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Providence Pension Could Bankrupt Rhode Island City.

The financial condition of the City of Providence, Rhode Island certainly looks precarious. The municipality may need to seek bankruptcy protection in the near future primarily as a result of its over \$1 billion in unfunded pension obligations.

As indicated below, the Mayor of Providence agrees with this dire analysis.

According to the Comprehensive Annual Financial Report (CAFR) of the City for the fiscal year ended June 30, 2019, the Employee Retirement System of the City (ERS) had a funded ratio of only 25.83%. That is, ERS had approximately \$367 million in assets to cover its total \$1.4 billion pension liability.

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Forbes

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