

**CREDIT OPINION**

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Send Your Feedback

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# New York (City of) NY

## Update to analysis

### Summary

New York City's Aa2 issuer rating reflects its very large and diverse economic base, which continues to support solid revenue growth and provides substantial credit strength. Employment remains near historic highs, assessed values have continued to expand even despite some persistent commercial real estate challenges and population trends reflect post-pandemic recovery. The city's competitive advantages—including a deep and highly skilled labor force, global financial and cultural prominence, strong higher education and healthcare institutions and extensive domestic and international transportation links—underpin long-term economic resilience and provide substantial capacity to generate revenue across economic cycles.

The rating is further supported by the city's very strong institutional framework and financial governance, which have historically enabled timely and effective responses to fiscal pressures. New York City benefits from disciplined budget practices, a well-developed financial planning process and a track record of adjusting expenditures and financial plans to maintain balance. These strengths are particularly important given the city's broad operational responsibilities and above-average debt burden. While the city maintains healthy budgetary reserves and fixed costs that compare favorably with those of other large local governments, the presence of ongoing fiscal pressures and growing expenditure demands weighs on the credit profile and underscores the importance of sustained policy discipline.

### Credit strengths

- » Exceptionally large and diverse economy driven by the city's position as an international center of financial services, media, hospitality and a growing high tech sector
- » Solid post-pandemic economic recovery with the city's employment-to-population ratio at an all time high and steady but slow tax revenue growth
- » Strong governance and financial best practices, including conservative revenue forecasting, strong liquidity and strong pension funding practices

### Credit challenges

- » Large projected budget gaps reflect growing structural imbalance that will constrain financial flexibility if economic conditions weaken
- » Affordability challenges, particularly high housing costs, that weigh on long-term population growth and labor force dynamic
- » Exposure to physical climate risks, including hurricanes and sea-level rise, which could increase long-term capital and operating costs and pose risks to economic activity and infrastructure

## Rating outlook

The outlook change to negative reflects New York City's updated spending projections, which give rise to larger multiyear budget gaps than previously forecast. That the city projects large and persistent imbalances under still-favorable economic and revenue conditions highlights the extent of its underlying structural budget challenges. Over the next 12 months, the outlook will be influenced by the city's ability to narrow projected gaps through recurring measures and demonstrate progress toward restoring structural balance within its financial plan. Gap-closing strategies that rely on nonrecurring measures, including the use of reserves, would limit financial flexibility, especially if economic growth slows sharply or an outright downturn materializes. State-level proposals to enhance revenue or other spending policy changes that benefit the city could have a stabilizing effect over time, if enacted.

## Factors that could lead to an upgrade

- » Maintenance of sustainable, structurally balanced budgets
- » Stronger reserves, including replenishment after the planned draw on Revenue Stabilization Fund and establishment of a mechanism to make regular deposits to it
- » Reduction of fixed costs ratio closer to Aa median of about 11%

## Factors that could lead to a downgrade

- » Forecast budget gaps, excluding one-time solutions, that drive them closer to 10% of city funds revenue
- » Return to negative available fund balance, or use of OPEB assets to balance the budget
- » Economic events such as sustained declines in equity prices, or trends that create significant persistent structural budget imbalances
- » Divergence from well-established fiscal practices and strong budgetary management

