

TaxpayersAdvocate.org

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Chula Vista Facing Looming Fiscal Crisis

Fiscal Analysis: Deficit Spending, Cuts in Emergency Funds and Pension Debt

San Diego—TaxpayersAdvocate.org today released a fiscal analysis demonstrating that the City of Chula Vista is facing a “self-inflicted fiscal crisis.”

“The City of Chula Vista is facing a serious, self-inflicted financial crisis,” said Scott Barnett, president of TaxpayersAdvocate.org. According to Barnett, the “looming crisis is a result of actions by City Council” and is caused by the following factors: Significant increases to spending, consistently out stripping healthy revenue growth; Increased General Fund debt; and Increased pension Liability.

“After rampant over spending, the City of Chula Vista is acting like a family who robs the kids college fund to pay the mortgage,” said Barnett.

Key Findings

- City has run a deficit for the past four years despite robust increases in revenues
- City cut Emergency Reserves \$21 million to balance budgets
- City added 256 employees since 2001, and significantly increased salaries and benefits
- Average management salary is now \$131,400 plus benefits
- City-wide debt increased by \$143 million in the past five years
- Pension debt tripled over two years
- City’s shaky finances place re-development and Bayfront Plan at risk

TaxpayersAdvocate.org is committed to educating the public on government spending and holding politician’s accountable.

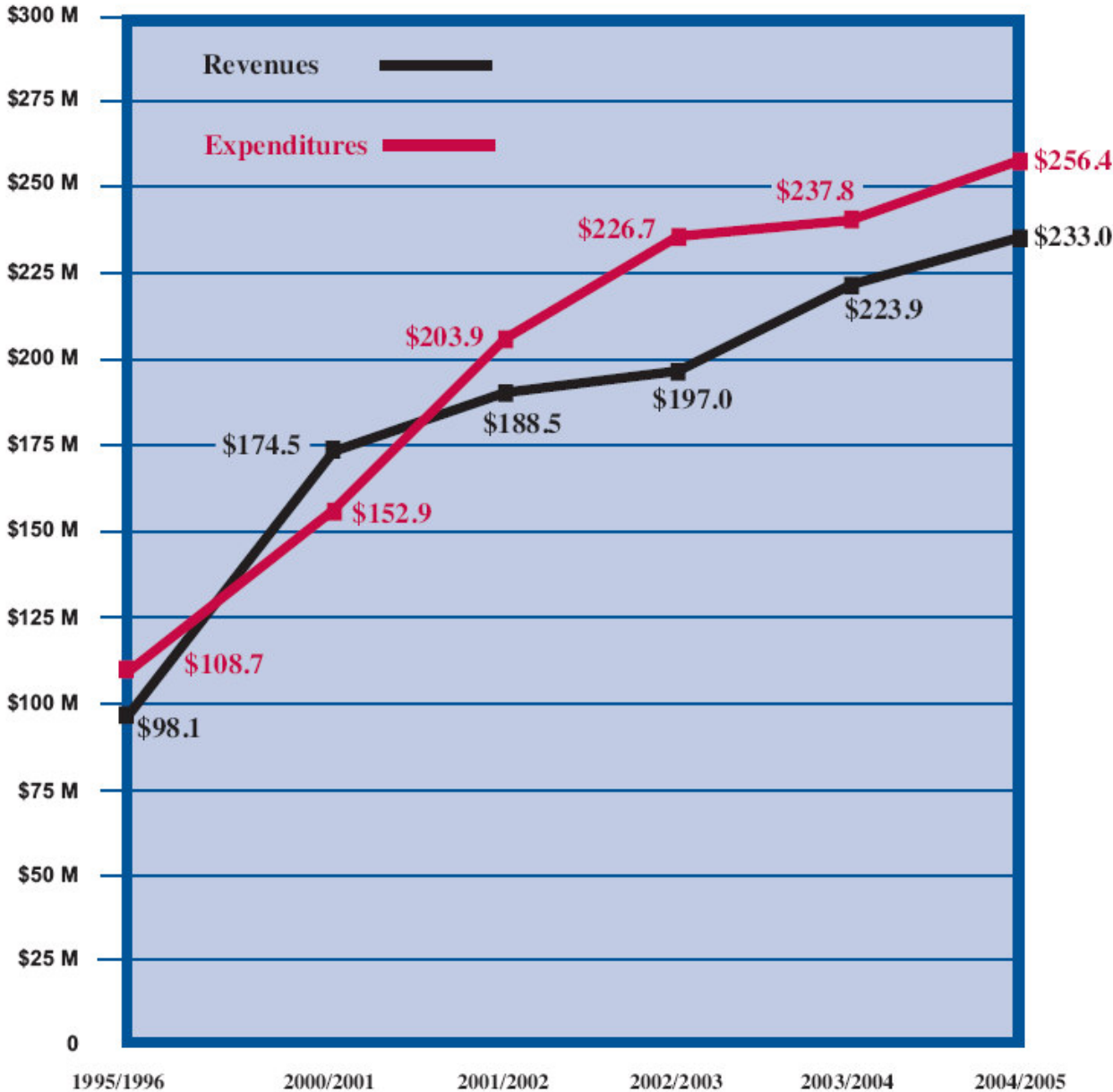
Key TaxpayersAdvocate.org charts follow—best viewed in color.

