

# Lincoln

## The Truth



Money Available to Pay Bills  
**\$403.1 million**



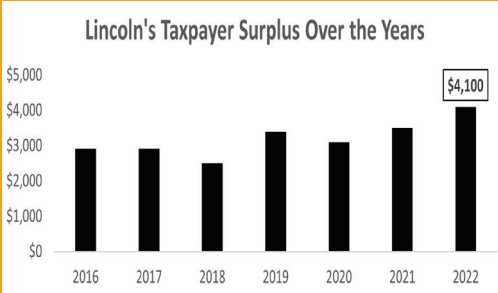
Taxpayer Surplus™  
**\$4,100**



Financial Grade  
**B**



Ranking  
**4 out of 75**



## Financial State of Lincoln

Lincoln's financial condition appeared to improve with a Taxpayer Surplus™ of \$4,100, earning it a "B" grade from Truth in Accounting.

According to the city's 2022 financial report, Lincoln continued to spend federal COVID-19 relief funds, and as the U.S. economy reopened the city took in additional tax revenue. Unlike most cities, Lincoln's pension system reported unrealized investment gains based upon a measurement date when the markets were performing well. Over the past few years investment market values have swung dramatically. This volatility demonstrates the risk to taxpayers when their city offers defined pension benefits to its employees.

Lincoln had set aside only 81 cents for every dollar of promised pension benefits and no money set aside for promised retiree health care benefits.

The Taxpayer Surplus could be a temporary positive position because of continued market fluctuations, changing investment values, decreased COVID relief funds, and a stabilizing economy that may slow tax collections. City officials should protect their Taxpayer Surplus by following the recommendations in our 2024 Financial State of the Cities report, which would also bring greater transparency and accountability to city finances.

# Lincoln's Financial Breakdown

## Fast Facts

- Lincoln had \$841.5 million available to pay \$455.1 million worth of bills.
- The outcome was a \$403.1 million surplus, which breaks down to \$4,100 per taxpayer.
- While this report indicates the city had money available to pay its bills, this data might be overly optimistic because the city used outdated pension data.

## The City's Assets Exceeded Its Bills

|                                       |                  |
|---------------------------------------|------------------|
| Total Assets                          | \$4,363,556,000  |
| Minus: Capital Assets                 | -\$3,240,890,000 |
| Restricted Assets                     | -\$264,480,000   |
| Assets Available to Pay Bills         | \$858,186,000    |
| Minus: Total Bills*                   | \$455,134,000    |
| Money available to pay bills          | \$403,052,000    |
| Each taxpayer's share of this surplus | \$4,100          |

## \*Breakdown of Total Bills

|                                       |                  |
|---------------------------------------|------------------|
| Bonds                                 | \$1,169,069,000  |
| Other Liabilities                     | \$440,868,000    |
| Minus: Debt Related to Capital Assets | -\$1,257,792,000 |
| Unfunded Pension Benefits             | \$74,246,000     |
| Unfunded Retiree Health Care Benefits | \$28,743,000     |
| Total Bills                           | \$455,134,000    |

### Grade:

# B

Bottom line: Lincoln 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.

Truth in Accounting is a 501(c)(3) nonprofit committed to educating and empowering you with understandable, reliable, and transparent government financial information so you can be a knowledgeable participant in your government and its budget process.