## Key indicators

Exhibit 1

### New York (City of) NY

	2022	2023	2024	2025	Aa Medians
<b>Economy</b>					
Resident income ratio (%)	90.2%	90.2%	N/A	N/A	114.1%
Full Value (\$000)	\$1,292,293,800	\$1,393,644,100	\$1,480,981,400	\$1,493,902,800	\$3,130,196
Population	8,622,467	8,516,202	8,483,844	N/A	22,330
Full value per capita (\$)	\$149,875	\$163,646	\$174,565	N/A	\$140,110
Annual Growth in Real GDP	2.2%	1.6%	N/A	N/A	1.9%
<b>Financial Performance</b>					
Revenue (\$000)	\$110,054,704	\$111,073,844	\$116,276,673	\$121,500,429	\$57,424
Available fund balance (\$000)	\$2,992,446	\$932,798	-\$661,409	\$15,741	\$31,108
Net unrestricted cash (\$000)	\$14,385,889	\$20,395,528	\$19,467,079	\$21,627,574	\$43,921
Available fund balance ratio (%)	2.7%	0.8%	-0.6%	0.0%	56.8%
Liquidity ratio (%)	13.1%	18.4%	16.7%	17.8%	80.3%
<b>Leverage</b>					
Debt (\$000)	\$116,497,239	\$118,095,015	\$123,592,120	\$133,644,377	\$38,979
Adjusted net pension liabilities (\$000)	\$113,071,370	\$98,588,008	\$97,037,668	\$81,531,088	\$36,275
Adjusted net OPEB liabilities (\$000)	\$84,494,377	\$84,665,435	\$83,526,178	\$91,590,047	\$3,698
Other long-term liabilities (\$000)	\$18,814,723	\$19,170,524	\$20,060,631	\$20,033,831	\$1,773
Long-term liabilities ratio (%)	302.5%	288.6%	278.8%	269.0%	175.0%
<b>Fixed costs</b>					
Implied debt service (\$000)	\$7,086,931	\$8,136,144	\$8,203,547	\$8,553,725	\$2,605
Pension tread water contribution (\$000)	\$4,575,403	\$6,873,761	\$6,581,169	\$6,520,408	\$1,547

This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the issuer/deal page on <https://ratings.moody.com> for the most updated credit rating action information and rating history.

OPEB contributions (\$000)	\$4,583,897	\$3,282,287	\$3,198,585	\$4,063,311	\$167
Implied cost of other long-term liabilities (\$000)	\$1,290,492	\$1,314,017	\$1,331,693	\$1,388,382	\$122
Fixed-costs ratio (%)	15.9%	17.7%	16.6%	16.9%	9.6%

For definitions of the metrics in the table above please refer to the [US Cities and Counties Methodology](#) or see the Glossary in the Appendix below. Metrics represented as N/A indicate the data were not available at the time of publication. The medians come from our most recently published [US Cities and Counties Median Report](#). The real GDP annual growth metric cited above is for the New York-Newark-Jersey City, NY-NJ-PA Metropolitan Statistical Area.

Sources: US Census Bureau, New York (City of) NY's financial statements and Moody's Ratings

## Profile

New York City is the largest city in the US by population (8.48 million estimated as of July 2024) and by the size of its economy (real GDP of \$1.1 trillion). New York City's GDP is larger than all but four states. The size and scope of the city's operations are broader than most local governments: in addition to the city government, New York City is five counties and the nation's largest public school system, with approximately one million students.

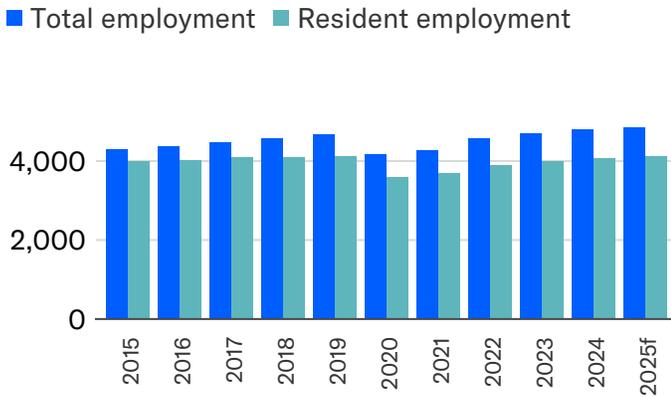
## Detailed credit considerations

### Economy

New York City benefits from one of the largest and most diverse urban economies globally, a core credit strength that continues to support strong underlying revenue capacity and economic resilience consistent with its Aa2 rating. The city's economic base spans financial services, professional and business services, healthcare, higher education, tourism, media and technology, providing broad diversification across sectors and income streams. This scale and diversity underpin the city's ability to absorb sector-specific disruptions while maintaining aggregate economic momentum.

