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GASB 68: HOW WILL STATE UNFUNDED PENSION LIABILITIES AFFECT BIG CITIES?

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Introduction

Beginning in 2015, under new provisions of the Governmental Accounting Standards Board (GASB), the unfunded actuarial accrued liability for public pension plans moved from the footnotes of financial statements to the balance sheets of employers. In addition, localities that participate in "cost-sharing" state plans are now required to report their share of that plan's unfunded liability on their books. This *brief* explores the implication of this latter shift.

The discussion proceeds as follows. The first section describes the new GASB provisions. The second section illustrates, in detail, our method for applying GASB 68. The third section presents the estimated impact of GASB 68 on the 92 cities in our sample that are participating in cost-sharing state plans, as well as the overall impact on our full sample of 173 cities. The fourth section compares individual results for selected cities. The final section concludes that forcing cities to recognize their share of the state's unfunded liability may lead them to take more interest in having these liabilities paid off.

New GASB Provisions

To increase the visibility of pension commitments, GASB Statement 68 makes two changes. First, it moves pension funding information from the footnotes to the balance sheets of employers. Second, it requires employers that participate in so-called "cost-sharing" plans to provide information regarding their share of the "net pension liability" on their books. Both changes are significant. Moving information to the balance sheet will raise the salience of pension costs. This analysis, however, focuses on the second change – the allocation of the liabilities associated with cost-sharing plans.

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Cost-sharing plans are a type of multiple-employer plan – that is, a plan that provides pensions to the employees of more than one employer. GASB divides multiple-employer plans into two groups – agent plans and cost-sharing plans. In agent plans, assets are pooled for investment purposes but the plan maintains separate accounts so that each employer's share of the pooled assets is legally available to pay benefits only for its employees. In cost-sharing plans, the pension obligations, as well as the assets, are pooled, and the assets can be used to pay the benefits of any participating employer.

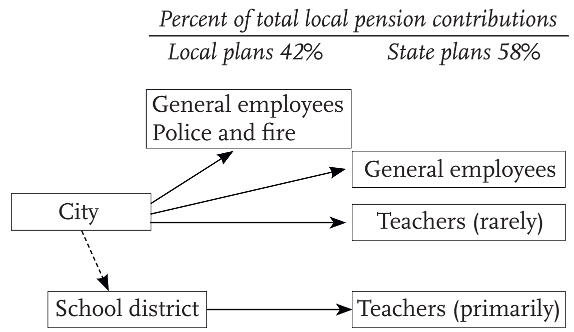
To date, funded information for employers in agent plans appears in the notes of their financial statements, so the only change will be moving that information into the balance sheet. In contrast, no information currently appears for employers participating in cost-sharing plans, so the new provisions require determining each employer's share of the net pension liability and including that amount on the balance sheet.

The new GASB statements also introduce new terms. The net pension liability is essentially the unfunded actuarial accrued liability. It is based on a concept of total pension liability, which is the present value of projected benefit payments for current active and inactive employees attributable to past periods of service, calculated using a particular actuarial cost method (traditional entry age). The net pension liability is the difference between the total pension liability and the fiduciary net position (plan assets at fair market value plus any deferred outflows or inflows). Since the data for our exercise are drawn mostly from 2012 reports, three years before the new GASB standards took effect, the discussion uses the familiar terminology of accrued liability and assets.

The Application of GASB 68

Figure 1 illustrates the flow of pension payments from city governments to various pension plans to which they contribute. For most city governments, pension payments include contributions to city-administered plans (often covering general employees and/or police and fire); contributions to non-teacher plans administered at the state level; and, very occasionally, contributions to state teacher plans. Generally, teacher plans receive their contributions from school districts, which raise their own revenue. These types of direct contributions made by the city or school district to the pension plan are represented by the solid lines in the figure. Occasionally, cities transfer funds to the school district, which is represented by the dotted line. Our analysis is limited to cities and does not examine the impact of GASB 68 on school districts.[1]

Figure 1. Contributions from Cities and Towns to Pension Plans



Source: Authors' illustration.

