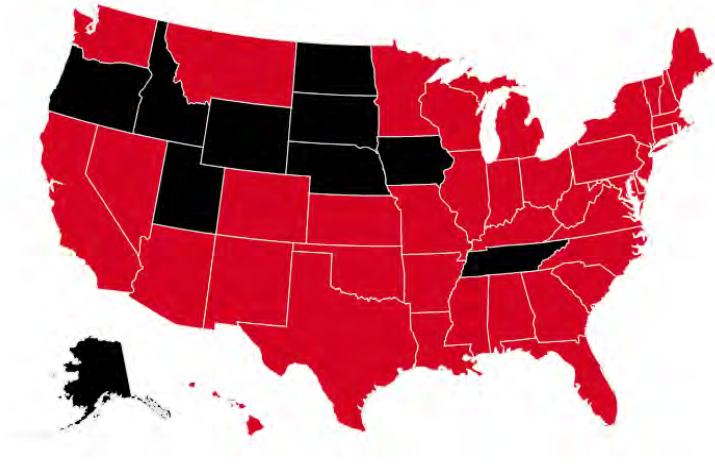




FINANCIAL STATE OF THE STATES

An Annual Report by Truth in Accounting



September 2018

Table of Contents

Executive Summary	4
Introduction and Background	5
50 State Ranking (in order)	6
50 State Ranking (alphabetical)	7
Summary of Findings	8
Sunshine and Sinkhole States	9
Top 5 Sunshine States	10
Top 5 Sinkhole States	12
50 State Ranking Chart	14
Grading the States	16
Does Your State Balance Its Budget?	17
How Timely is Your State Financial Report?	19
Timely State Reports	20
Tardy State Reports	21
OPEB Reporting Rule Takes Effect in FY 2018	22
Why Truthful, Timely and Transparent Financial Information is Important	23
Recommendations	25
Methodology	26
State reports	27-126
Appendices	128-133

Executive Summary

Government reports are lengthy, cumbersome, and sometimes misleading documents. At Truth in Accounting (TIA), we believe that taxpayers and citizens deserve easy-to-understand, truthful, and transparent financial information from their governments.

This is our ninth Financial State of the States (FSOS) report, a comprehensive analysis of the fiscal health of all 50 states based on fiscal year 2017 comprehensive annual financial reports (CAFRs).

At the end of the FY 2017, 40 states did not have enough money to pay all of their bills. This means that to balance the budget, elected officials have not included the true costs of the government in their budget calculations and have pushed costs onto future taxpayers. TIA divides the amount of money needed to pay bills by the number of state taxpayers to come up with the Taxpayer Burden™. If a state has money available after

bills are considered, that surplus amount is likewise divided by the number of taxpayers to come up with the Taxpayer Surplus™. We then rank the states based on these measures.

We have also implemented a grading system for the states to give greater context to each state's Taxpayer Burden or Taxpayer Surplus. Based on our grading methodology, three states received A's, seven received B's, 12 received C's, 18 received D's, and 10 states received failing grades.

States in general do not have enough money to pay all of their bills. Based on our latest analysis, the total unfunded debt among the 50 states increased by \$53.4 billion to more than \$1.5 trillion in FY 2017. Most of this debt comes from unfunded retiree benefit promises, such as pension and retiree healthcare debt. This year, pension debt accounts for \$837.5 billion, and other post-employment benefits—mainly retiree healthcare liabilities—totaled \$663.1 billion.

Introduction and Background

Because government financial statements do not report all liabilities, elected officials and citizens are making financial decisions without knowing the true financial condition of their government. The lack of accuracy and transparency in government accounting makes it difficult for even experienced readers of government financial documents to understand and evaluate a public-sector entity's financial health.

TIA believes it is imperative to provide an honest accounting of each state's financial condition. Therefore, we developed a sophisticated model to analyze all the assets and liabilities of all 50 states, including unreported liabilities.

Since all levels of government derive their just powers from the consent of the governed, government officials are responsible for reporting their actions and the results in ways that are truthful and comprehensible to the electorate. Providing accurate

and timely information to citizens and the media is an essential part of government responsibility and accountability. The lack of transparency in financial information, state budgets, and financial reports makes it difficult for governments to meet this democratic responsibility.

This is the motivation and foundation for the nonpartisan mission of TIA: to educate and empower citizens with understandable, reliable, and transparent government financial information. TIA is a nonprofit, nonpartisan organization composed of business, community, and academic leaders interested in improving government financial reporting. TIA makes no policy recommendations beyond improvements to budgeting and accounting practices that will enhance the public's understanding of government finances.

50 State Ranking (in order)

1. Alaska, p. 28
2. North Dakota, p. 30
3. Wyoming, p. 32
4. Utah, p. 34
5. South Dakota, p. 36
6. Idaho, p. 38
7. Tennessee, p. 40
8. Nebraska, p. 42
9. Oregon, p. 44
10. Iowa, p. 46
11. Florida, p. 48
12. Virginia, p. 50
13. Indiana, p. 52
14. Oklahoma, p. 54
15. Montana, p. 56
16. Nevada, p. 58
17. Arkansas, p. 60
18. Wisconsin, p. 62
19. Georgia, p. 64
20. Missouri, p. 66
21. Arizona, p. 68
22. Minnesota, p. 70
23. New Hampshire, p. 72
24. Maine, p. 74
25. Kansas, p. 76
26. Ohio, p. 78
27. North Carolina, p. 80
28. Washington, p. 82
29. New Mexico, p. 84
30. West Virginia, p. 86
31. Colorado, p. 88
32. Texas, p. 90
33. Mississippi, p. 92
34. Alabama, p. 94
35. Rhode Island, p. 96
36. Louisiana, p. 98
37. Maryland, p. 100
38. Michigan, p. 102
39. South Carolina, p. 104
40. Pennsylvania, p. 106
41. Vermont, p. 108
42. New York, p. 110
43. California, p. 112
44. Delaware, p. 114
45. Hawaii, p. 116
46. Massachusetts, p. 118
47. Kentucky, p. 120
48. Illinois, p. 122
49. Connecticut, p. 124
50. New Jersey, p. 126

50 State Ranking (alphabetical)

1. Alabama, p. 94
2. Alaska, p. 28
3. Arizona, p. 68
4. Arkansas, p. 60
5. California, p. 112
6. Colorado, p. 88
7. Connecticut, p. 124
8. Delaware, p. 114
9. Florida, p. 48
10. Georgia, p. 64
11. Hawaii, p. 116
12. Idaho, p. 38
13. Illinois, p. 122
14. Indiana, p. 52
15. Iowa, p. 46
16. Kansas, p. 76
17. Kentucky, p. 120
18. Louisiana, p. 98
19. Maine, p. 74
20. Maryland, p. 100
21. Massachusetts, p. 118
22. Michigan, p. 102
23. Minnesota, p. 70
24. Mississippi, p. 92
25. Missouri, p. 66
26. Montana, p. 56
27. Nebraska, p. 42
28. Nevada, p. 58
29. New Hampshire, p. 72
30. New Jersey, p. 126
31. New Mexico, p. 84
32. New York, p. 110
33. North Carolina, p. 80
34. North Dakota, p. 30
35. Ohio, p. 78
36. Oklahoma, p. 54
37. Oregon, p. 44
38. Pennsylvania, p. 106
39. Rhode Island, p. 96
40. South Carolina, p. 104
41. South Dakota, p. 36
42. Tennessee, p. 40
43. Texas, p. 90
44. Utah, p. 34
45. Vermont, p. 108
46. Virginia, p. 50
47. Washington, p. 82
48. West Virginia, p. 86
49. Wisconsin, p. 62
50. Wyoming, p. 32

Summary of Findings

40 states do not have enough money to pay their bills

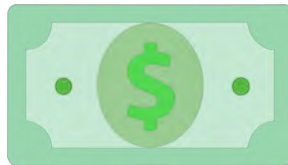


When states do not have enough money to pay their bills, TIA takes that number and divides it by the estimated number of state taxpayers. We call the resulting number a Taxpayer Burden and rank states based on this measure.