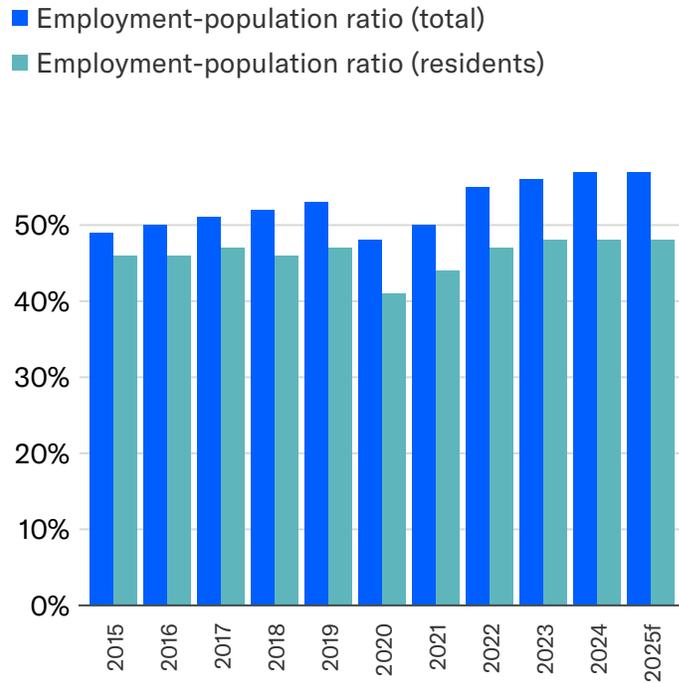
Labor market conditions remain notably strong. Employment levels are at historic highs, supported by broad-based labor force participation and a record employment-to-population ratio. While recent job growth has been concentrated in lower-wage service sectors, wage growth has remained solid, reflecting tight labor market conditions and continued strength in higher-paying industries such as finance and professional services. These dynamics help sustain the city's personal income and sales tax bases (see Exhibits 2 and 3).

Exhibit 2  
**Despite population fluctuations, New York City employment reaches record levels...**  
 New York City employment (000s), 2015-2025f



Source: Bureau of Labor Statistics and Bureau of the Census

Exhibit 3  
**... and drives the employment to population ratio to a record high**  
 employment-to-population ratio, 2015-2025f



Resident employment reflects annual New York City resident employment reported through the Bureau of Labor Statistics' Local Area Unemployment Statistics series. Population reflects the sum of the five boroughs reported by the Census in its annual county resident population estimates.  
 Source: Bureau of Labor Statistics and Bureau of the Census

Population trends have stabilized and begun to recover from pandemic-era declines, reinforcing the durability of the city's economic appeal. While affordability pressures—particularly housing costs—remain a long-term challenge, recent population growth suggests continued demand for the city's labor market, amenities and institutional assets. Over time, these pressures could weigh on growth, but they have not yet undermined the city's fundamental economic position.

Property market fundamentals remain a key pillar of economic and fiscal strength. Despite ongoing structural challenges in segments of the commercial real estate market, assessed values continue to grow, supported by a broad tax base and the city's phased-in assessment framework, which dampens volatility across economic cycles. Recent trends indicate resilience across multiple property classes, including offices and hotels, reinforcing the stability of the city's largest and most reliable revenue source.

**Financial operations**

New York City's financial operations reflect long-standing strengths in governance, conservative revenue forecasting and multiyear financial planning, all of which remain important stabilizing factors at the Aa2 level. The city maintains a well-established practice of regularly updating its financial plan, providing early visibility into emerging fiscal pressures and allowing management to adjust policies over time. These practices have historically enabled the city to navigate periods of economic stress while maintaining budgetary balance. But despite solid—which supports the affirmation of the Aa2 rating—revenue performance, the city's financial profile is increasingly shaped by expenditure-driven pressures that have widened projected imbalances over the financial plan period.