The analysis uses a sample of 173 cities and towns, which includes cities that administer their own local plans, cities that participate only in state plans, and cities that have some combination of the two.[2] The exercise involves reapportioning assets and liabilities in state cost-sharing plans to participating cities.[3]

GASB appears to allow some flexibility in how this reapportionment is executed. GASB simply says that the basis for each employer's proportion should reflect its share of the long-run contribution effort and "be consistent with the manner in which contributions to the pension plan ... are determined."[4]

For this exercise, the key metric was a city's contribution to a given state plan as a percentage of the plan's total ARC. If ARC information was not available, the apportionment was based on the ratio of a city's actual contributions to the state plan's total actual contributions. One would think that other measures, such as the ratio of the city's payrolls covered under the plan to the state plan's total payrolls, might also be acceptable.

A sample calculation for Cincinnati may help clarify the process used for this analysis. Cincinnati participates in three pension plans – one local plan and two cost-sharing state plans. The full assets and

Table 1. Estimated Funded Ratio for Cincinnati (in millions), FY 2012

Plan	Plan finances		Percentage to city under GASB 68	City finances		
	Assets	Liabilities		Assets	Liabilities	Funded ratio
Local plans	$1,368	$2,230				
Cincinnati ERS	1,368	2,230	100 %	$1,368	$2,230	61 %
State plans	49,771	63,103				
OPERS-Local	39,493	47,095	0.3	114	136	84
Ohio P&F	10,278	16,008	10.0	1,031	1,606	64
City total				2,513	3,972	63

Note: Cincinnati ERS: Cincinnati Employees Retirement System, OPERS-Local: Ohio Public Employees Retirement System-Local, Ohio P&F: Ohio Police and Fire.
Sources: Authors' calculations based on various FY 2012 plan and government consolidated annual financial statements (CAFRs); and U.S. Census Bureau (2012).

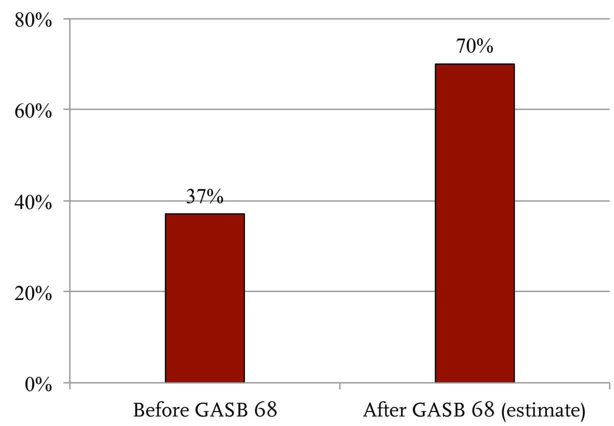
liabilities of the local plan are allocated to the city (see Table 1). However, because Cincinnati's ARC payment to the state plans represents only a fraction of the state plans' total ARC, only 0.3 percent of the general employee plan (OPERS) assets and liabilities and 10.0 percent of the police and fire plan (Ohio P&F) assets and liabilities are apportioned to Cincinnati. Finally, the allocated assets and liabilities from all plans are summed to obtain total assets, liabilities, and funded level for the city.

The Impact of GASB 68

Ninety-two of the cities in our sample participate in cost-sharing state plans and are affected by GASB 68. The measure of the impact in this analysis is the change in the unfunded liability relative to a city's own-source revenue (to standardize for city size). As shown in Figure 2, for the 92 cities affected, the unfunded liability as a percentage of revenue rises from 37 percent before GASB 68 to 70 percent after. Of course, because GASB 68 simply shifts the recognition of these liabilities from the states to the cities, the unfunded liability for the states drops by a corresponding amount (in dollar terms).

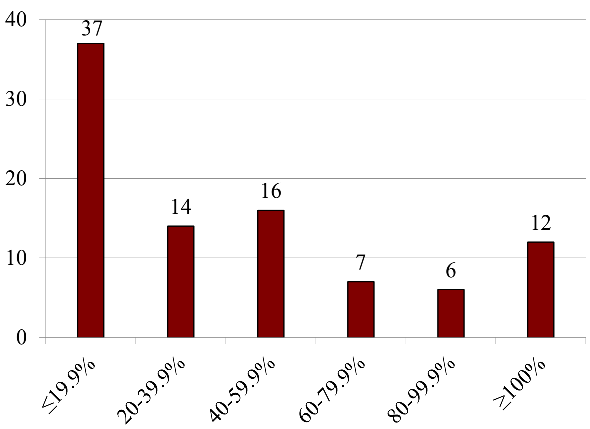
These aggregate numbers hide much variation. Thirty-seven percent of the 92 cities have their unfunded liability as a percentage of revenue increase by less than 20 percentage points (see Figure 3 on the next page). However, about a third of the affected cities in our sample – 25 cities – experience increases of over 60 percentage points. For a complete list of the before and after numbers for affected cities, see Appendix Table 1. Strong market returns for fiscal years 2013-2015 will have reduced these percentages somewhat.