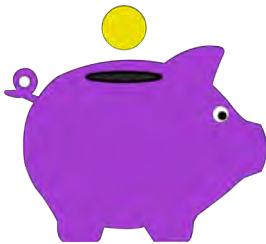
States with a Taxpayer Burden are shown in red; states with a Taxpayer Surplus are shown in black.

\$1.5 trillion in unfunded debt

In total, unfunded debt among the states was more than \$1.5 trillion at the end of the 2017 fiscal year.



\$837.5 billion in pension debt



Unfunded pension liabilities are a major contributing factor to the \$1.5 trillion in state-level debt. One of the ways states make their budgets look balanced is by shortchanging public pension funds. This practice has resulted in a \$837.5 billion shortfall.

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Sunshine and Sinkhole States

TIA ranks each state by its Taxpayer Burden or Taxpayer Surplus. A Taxpayer Burden is the amount of money each taxpayer would have to contribute if the state were to pay all of its debt. Conversely, a Taxpayer Surplus is the amount of money left over after all of a state's bills are paid, divided by the estimated number of taxpayers in the state. We split the states into two groups. States that lack the necessary funds to pay their bills are called Sinkhole States, while those that do have enough money are referred to as Sunshine States.

Top 5 Sunshine States

Alaska	\$56,500
North Dakota	\$24,900
Wyoming	\$19,600
Utah	\$4,400
South Dakota	\$3,100

Top 5 Sinkhole States

Massachusetts	-\$33,500
Kentucky	-\$39,200
Illinois	-\$50,800
Connecticut	-\$53,400
New Jersey	-\$61,400

Top 5 Sunshine States

(1) ALASKA remains in first place in our ranking because our analysis includes the state's "Earning Reserve Account" as assets available to pay bills. This treatment of these assets is in line with the state's audited financial report, which indicates the state has more than \$15 billion in "spendable" assets. Alaska's positive financial condition increased by more than \$3 billion because of a dramatic decrease in the state's unfunded retiree health care benefits. This decrease was a result of actuaries of the state's retiree health care trusts increasing the percentage rate used to determine the current value of promised benefits from 4.3 percent to 8 percent (the higher the percentage rate, the lower the liability).

(2) NORTH DAKOTA maintains its second place ranking this year with \$14.5 billion in assets available to pay \$7.4 billion of bills, including unfunded pensions. While assets available increased this year, the state's unfunded pension liability

continued to rise, in part due to actuaries determining there is a risk that projected plan assets might not be enough to pay all promised benefits. Taking this risk into account, the actuaries reduced the percentage rate used to determine the current value of promised benefits from 8 percent to 6.4 percent.

(3) WYOMING'S current financial position has benefited from a long-running tailwind that helped other energy-intensive state economies. It has been less sensitive to the decline in oil prices than other energy states in recent years, and revenues from mineral extraction taxes (primarily coal) rose last year. However, Wyoming's money available to pay bills decreased slightly amid increases in the state's unfunded pension and retiree health care debt.

(4) UTAH'S taxpayers and residents benefit from some of the most responsible financial management practices in the nation. Utah has the

Top 5 Sunshine States

best record among the 50 states in keeping expenses below revenue. In fact, Utah has done that every year since 2005—even during the Great Recession. Utah also produces some of the timeliest financial reports in the nation.

(5) SOUTH DAKOTA'S finances in recent years have been challenged by slowing growth in its regional economy, but it still made enough improvements to edge out Nebraska on the list of the Top 5 Sunshine States. While the state's pension plan appears to be overfunded by \$3.5 million, maintaining a cushion is a good practice because the value of pension plan assets can fluctuate dramatically.

Top 5 Sinkhole States

(50) NEW JERSEY'S financial condition improved with money needed to pay bills decreasing by \$13.4 billion, but the state remains in last place in our ranking with a Taxpayer Burden of \$61,400. While the state's financial statements indicated an annual deficit of nearly \$11 billion, the state's financial condition seemingly improved because the actuaries of the state's retirement systems increased the percentage rates used to determine the current value of promised benefits.

(49) CONNECTICUT moved from the No. 48 spot to No. 49 as money needed to pay bills increased to nearly \$6.2 billion. That bumped up the state's Taxpayer Burden to \$53,400. The sharp decline in the state's financial condition corresponds to changes in how its unfunded pension debt is calculated. For example, the State Employees' Retirement System's actuaries reduced the percentage rate used to determine the current value of promised benefits from 8 percent to 6.9 percent (the lower the percentage,

the higher the liability).

(48) ILLINOIS continues to rank among the lowest states in the nation on our Taxpayer Burden measure. The further deterioration in Illinois' Taxpayer Burden was a result of a reported deficit of \$9.9 billion and the state's ever increasing unfunded retiree health care benefits. But there is some good news: due to increases in the estimated value of Illinois' pension plan assets, the unfunded pension debt decreased by \$4 billion. Unfortunately, this increase was more than offset by the \$8 billion increase in unfunded retiree health care debt.

(47) KENTUCKY'S financial condition continues to decline to a point where the state only has \$12 billion to pay \$62 billion worth of bills. The economic recovery improved the estimated value of the assets held in the state's pension plans, so Kentucky's unfunded pension debt amount decreased slightly to \$40.6 billion. Unfortunately, this decrease was more