For the entire study and more information see: www.taxpayersadvocate.org

City of Chula Vista

ALL REVENUES/EXPENDITURES

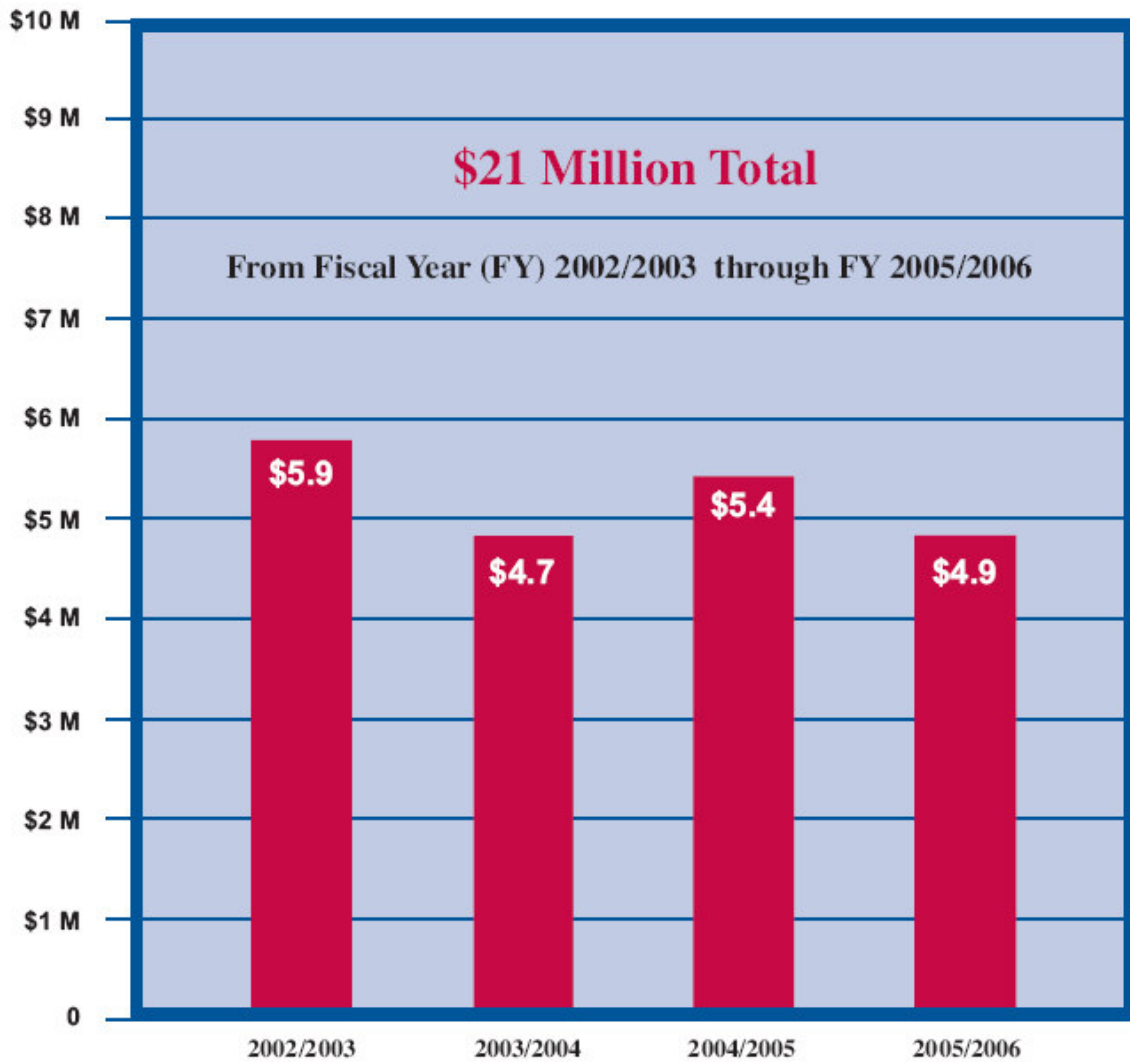
FISCAL YEARS 1995 TO 2005



IN MILLIONS OF \$
Source: City of Chula Vista

City of Chula Vista

