New York City Worst In Nation For Fiscal Health

Truth in Accounting

January 2022 | www.truthinaccounting.org | www.data-z.org

Financial State of New York City, NY

Despite receiving support from COVID relief grants and other federal programs, New York City remained in dire fiscal shape during the onset of the pandemic. Based upon the city's fiscal year 2020 audited financial report, New York City had a Taxpayer Burden™ of $71,400, earning it an "F" grade from Truth in Accounting.

New York City's elected officials have repeatedly made financial decisions that left the city with a debt burden of $204.4 billion. That burden came to $71,400 for every city taxpayer. New York City's financial problems stem mostly from unfunded retirement obligations that have accumulated over the years. The city had set aside only 78 cents for every dollar of promised pension benefits and three cents for every dollar of promised retiree health care benefits.

New York City did not have enough money set aside to weather the pandemic and the city has been in poor fiscal shape for years. Like all other cities, New York City received federal assistance from the CARES Act and other COVID-19 related grants which came with stipulations on how the money could be spent. Also, the city has not been properly funding its pension and retiree health care promises which places a burden on future taxpayers.

The data included in this report is derived from the city of New York City's 2020 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other city financial, demographic, and economic information go to Data-Z.org.

New York City's Financial Breakdown

Fast Facts

- New York City had $71.2 billion available to pay $275.6 billion worth of bills.

- The outcome was a $204.4 billion shortfall, which breaks down to a burden of $71,400 per taxpayer.

- This means that each taxpayer would have to pay $71,400 in future taxes for which they would receive no related services or benefits.

THE CITY'S BILLS EXCEEDED ITS ASSETS	
Total assets	$189,563,890,000
Minus: Capital assets	-$107,787,074,000
Restricted assets	-$10,544,215,000
Assets available to pay bills	$71,232,601,000
Minus: Total bills	-$275,621,613,000
Money available (needed) to pay bills	-$204,389,012,000
Each taxpayer's share of this burden	-$71,400

BILLS THE CITY ACCUMULATED	
Bonds	$147,085,540,000
Other liabilities	$70,778,316,000
Minus: Debt related to capital assets	-$109,817,594,000
Unfunded pension benefits	$50,167,802,000
Unfunded retiree health care benefits	$117,407,549,000
Total bills	$275,621,613,000

Grade: F	Bottom line: New York City would need $71,400 from each of its taxpayers to pay all of its bills, so it has received an "F" for its finances. According to Truth in Accounting's grading scale, any government with a Taxpayer Burden greater than $20,000 receives an "F."

Truth in Accounting is a 501(c)(3) nonprofit organization 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.