions. In 2003, the plans had 55.2% of the money they needed. By 2019, that had dropped to just 47.5%.

- **Pekin’s crisis will only get worse**
  Pekin has fewer active government workers available to help pay for a growing number of retirees. In 2003, there were 1.03 active workers for every pensioner. By 2019, there were 0.79 active workers per pensioner.
Pekin received an "F" grade in 2019. The city's total score dropped from 61 in 2003 to 46 in 2019, a decline of 15 points.

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

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).*

Pekin was one of 102 cities to receive an “F” grade in 2019.