Atlanta's Finances Earn 'D' Grade

The Financial State of Atlanta

A new analysis of the latest available audited financial report found Atlanta has a Taxpayer Burden™ of $12,800, earning it a "D" grade based on Truth in Accounting's grading scale.

Atlanta'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 $12,800 burden for every city taxpayer.

Atlanta's financial problems stem mostly from unfunded retirement obligations that have accumulated over many years. Of the $5.2 billion in retirement benefits promised, the city has not funded $1.4 billion in pension and $1.1 billion in retiree health care benefits.

Here's the truth:

$1.7
billion
Money needed
to pay bills

-$12,800
Taxpayer
Burden

D
Financial grade

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

FAST FACTS

+ **Atlanta has $3.1 billion available in assets to pay $4.8 billion worth of bills.**

+ **The outcome is a $1.7 billion shortfall and a $12,800 Taxpayer Burden.**

+ **Atlanta's reported net position is overstated by $457.7 million, primarily because the city delays recognizing losses incurred when the net pension liability increases.**

THE CITY'S BILLS EXCEED ITS ASSETS	
Assets	$17,641,350,000
Minus: Capital assets	-$12,591,813,000
Restricted assets	-$1,899,570,000
Assets available to pay bills	$3,149,967,000
Minus: Bills	-$4,800,685,000
Money needed to pay bills	-$1,650,718,000
Each taxpayer's share of this debt	-$12,800

BILLS THE CITY HAS ACCUMULATED	
Bonds	$7,551,194,000
Other liabilities	$1,397,173,000
Minus: Debt related to capital assets	-$6,700,032,000
Unfunded pension benefits	$1,409,072,000
Unfunded retiree health care	$1,143,278,000
Bills	$4,800,685,000

GRADE: D

Bottom line: Atlanta 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.