Top 5 Sinkhole States

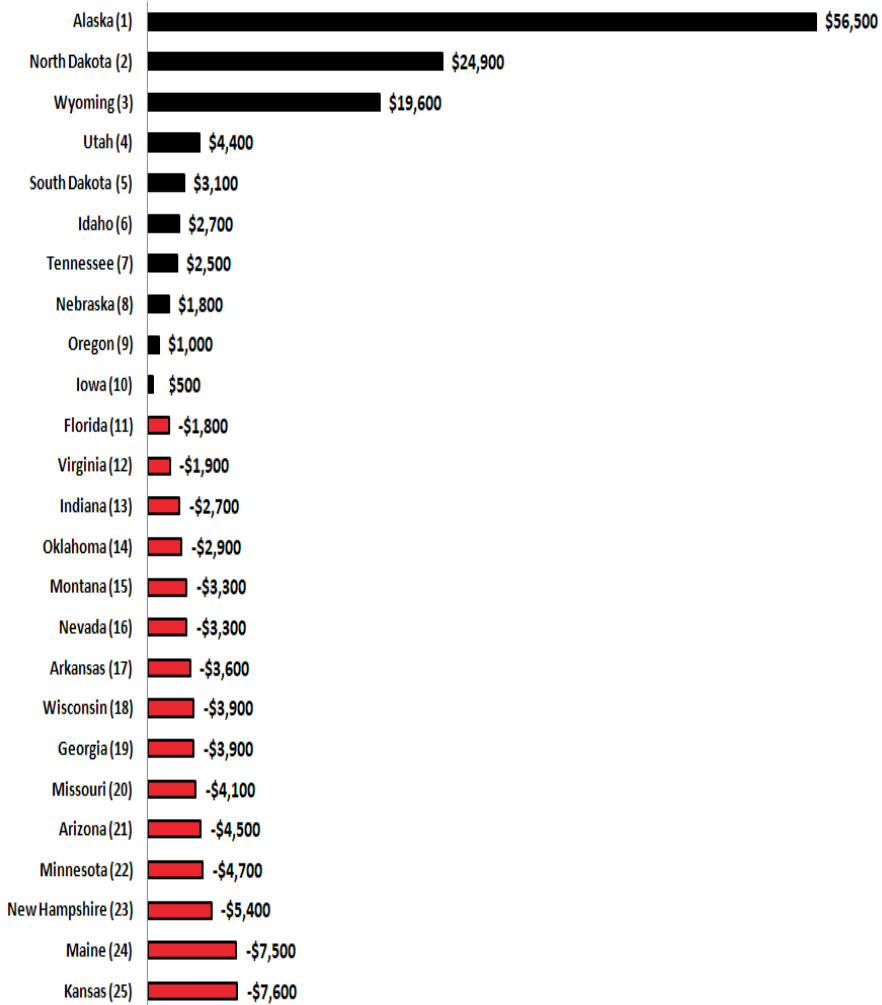
than offset by a \$1.7 billion increase in the estimated unfunded retiree health care debt.

(46) MASSACHUSETTS needs about \$87 billion to pay its bills, including unfunded pensions and retiree health care benefits. Each taxpayer's share of this debt rose to \$33,500, making Massachusetts the fifth worst state. The state's unfunded pension debt decreased slightly thanks in part to the economic recovery, but the estimated amount of money Massachusetts needs to cover the health care benefits promised state employees when they retire increased by more than \$3.5 billion.

50 State Ranking Chart

Black is a Sunshine State and Red is a Sinkhole State

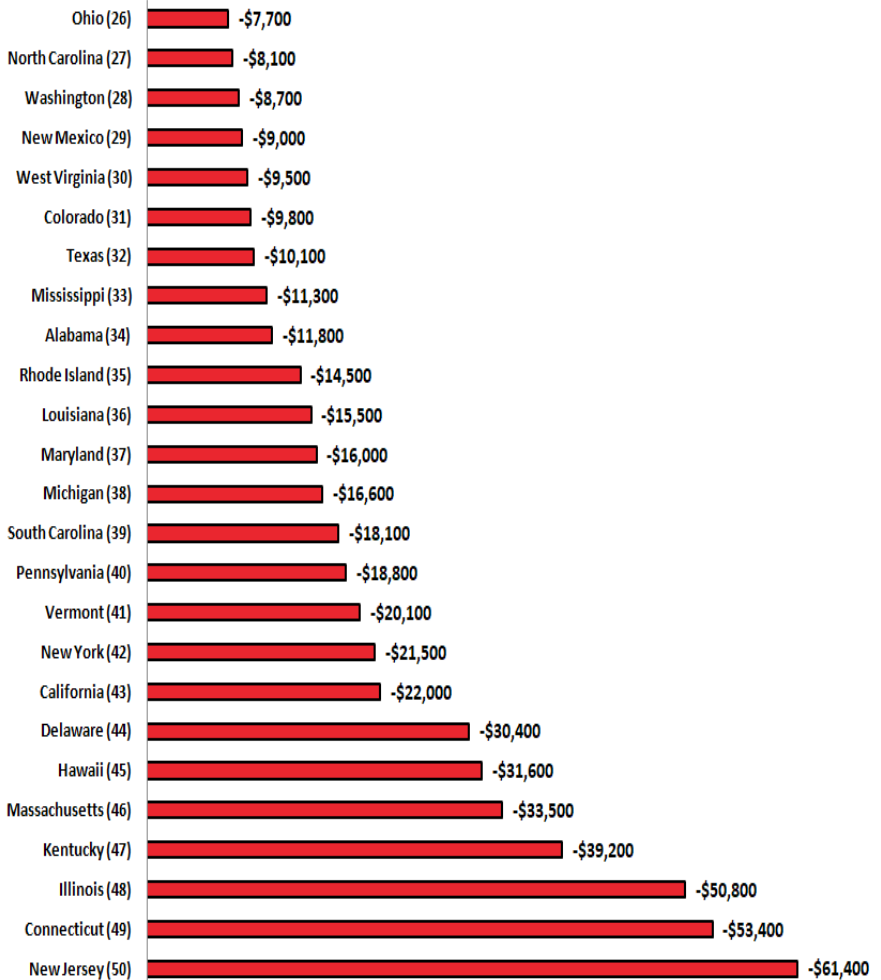
Taxpayer Surplus (Burden)



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50 State Ranking Chart

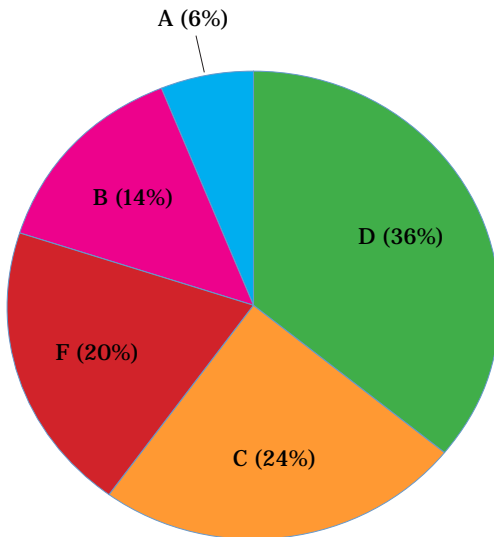
Taxpayer Surplus (Burden)



Grading the States

Truth in Accounting's grading system for the 50 states gives greater meaning to each state's Taxpayer Burden or Taxpayer Surplus. A state government receives a "C," or passing grade, if it comes close to meeting its balanced budget requirement, which is reflected by a small Taxpayer Burden. An "A" or "B" grade is given to governments that have met their balanced budget requirements and have a Taxpayer Surplus. "D" and "F" grades apply to governments that have not balanced their budgets and have significant Taxpayer Burdens. Based on our grading system, here are the numbers of states for each grade:

- **A grade:** Taxpayer Surplus greater than \$10,000 (3 states).
- **B grade:** Taxpayer Surplus between \$100 and \$10,000 (7 states).
- **C grade:** Taxpayer Burden between \$0 and \$4,900 (12 states).
- **D grade:** Taxpayer Burden between \$5,000 and \$20,000 (18 states).
- **F grade:** Taxpayer Burden greater than \$20,000 (10 states).



Does Your State Balance Its Budget?

If a state has a balanced budget requirement, it makes sense that this would mean spending is equal to revenue brought in during a specific year. Unfortunately, in the world of government accounting, things are often not as they appear.

