



# Minneapolis' Retirement Liabilities Volatile

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## The Financial State of Minneapolis

A new analysis of the latest available audited financial report found Minneapolis has a Taxpayer Burden™ of \$2,100, earning it a "C" grade based on Truth in Accounting's grading scale.

The city's taxpayer burden has varied greatly since 2015, primarily because of fluctuations in its pension liabilities. In 2017, the pension plans reported healthy investment earnings, as well as favorable changes in actuarial assumptions.

Financial decisions made by the city's elected officials have left Minneapolis with a \$325.7 million shortfall, which equates to a \$2,100 burden for every taxpayer. Most of the city's overall debt comes from retirement liabilities that have accumulated over many years.

### Here's the truth:



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

# MINNEAPOLIS

## FINANCIAL BREAKDOWN

### FAST FACTS

- + Minneapolis has \$926.8 million available in assets to pay \$1.3 billion worth of bills.
- + The outcome is a \$325.7 million shortfall and a \$2,100 Taxpayer Burden.
- + Of the \$3.7 billion in retirement benefits promised, the city has not funded \$714.1 million in pension and \$36.5 million in retiree health care benefits.

### THE CITY'S BILLS EXCEED ITS ASSETS

Assets	\$4,199,515,000
Minus: Capital assets	-\$2,966,140,000
Restricted assets	-\$306,567,000
Assets available to pay bills	\$926,808,000
Minus: Bills	-\$1,252,514,000
Money needed to pay bills	-\$325,706,000
Each taxpayer's share of this debt	-\$2,100

### BILLS THE CITY HAS ACCUMULATED

Bonds	\$617,642,000
Other liabilities	\$392,840,000
Minus: Debt related to capital assets	-\$508,497,000
Unfunded pension benefits	\$714,067,000
Unfunded retiree health care	\$36,462,000
Bills	\$1,252,514,000

### GRADE: C

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