



# FORT WAYNE FINANCES IN DECENT SHAPE

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## THE FINANCIAL STATE OF FORT WAYNE

Truth in Accounting's (TIA) new city report ranks and grades the 75 most populous cities in the United States by their financial health. Fort Wayne ranks No. 24, earning it a "C" on TIA's grading scale.

Decisions by city officials have left the city with a debt burden of \$204.9 million, according to TIA's analysis of its 2016 financial filings. That burden equates to \$2,500 for every Fort Wayne taxpayer.

Fort Wayne's financial problems are largely driven by entitlement obligations in the form of pension benefits. The city has \$280.4 million in unfunded pension promises and \$125.3 million in unfunded retiree healthcare benefits. While Fort Wayne has promised these benefits, little money has been set aside to fund them.

These statistics are jarring, but what's also alarming is that city government officials continue to hide significant amounts of retirement debt from their balance sheets, despite new rules to increase financial transparency. This skewed financial data gives residents a false impression of their city's overall financial health.

**24**

Rank

**\$204.9  
million**

Money needed  
to pay bills

**-\$2,500**

Taxpayer  
Burden™

**C**

Financial grade

# FORT WAYNE FINANCIAL BREAKDOWN

## FAST FACTS

- + Fort Wayne has \$529.1 million available in assets to pay \$734 million worth of bills.
- + The outcome is a \$204.9 million shortfall and a \$2,500 Taxpayer Burden™.
- + Despite reporting all of its pension debt, the city hides most of its retiree health care debt. The city's total hidden debt amounts to \$89.1 million.

### THE CITY'S BILLS EXCEED ITS ASSETS

Assets	\$2,411,229,000
<i>Minus:</i> Capital assets	-\$1,786,028,000
Restricted assets	-\$96,148,000
Assets available to pay bills	\$529,053,000
<i>Minus:</i> Bills	-\$734,001,000
Money needed to pay bills	-\$204,948,000
<b>Each taxpayer's share of this debt</b>	<b>-\$2,500</b>

### BILLS THE CITY HAS ACCUMULATED

Bonds	\$471,250,000
Other liabilities	\$471,018,000
<i>Minus:</i> Debt related to capital assets	-\$613,981,000
Unfunded pension benefits	\$280,413,000
Unfunded retiree healthcare	\$125,301,000
<b>Bills</b>	<b>\$734,001,000</b>

## GRADE: C

Bottom line: Fort Wayne'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, Fort Wayne still owes more than it owns.

Truth in Accounting is committed to educating and empowering citizens with understandable, reliable, and transparent government financial information. To be knowledgeable participants in their government and its budget process, citizens need truthful and transparent financial information.