Every state, except for Vermont, has balanced budget requirements, yet even with these rules in place, states have accumulated more than \$1.5 trillion in unfunded debt. How can states rack up debt and balance their budgets at the same time? It all depends on how you count.

States balance budgets using accounting tricks, such as the following:

- Inflating revenue assumptions
- Counting borrowed money as income
- Understating the true costs of government
- Delaying the payment of current bills until the start of the next

fiscal year so they aren't included in the calculations

The most common accounting trick states use is hiding a large portion of employee compensation from the balance sheet and budget. Employee compensation packages include benefits such as healthcare, life insurance, and pensions. States become obligated to pay these benefits as employees earn them.

Although these retirement benefits will not be paid until the employees retire, they still represent current compensation costs because they were earned and incurred throughout the employees' tenure. Furthermore, that money needs to be put into the pension fund in order to accumulate investment earnings. If states didn't offer pensions and other benefits, they would have to compensate their employees with higher salaries from which they would fund their own retirement.

Does Your State Balance Its Budget?

Unfortunately, some elected officials have used portions of the money that is owed to pension funds to keep taxes low and pay for politically popular programs. This is like charging earned benefits to a credit card without having the money to pay off the debt. Instead of funding promised benefits now, they have been charged to future taxpayers. Shifting the payment of employee benefits to future taxpayers allows the budget to appear balanced, while state debt is increasing.

How Timely is Your State Financial Report?

Timely financial information is crucial during government decision-making processes, such as creating a budget. However, most states issue their annual financial reports late. The Government Financial Officers Association (GFOA) standard for states to publish their CAFRs is 180 days after the end of the fiscal year. Ideally, states should issue their CAFRs within 100 days. The national average for publishing these reports is roughly 196 days.

Twenty-three states took more than 180 days to make public their annual financial reports, while 27 states produced the reports prior to the deadline. Michigan was the only state to issue its annual report within 100 days. The reports for Alabama and New Mexico were not publicly available as of Aug. 1, 2018. The other least timely states were New Jersey (272), California (264), Nevada (258), Arizona (258) and Illinois (258).

Most corporate financial reports are issued within 45 days of their respective fiscal year ends. There are internal difficulties and obstacles for states to reach this standard; however, timely financial information is critical so citizens, taxpayers and legislators can be knowledgeable participants in crucial decision-making processes, such as voting and budgeting.

Timely State Reports

States that issued their financial reports within the GFOA's 180-day deadline are considered timely. This table gives the number of days it took a state to publish its annual report after the end of the fiscal year. Here are the states that reported their financials on time.

State	Days issued after FYE
Michigan	97
Washington	125
Kansas	140
South Carolina	140
Utah	154
North Carolina	154
New York	154
North Dakota	161
Pennsylvania	166
Kentucky	166
Nebraska	167
Iowa	167
Virginia	168
Minnesota	168

State	Days issued after FYE
Maine	168
Maryland	168
Wyoming	171
Indiana	172
Idaho	173
Oregon	173
Tennessee	174
Oklahoma	174
Vermont	174
Arkansas	175
New Hampshire	175
Ohio	175
Delaware	175

Tardy State Reports

Here are the states that did not publish their financial reports within the 180-day deadline.

State	Days after FYE
Alabama*	N/A
New Mexico**	399
New Jersey	272
California	264
Nevada	258
Arizona	258
Illinois	258
Mississippi	231
Wisconsin	228
Florida	227
Alaska	224
Colorado	221
Montana	210
Missouri	209
Massachusetts	194
West Virginia	184
South Dakota	182
Rhode Island	182
Louisiana	182
Connecticut	182
Georgia	181
Texas	181
Hawaii	181

* Alabama's comptroller had not made the annual report public as of Aug. 1, 2018.

** The New Mexico Department of Finance & Administration did not make the CAFR publicly available on its website until Aug. 3, 2018.

OPEB Reporting Rule Takes Effect in FY 2018

A new financial reporting rule taking effect for the 2018 fiscal year will require states to report all unfunded other post-employment benefits (OPEB), particularly retiree health care liabilities, on their balance sheet.

In FY 2017, total unfunded OPEB liabilities among the 50 states was \$663.1 billion, though two-thirds of that, or \$439.5 billion, was not reported on the balance sheet. We refer to this as “hidden debt.”

The following chart shows states with the largest difference in reported vs. total unfunded retiree health care promises, or hidden debt.

States	Reported	Total	Hidden Debt
New York	\$40.9 billion	\$110.7 billion	\$69.7 billion
Texas	\$6.7 billion	\$65.5 billion	\$58.8 billion
California	\$48.6 billion	\$107 billion	\$58.4 billion
Illinois	\$16.5 billion	\$52.5 billion	\$36.1 billion
New Jersey	\$37.6 billion	\$71.9 billion	\$34.3 billion

Why Truthful, Transparent and Timely Financial Information is Important

Democracy depends on an informed electorate, but due to current practices in both accounting and budgeting, the true financial health of a state can be obscured and citizens are deceived, or at best misled. Without access to truthful, timely, and transparent information, how can citizens be knowledgeable participants in their governments?

Accurate accounting requires all expenses to be reported in the state's budget and financial statements when incurred, not when they are paid. Truthful budgetary accounting must incorporate all current compensation costs, including the portion of retiree benefits that employees earn every year.

A lack of transparency in government finance leads to the following problems:

- Accounting tricks allow elected officials to claim balanced budgets, giving residents a false sense of

security, while states sink further into debt.

- Residents do not know the true cost of their state government, and elected officials are able to spend amounts larger than the state's revenues.
- Complex pension systems, which both citizens and elected officials have difficulty understanding, rack up massive debts, putting states further in the red.
- Voters may re-elect leaders based on false claims that budgets were balanced.
- Elected officials create and continue new programs and increased services without knowing the true cost of government spending.
- Our representative form of government is undermined because citizens become cynical and do not trust their governments.

States should use financial reports from the previous year to calculate a

Why Truthful, Transparent and Timely Financial Information is Important

more accurate and realistic budget for the following year. However, because financial reports are not timely, they cannot be used to assist the budgeting process. Furthermore, these budgets do not include all costs—they exclude large portions of compensation costs because money is not set aside to cover retirement benefits as they are earned.

While the implementation of the Governmental Accounting Standards Board (GASB) Statement No. 68 required state governments to report their pension liabilities on their balance sheets, the amount being reported is still inaccurate because GASB gave states the option to report the liability using the prior year's numbers. For example, if the state's fiscal year end is June 30, 2017, the state could report the pension liability amount calculated on June 30, 2016.

GASB allows states to report their pension liability using a different measurement date, but this practice goes against the basic accounting

concept that a balance sheet should be a snapshot of an entity's financial condition at a specific point in time.

The other issue caused by GASB 68 is the expanded use of confusing and misleading accounts called "deferred outflows" and "deferred inflows." These accounts distort states' net positions and expenses. For example, instead of recognizing the full loss in the value of its pension plan assets as an expense during the year in which the loss occurred, a state increases its deferred outflows, which is on the asset side of the balance sheet. TIA found that the use of deferred outflows and inflows inflated states' net positions by \$193 billion.

Most states continue not to report the full cost of retiree health care debt in their budgets and balance sheets. Next year with the implementation of GASB Statement No. 75, state and local governments will be required to report these liabilities.