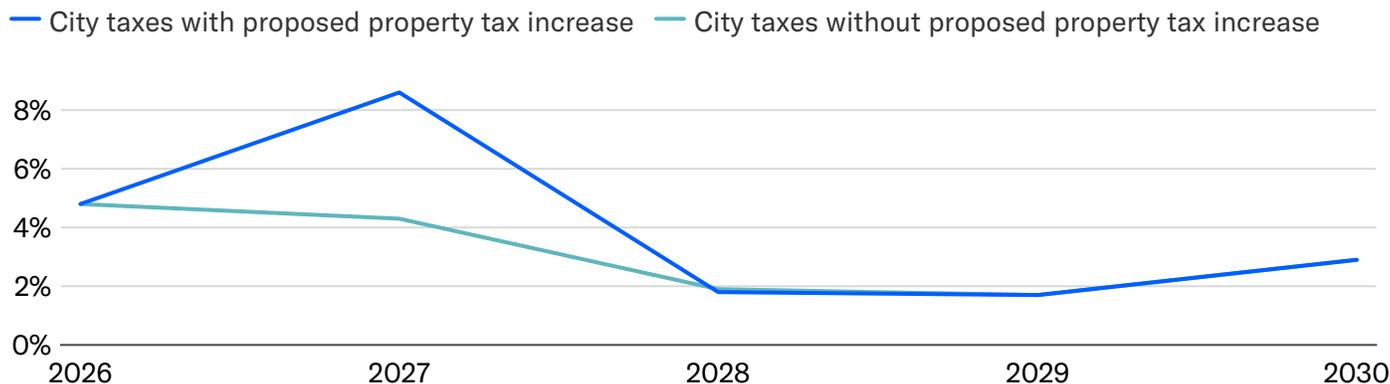
Total tax revenue is projected to grow at a moderate pace across the plan, with growth strongest in the near term before moderating in the outyears, broadly consistent with expectations for slower economic expansion. Property taxes continue to provide a stable and predictable revenue base and account for a significant share of forecast growth, reflecting ongoing assessed value growth as well as

a proposed 9.5% increase in property tax rates, subject to City Council approval. If implemented, the rate increase materially boosts revenue beginning in fiscal 2027 and contributes an average of roughly \$3.7 billion annually through the plan period (see Exhibit 4).

Exhibit 4

#### Property tax increase shapes the current plan's near-term revenue outlook

Annual % change in tax forecast tax collections



Source: New York City Mayor's Office of Management and Budget, Moody's Ratings

Economically sensitive taxes have performed very strongly, reinforcing the revenue outlook. Personal income and sales tax collections have benefited from historically high employment levels, solid wage growth and strong financial market activity and remain key contributors to overall revenue growth even as recent exceptional performance is likely to normalize. Together, the breadth of revenue sources, conservative forecasting assumptions and continued strength in the city's largest taxes underscore the resilience of the revenue base.

The city's current financial profile reflects rising challenges. Updated spending projections have resulted in sizable projected budget gaps that persist through the financial plan, reaching roughly 6%–7% of city tax revenue in the outyears.

The gaps are driven primarily by expenditure growth rather than revenue underperformance and reflect the correction of prior underbudgeting in recurring expense categories, the cost of meeting mandated service levels and growing demands related to social services and affordability initiatives. Importantly, these imbalances are material relative to the city's revenue base and are developing while economic conditions and tax collections remain generally solid, underscoring the structural nature of the pressures rather than cyclical weakness.

Gap closing strategies in the near term rely on nonrecurring actions to a greater extent than is typical outside of an economic downturn. The fiscal 2026 and fiscal 2027 budgets are balanced in part through the use of reserves and other one time resources: in fiscal 2026, the planned drawdown of approximately half of the city's Rainy Day Fund; and in fiscal 2027 budgeting the General Reserve at only \$100 million, eliminating the Capital Stabilization Reserve, and partial use of the Retiree Health Benefits Trust to pay OPEB expenses.

Proposals currently under consideration at the state level would, if enacted, enhance recurring revenue capacity for the city through higher effective taxation of large corporations and high-income taxpayers, as well as changes that increase the structural yield of certain locally shared taxes. While not assumed in the city's baseline financial plan, such measures could provide a stabilizing influence over time by partially offsetting expenditure-driven pressures.

#### Liquidity

Liquidity remains an important, though comparatively weaker, aspect of New York City's credit profile. On a scorecard basis, liquidity metrics are low relative to Aa medians, reflecting modest available fund balance levels. However, the city's overall liquidity position is supported by substantial cash balances, prudent cash management practices and predictable revenue timing, which together mitigate near-term operating risk despite the weaker quantitative indicators.

