



IRVINE FINANCES ARE BEST

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THE FINANCIAL STATE OF IRVINE

Truth in Accounting's (TIA) new city report ranks and grades the 75 most populous cities in the United States by their financial health. Irvine ranks No. 1, earning it a "B" on TIA's grading scale.

Unlike most cities, Irvine's elected officials have only promised the amount of benefits they can afford to pay. Because of this, Irvine has enough money to pay all of its bills. When broken down, the amount available to pay future bills results in a surplus of \$5,200 for each Irvine taxpayer.

While Irvine has \$111.2 million in unfunded pension benefits and \$5.3 million in unfunded retiree healthcare benefits, the city has assets outside these retirement systems that could be used to cover these promised benefits. To reduce the unfunded obligations, the city could move additional available assets into its retirement systems.

Although Irvine has enough money to pay all of its bills, it is still not completely transparent with taxpayers. New accounting rules issued by the Governmental Accounting Standards Board require state and local governments to disclose all pension debt on their balance sheets. However, when it comes to retiree healthcare benefits, Irvine is hiding \$3.5 million from taxpayers.

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Rank

**\$414.2
million**

Money available
to pay future
bills

\$5,200

Taxpayer
Surplus™

B

Financial grade

IRVINE FINANCIAL BREAKDOWN

FAST FACTS

- + Irvine has \$609.7 million available in assets to pay \$195.6 million worth of bills.
- + The outcome is a \$414.2 million surplus, which breaks down to \$5,200 per taxpayer.
- + Despite reporting all of its pension debt, the city hides most of its retiree healthcare debt. The city's total hidden debt amounts to \$3.5 million.

THE CITY'S ASSETS EXCEED ITS BILLS

Assets	\$2,676,658,000
<i>Minus:</i> Capital assets	-\$1,566,452,000
Restricted assets	-\$500,474,000
Assets available to pay bills	\$609,732,000
<i>Minus:</i> Bills	-\$195,573,000
Money available to pay bills	\$414,159,000
Each taxpayer's share of surplus	\$5,200

BILLS THE CITY HAS ACCUMULATED

Other liabilities	\$79,127,000
Unfunded pension benefits	\$111,180,000
Unfunded retiree healthcare	\$5,266,000
Bills	\$195,573,000

GRADE: B

Bottom line: Irvine has enough money to pay its bills, so it has received a "B" for its finances from Truth in Accounting. A "B" grade is given to cities with a Taxpayer Surplus™ between \$100 and \$10,000.

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.