



No. **69**

Oakland Ranks No. 69 for Fiscal Health

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The Financial State of Oakland

A new analysis of the latest available audited financial report found Oakland has a Taxpayer Burden™ of \$21,100, earning it an "F" grade based on Truth in Accounting's grading scale.

Oakland's elected officials have made repeated financial decisions that have left the city with a debt burden of \$2.9 billion, according to the analysis. That equates to a \$21,100 burden for every city taxpayer.

Oakland's financial problems stem mostly from unfunded retirement obligations that have accumulated over many years. Of the \$6.1 billion in retirement benefits promised, the city has not funded \$1.9 billion in pension and \$969.5 million in retiree health care benefits.

Here's the truth:

\$2.9
billion
Money needed
to pay bills

-\$21,100
Taxpayer
Burden

F
Financial grade

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

OAKLAND

FINANCIAL BREAKDOWN

FAST FACTS

- + Oakland has \$1.3 billion available in assets to pay \$4.2 billion worth of bills.
- + The outcome is a \$2.9 billion shortfall and a \$21,100 Taxpayer Burden.
- + Oakland's reported net position is overstated by \$317.6 million, largely because the city delays recognizing losses incurred when the net pension liability increases.

THE CITY'S BILLS EXCEED ITS ASSETS

Assets	\$5,751,463,000
Minus: Capital assets	-\$3,815,623,000
Restricted assets	-\$621,716,000
Assets available to pay bills	\$1,314,124,000
Minus: Bills	-\$4,175,096,000
Money needed to pay bills	-\$2,860,972,000
Each taxpayer's share of this debt	-\$21,100

BILLS THE CITY HAS ACCUMULATED

Bonds	\$1,818,405,000
Other liabilities	\$817,690,000
Minus: Debt related to capital assets	-\$1,379,879,000
Unfunded pension benefits	\$1,949,409,000
Unfunded retiree health care	\$969,471,000
Bills	\$4,175,096,000

GRADE: F

Bottom line: Oakland 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.