

Chula Vista

The Truth



Money Available to Pay Bills
\$112.8 million



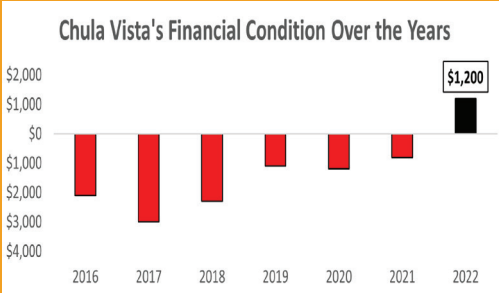
Taxpayer Surplus™
\$1,200



Financial Grade
B



Ranking
13 out of 75



Financial State of Chula Vista

Chula Vista's financial condition appeared to improve, switching it from having a Taxpayer Burden™ to a Taxpayer Surplus™ of \$1,200, earning it a “B” grade from Truth in Accounting. But the improvement is deceiving because the city used outdated pension data.

According to the city's 2022 financial report, Chula Vista continued to spend federal COVID-19 relief funds and as the U.S. economy reopened, the city took in additional tax revenue. The city's pension liability is calculated by subtracting earned and promised benefits from the market value of pension investments. Unfortunately, the city used 2021 data when determining its pension debt. Because 2021 was an exceptionally good market year, pension investment values were high. The result was a dramatic decrease in the city's pension liability and a corresponding decrease in the money needed to pay bills.

Over the past few years, investment market values have swung dramatically. If the city experienced the same major decrease in the value of its pension investments that most other cities experienced in 2022, Chula Vista had even less money available to pay promised benefits. This volatility demonstrates the risk to taxpayers when their city offers defined pension benefits to its employees.

As of 2021, Chula Vista had set aside 114 for every dollar of promised pension benefits and no money set aside for promised retiree health care benefits.

It is important to note that continued market fluctuations, changing investment values, decreased COVID relief funds, and a stabilizing economy may slow tax collections and, once again, worsen the government's financial health. City officials should continue to try to reduce the Taxpayer Burden by following the recommendations in our 2024 Financial State of the Cities report which would bring greater transparency and accountability to city finances.

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The data included in this report is derived from Chula Vista's 2022 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other cities' financial, demographic, and economic information, go to Data-Z.org.

Chula Vista's Financial Breakdown

Fast Facts

- Chula Vista had \$474.5 million available to pay \$361.7 million worth of bills.
- The outcome was a \$112.8 million surplus, which breaks down to \$1,200 per taxpayer.
- While this report indicates the city's financial condition improved due in part to COVID relief funds and increased taxes, this might be overly optimistic because the city used outdated pension data.

The City's Assets Exceeded Its Bills

Total Assets	\$2,311,216,000
Minus: Capital Assets	(\$1,605,910,000)
Restricted Assets	(\$230,823,000)
Assets Available to Pay Bills	\$474,483,000
Minus: Total Bills*	\$361,658,000
Money available to pay bills	\$112,825,000
Each taxpayer's share of this surplus	\$1,200

*Breakdown of Total Bills

Bonds	\$480,174,000
Other Liabilities	\$157,312,000
Minus: Debt Related to Capital Assets	(\$142,505,000)
Unfunded Pension Benefits	(\$160,773,000)
Unfunded Retiree Health Care Benefits	\$27,450,000
Total Bills	\$361,658,000

Grade:

B

Bottom line: Chula Vista had more than enough money to pay its outstanding bills and received a "B" grade for its finances. According to Truth in Accounting's grading scale, any government with a Taxpayer Surplus between \$1 and \$9,999 is given a "B" grade.

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