



No. **40**

Orlando Receives 'D' Grade for its Finances

January 2019
truthinaccounting.org



The Financial State of Orlando

A new analysis of the latest available audited financial report found Orlando has a Taxpayer Burden™ of \$5,300, earning it a "D" grade based on Truth in Accounting's grading scale.

Orlando's elected officials have made repeated financial decisions that have left the city with a debt burden of \$457.4 million, according to the analysis. That equates to a \$5,300 burden for every city taxpayer.

Orlando's financial problems stem mostly from unfunded retirement obligations that have accumulated over many years. Of the \$2.1 billion in retirement benefits promised, the city has not funded \$266.9 million in pension and \$518.8 million in retiree health care benefits.

Here's the truth:

\$457.4
million
Money needed
to pay bills

-\$5,300
Taxpayer
Burden

D
Financial grade

Data included in this report is derived from the city of Orlando 2017 audited Comprehensive Annual Financial Report and retirement plans' reports.

ORLANDO

FINANCIAL BREAKDOWN

FAST FACTS

- + Orlando has \$1.1 billion available in assets to pay \$1.6 billion worth of bills.
- + The outcome is a \$457.4 million shortfall and a \$5,300 Taxpayer Burden.
- + The city is hiding all of its retiree health care debt from its balance sheet.

THE CITY'S BILLS EXCEED ITS ASSETS

Assets	\$3,512,798,000
Minus: Capital assets	-\$2,220,019,000
Restricted assets	-\$171,581,000
Assets available to pay bills	\$1,121,198,000
Minus: Bills	-\$1,578,634,000
Money needed to pay bills	-\$457,436,000
Each taxpayer's share of this debt	-\$5,300

BILLS THE CITY HAS ACCUMULATED

Bonds	\$790,817,000
Other liabilities	\$576,046,000
Minus: Debt related to capital assets	-\$573,944,000
Unfunded pension benefits	\$266,927,000
Unfunded retiree health care	\$518,788,000
Bills	\$1,578,634,000

GRADE: D

Bottom line: Orlando does not have enough money to pay its bills, so it has received a "D" for its finances from Truth in Accounting. A "D" grade is given to cities with a Taxpayer Burden between \$5,000 and \$20,000.