



# Fresno, CA

## Earned 'B' Grade for Fiscal Health

### The Truth

Money Available to Pay Future Bills **\$876.9 million**

Taxpayer Surplus™ **\$4,900**

Financial Grade **B**

Ranking **5 out of 75**

## Financial State of Fresno

Fresno's healthy financial condition improved in 2021 after the Covid-pandemic in large part due to a temporary decrease in its pension liability and the federal government stimulus money. Based upon Fresno's fiscal year 2021 audited financial report, Fresno had a Taxpayer Surplus™ of \$4,900, earning it a "B" grade from Truth in Accounting.

The city's pension liability is calculated by subtracting earned and promised benefits from the market value of pension assets. Based on an exceptionally good year in the markets in 2021, the pension assets' values were high. The result was a dramatic decrease in Fresno's pension liability and a corresponding increase in its money available to pay future bills to \$876.9 million, including public employees' retirement benefits. Each taxpayer's share of this surplus is \$4,900.

It is important to note that inflation and stock market downturns in 2022 will most likely affect this positive outlook next year. These negative influences could cause the value of pension assets to decrease and the pension liability to increase. The uncertainty surrounding their financial condition makes it impossible to determine if Fresno will maintain current levels of government services and benefits without a negative impact on its financial health.

The data included in this report is derived from Fresno's 2021 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other cities' financial, demographic, and economic information, go to [Data-Z.org](https://data-z.org).

February 2023

[www.truthinaccounting.org](https://www.truthinaccounting.org)  
[www.data-z.org](https://www.data-z.org)



**Daniels College of Business**  
UNIVERSITY OF DENVER  
School of Accountancy

# Fresno's Financial Breakdown

## Fast Facts

- Fresno had \$876.9 million available to pay future bills, which was \$652.2 million more than it had in 2020.
- Mostly due to high, short-lived gains in the value of pension plan assets, pension debt decreased by \$712.4 million.
- These gains may be reversed in 2022 as investment markets experienced a downturn.

## The City's Assets Exceeded Its Bills

Total Assets	\$3,907,811,000
Minus: Capital Assets	-\$2,702,619,000
Restricted Assets	-\$304,925,000
Assets Available to Pay Bills	\$900,267,000
Minus: Total Bills*	-\$23,326,000
Money Available to Pay Future Bills	\$876,941,000
Each Taxpayer's Share of this Surplus	\$4,900

## \*Breakdown of Total Bills

Bonds	\$441,899,000
Other Liabilities	\$1,020,885,000
Minus: Debt Related to Capital Assets	-\$786,984,000
Overfunded Pension Benefits	-\$805,078,000
Unfunded Retiree Health Care Benefits	\$152,604,000
Total Bills	\$23,326,000

### Grade:

**B**

Bottom line: Fresno had more than enough money to pay its bills, so it received a "B" for its finances from Truth in Accounting. A "B" grade is given to governments with a Taxpayer Surplus between \$1 and \$9,999.