



No. **75**

New York City's Fiscal Health Declines as Retiree Health Care Costs Grow

January 2019

truthinaccounting.org

The Financial State of New York City

A new analysis of the latest available audited financial report found New York City has a Taxpayer Burden™ of \$64,100, earning it an "F" grade based on Truth in Accounting's grading scale. This burden increased by \$1,600 since last year, primarily due to increasing retiree health care liabilities.

New York City's elected officials have made repeated financial decisions that have left the city with a debt burden of \$185.5 billion, according to the analysis. That equates to a \$64,100 burden for every city taxpayer.

New York City's financial problems stem mostly from unfunded retirement obligations that have accumulated over many years. Of the \$312.2 billion in retirement benefits promised, the city has not funded \$60.4 billion in pension and \$96 billion in other post-employment benefits (OPEB).

Here's the truth:



Data included in this report is derived from the New York City 2017 audited Comprehensive Annual Financial Report and retirement plans' reports.

NEW YORK CITY

FINANCIAL BREAKDOWN

FAST FACTS

- + New York City has \$58.5 billion available in assets to pay \$244 billion worth of bills.
- + The outcome is a \$185.5 billion shortfall and a \$64,100 Taxpayer Burden.
- + New York City's reported net position is understated by \$10.3 billion, largely because the city delays recognizing gains resulting from changes in OPEB plan assumptions.

THE CITY'S BILLS EXCEED ITS ASSETS

Assets	\$163,785,210,000
Minus: Capital assets	-\$98,058,513,000
Restricted assets	-\$7,249,637,000
Assets available to pay bills	\$58,477,060,000
Minus: Bills	-\$244,007,827,000
Money needed to pay bills	-\$185,530,767,000
Each taxpayer's share of this debt	-\$64,100

BILLS THE CITY HAS ACCUMULATED

Bonds	\$132,928,763,000
Other liabilities	\$56,264,392,000
Minus: Debt related to capital assets	-\$101,507,358,000
Unfunded pension benefits	\$60,367,455,000
Unfunded retiree health care	\$95,954,575,000
Bills	\$244,007,827,000

GRADE: F

Bottom line: New York City would need more than \$20,000 from each of its taxpayers to pay all of its bills, so it has received an "F" for its finances from Truth in Accounting.