Figure 2. Unfunded Liability as Percentage of Revenue for Major Cities Affected by GASB 68, FY 2012



Sources: Authors' calculations based on various FY 2012 plan and government CAFRs; and U.S. Census Bureau (2012).

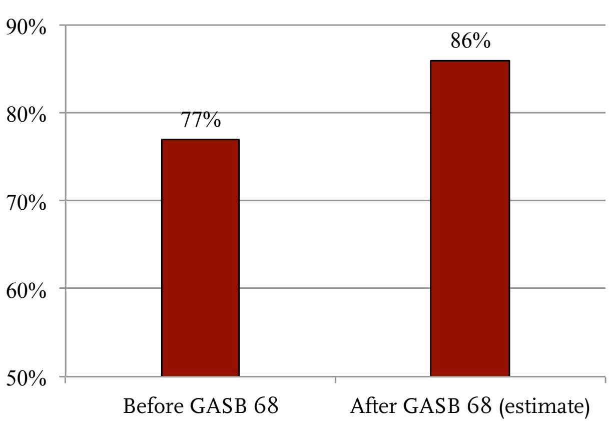
Figure 3. Distribution of Major Cities Affected by GASB 68, by Change in the Unfunded Liability as Percentage of Own-Source Revenue, FY 2012



Sources: Authors' calculations based on various FY 2012 plan and government CAFRs; and U.S. Census Bureau (2012).

Figure 4 shows unfunded liabilities as a percentage of revenue for the full sample of 173 plans, before and after GASB 68. While the overall impact of GASB 68 on the 92 affected cities within our sample is large, the impact on the 173 cities is much smaller – about 9 percentage points (a 12-percent increase). The reason is that the 92 cities are small; they make up only about a quarter of the total revenue in our sample cities.

Figure 4. Unfunded Liability as Percentage of Revenue for All Major Cities, FY 2012



Sources: Authors' calculations based on various FY 2012 plan and government CAFRs; and U.S. Census Bureau (2012).

Comparing Cities after GASB 68

Table 2 reports the cities with the lowest and highest unfunded liability as a percentage of own-source revenue, after state liabilities have been apportioned. Those cities affected by GASB 68 are marked with an asterisk; those without an asterisk do not participate in a state plan. The ratio of a stock (UAAL) to a flow (city revenue) will be high; so, the absolute level of the ratio is not the issue, but rather how the city's ratio compares to the sample-wide average of 86 percent.

Table 2. Sample Cities with the Lowest and Highest Burden of Unfunded Liabilities, FY 2012

Lowest burden				
Rank	State	City		UAAL/Revenue
1	WA	Vancouver	*	—
2	NH	Manchester	*	—
3	CA	Fresno		—
4	WA	Seattle	*	—
5	DC	Washington DC		—
6	OH	Toledo	*	0.1%
7	WI	Madison	*	0.6
8	NM	Albuquerque	*	0.8
9	TX	Garland		2.0
10	NC	Greensboro	*	4.4
Highest burden				
Rank	State	City		UAAL/Revenue
173	IL	Chicago		359%
172	MA	Springfield		315
171	OR	Portland	*	284
170	NJ	Newark	*	284
169	WV	Charleston	*	261
168	MT	Billings	*	245
167	NV	Las Vegas	*	234
166	OH	Cincinnati	*	216
165	MN	St Paul	*	199
164	MI	Saginaw		190

* Affected by GASB 68.

Note: The dash symbol (—) is for cities that are over 100 percent funded and, thus, have no unfunded liability (UAAL).

Sources: Authors' calculations based on various FY 2012 plan and government CAFRs; and U.S. Census Bureau (2012).

Note that some cities that escape scrutiny altogether when the focus is solely on locally-administered plans emerge as potential problems when the state burden is apportioned. For example, Newark, NJ, which does not administer a plan of its own and therefore is never included in studies of local plans, faces significant future demands on its revenue because it participates in three of New Jersey's cost-sharing state plans.[5] Thus, GASB 68 will rearrange the state and local pension landscape. For a complete list of the burden for all 173 cities, see Appendix Table 2.

