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Debt for America's 10 largest cities is worse than we thought

CHICAGO -- The [City Combined Taxpayer Burden Report](#) analyzes the finances of the 10 most populous U.S. cities, including their largest underlying government entities. This data is released by Truth in Accounting (TIA), a think tank that analyzes government financial reporting.

Due to the coronavirus pandemic, the Federal Reserve recently announced that it would buy the municipal bond debt of large cities. This report analyzed the fiscal health of the 10 largest cities based on financial reports before COVID-19 hit. The findings of this report show these cities went into the pandemic with bad fiscal health, and they will probably come out of the crisis even worse.

Other than New York City, most municipalities do not include the underlying government entities that taxpayers are also responsible for such as school districts, transit and housing authorities. This report analyzes these entities in order to give taxpayers a better understanding of their municipalities' financial health and their Taxpayer Burden. A Taxpayer Burden is the approximate amount each taxpayer would have to give the government in order to pay off the government's debt. This is calculated by taking the total debt for the government and dividing it by the total number of taxpayers.

All 10 of these cities were analyzed in our [2020 Financial State of the Cities Report](#) (FSOC) released earlier this year. That FSOC report found that Chicago and New York City had the worst finances of the 75 largest cities in the United States with Chicago having a Taxpayer Burden of \$37,100 and New York City having a Taxpayer Burden of \$63,100. After analyzing the underlying entities the report found that the Taxpayer Burden for each Chicago taxpayer jumped to \$122,100, and New York City's increased to \$83,600.

Here is a ranking of the combined Taxpayer Burden for taxpayers living in the 10 largest cities (from best to worst):

- 1) Phoenix: -\$10,000
- 2) San Antonio: -\$17,200
- 3) Dallas: -\$23,300
- 4) Houston: -\$25,800
- 5) San Diego: -\$34,200
- 6) San Jose: -\$41,900
- 7) Philadelphia: -\$45,800
- 8) Los Angeles: -\$49,700
- 9) New York City: -\$83,600
- 10) Chicago: -\$122,000

The City Combined Taxpayer Burden report is an in-depth study of the financial condition in America's 10 largest cities and their underlying governments. Data for this report was derived from government entities' 2018 comprehensive annual financial reports.

Founded in 2002, Truth in Accounting is dedicated to educating and empowering citizens with understandable, reliable, and transparent government financial information. Sheila Weinberg is a Certified Public Accountant with more than 40 years of experience in the field.

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