Recommendations

Recommendations to citizens:

1. To better understand your state's finances, visit statedatalab.org and select your state to see your government's true financial condition.
2. Encourage your politicians to balance the budget truthfully.
3. Promote accountability of your elected officials by demanding the use of full accrual calculations and techniques (FACT) in the budgeting process.

Recommendations to elected officials:

1. Use FACT-based budgeting.
2. Determine the true debt of the state, including all post-employment benefit programs.
3. Stop claiming to balance the budget while putting off expenses into the future, placing a larger debt onto incoming generations.
4. To gain a more accurate picture of your government's financial condition, download your state's FSOS on www.statedatalab.org.
5. Encourage state financial information to be provided

to taxpayers in a more timely fashion.

Recommendations to government financial report preparers:

1. Release financial reports within 100 days of the fiscal year end.
2. Use the most recent pension data, not the previous year's even if this requires a delay in issuing the CAFR.
3. Make financial reports easily accessible online and in a searchable format.
4. Include a net position not distorted by misleading and confusing deferred items.
5. Require both state and pension system CAFRs to be audited by an outside CPA firm.

Recommendations to standard setters:

1. Require governments to use the most recent pension data.
2. Modify GASB 68 and 75 to eliminate the use of deferred outflows and inflows.

Methodology

TIA researchers use a thorough and holistic approach to determine the condition of government finances. This approach compares bills—including those related to retirement systems, and excluding debt related to capital assets such as land, buildings, and infrastructure—to government assets available to pay these bills. We exclude capital assets because these should not be sold to pay bills.

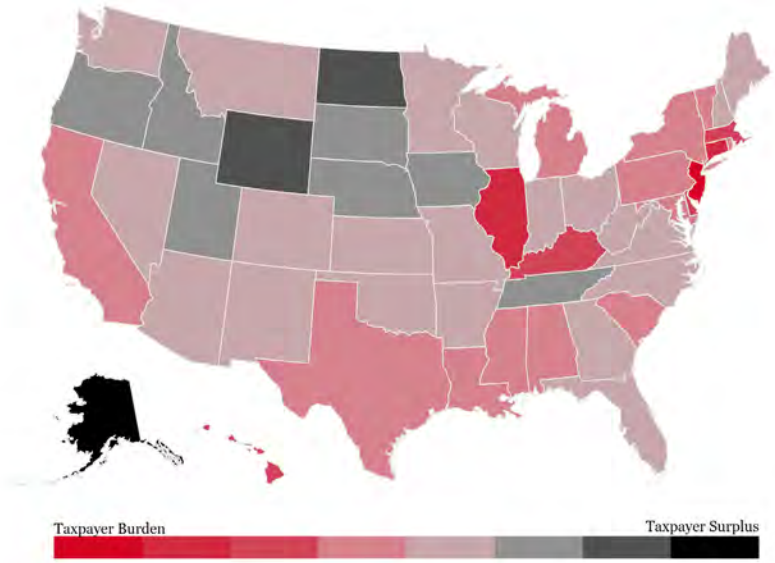
Historically, state and local governments were not required to record the present value of their obligations for public employee retirement benefits, including pensions and retiree healthcare, as liabilities on their balance sheet. TIA digs into the underlying reports for hundreds of pension and related plans to find these liabilities, and then puts that information on our own version of what constitutes a valid balance sheet.

TIA ranks each state by its Taxpayer Burden or Taxpayer Surplus. The Taxpayer Burden is the amount each

taxpayer would have to pay to leave the state free of excessive debt. We calculate this number by subtracting “total bills” from “assets available to pay bills,” and then take the resulting number, or “money needed to pay bills,” and divide it by the estimated number of taxpayers with a positive federal income tax liability. Conversely, a Taxpayer Surplus is each taxpayer’s share of the state’s available assets after all bills have been paid.

We also use a grading system to provide a summary measure supplementing the bottom-line dollar amount reported in our Taxpayer Burden calculation. Our letter grades also provide a valuable alternative to the widely reported letter grades issued by credit rating agencies. We believe government officials and the media have become too reliant on credit ratings. These ratings focus on the needs of bondholders and reflect a government’s ability to pay bonds with little consideration of other sources of government debt, such as unfunded pension liabilities.

State Reports





ALASKA'S FINANCES RANK BEST IN NATION

September 2018
truthinaccounting.org

THE FINANCIAL STATE OF ALASKA

A new analysis of the latest available audited financial reports found Alaska had a Taxpayer Surplus™ of \$56,500, earning it an "A" grade based on Truth in Accounting's grading scale.

Unlike most states, Alaska's state government has enough resources available to pay all of its bills, including public employees' retirement benefits. When broken down, the amount available to pay future bills results in a surplus of \$56,500 for each Alaska taxpayer. Because a large percentage of the state's revenue is derived from taxes related to the energy industry, it is at risk if energy prices or production decrease.

Although Alaska has enough money to pay all of its bills, it is still not completely transparent with taxpayers. None of its other post-employment benefits are reported in the financial statements. While this analysis includes these liabilities, a new accounting standard (GASB 75) to be implemented in the next fiscal year will require the state to recognize these liabilities.

Here's the truth:



Data included in this report is derived from the state of Alaska's 2017 audited Comprehensive Annual Financial Report and retirement plans' actuarial reports.

ALASKA

FINANCIAL BREAKDOWN

FAST FACTS

- + Alaska has \$30.6 billion available in assets to pay \$14.3 billion worth of bills.
- + The outcome is a \$16.3 billion surplus, which breaks down to \$56,500 per taxpayer.
- + Despite reporting all of its pension debt, the state continues to hide \$589.3 million of its retiree health care debt.
- + Alaska's reported net position is inflated by \$930.8 million, largely because the state defers recognizing losses incurred when the net pension liability increases.

THE STATE'S ASSETS EXCEED ITS BILLS

Assets	\$94,874,895,000
<i>Minus:</i> Capital assets	-\$12,228,214,000
Restricted assets	-\$51,998,985,000
Assets available to pay bills	\$30,647,696,000
<i>Minus:</i> Bills	-\$14,320,784,000
Money available to pay bills	\$16,326,912,000
Each taxpayer's share of surplus	\$56,500

BILLS THE STATE HAS ACCUMULATED

Bonds	\$5,697,152,000
Other liabilities	\$5,709,075,000
<i>Minus:</i> Debt related to capital assets	-\$2,172,821,000
Unfunded pension benefits	\$4,498,068,000
Unfunded retiree health care	\$589,310,000
Bills	\$14,320,784,000

GRADE: A

Bottom line: Alaska has substantially more than enough money to pay its bills, so it has received an "A" for its finances from Truth in Accounting. An "A" grade is given to states with a Taxpayer Surplus greater than \$10,000.

Truth in Accounting is committed to educating and empowering citizens with understandable, reliable, and transparent government financial information. To be knowledgeable participants in their government and its budget process, citizens need truthful and transparent financial information.



NORTH DAKOTA RANKS NO. 2 FOR ITS FINANCES

September 2018
truthinaccounting.org

THE FINANCIAL STATE OF NORTH DAKOTA

A new analysis of the latest available audited financial reports found North Dakota had a Taxpayer Surplus™ of \$24,900, earning it an "A" grade based on Truth in Accounting's grading scale.