Conclusion

Cities are now required to include on their balance sheets the pension accounting information currently in the footnotes of their financial statements and to report their share of the unfunded liability in cost-sharing plans. This calculation does not create new liabilities; it simply reallocates them from the state to the city. The total impact of this reallocation for our sample of 173 major cities is small – about a 12-percent increase in the unfunded liability – because the largest cities generally do not participate in state plans. However, for the 92 cities in our sample that do participate in cost-sharing state plans, the unfunded liability burden almost doubles.

The key question is whether the reallocation of pension burdens from states to cities will have any impact. Simply reporting part of state plan unfunded liabilities on local government balance sheets will not change the required payments made by local governments: their ARCs already reflect their share of both the normal cost and the payment to amortize the unfunded liability of the state plan. But, local governments – now saddled with a portion of the state plan's unfunded liabilities on their books – may be more interested in seeing the unfunded liability decline over time and will have a vested interest in ensuring that their contributions are doing just that.[6]

Endnotes

1 Interestingly, school districts are likely to be among the jurisdictions most affected by GASB 68 as virtually all school districts participate in a cost-sharing state teachers' plan. However, estimating the impact of GASB 68 on school districts is difficult due to the current lack of clarity on how state pension payments on behalf of school districts will be treated.

2 The sample of 173 cities was designed to cover the two largest cities in each state, so that the total sample reflects the distribution of population across states. Because the largest cities tend to administer their own plans, additional large cities and towns that participate in state plans were added to the sample in order to capture the variation in pension organization across localities. While the sample covers only 0.5 percent of the 35,879 cities and towns identified in the U.S. Census, it covers about 60 percent of the reported revenue of all cities and towns.

City/state cost sharing may not capture the true impact of GASB 68. Large counties may be more likely than cities to have their own plans and cost share on state plans as well. Future analysis will address this topic.

3 The data collected for each city include: 1) the assets and liabilities for each locally-administered plan; 2) the city's portion of the assets and liabilities for each state-administered agent plan (available from footnotes in the city's Comprehensive Annual Financial Report (CAFR); 3) the total assets and liabilities for each state-administered cost-sharing plan; and 4) a variable for both the city and state plan that can serve as a basis for apportioning a share of each cost-sharing state-administered plan to the city.

4 Governmental Accounting Standards Board (2012).

5 The three New Jersey plans are: Public Employees' Retirement System, Police and Firemen's Retirement System, and Consolidated Police and Fire Retirement System.

6 In fact, one expert we spoke with reported that political tensions have already begun to emerge between a state and local governments involved in its cost-sharing plans.

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Governmental Accounting Standards Board. 2012. "Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27." Statement No. 68. Norwalk, CT.

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APPENDIX

Appendix Table 1. Unfunded Actuarial Accrued Liability (UAAL) and UAAL Relative to Own-Source Revenue for Affected Cities, Before and Estimated After GASB 68, FY 2012

Rank	State	City	UAAL			UAAL/Revenue		
			Before GASB 68	After GASB 68	Change	Before GASB 68	After GASB 68	Change
1	NJ	Newark	$0	$1,289	$1,289	0 %	284%	284%
2	MT	Billings	0	335	335	0	245	245
3	NV	Las Vegas	0	921	921	0	234	234
4	MN	St Paul	0	866	866	0	199	199
5	NV	Reno	0	428	428	0	176	176
6	CT	New Britain	22	254	232	14	167	153
7	MT	Missoula	0	75	75	0	151	151
8	AK	Fairbanks	0	45	45	0	145	145
9	OH	Columbus	0	2,044	2,044	0	144	144
10	NV	Henderson	0	366	366	0	129	129
11	NJ	Jersey City	92	669	577	19	138	119
12	NY	Syracuse	0	259	259	0	106	106
13	MN	Minneapolis	583	1,500	917	62	160	98
14	FL	Miami Gardens	0	53	53	0	96	96
15	RI	Woonsocket	59	141	82	68	160	92
16	OH	Cincinnati	862	1,459	597	128	216	88
17	SC	Greenville	8	87	79	8	94	86
18	OR	Salem	0	168	168	0	83	83
19	AZ	Mesa	243	660	417	46	125	79
20	MS	Jackson	63	203	140	36	115	79
21	KY	Louisville-Jefferson	26	716	690	3	82	79
22	OH	Dayton	0	207	207	0	75	75
23	OH	Cleveland	0	719	719	0	67	67
24	OH	Akron	0	202	202	0	64	64
25	NY	Yonkers	0	326	326	0	61	61
26	HI	Honolulu	0	1,258	1,258	0	60	60
27	SC	Spartanburg	6	47	41	8	66	58
28	NH	Nashua	8	122	114	4	61	57
29	OR	Portland	2,654	3,319	665	227	284	57
30	NM	Las Cruces	0	104	104	0	57	57
31	ME	Lewiston	1	40	39	2	57	55
32	KY	Owensboro	3	120	117	1	53	52
33	SC	Columbia	0	132	132	0	52	52
34	WV	Wheeling	46	82	36	65	116	51
35	IA	Des Moines	0	182	182	0	50	50

