



# EL PASO FINANCES IN DECENT SHAPE

January 2018  
[truthinaccounting.org](http://truthinaccounting.org)

## THE FINANCIAL STATE OF EL PASO

Truth in Accounting's (TIA) new city report ranks and grades the 75 most populous cities in the United States by their financial health. El Paso ranks No. 33, earning it a "C" on TIA's grading scale.

Decisions by city officials have left the city with a debt burden of \$870.6 million, according to TIA's analysis of the city's 2016 financial filings. That burden equates to \$4,400 for every El Paso taxpayer.

El Paso's overall debt primarily consists of bonds payable and entitlement obligations in two categories: pensions and retiree healthcare benefits. The city has \$617.5 million in unfunded pension promises and \$109.7 million in unfunded retiree healthcare benefits. While El Paso has promised these benefits, little money has been set aside to fund them.

The city reports most of its debt on the balance sheet, but it is still not completely transparent with taxpayers. Almost \$53 million of retirement liabilities are excluded, primarily because outdated pension data was used to prepare the financial statements.

**33**

Rank

**\$870.6**  
million

Money needed  
to pay bills

**-\$4,400**

Taxpayer  
Burden™

**C**

Financial grade

# EL PASO FINANCIAL BREAKDOWN

## FAST FACTS

- + El Paso has \$724.9 million available in assets to pay \$1.6 billion worth of bills.
- + The outcome is an \$870.6 million shortfall and a \$4,400 Taxpayer Burden™.
- + The city reports most of its retirement liabilities on its balance sheet, but \$52.6 million of pension and retiree healthcare obligations are still excluded.

### THE CITY'S BILLS EXCEED ITS ASSETS

Assets	\$3,921,269,000
<i>Minus:</i> Capital assets	-\$2,944,017,000
Restricted assets	-\$252,365,000
Assets available to pay bills	\$724,887,000
<i>Minus:</i> Bills	-\$1,595,487,000
Money needed to pay bills	-\$870,600,000
<b>Each taxpayer's share of this debt</b>	<b>-\$4,400</b>

### BILLS THE CITY HAS ACCUMULATED

Bonds	\$2,177,897,000
Other liabilities	\$289,948,000
<i>Minus:</i> Debt related to capital assets	-\$1,599,626,000
Unfunded pension benefits	\$617,526,000
Unfunded retiree healthcare	\$109,742,000
<b>Bills</b>	<b>\$1,595,487,000</b>

## GRADE: C

Bottom line: El Paso's Taxpayer Burden™ is less than \$5,000, so it has received a "C" for its finances from Truth in Accounting. While better off than many other cities, El Paso still owes more than it owns.

Truth in Accounting is committed to educating and empowering citizens with understandable, reliable, and transparent government financial information. To be knowledgeable participants in their government and its budget process, citizens need truthful and transparent financial information.