Unlike most states, North Dakota's state government has enough resources available to pay all of its bills, including public employees' retirement benefits. When broken down, the amount available to pay future bills results in a surplus of \$24,900 for each North Dakota taxpayer. Because a large percentage of the state's revenue is derived from taxes related to the energy industry, it is at risk if energy prices or production decrease.

Although North Dakota has enough money to pay all of its bills, it is still not completely transparent with taxpayers. Its reported pension liability is understated by \$348.4 million because an outdated valuation was utilized in preparation of the financials. Furthermore, \$50.3 million of retiree health care liabilities are excluded from the balance sheet.

Here's the truth:

2

Rank

\$7.1
billion

Money available
to pay future bills

\$24,900

Taxpayer
Surplus

A

Financial grade

Data included in this report is derived from the state of North Dakota's 2017 audited Comprehensive Annual Financial Report and retirement plans' actuarial reports.

NORTH DAKOTA FINANCIAL BREAKDOWN

FAST FACTS

- + North Dakota has \$14.5 billion available in assets to pay \$7.4 billion worth of bills.
- + The outcome is a \$7.1 billion surplus, which breaks down to \$24,900 per taxpayer.
- + The state excludes \$398.7 million of retirement liabilities from its balance sheet.
- + North Dakota's reported net position is inflated by \$152.2 million, largely because the state defers recognizing losses incurred when the net pension liability increases.

THE STATE'S ASSETS EXCEED ITS BILLS

Assets	\$28,441,603,000
<i>Minus:</i> Capital assets	-\$6,331,612,000
Restricted assets	-\$7,594,888,000
Assets available to pay bills	\$14,515,103,000
<i>Minus:</i> Bills	-\$7,414,024,000
Money available to pay bills	\$7,101,079,000
Each taxpayer's share of surplus	\$24,900

BILLS THE STATE HAS ACCUMULATED

Bonds	\$1,577,017,000
Other liabilities	\$5,268,888,000
<i>Minus:</i> Debt related to capital assets	-\$348,873,000
Unfunded pension benefits	\$865,411,000
Unfunded retiree health care	\$51,581,000
Bills	\$7,414,024,000

GRADE: A

Bottom line: North Dakota has substantially more than enough money to pay its bills, so it has received an "A" for its finances from Truth in Accounting. An "A" grade is given to states with a Taxpayer Surplus greater than \$10,000.

Truth in Accounting is committed to educating and empowering citizens with understandable, reliable, and transparent government financial information. To be knowledgeable participants in their government and its budget process, citizens need truthful and transparent financial information.



WYOMING RANKS NO. 3 FOR FISCAL HEALTH

September 2018
truthinaccounting.org

THE FINANCIAL STATE OF WYOMING

A new analysis of the latest available audited financial reports found Wyoming had a Taxpayer Surplus™ of \$19,600, earning it an "A" grade based on Truth in Accounting's grading scale.

Unlike most states, Wyoming's state government has enough resources available to pay all of its bills, including public employees' retirement benefits. When broken down, the amount available to pay future bills results in a surplus of \$19,600 for each Wyoming taxpayer. Because a large percentage of the state's revenue is derived from taxes related to the energy industry, it is at risk if energy prices or production decrease.

Although Wyoming has enough money to pay all of its bills, it is still not completely transparent with taxpayers. The state's balance sheet excludes \$564.3 million of other post-employment benefit liabilities. While this analysis includes these liabilities, a new accounting standard (GASB 75) to be implemented in the next fiscal year will require the state to recognize these liabilities.

Here's the truth:

3

Rank

\$4

billion

Money available
to pay future bills

\$19,600

Taxpayer
Surplus

A

Financial grade

Data included in this report is derived from the state of Wyoming's 2017 audited Comprehensive Annual Financial Report and retirement plans' actuarial reports.

Photo Credit: Wikimedia Commons; Frank Kovalchek

WYOMING

FINANCIAL BREAKDOWN

FAST FACTS

- + Wyoming has \$11.6 billion available in assets to pay \$7.6 billion worth of bills.
- + The outcome is a \$4 billion surplus, which breaks down to \$19,600 per taxpayer.
- + Despite reporting all of its pension debt, the state continues to hide \$564.3 million of its retiree health care debt.
- + Wyoming's reported net position is inflated by \$172.4 million, largely because the state defers recognizing losses incurred when the net pension liability increases.

THE STATE'S ASSETS EXCEED ITS BILLS

Assets	\$34,195,499,000
<i>Minus:</i> Capital assets	-\$7,847,560,000
Restricted assets	-\$14,759,165,000
Assets available to pay bills	\$11,588,774,000
<i>Minus:</i> Bills	-\$7,593,450,000
Money available to pay bills	\$3,995,324,000
Each taxpayer's share of surplus	\$19,600

BILLS THE STATE HAS ACCUMULATED

Bonds	\$793,466,000
Other liabilities	\$5,625,327,000
<i>Minus:</i> Debt related to capital assets	-\$162,286,000
Unfunded pension benefits	\$610,687,000
Unfunded retiree health care	\$726,256,000
Bills	\$7,593,450,000

GRADE: A

Bottom line: Wyoming has substantially more than enough money to pay its bills, so it has received an "A" for its finances from Truth in Accounting. An "A" grade is given to states with a Taxpayer Surplus greater than \$10,000.

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UTAH'S FINANCES AMONG HEALTHIEST IN NATION

September 2018
truthinaccounting.org

THE FINANCIAL STATE OF UTAH

A new analysis of the latest available audited financial reports found Utah had a Taxpayer Surplus™ of \$4,400, earning it a "B" grade based on Truth in Accounting's grading scale.

Unlike most states, Utah's state government has enough resources available to pay all of its bills, including public employees' retirement benefits. When broken down, the amount available to pay future bills results in a surplus of \$4,400 for each Utah taxpayer.

A new accounting standard (GASB Statement No. 75) taking effect next year will require states to report all of their other post-employment benefit liabilities on the balance sheet. Utah has already implemented this standard and doesn't hide any of this debt.

Here's the truth:

4

Rank

\$3.9
billion

Money available
to pay future bills

\$4,400

Taxpayer
Surplus

B

Financial grade

Data included in this report is derived from the state of Utah's 2017 audited Comprehensive Annual Financial Report and retirement plans' actuarial reports.

UTAH FINANCIAL BREAKDOWN

FAST FACTS

- + Utah has \$10.3 billion available in assets to pay \$6.4 billion worth of bills.
- + The outcome is a \$3.9 billion surplus, which breaks down to \$4,400 per taxpayer.
- + The state now reports all of its retiree health care liabilities on its balance sheet, but \$2.4 million of pension debt is still excluded.
- + Utah's reported net position is inflated by \$404.1 million, largely because the state defers recognizing losses incurred when the net pension liability increases.