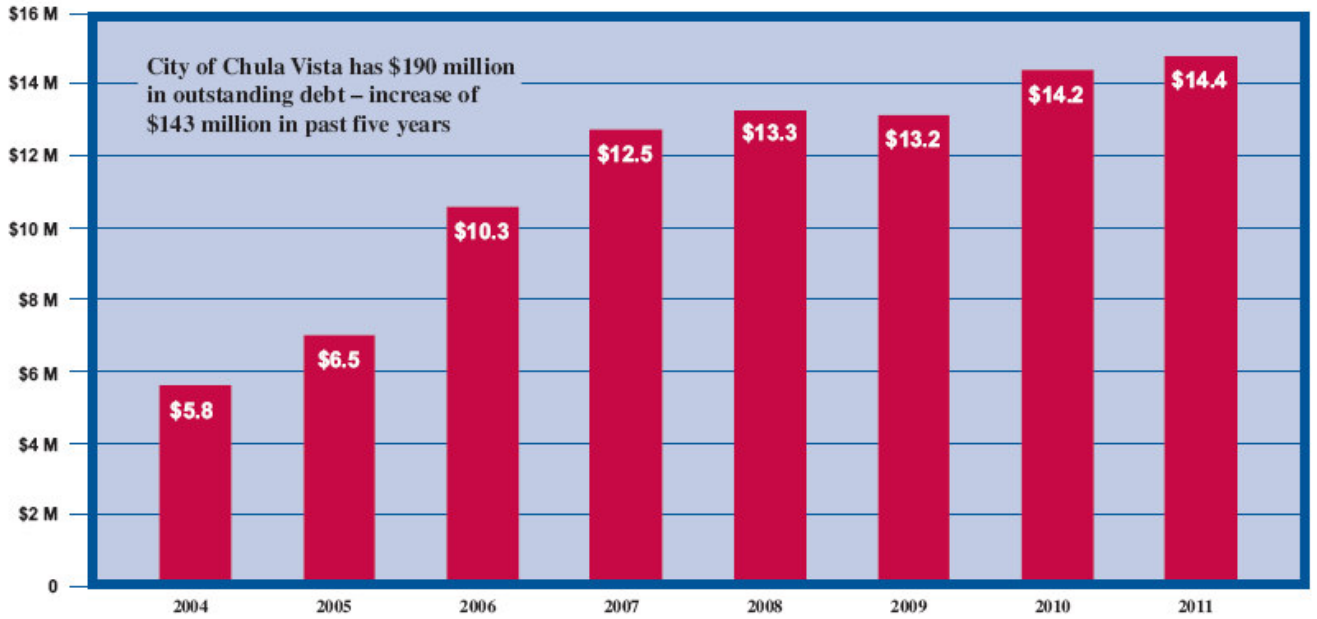
DEFICIT SPENDING



Source: City of Chula Vista

City of Chula Vista

ANNUAL GENERAL FUND DEBT PAYMENTS FY '04 THROUGH FY '11



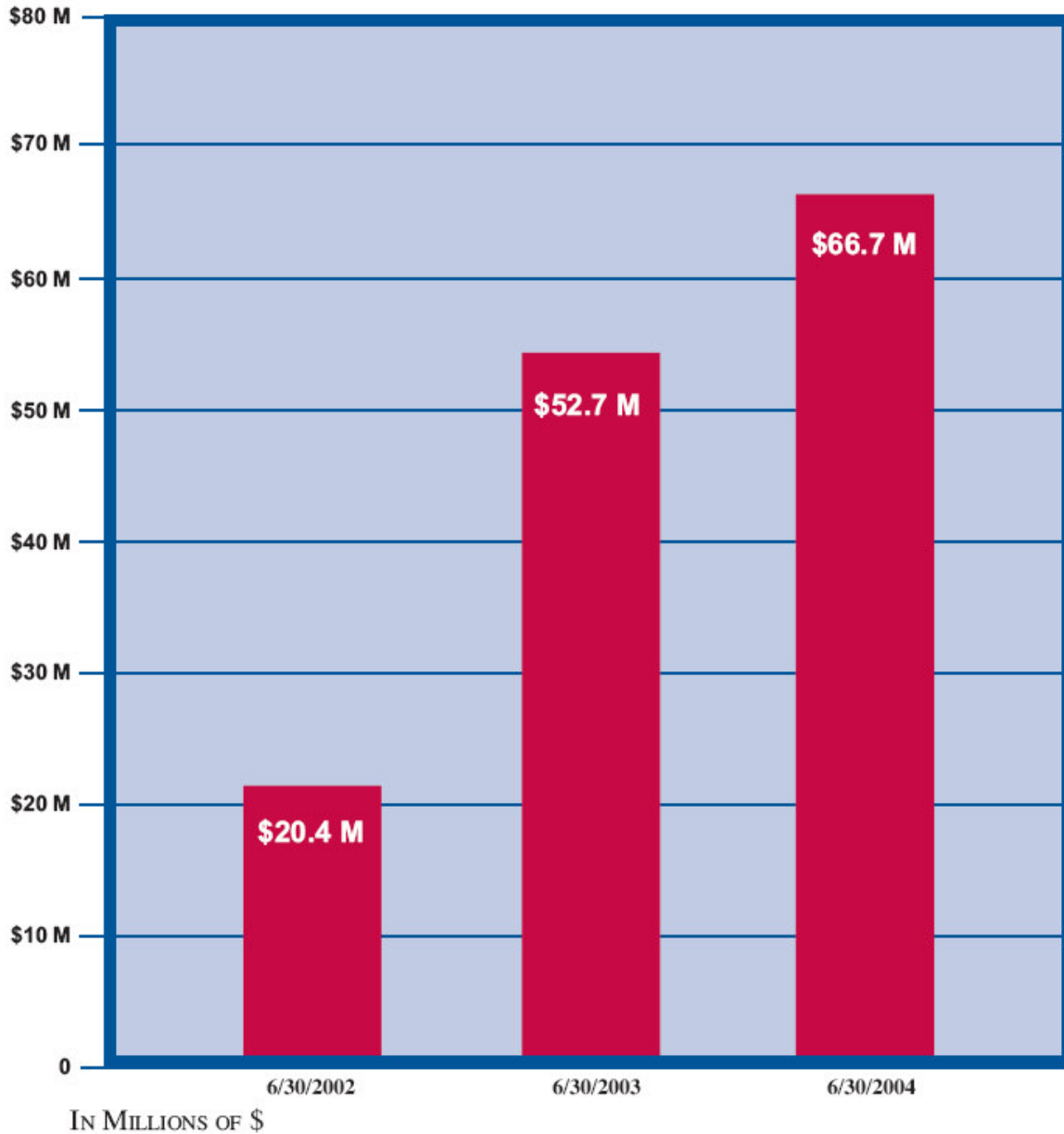
IN MILLIONS OF \$

Source: City of Chula Vista

City of Chula Vista

Outstanding Pension Debt

JUNE 30, 2002 TO JUNE 30, 2004*



In addition to the un-funded liability – the City of Chula Vista has \$12.9 million in Pension Obligation Bonds as of 6-30-05.

* Most recent available data

Source: City of Chula Vista