



Chicago Earns 'F' Grade for Fiscal Health

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THE FINANCIAL STATE OF CHICAGO

A new analysis of the latest available audited financial reports found Chicago has a Taxpayer Burden™ of \$38,100, earning it an “F” grade based on Truth in Accounting’s grading scale. This burden increased by \$2,100 since last year, primarily because of increases in pension liabilities.

Chicago’s elected officials have made repeated financial decisions that have left the city with a debt burden of \$34.4 billion, according to the analysis. That equates to a \$38,100 burden for every city taxpayer.

Chicago’s financial problems stem mostly from unfunded retirement obligations that have accumulated over many years. Of the \$39.8 billion in retirement benefits promised, the city has not funded \$30.1 billion in pension and \$684.6 million in retiree health care benefits.

THE TRUTH:



Data included in this report is derived from the City of Chicago’s 2018 audited Comprehensive Annual Financial Report and retirement plans’ reports.

CHICAGO FINANCIAL BREAKDOWN

FAST FACTS

- + Chicago has \$10.7 billion available to pay \$45.1 billion worth of bills.
- + The outcome is a \$34.4 billion shortfall or -\$38,100 per taxpayer.
- + Thanks to new accounting standards, the city is no longer hiding any pension nor retiree health care debt.

THE CITY’S BILLS EXCEED ITS ASSETS

Total assets	\$40,385,882,000
<i>Minus:</i> Capital assets	-\$26,249,256,000
Restricted assets	-\$3,445,624,000
Assets available to pay bills	\$10,691,002,000
<i>Minus:</i> Total bills	-\$45,109,152,000
Money needed to pay bills	-\$34,418,150,000
Each taxpayer’s share of this debt	-\$38,100

BILLS THE CITY HAS ACCUMULATED

Bonds	\$28,463,852,000
Other liabilities	\$8,125,453,000
<i>Minus:</i> Debt related to capital assets	-\$22,282,588,000
Unfunded pension benefits	\$30,117,803,000
Unfunded retiree health care	\$684,632,000
Bills	\$45,109,152,000

GRADE: F

Bottom line: Chicago would need \$38,100 from each of its taxpayers to pay all of its bills, so it has received an “F” for its finances from Truth in Accounting. According to Truth in Accounting’s grading scale, any government with a Taxpayer Burden greater than \$20,000 receives an “F”

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