Austin Finances Earn 'C' Grade

The Financial State of Austin

A new analysis of the latest available audited financial report found Austin has a Taxpayer Burden™ of $4,300, earning it a **"C"** grade based on Truth in Accounting's grading scale.

Financial decisions made by the city's elected officials have left Austin with a $1.2 billion shortfall, which equates to a $4,300 burden for every taxpayer.

Most of the city's overall debt comes from retirement liabilities that have accumulated over many years. Of the $7.7 billion in retirement benefits promised, the city has not funded $1.9 billion in pension and $2 billion in retiree health care benefits.

Here's the truth:

$1.2
billion
Money needed to pay bills

-$4,300
Taxpayer Burden

C
Financial grade

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

FAST FACTS

+ Austin has $3.8 billion available in assets to pay $5 billion worth of bills.

+ The outcome is a $1.2 billion shortfall and a $4,300 Taxpayer Burden.

+ The city is hiding $993.3 million of retiree health care debt from its balance sheet.

THE CITY'S BILLS EXCEED ITS ASSETS	
Assets	$15,758,496,000
Minus: Capital assets	-$11,052,735,000
Restricted assets	-$872,843,000
Assets available to pay bills	$3,832,918,000
Minus: Bills	-$4,988,110,000
Money needed to pay bills	-$1,155,192,000
Each taxpayer's share of this debt	-$4,300

BILLS THE CITY HAS ACCUMULATED	
Bonds	$6,729,505,000
Other liabilities	$1,439,805,000
Minus: Debt related to capital assets	-$7,045,834,000
Unfunded pension benefits	$1,859,970,000
Unfunded retiree health care	$2,004,664,000
Bills	$4,988,110,000

GRADE: C

Bottom line: Austin's Taxpayer Burden is less than $5,000, so it has received a "C" for its finances from Truth in Accounting. While better off than many other cities, Austin still owes more than it owns.

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