

# Atlanta

## The Truth



Money Needed to Pay Bills  
**\$598.8 million**



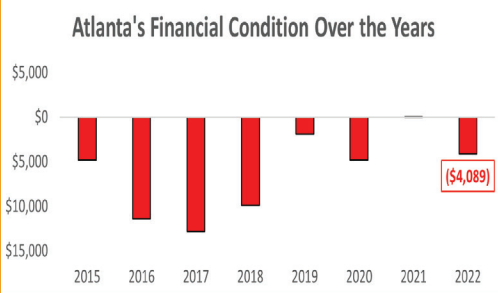
Taxpayer Burden™  
**\$4,100**



Financial Grade  
**C**



Ranking  
**45 out of 75**



## Financial State of Atlanta

Atlanta's financial condition deteriorated, switching it from having a Taxpayer Surplus™ to a Taxpayer Burden™. Despite increased tax collections and federal COVID relief funds, the city's pension investment values decreased. This created a per Taxpayer Burden of \$4,089, earning it a "C" grade from Truth in Accounting.

According to the city's 2022 financial report, Atlanta continued to spend large amounts of federal COVID-19 relief funds, and as the U.S. economy reopened the city took in additional tax revenue. Such economic gains were offset by significant decreases in the value of the city's pension investments. Over the past few years investment market values have swung dramatically. In 2022 this volatility negatively impacted the city's pension liability and financial condition, which demonstrates the risk to taxpayers when their city offers defined pension benefits to its employees.

Atlanta had set aside only 76 cents for every dollar of promised pension benefits and no money set aside for promised retiree health care benefits.

The combination of factors mentioned above created a Taxpayer Burden of \$4,089. It is important to note that continued market fluctuations, changing investment values, decreased COVID relief funds, and a stabilizing economy that may slow tax collections, could continue to worsen the government's financial health. We advise city officials to follow the recommendations in our 2024 Financial State of the Cities report which would bring greater transparency and accountability to its finances.

# Atlanta's Financial Breakdown

## Fast Facts

- Atlanta had \$3.4 billion available to pay \$4 billion worth of bills.
- The outcome was a \$598.8 million shortfall, a financial deterioration of \$599.7 million from the prior year, and a burden of \$4,089 per taxpayer.
- Despite receiving \$18.3 million in grants and a \$20 million increase in revenues, the city's unfunded pension promises increased due to a decline in pension investment values.

### The City's Bills Exceeded Its Assets

Total Assets	\$20,611,756,000
Minus: Capital Assets	-\$14,752,900,000
Restricted Assets	-\$2,467,235,000
Assets Available to Pay Bills	\$3,391,621,000
Minus: Total Bills*	\$3,990,401,000
Money needed to pay bills	\$598,780,000
Each taxpayer's share of this burden	\$4,089

### \*Breakdown of Total Bills

Bonds	\$7,577,861,000
Other Liabilities	\$1,772,597,000
Minus: Debt Related to Capital Assets	-\$7,480,759,000
Unfunded Pension Benefits	\$1,236,338,000
Unfunded Retiree Health Care Benefits	\$884,364,000
Total Bills	\$3,990,401,000

#### Grade:

**C**

Bottom line: Atlanta would need \$4,089 from each of its taxpayers to pay all of its outstanding bills and received a "C" grade for its finances. According to Truth in Accounting's grading scale, any government with a Taxpayer Burden between \$0 and \$4,999 is given a "C" grade.

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