On a GAAP basis, fiscal 2025 ended with net cash of nearly \$22 billion, equivalent to approximately 18% of governmental funds revenue. While this ratio remains below the median for Aa-rated issuers, the city's cash reserves are solid when viewed in the context of its exceptional revenue-generating capacity, conservative forecasting practices and without reliance on short-term debt. On a cash basis, the City Comptroller reported a June 30, 2025 balance of \$12.2 billion, an increase of \$2 billion from the prior year. Average daily cash balances during fiscal 2025 were a healthy \$10.9 billion, reflecting effective cash management.

Liquidity is further supported by the Revenue Stabilization Fund, established in fiscal 2021, which currently holds approximately \$2 billion and provides a dedicated buffer against revenue volatility. Under the current financial plan, the city proposes to draw down roughly half of this reserve in fiscal 2026 as part of its gap-closing strategy. This planned use will temporarily reduce overall liquidity and narrow the city's financial buffer until the fund is replenished beginning in fiscal 2028, increasing the importance of continued conservative financial management during this period.

Importantly, the city has not required cash flow borrowing since 2004, underscoring its strong internal liquidity and predictable revenue streams. This distinguishes the city from many local governments that rely heavily on the timing of property taxes and state aid disbursements.

## Leverage

### Legal security

New York City's general obligation bonds are faith and credit obligations of the city, secured by a real property tax levy that is unlimited as to rate and amount. State law requires all property tax revenue to be deposited into a general debt service fund administered by the state comptroller, who ensures timely payment of debt service. The state also covenants not to impair bondholders' rights to payment. While these provisions do not establish a statutory lien, they represent a strong payment mechanism uncommon among local governments.

The future tax secured bonds issued by the New York City Transitional Finance Authority (TFA) benefit from a legal and structural framework that supports a rating one notch above the city's issuer rating. TFA is a separate legal entity from the city and is not authorized to file for bankruptcy, insulating bondholders from the city's credit risk. The pledged personal income and sales taxes are collected by the state and paid directly to the trustee, bypassing the city. Quarterly set-asides for debt service occur before any revenue flows to the city, ensuring strong coverage and timely payment.

These protections are balanced by the open subordinate lien and the state's ability to repeal the statutes authorizing the pledged revenue. Nonetheless, the combination of legal separation, robust cash flow mechanics and direct state involvement in revenue collection and debt service provides a payment structure that is stronger than most local government credits and supports the notch distinction above the city's issuer rating.

New York City also issues appropriation-backed debt through multiple entities, each supported by the city's obligation to make lease or rental payments sufficient for debt service, subject to annual appropriation. These structures often include additional legal features—such as revenue pledges, lockbox mechanisms or state intercept provisions—that enhance payment security. While the strength of these features varies, the ratings are ultimately constrained by the city's issuer rating.

### Debt structure

Unlike most other large cities, no separate school district or county government exists that also finances New York City's capital costs. When combined with pension and other post-retirement benefit liabilities (discussed below) this leads to an elevated leverage ratio for New York City compared to the Aa median. The city's debt portfolio is diverse but dominated by general obligation and Transitional Finance Authority bonds (see Exhibit 5).

Exhibit 5

**The city continues to rely heavily on TFA to finance its capital plan**

Debt outstanding by type (\$ millions)

Credit	Amount outstanding	% outstanding	Rating
TFA future tax secured subordinate	55,557	52%	Aa1
General obligation	46,721	44%	Aa2
Hudson Yards Infrastructure Corporation	2,521	2%	Aa2
DASNY (courts and mental health facilities)	474	0.4%	Aa3
Health and Hospitals Corporation	390	0.4%	Aa3
Educational Construction Fund	258	0.2%	Aa3
NYC IDA (Stock Exchange)	42	0.1%	Aa3
<b>Total outstanding bond principal</b>	<b>\$105,963</b>	<b>100%</b>	

Data as of June 30, 2025. Total does not add to 100% because of rounding

Source: Audited financial statements

The city has proactively reduced its exposure to interest rate volatility in recent years: 92% of its outstanding debt is fixed rate. The remaining floating rate debt consists of variable rate demand bonds supported by a diverse group of highly rated liquidity providers and index rate mode and other adjustable rate remarketed securities subject to remarketing risk. The city's demonstrated ability to access the capital markets and its prudent debt management mitigate potential credit risks associated with these instruments, supporting the overall stability of its debt profile.