Rank	State	City	UAAL			UAAL/Revenue		
			Before GASB 68	After GASB 68	Change	Before GASB 68	After GASB 68	Change
36	CO	Colorado Springs	32	881	849	2 %	52 %	50 %
37	ID	Pocatello	0	28	28	0	48	48
38	KY	Lexington-Fayette	149	379	230	31	78	47
39	NY	Rochester	0	140	140	0	44	44
40	NY	Buffalo	0	141	141	0	43	43
41	AZ	Tucson	855	1,108	253	137	178	41
42	RI	Providence	759	964	205	147	186	39
43	IA	Cedar Rapids	0	104	104	0	39	39
44	KS	Kansas City-Wyandotte	76	293	217	13	49	36
45	SC	Charleston	0	103	103	0	36	36
46	ND	West Fargo	0	11	11	0	34	34
47	ME	Portland	0	81	81	0	33	33
48	CA	San Jose	1,772	2,261	489	109	139	30
49	WY	Casper	0	16	16	0	29	29
50	MN	Duluth	0	49	49	0	29	29
51	MN	Bloomington	0	33	33	0	28	28
52	AK	Anchorage	72	323	251	8	35	27
53	LA	New Orleans	604	862	258	58	83	25
54	UT	West Valley City	0	29	29	0	23	23
55	AR	Fort Smith	61	88	27	46	66	20
56	MD	Bowie	0	7	7	0	17	17
57	OK	Lawton	28	46	18	26	43	17
58	WY	Cheyenne	0	14	14	0	17	17
59	MS	Gulfport	11	81	70	3	19	16
60	CT	Bridgeport	200	252	52	62	78	16
61	IN	Fort Wayne	196	241	45	70	86	16
62	ND	Fargo	51	79	28	29	45	16
63	VT	Montpelier	0	3	3	0	15	15
64	WV	Charleston	274	291	17	246	261	15
65	LA	Baton Rouge-East Baton Rouge	0	101	101	0	13	13
66	LA	Lafayette	0	80	80	0	13	13
67	ID	Boise	0	29	29	0	12	12
68	SD	Rapid City	0	15	15	0	11	11
69	OK	Tulsa	119	204	85	16	27	11
70	AZ	Phoenix	2,424	2,677	253	99	109	10

Rank	State	City	UAAL			UAAL/Revenue		
			Before GASB 68	After GASB 68	Change	Before GASB 68	After GASB 68	Change
71	NH	Manchester	-61	-36	25	-24%	-14%	10%
72	FL	Pensacola	117	124	7	98	104	6
73	OK	Oklahoma City	280	345	65	24	30	6
74	DE	Wilmington	166	172	6	84	87	3
75	CO	Denver	440	500	60	16	18	2
76	IN	Gary	16	17	1	13	15	2
77	UT	Salt Lake City	84	92	8	15	17	2
78	IN	Indianapolis	846	870	24	34	35	1
79	NM	Albuquerque	0	6	6	0	1	1
80	WI	Madison	0	2	2	0	1	1
81	NC	Raleigh	24	26	2	4	5	1
82	TX	Dallas	1,665	1,680	15	62	62	0
83	DE	Dover	42	43	1	32	32	0
84	NC	Durham	15	16	1	5	5	0
85	NC	Greensboro	16	17	1	4	4	0
86	NC	Charlotte	128	131	3	10	10	0
87	FL	Jacksonville	1,790	1,796	6	50	50	0
88	OH	Toledo	0	0[a]	0[a]	0	0[a]	0[a]
89	WA	Tacoma	159	117	-42	20	14	-6
90	WA	Vancouver	3	-33	-36	1	-17	-18
91	WA	Spokane	146	25	-121	42	7	-35
92	WA	Seattle	1,299	-283	-1,582	50	-11	-61

[a] Toledo has a UAAL of $0.4 after GASB 68 and a UAAL/revenue ratio of 0.1 after GASB 68.
Sources: Authors' calculations based on various FY 2012 plan and government CAFRs; and U.S. Census Bureau (2012).

