



WASHINGTON, DC RANKS NO. 2 FOR ITS FISCAL HEALTH

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THE FINANCIAL STATE OF WASHINGTON, DC

A new analysis of the audited financial reports found Washington, D.C. has a Taxpayer Surplus™ of \$3,500, earning it a “B” grade from Truth in Accounting. Future economic downturns, however, could adversely affect tax revenues and the value of assets being held in pension plans, which could diminish the city’s surplus.

Unlike most cities, Washington, D.C.’s government has enough resources available to pay all of its bills, including public employees’ retirement benefits. This means that Washington, D.C.’s elected officials have truly balanced their budgets. When broken down, the amount available to pay future bills results in a surplus of \$3,500 for each Washington, D.C. taxpayer.

Washington, D.C. and other cities have become more transparent over the last few years, thanks to the Generally Accepted Accounting Principles (GAAP) set by the Governmental Accounting Standards Board (GASB), which now require governments to disclose pension (GASB 68) and other post-employment (GASB 75) benefits on their balance sheets.

THE TRUTH:



Data included in this report is derived from the District of Columbia’s 2018 audited Comprehensive Annual Financial Report and retirement plans’ reports.

WASHINGTON, DC FINANCIAL BREAKDOWN

FAST FACTS

- Washington, D.C. has \$5.8 billion available in assets to pay \$4.9 billion worth of bills.
- The outcome is a \$968.3 million surplus, which breaks down to \$3,500 per taxpayer.
- Washington, D.C.’s retirement liabilities are extremely well-funded. The district has enough assets set aside to bolster plans against downturns in the market.

THE DISTRICT’S ASSETS EXCEED ITS BILLS

Total assets	\$22,445,736,000
<i>Minus:</i> Capital assets	-\$14,686,435,000
Restricted assets	-\$1,919,638,000
Assets available to pay bills	\$5,839,663,000
<i>Minus:</i> Total bills	-\$4,871,336,000
Money available (needed) to pay bills	\$968,327,000
Each taxpayer’s share of surplus	\$3,500

BILLS THE DISTRICT HAS ACCUMULATED

Bonds	\$12,720,010,000
Other liabilities	\$3,480,387,000
<i>Minus:</i> Debt related to capital assets	-\$10,638,864,000
Overfunded pension benefits	-\$619,168,000
Overfunded retiree health care benefits	-\$71,029,000
Total bills	\$4,871,336,000

GRADE: B

Bottom line: Washington, D.C. has more than enough money to pay its bills. A “B” grade is given to any government with a Taxpayer Surplus between \$100 and \$10,000.

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