THE STATE'S ASSETS EXCEED ITS BILLS

Assets	\$42,959,871,000
<i>Minus:</i> Capital assets	-\$24,144,547,000
Restricted assets	-\$8,513,150,000
Assets available to pay bills	\$10,302,174,000
<i>Minus:</i> Bills	-\$6,377,637,000
Money available to pay bills	\$3,924,537,000
Each taxpayer's share of surplus	\$4,400

BILLS THE STATE HAS ACCUMULATED

Bonds	\$5,607,254,000
Other liabilities	\$2,903,666,000
<i>Minus:</i> Debt related to capital assets	-\$3,649,408,000
Unfunded pension benefits	\$1,404,236,000
Unfunded retiree health care	\$111,889,000
Bills	\$6,377,637,000

GRADE: B

Bottom line: Utah has enough money to pay its bills, so it has received a "B" for its finances from Truth in Accounting. A "B" grade is given to states with a Taxpayer Surplus between \$100 and \$10,000.

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SOUTH DAKOTA IN GOOD SHAPE

September 2018
truthinaccounting.org

THE FINANCIAL STATE OF SOUTH DAKOTA

A new analysis of the latest available audited financial reports found South Dakota had a Taxpayer Surplus™ of \$3,100, earning it a "B" grade based on Truth in Accounting's grading scale.

Unlike most states, South Dakota's state government has enough resources available to pay all of its bills, including public employees' retirement benefits. When broken down, the amount available to pay future bills results in a surplus of \$3,100 for each South Dakota taxpayer. Because a large percentage of the state's revenue is derived from taxes related to the energy industry, it is at risk if energy prices or production decrease.

While South Dakota's pension plan is well-funded and its assets exceeded liabilities in fiscal year 2017, the state reported a net pension liability of \$129 million on its balance sheet because it used the previous year's pension valuation to prepare the financial statements.

Here's the truth:

5

Rank

\$922.7
million

Money available
to pay future bills

\$3,100

Taxpayer
Surplus

B

Financial grade

Data included in this report is derived from the state of South Dakota's 2017 audited Comprehensive Annual Financial Report and retirement plans' actuarial reports.

SOUTH DAKOTA

FINANCIAL BREAKDOWN

FAST FACTS

- + South Dakota has \$3.2 billion available in assets to pay \$2.3 billion worth of bills.
- + The outcome is a \$922.7 million surplus, which breaks down to \$3,100 per taxpayer.
- + While the state's pension plan appears to be overfunded by \$3.5 million, maintaining a cushion is a good practice because the value of pension plan assets can fluctuate dramatically.
- + South Dakota's reported net position is inflated by \$327.4 million, largely because the state defers recognizing losses incurred when the net pension liability increases.

THE STATE'S ASSETS EXCEED ITS BILLS

Assets	\$11,447,189,000
<i>Minus:</i> Capital assets	-\$5,414,575,000
Restricted assets	-\$2,838,579,000
Assets available to pay bills	\$3,194,035,000
<i>Minus:</i> Bills	-\$2,271,316,000
Money available to pay bills	\$922,719,000
Each taxpayer's share of surplus	\$3,100

BILLS THE STATE HAS ACCUMULATED

Bonds	\$2,062,385,000
Other liabilities	\$891,549,000
<i>Minus:</i> Debt related to capital assets	-\$679,152,000
Overfunded pension benefits	-\$3,466,000
Unfunded retiree health care	\$0
Bills	\$2,271,316,000

GRADE: B

Bottom line: South Dakota has enough money to pay its bills, so it has received a "B" for its finances from Truth in Accounting. A "B" grade is given to states with a Taxpayer Surplus between \$100 and \$10,000.

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IDAHO RANKS NO. 6 FOR ITS FISCAL HEALTH

September 2018
truthinaccounting.org

THE FINANCIAL STATE OF IDAHO

A new analysis of the latest available audited financial reports found Idaho had a Taxpayer Surplus™ of \$2,700, earning it a "B" grade based on Truth in Accounting's grading scale.

Unlike most states, Idaho's state government has enough resources available to pay all of its bills, including public employees' retirement benefits. When broken down, the amount available to pay future bills results in a surplus of \$2,700 for each Idaho taxpayer.

Although Idaho has enough money to pay all of its bills, it is still not completely transparent with taxpayers. The state's balance sheet excludes \$74.9 million of other post-employment benefit liabilities. While this analysis includes these liabilities, a new accounting standard (GASB 75) to be implemented in the next fiscal year will require the state to recognize these liabilities.

Here's the truth:

6

Rank

\$1.3
billion

Money available
to pay future bills

\$2,700

Taxpayer
Surplus

B

Financial grade

Data included in this report is derived from the state of Idaho's 2017 audited Comprehensive Annual Financial Report and retirement plans' actuarial reports.

IDAHO

FINANCIAL BREAKDOWN

FAST FACTS

- + Idaho has \$3.9 billion available in assets to pay \$2.6 billion worth of bills.
- + The outcome is a \$1.3 billion surplus, which breaks down to \$2,700 per taxpayer.
- + Despite reporting all of its pension debt, the state continues to hide \$74.9 million of its retiree health care debt.
- + Idaho's reported net position is inflated by \$245.5 million, largely because the state defers recognizing losses incurred when the net pension liability increases.

THE STATE'S ASSETS EXCEED ITS BILLS

Assets	\$17,582,998,000
<i>Minus:</i> Capital assets	-\$7,962,773,000
Restricted assets	-\$5,692,901,000
Assets available to pay bills	\$3,927,324,000
<i>Minus:</i> Bills	-\$2,606,402,000
Money available to pay bills	\$1,320,922,000
Each taxpayer's share of surplus	\$2,700

BILLS THE STATE HAS ACCUMULATED

Bonds	\$2,067,477,000
Other liabilities	\$1,182,636,000
<i>Minus:</i> Debt related to capital assets	-\$1,190,627,000
Unfunded pension benefits	\$421,437,000
Unfunded retiree health care	\$125,479,000
Bills	\$2,606,402,000

GRADE: B

Bottom line: Idaho has enough money to pay its bills, so it has received a "B" for its finances from Truth in Accounting. A "B" grade is given to states with a Taxpayer Surplus between \$100 and \$10,000.

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TENNESSEE ON FIRM FINANCIAL FOOTING

September 2018
truthinaccounting.org

THE FINANCIAL STATE OF TENNESSEE

A new analysis of the latest available audited financial reports found Tennessee had a Taxpayer Surplus™ of \$2,500, earning it a "B" grade based on Truth in Accounting's grading scale.

Unlike most states, Tennessee's state government has enough resources available to pay all of its bills, including public employees' retirement benefits. When broken down, the amount available to pay future bills results in a surplus of \$2,500 for each Tennessee taxpayer.

Although Tennessee has enough money to pay all of its bills, it is still not completely transparent with taxpayers. The state's balance sheet excludes \$791.1 million of other post-employment benefit liabilities. While this analysis includes these liabilities, a new accounting standard (GASB 75) to be implemented in the next fiscal year will require the state to recognize these liabilities.

Here's the truth:

7

Rank

\$5

billion

Money available
to pay future bills

\$2,500

Taxpayer
Surplus

B

Financial grade

Data included in this report is derived from the state of Tennessee's 2017 audited Comprehensive Annual Financial Report and retirement plans' actuarial reports.

Photo Credit: flickr.com; Ron Cogswell

TENNESSEE FINANCIAL BREAKDOWN

FAST FACTS

- + Tennessee has \$18.1 billion available in assets to pay \$13 billion worth of bills.
- + The outcome is a \$5 billion surplus, which breaks down to \$2,500 per taxpayer.
- + The state reports almost all of its pension debt, but continues to hide \$791.1 million of retiree health care debt.
- + Tennessee's reported net position is inflated by \$959.3 million, largely because the state defers recognizing losses incurred when the net pension liability increases.

