



FRESNO FINANCES IN GOOD SHAPE

January 2020
truthinaccounting.org

THE FINANCIAL STATE OF FRESNO

A new analysis of the audited financial reports found Fresno has a Taxpayer Surplus™ of \$3,200, earning it a “B” grade from Truth in Accounting. Fresno is one of 12 cities to receive a “B” grade for its financial condition.

Unlike most cities, Fresno’s city government has enough resources available to pay all of its bills, including public employees’ retirement benefits. This means that Fresno’s elected officials have truly balanced their budgets. When broken down, the amount available to pay future bills results in a surplus of \$3,200 for each Fresno taxpayer.

Fresno and other cities have become more transparent over the last few years, thanks to the Generally Accepted Accounting Principles (GAAP) set by the Governmental Accounting Standards Board (GASB), which now require governments to disclose pension (GASB 68) and other post-employment (GASB 75) benefits on their balance sheets.

THE TRUTH:



FRESNO FINANCIAL BREAKDOWN

FAST FACTS

- Fresno has \$772 million available in assets to pay \$219.6 million worth of bills.
- The outcome is a \$552.4 million surplus, which breaks down to \$3,200 per taxpayer.
- Future economic downturns, however, could adversely affect tax revenues and the value of assets being held in retirement plans, which could diminish the city’s surplus.

THE CITY’S ASSETS EXCEED ITS BILLS

Total assets	\$3,641,513,000
<i>Minus:</i> Capital assets	-\$2,698,006,000
Restricted assets	-\$171,473,000
Assets available to pay bills	\$772,034,000
<i>Minus:</i> Total bills	-\$219,623,000
Money available (needed) to pay bills	\$552,411,000
Each taxpayer’s share of surplus	\$3,200

BILLS THE CITY HAS ACCUMULATED

Bonds	\$683,323,000
Other liabilities	\$755,112,000
<i>Minus:</i> Debt related to capital assets	-\$943,595,000
Overfunded pension benefits	-\$368,037,000
Unfunded retiree health care benefits	\$92,820,000
Total bills	\$219,623,000

GRADE: B

Bottom line: Fresno has more than enough money to pay its bills. A “B” grade is given to any government with a Taxpayer Surplus between \$100 and \$10,000.

Truth in Accounting is a 501(c)(3) committed to educating and empowering citizens with understandable, reliable and transparent government financial information. To be knowledgeable participants in their government, citizens need truthful and transparent financial information.