Appendix Table 2. Unfunded Actuarial Accrued Liability (UAAL) and UAAL Relative to Own-Source Revenue for Full Sample of 173 Major Cities, Estimated After GASB 68, FY 2012

Rank	State	City		UAAL (millions)	UAAL/Revenue
Total				$177,789	86%
1	IL	Chicago		19,352	359
2	MA	Springfield		657	315
3	OR	Portland	*	3,319	284
4	NJ	Newark	*	1,289	284
5	WV	Charleston	*	291	261
6	MT	Billings	*	335	245
7	NV	Las Vegas	*	921	234
8	OH	Cincinnati	*	1,459	216
9	MN	St Paul	*	866	199
10	MI	Saginaw		146	190
11	RI	Providence	*	964	186
12	AZ	Tucson	*	1,108	178
13	NV	Reno	*	428	176
14	CT	New Haven		505	173
15	CT	New Britain	*	254	167
16	RI	Woonsocket	*	141	160
17	MN	Minneapolis	*	1,500	160
18	CT	Hartford		526	159
19	IL	Aurora		298	155
20	MT	Missoula	*	75	151
21	NE	Omaha		794	150
22	AK	Fairbanks	*	45	145
23	OH	Columbus	*	2,044	144
24	PA	Allentown		183	142
25	CA	San Jose	*	2,261	139
26	NJ	Jersey City	*	669	138
27	WV	Morgantown		71	137
28	MA	Boston		3,127	135
29	FL	Miami		736	134
30	MI	Warren		181	134
31	NV	Henderson	*	366	129
32	FL	Hialeah		228	126
33	AZ	Mesa	*	660	125
34	NY	New York		71,947	121
35	WV	Wheeling	*	82	116

Rank	State	City		UAAL (millions)	UAAL/Revenue
36	MS	Jackson	*	203	115 %
37	PA	Pittsburgh		485	109
38	AZ	Phoenix	*	2,677	109
39	PA	Philadelphia		5,461	106
40	NY	Syracuse	*	259	106
41	CA	Fremont		193	104
42	FL	Pensacola	*	125	104
43	CA	Oakland		1,143	100
44	MA	Worcester		339	97
45	FL	Miami Gardens	*	53	96
46	VA	Newport News		496	96
47	SC	Greenville	*	87	94
48	CA	Huntington Beach		234	91
49	DE	Wilmington	*	171.8	87
50	CA	San Diego		2,279	86
51	IN	Fort Wayne	*	241	86
52	LA	New Orleans	*	862	83
53	OR	Salem	*	168	83
54	KY	Louisville-Jefferson County	*	716	82
55	CT	Bridgeport	*	252	78
56	KY	Lexington-Fayette	*	379	78
57	TX	Houston		2,971	78
58	CA	Los Angeles		9,357	75
59	OH	Dayton	*	207	75
60	AL	Montgomery		181	74
61	AR	Little Rock		205	74
62	CA	Stockton		217	69
63	MD	Baltimore		1,242	68
64	MI	Flint		292	68
65	CA	Santa Ana		243	67
66	OH	Cleveland	*	719	67
67	AL	Birmingham		362	67
68	AR	Fort Smith	*	88	66
69	SC	Spartanburg	*	47	66
70	WI	Milwaukee		430	65
71	TX	El Paso		490	65
72	OH	Akron	*	202	64
73	TX	Dallas	*	1,680	62

