



Chicago's Finances Seemingly Improving

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The Financial State of Chicago

A new analysis of the latest available audited financial report found Chicago has a Taxpayer Burden™ of \$36,000, earning it an "F" grade based on Truth in Accounting's grading scale. This burden decreased by \$9,200 since last year, primarily because of changes in assumptions concerning discount rates used to value pension liabilities.

Chicago's elected officials have made repeated financial decisions that have left the city with a debt burden of \$32.5 billion, according to the analysis. That equates to a \$36,000 burden for every city taxpayer.

Chicago's financial problems stem mostly from unfunded retirement obligations that have accumulated over many years. Of the \$39 billion in retirement benefits promised, the city has not funded \$28 billion in pension and \$842.9 million in retiree health care benefits.

Here's the truth:



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

CHICAGO

FINANCIAL BREAKDOWN

FAST FACTS

- + Chicago has \$9.5 billion available in assets to pay \$42 billion worth of bills.
- + The outcome is a \$32.5 billion shortfall and a \$36,000 Taxpayer Burden.
- + The city is hiding \$655.3 million of retiree health care debt from its balance sheet.

THE CITY'S BILLS EXCEED ITS ASSETS

Assets	\$37,934,876,000
Minus: Capital assets	-\$25,183,112,000
Restricted assets	-\$3,284,092,000
Assets available to pay bills	\$9,467,672,000
Minus: Bills	-\$41,958,853,000
Money needed to pay bills	-\$32,491,181,000
Each taxpayer's share of this debt	-\$36,000

BILLS THE CITY HAS ACCUMULATED

Bonds	\$26,904,034,000
Other liabilities	\$8,036,699,000
Minus: Debt related to capital assets	-\$21,868,130,000
Unfunded pension benefits	\$28,043,325,000
Unfunded retiree health care	\$842,925,000
Bills	\$41,958,853,000

GRADE: F

Bottom line: Chicago 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.