The state constitution sets New York City's debt limit at 10% of the five-year average full value of taxable real property. The limit applies to the sum of contractual obligations for capital projects, outstanding general obligation (GO) bonds and to TFA Future Tax Secured bonds issued above the current \$30.5 billion statutory threshold. Any TFA issuance above this threshold reduces the city's remaining debt-incurring margin on a dollar-for-dollar basis, alongside GO debt. As of Nov. 30, 2025, the city and TFA together had approximately \$37.8 billion of additional debt-incurring power under the constitutional limit.

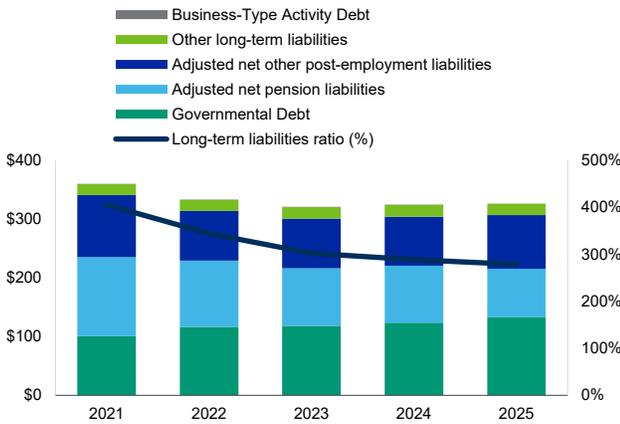
**Debt-related derivatives**

New York City's small swap portfolio poses minimal credit risk. The city has only one outstanding interest rate swap agreement associated with its general obligation bonds. That agreement had a notional amount of \$20.4 million and a marked-to-market value of -\$339,876 as of June 30, 2025; it terminates in August 2026. To terminate early or trigger collateral posting the city's general obligation rating would have to fall below Baa3. There are also two outstanding swaps associated with bonds paid by city appropriations issued by the Dormitory Authority of the State of New York (DASNY) with an outstanding notional amount of \$125.5 million. The marked-to-market value of these two swaps was an aggregate -\$6.5 million as of June 30, 2025.

**Pensions and OPEB**

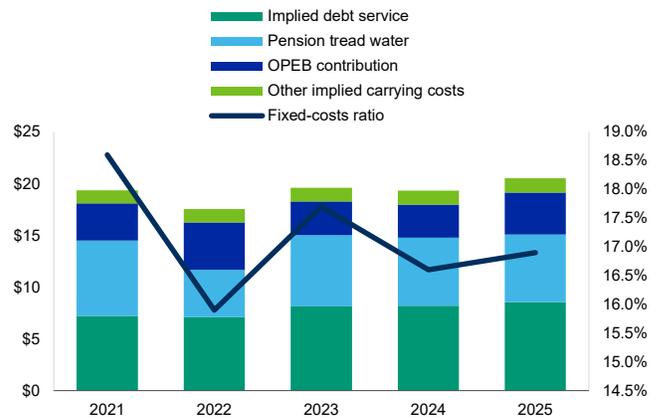
New York City's leverage for debt, pensions and retiree healthcare exceeds the median for Aa-rated cities. However, the city maintains a strong and consistently executed pension funding strategy. Its total leverage (as a percentage of revenue) places it in the bottom third among the largest US cities. Notably, the city regularly contributes above the "tread water" threshold, helping to prevent growth in pension liabilities. In fiscal 2025, contributions reached 152% of the tread water amount, with a five-year average of 153%. This disciplined approach supports relatively low fixed costs for a city of its size, totaling about 17% of revenue (see Exhibits 6 and 7).

