

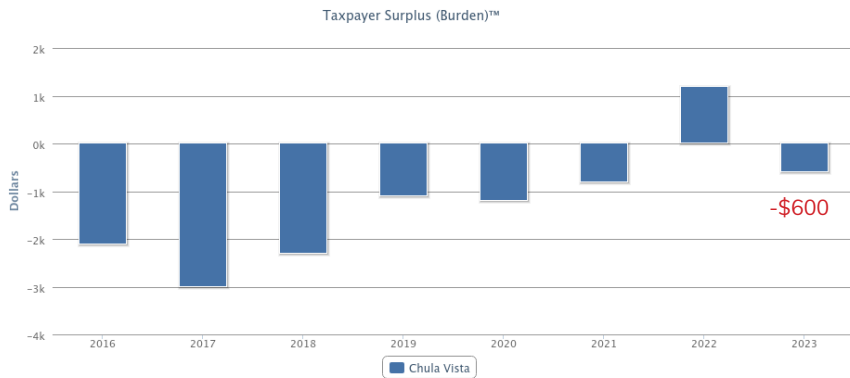
FINANCIAL STATE OF CHULA VISTA



\$60.4 million
MONEY NEEDED TO PAY
BILLS

\$600
TAXPAYER BURDEN™

Chula Vista’s financial condition worsened in 2023, transitioning from a Sunshine City to a Sinkhole City. Based upon our analysis of its audited financial report for fiscal year 2023, the city needed \$60.4 million to cover its bills. This led to a Taxpayer Burden™ of \$600, earning the city a “C” grade from Truth in Accounting.



The city’s financial situation shifted from a surplus to needing additional funds, primarily due to an increase in its share of CalPERS liability. Since CalPERS did not provide the city with 2023 pension data, the liability was based on 2022 values, which reflected unrealized losses in CalPERS investments, contributing to the increase. The lack of timely pension data clouds the understanding of the city’s financial condition.

On a positive note, to address future pension obligations, the city established an irrevocable trust to manage upcoming CalPERS contributions. Furthermore, the city experienced revenue growth, with property tax collections rising significantly due to higher property values and increased economic activity.

FINANCIAL STATE OF CHULA VISTA

C
FINANCIAL GRADE

25 out of 75
RANKING

FINANCIAL FACTS

- Chula Vista had \$502.8 million available to pay \$563.1 million worth of bills.
- The outcome was a \$60.4 million shortfall, which breaks down to a burden of \$600 per taxpayer.
- Based on outdated pension data, the city’s finances deteriorated, but the establishment of an irrevocable trust proactively addressed pension issues.

The City’s Bills Exceeded Its Assets

Total Assets	\$2,456,001,000
Minus: Capital Assets	-\$1,691,560,000
Restricted Assets	-\$261,689,000
Assets Available to Pay Bills	\$502,752,000
Minus: Total Bills*	-\$563,127,000
Money needed to pay bills	\$60,375,000
Each taxpayer’s share of this burden	\$600

*Breakdown of Total Bills

Bonds	\$457,783,000
Other Liabilities	\$161,438,000
Minus: Debt Related to Capital Assets	-\$137,312,000
Unfunded Pension Benefits	\$53,514,000
Unfunded Retiree Health Care Benefits	\$27,704,000
Total Bills	\$563,127,000

Grade:	Bottom line:
C	Chula Vista would need \$600 from each of its taxpayers to pay all of its outstanding bills and received a “C” grade for its finances. According to Truth in Accounting’s grading scale, any government with a Taxpayer Burden between \$0 and \$4,999 is given a “C” grade.