



No. **52**

# Milwaukee Finances Still Struggling

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## The Financial State of Milwaukee

A new analysis of the latest available audited financial report found Milwaukee has a Taxpayer Burden™ of \$8,200, earning it a "D" grade based on Truth in Accounting's grading scale.

Milwaukee's elected officials have made repeated financial decisions that have left the city with a debt burden of \$1.7 billion, according to the analysis. That equates to a \$8,200 burden for every city taxpayer.

Milwaukee's financial problems stem mostly from unfunded retirement obligations that have accumulated over many years. Of the \$5.8 billion in retirement benefits promised, the city has not funded \$300.7 million in pension and \$1.1 billion in retiree health care benefits.

### Here's the truth:

**\$1.7**  
billion  
Money needed  
to pay bills

**-\$8,200**  
Taxpayer  
Burden

**D**  
Financial grade

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

# MILWAUKEE

## FINANCIAL BREAKDOWN

### FAST FACTS

- + Milwaukee has \$1.1 billion available in assets to pay \$2.8 billion worth of bills.
- + The outcome is a \$1.7 billion shortfall and a \$8,200 Taxpayer Burden.
- + The city is hiding \$588.6 million of retiree health care debt from its balance sheet.

### THE CITY'S BILLS EXCEED ITS ASSETS

Assets	\$3,705,332,000
Minus: Capital assets	-\$2,438,205,000
Restricted assets	-\$175,376,000
Assets available to pay bills	\$1,091,751,000
Minus: Bills	-\$2,839,457,000
Money needed to pay bills	-\$1,747,706,000
Each taxpayer's share of this debt	-\$8,200

### BILLS THE CITY HAS ACCUMULATED

Bonds	\$1,437,988,000
Other liabilities	\$880,966,000
Minus: Debt related to capital assets	-\$842,806,000
Unfunded pension benefits	\$300,706,000
Unfunded retiree health care	\$1,062,603,000
Bills	\$2,839,457,000

### GRADE: D

Bottom line: Milwaukee 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.