Exhibit 6  
**Strong pension funding practices help mitigate high leverage...**  
 Long-term liabilities (left, \$ billions) and long-term liabilities ratio (right)



Source: Audited financial statements, Moody's Ratings

Exhibit 7  
**... and keep fixed costs relatively low**  
 Fixed costs (left, \$ billions) and fixed costs ratio (right)



Source: Audited financial statements, Moody's Ratings

## ESG considerations

### New York (City of) NY's ESG credit impact score is CIS-3

Exhibit 8  
 ESG credit impact score

# CIS-3

Score



ESG considerations have a limited impact on the current rating, with potential for greater negative impact over time.

Source: Moody's Ratings

New York City's **CIS-3** indicates that ESG considerations have a limited impact on the current credit rating, with potential for greater negative impact over time. The city is exposed to physical climate risks, including flooding and sea-level rise, and to social risks stemming from high housing costs that could pressure long-term population trends. These risks are mitigated by the city's economic scale and policy capacity, but could become more constraining if adaptation investments or affordability outcomes weaken.

Exhibit 9  
 ESG issuer profile scores



Source: Moody's Ratings

### Environmental

New York City faces elevated exposure to physical climate risks relative to the US local government sector, reflected in its **E-3** issuer profile. Key risks include hurricanes, sea level rise, water stress, and increasingly, pluvial and fluvial flooding, which have caused widespread damage and prompted capital plan revisions. While only 6.2% of housing lies in the floodplain, critical infrastructure—including all 14 wastewater treatment plants, 12 of 27 power stations, 16% of hospital beds, and substantial public housing—is vulnerable. Superstorm Sandy (2012) resulted in \$47 billion in regional damage and \$26 billion in lost output, with NYC incurring \$10.7 billion in emergency and capital costs. Updated flood maps are expected to expand designated flood zones, increasing insurance requirements and potentially dampening property value growth. The city is investing in long-term resilience projects, particularly coastal defenses, supported largely by federal funding.

### Social

New York City's **S-3** issuer profile score reflects several factors. Income inequality in the five counties that make up New York City is among the highest in the nation, a driver of social spending and of policy priorities to create more affordable housing and mitigate the city's extremely high housing costs. Health and safety metrics are more favorable, however: nearly 93% of New York City's population has health insurance, slightly higher than the national rate. Similarly, on a per capita basis crime rates remain the lowest of big US cities.

### Governance

New York City's **G-1** issuer profile score reflects very strong financial management that include robust institutionalized budget and financial management practices that emerged from the 1970s fiscal crisis and substantial transparency of its financial operations. The hallmark of these practices is effective multiyear planning via quarterly updates to the city's five-year financial plan, including consistently conservative revenue estimates, which gives a clear forward-looking view to potential budget challenges. The city is also known for its early adoption of new accounting standards and for being one of the most timely municipal issuers to publish its annual audited financial statements. By law, changes in property tax billable assessed value are phased-in over five years, which evens out ups and downs in the city's real estate markets and helps minimize swings in the city's tax revenue. Nonetheless, even with the city's strong governance structure, actions to structurally balance the budget can be politically difficult and the city's reserves are typically much lower than the sector and so provide limited financial resilience to its other exposures. State law that limits the amount of real property tax that a municipality may levy in any year--factor in our institutional framework for New York cities--does not apply to New York City.

ESG Issuer Profile Scores and Credit Impact Scores for the rated entity/transaction are available on Moody's.com. In order to view the latest scores, please click [here](#) to go to the landing page for the entity/transaction on MDC and view the ESG Scores section.

## Rating methodology and scorecard factors

The [US Cities and Counties Rating Methodology](#) includes a scorecard, which summarizes the rating factors generally most important to city and county credit profiles. Because the scorecard is a summary, and may not include every consideration in the credit analysis for a specific issuer, a scorecard-indicated outcome may or may not map closely to the actual rating assigned.