Rank	State	City		UAAL (millions)	UAAL/Revenue
74	CA	San Francisco		3,424	61%
75	NY	Yonkers	*	326	61
76	NH	Nashua	*	122	61
77	TX	Fort Worth		748	61
78	HI	Honolulu	*	1,258	60
79	CA	Bakersfield		176	58
80	CA	Sacramento		483	58
81	ME	Lewiston	*	40	57
82	NM	Las Cruces	*	104	57
83	LA	Shreveport		196	56
84	MI	Grand Rapids		154	56
85	TX	Corpus Christi		260	55
86	KY	Owensboro	*	120	53
87	TX	Austin		1,449	52
88	CO	Colorado Springs	*	881	52
89	SC	Columbia	*	132	52
90	IA	Des Moines	*	182	50
91	FL	Jacksonville	*	1,796	50
92	MO	St Louis		431	50
93	VA	Virginia Beach		521	49
94	KS	Wyandotte County and Kansas City	*	293	49
95	MO	Kansas City		611	49
96	CA	Modesto		117	49
97	AL	Mobile		180	48
98	ID	Pocatello	*	28	48
99	FL	St Petersburg		160	47
100	VA	Richmond		370	46
101	AL	Hoover		45	46
102	ND	Fargo	*	79	45
103	NY	Rochester	*	140	44
104	NY	Buffalo	*	141	43
105	OK	Lawton	*	46	43
106	MI	Detroit		787	43
107	FL	Orlando		208	41
108	VA	Chesapeake		218	39
109	IA	Cedar Rapids	*	104	39
110	SD	Sioux Falls		93	38
111	VT	Burlington		59	38

Rank	State	City		UAAL (millions)	UAAL/Revenue
112	TN	Memphis		940	37 %
113	SC	Charleston	*	103	36
114	CT	Greenwich		132	36
115	AK	Anchorage	*	323	35
116	IN	Indianapolis	*	870	35
117	ND	West Fargo	*	11	34
118	CA	Anaheim		345	33
119	ME	Portland	*	81	33
120	DE	Dover	*	43	32
121	VA	Norfolk		238	32
122	GA	Atlanta		548	31
123	OK	Oklahoma City	*	345	30
124	TX	Lubbock		153	30
125	CA	Riverside		219	29
126	WY	Casper	*	17	29
127	MN	Duluth	*	49	29
128	MN	Bloomington	*	33	28
129	OK	Tulsa	*	204	27
130	MO	Independence		85	26
131	TX	Arlington		117	24
132	UT	West Valley City	*	29	23
133	FL	Fort Lauderdale		92	23
134	GA	Columbus		54	20
135	CO	Aurora		89	20
136	KS	Wichita		107	20
137	MS	Gulfport	*	81	19
138	ND	Bismarck		17	19
139	TN	Chattanooga		175	19
140	CO	Denver	*	500	18
141	CA	Long Beach		334	18
142	MD	Bowie	*	7	17
143	FL	Tallahassee		114	17
144	WY	Cheyenne	*	14	17
145	TN	Nashville-Davidson County		508	17
146	UT	Salt Lake City	*	92	17
147	TN	Knoxville		148	16
148	FL	Tampa		91	15
149	VT	Montpelier	*	3	15

Rank	State	City		UAAL (millions)	UAAL/Revenue
150	IN	Gary	*	17	15 %
151	GA	Roswell		10	15
152	WA	Tacoma	*	117	14
153	LA	Baton Rouge-East Baton Rouge	*	101	13
154	LA	Lafayette	*	80	13
155	ID	Boise	*	29	12
156	SD	Rapid City	*	15	11
157	NC	Charlotte	*	131	10
158	NE	Lincoln		50	10
159	TN	Clarksville		31	9
160	TX	San Antonio		313	9
161	WA	Spokane	*	26	7
162	NC	Durham	*	16	5
163	NC	Raleigh	*	26	5
164	NC	Greensboro	*	17	4
165	TX	Garland		10	2
166	NM	Albuquerque	*	6	1
167	WI	Madison	*	2	1
168	OH	Toledo	*	0 [a]	0 [a]
169	DC	Washington DC		-158	-2
170	WA	Seattle	*	-284	-11
171	CA	Fresno		-71	-12
172	NH	Manchester	*	-36	-14
173	WA	Vancouver	*	-33	-17

* Affected by GASB 68.
[a] Toledo has a UAAL of $0.4 and a UAAL/revenue ratio of 0.1.
Sources: Authors' calculations based on various FY 2012 plan and government CAFRs; and U.S. Census Bureau (2012).

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The mission of the Center for Retirement Research at Boston College is to produce first-class research and educational tools and forge a strong link between the academic community and decision-makers in the public and private sectors around an issue of critical importance to the nation's future. To achieve this mission, the Center sponsors a wide variety of research projects, transmits new findings to a broad audience, trains new scholars, and broadens access to valuable data sources. Since its inception in 1998, the Center has established a reputation as an authoritative source of information on all major aspects of the retirement income debate.

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