



WICHITA FINANCES IN DECENT SHAPE

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THE FINANCIAL STATE OF WICHITA

Truth in Accounting's (TIA) new city report ranks and grades the 75 most populous cities in the United States by their financial health. Wichita ranks No. 13, earning it a "C" on TIA's grading scale.

Decisions by city officials have left the city with a debt burden of \$17 million, according to TIA's analysis of its 2016 financial filings. That burden equates to \$100 for every Wichita taxpayer.

What's more alarming is that city government officials continue to obscure significant amounts of retirement debt from their balance sheets, despite new rules to increase financial transparency. This skewed financial data gives residents a false impression of their city's overall financial health. Wichita's balance sheet excludes more than half of its retiree healthcare liabilities.

13

Rank

**\$17
million**

Money needed
to pay bills

-\$100

Taxpayer
Burden™

C

Financial grade

WICHITA FINANCIAL BREAKDOWN

FAST FACTS

- + Wichita has \$379.9 million available in assets to pay \$397 million worth of bills.
- + The outcome is a \$17 million shortfall and a \$100 Taxpayer Burden™.
- + Despite reporting most of its pension debt, the city hides most of its retiree healthcare debt. The city's total hidden debt amounts to \$28.4 million.

THE CITY'S BILLS EXCEED ITS ASSETS

| | |
|---|------------------|
| Assets | \$3,715,708,000 |
| <i>Minus:</i> Capital assets | -\$2,958,331,000 |
| Restricted assets | -\$377,446,000 |
| Assets available to pay bills | \$379,931,000 |
| <i>Minus:</i> Bills | -\$396,969,000 |
| Money needed to pay bills | -\$17,038,000 |
| Each taxpayer's share of this debt | -\$100 |

BILLS THE CITY HAS ACCUMULATED

| | |
|---|----------------------|
| Bonds | \$1,100,556,000 |
| Other liabilities | \$315,537,000 |
| <i>Minus:</i> Debt related to capital assets | -\$1,170,788,000 |
| Unfunded pension benefits | \$116,705,000 |
| Unfunded retiree healthcare | \$34,959,000 |
| Bills | \$396,969,000 |

GRADE: C

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

Truth in Accounting is 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.