Exhibit 10

	Measure	Weight	Score
<b>Economy</b>			
Resident income ratio	90.2%	10.0%	A
Full value per capita	185,703	10.0%	Aaa
Economic growth metric	-0.9%	10.0%	Aa
<b>Financial Performance</b>			
Available fund balance ratio	0.0%	20.0%	Ba
Liquidity ratio	17.8%	10.0%	Baa
<b>Institutional Framework</b>			
Institutional Framework	Aa	10.0%	Aa
<b>Leverage</b>			
Long-term liabilities ratio	269.0%	20.0%	A
Fixed-costs ratio	16.9%	10.0%	A
<b>Notching factors</b>			
No notchings applied			
Scorecard-Indicated Outcome			A3
Assigned Rating			Aa2

¶ The Economic Growth metric cited above compares the five-year CAGR of real GDP for New York-Newark-Jersey City, NY-NJ-PA Metropolitan Statistical Area to the five-year CAGR of real GDP for the US.

Sources: US Census Bureau, New York (City of) NY's financial statements and Moody's Ratings

## Appendix

Exhibit 11

### Key Indicators Glossary

	Definition	Typical Source*
<b>Economy</b>		
Resident income ratio	Median Household Income (MHI) for the city or county, adjusted for Regional Price Parity (RPP), as a % of the US MHI	MHI: US Census Bureau - American Community Survey 5-Year Estimates RPP: US Bureau of Economic Analysis
Full value	Estimated market value of taxable property in the city or county	State repositories; audited financial statements; continuing disclosures
Population	Population of the city or county	US Census Bureau - American Community Survey 5-Year Estimates
Full value per capita	Full value / population	
Economic growth metric	Five year CAGR of real GDP for Metropolitan Statistical Area or county minus the five-year CAGR of real GDP for the US	Real GDP: US Bureau of Economic Analysis
<b>Financial performance</b>		
Revenue	Sum of revenue from total governmental funds, operating and non-operating revenue from total business-type activities, and non-operating revenue from internal services funds, excluding transfers and one-time revenue, e.g., bond proceeds or capital contributions	Audited financial statements
Available fund balance	Sum of all fund balances that are classified as unassigned, assigned or committed in the total governmental funds, plus unrestricted current assets minus current liabilities from the city's or county's business-type activities and internal services funds	Audited financial statements
Net unrestricted cash	Sum of unrestricted cash in governmental activities, business type activities and internal services fund, net of short-term debt	Audited financial statements
Available fund balance ratio	Available fund balance (including net current assets from business-type activities and internal services funds) / Revenue	
Liquidity ratio	Net unrestricted cash / Revenue	
<b>Leverage</b>		
Debt	Outstanding long-term bonds and all other forms of long-term debt across the governmental and business-type activities, including debt of another entity for which it has provided a guarantee disclosed in its financial statements	Audited financial statements; official statements
Adjusted net pension liabilities (ANPL)	Total primary government's pension liabilities adjusted by Moody's to standardize the discount rate used to compute the present value of accrued benefits	Audited financial statements; Moody's Ratings
Adjusted net OPEB liabilities (ANOL)	Total primary government's net other post-employment benefit (OPEB) liabilities adjusted by Moody's to standardize the discount rate used to compute the present value of accrued benefits	Audited financial statements; Moody's Ratings
Other long-term liabilities (OLTL)	Miscellaneous long-term liabilities reported under the governmental and business-type activities entries	Audited financial statements
Long-term liabilities ratio	Debt + ANPL + ANOL + OLTL / Revenue	
<b>Fixed costs</b>		
Implied debt service	Annual cost to amortize city or county's long-term debt over 20 years with level payments	Audited financial statements; official statements; Moody's Ratings
Pension tread water contribution	Pension contribution necessary to prevent reported unfunded pension liabilities from growing, year over year, in nominal dollars, if all actuarial assumptions are met	Audited financial statements; Moody's Ratings
OPEB contribution	City or county's actual contribution in a given period	Audited financial statements
Implied cost of OLTL	Annual cost to amortize city or county's other long-term liabilities over 20 years with level payments	Audited financial statements; Moody's Ratings
Fixed-costs ratio	Implied debt service + Pension tread water + OPEB contributions + Implied cost of OLTL / Revenue	

\*Note: If typical data source is not available then alternative sources or proxy data may be considered. For more detailed definitions of the metrics listed above please refer to the [US City and Counties Methodology](#).

Source: Moody's Ratings

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