

“10 Point Test” assignment from Dr. Gerald Miller of Rutgers University

FIRST MAJOR EXERCISE

Using the official statement you have obtained from a local government, complete the following:

1. Compute the 10 Point Test (Brown, “The 10-Point Test of Financial Condition: Toward an Easy-to-Use Assessment Tool for Smaller Cities”) for the local government. Show all numbers used to form the ratios, with one ratio per page of your presentation, and provide page references (or specific directions on how I can verify) the numbers you obtained from the official statement.
2. Explain what you found point by point in a discussion after the computations, concentrating on the definition of the ratio and its meaning according to Brown.
3. Interpret the results of the test generally (what was the bottom line?) and relate this interpretation to whatever you know about the municipality generally.