



No. 15

Oklahoma City's Financial Condition Sound

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The Financial State of Oklahoma City

A new analysis of the latest available audited financial report found Oklahoma City has a Taxpayer Burden™ of \$1,000, earning it a "C" grade based on Truth in Accounting's grading scale.

Financial decisions made by the city's elected officials have left Oklahoma City with a \$185.6 million shortfall, which equates to a \$1,000 burden for every taxpayer.

Most of the city's overall debt comes from retirement liabilities that have accumulated over many years. Of the \$3 billion in retirement benefits promised, the city has not funded \$324.9 million in pension and \$523.4 million in retiree health care benefits.

Here's the truth:

\$185.6
million
Money needed
to pay bills

-\$1,000
Taxpayer
Burden

C
Financial grade

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

OKLAHOMA CITY

FINANCIAL BREAKDOWN

FAST FACTS

- + Oklahoma City has \$1.3 billion available in assets to pay \$1.5 billion worth of bills.
- + The outcome is a \$185.6 million shortfall and a \$1,000 Taxpayer Burden.
- + Oklahoma City's reported net position is overstated by \$122.5 million, largely because the city delays recognizing losses incurred when the net pension liability increases.

THE CITY'S BILLS EXCEED ITS ASSETS

Assets	\$6,400,644,000
Minus: Capital assets	-\$4,295,420,000
Restricted assets	-\$765,286,000
Assets available to pay bills	\$1,339,938,000
Minus: Bills	-\$1,525,505,000
Money needed to pay bills	-\$185,567,000
Each taxpayer's share of this debt	-\$1,000

BILLS THE CITY HAS ACCUMULATED

Bonds	\$1,664,066,000
Other liabilities	\$514,103,000
Minus: Debt related to capital assets	-\$1,500,939,000
Unfunded pension benefits	\$324,854,000
Unfunded retiree health care	\$523,421,000
Bills	\$1,525,505,000

GRADE: C

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