THE STATE'S ASSETS EXCEED ITS BILLS

Assets	\$57,364,114,000
<i>Minus:</i> Capital assets	-\$34,882,128,000
Restricted assets	-\$4,419,014,000
Assets available to pay bills	\$18,062,972,000
<i>Minus:</i> Bills	-\$13,046,175,000
Money available to pay bills	\$5,016,797,000
Each taxpayer's share of surplus	\$2,500

BILLS THE STATE HAS ACCUMULATED

Bonds	\$6,341,810,000
Other liabilities	\$5,545,936,000
<i>Minus:</i> Debt related to capital assets	-\$2,409,593,000
Unfunded pension benefits	\$1,816,145,000
Unfunded retiree health care	\$1,751,877,000
Bills	\$13,046,175,000

GRADE: B

Bottom line: Tennessee has enough money to pay its bills, so it has received a "B" for its finances from Truth in Accounting. A "B" grade is given to states with a Taxpayer Surplus between \$100 and \$10,000.

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NEBRASKA RANKS NO. 8 FOR ITS FISCAL HEALTH

September 2018
truthinaccounting.org

THE FINANCIAL STATE OF NEBRASKA

A new analysis of the latest available audited financial reports found Nebraska had a Taxpayer Surplus™ of \$1,800, earning it a "B" grade based on Truth in Accounting's grading scale.

Unlike most states, Nebraska's state government has enough resources available to pay all of its bills, including public employees' retirement benefits. When broken down, the amount available to pay future bills results in a surplus of \$1,800 for each Nebraska taxpayer.

Although Nebraska has enough money to pay all of its bills, it is still not completely transparent with taxpayers. Nearly \$56 million in pension liabilities have been excluded from the state's balance sheet because outdated pension valuations were used to prepare the financial statements. The state's financial report also received a qualified opinion because the auditors found some financial data was not presented in accordance with generally accepted accounting principles.

Here's the truth:

8

Rank

\$1.2
billion

Money available
to pay future bills

\$1,800

Taxpayer
Surplus

B

Financial grade

Data included in this report is derived from the state of Nebraska's 2017 audited Comprehensive Annual Financial Report and retirement plans' actuarial reports.

NEBRASKA FINANCIAL BREAKDOWN

FAST FACTS

- + Nebraska has \$4.3 billion available in assets to pay \$3.1 billion worth of bills.
- + The outcome is a \$1.2 billion surplus, which breaks down to \$1,800 per taxpayer.
- + The state excludes \$55.8 million of pension liabilities from its balance sheet.
- + Nebraska's reported net position is inflated by \$160.7 million, largely because the state defers recognizing losses incurred when the net pension liability increases.

THE STATE'S ASSETS EXCEED ITS BILLS

Assets	\$22,404,518,000
<i>Minus:</i> Capital assets	-\$11,967,251,000
Restricted assets	-\$6,100,879,000
Assets available to pay bills	\$4,336,388,000
<i>Minus:</i> Bills	-\$3,130,656,000
Money available to pay bills	\$1,205,732,000
Each taxpayer's share of surplus	\$1,800

BILLS THE STATE HAS ACCUMULATED

Bonds	\$931,748,000
Other liabilities	\$2,482,259,000
<i>Minus:</i> Debt related to capital assets	-\$743,261,000
Unfunded pension benefits	\$459,910,000
Unfunded retiree health care	\$0
Bills	\$3,130,656,000

GRADE: B

Bottom line: Nebraska has enough money to pay its bills, so it has received a "B" for its finances from Truth in Accounting. A "B" grade is given to states with a Taxpayer Surplus between \$100 and \$10,000.

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OREGON IN GOOD FINANCIAL CONDITION

September 2018
truthinaccounting.org

THE FINANCIAL STATE OF OREGON

A new analysis of the latest available audited financial reports found Oregon had a Taxpayer Surplus™ of \$1,000, earning it a "B" grade based on Truth in Accounting's grading scale.

Unlike most states, Oregon's state government has enough resources available to pay all of its bills, including public employees' retirement benefits. When broken down, the amount available to pay future bills results in a surplus of \$1,000 for each Oregon taxpayer.

Although Oregon has enough money to pay all of its bills, it is still not completely transparent with taxpayers. The state's balance sheet excludes \$33.7 million of other post-employment benefit liabilities. While this analysis includes these liabilities, a new accounting standard (GASB 75) to be implemented in the next fiscal year will require the state to recognize these liabilities.

Here's the truth:



Data included in this report is derived from the state of Oregon's 2017 audited Comprehensive Annual Financial Report and retirement plans' actuarial reports.

Photo Credit: flickr.com; Jonathan Miske

OREGON FINANCIAL BREAKDOWN

FAST FACTS

- + Oregon has \$21.4 billion available in assets to pay \$20.1 billion worth of bills.
- + The outcome is a \$1.4 billion surplus, which breaks down to \$1,000 per taxpayer.
- + Despite reporting all of its pension debt, the state continues to hide \$33.7 million of its retiree health care debt.
- + Oregon's reported net position is inflated by \$2.5 billion, largely because the state defers recognizing losses incurred when the net pension liability increases.

THE STATE'S ASSETS EXCEED ITS BILLS

Assets	\$51,065,104,000
<i>Minus:</i> Capital assets	-\$19,591,046,000
Restricted assets	-\$10,028,394,000
Assets available to pay bills	\$21,445,664,000
<i>Minus:</i> Bills	-\$20,060,694,000
Money available to pay bills	\$1,384,970,000
Each taxpayer's share of surplus	\$1,000

BILLS THE STATE HAS ACCUMULATED

Bonds	\$13,004,560,000
Other liabilities	\$9,057,928,000
<i>Minus:</i> Debt related to capital assets	-\$6,238,117,000
Unfunded pension benefits	\$4,111,683,000
Unfunded retiree health care	\$124,640,000
Bills	\$20,060,694,000

GRADE: B

Bottom line: Oregon has enough money to pay its bills, so it has received a "B" for its finances from Truth in Accounting. A "B" grade is given to states with a Taxpayer Surplus between \$100 and \$10,000.

Truth in Accounting is committed to educating and empowering citizens with understandable, reliable, and transparent government financial information. To be knowledgeable participants in their government and its budget process, citizens need truthful and transparent financial information.



IOWA FINANCES IN GOOD SHAPE

September 2018
truthinaccounting.org

THE FINANCIAL STATE OF IOWA

A new analysis of the latest available audited financial reports found Iowa had a Taxpayer Surplus™ of \$500, earning it a "B" grade based on Truth in Accounting's grading scale.

Unlike most states, Iowa's state government has enough resources available to pay all of its bills, including public employees' retirement benefits. When broken down, the amount available to pay future bills results in a surplus of \$500 for each Iowa taxpayer.

Although Iowa has enough money to pay all of its bills, it is still not completely transparent with taxpayers. Its reported pension liability is understated by \$64.4 million because an outdated valuation was utilized in preparation of the financials. Furthermore, \$43.4 million of retiree health care liabilities are excluded from the balance sheet.

Here's the truth:

10

Rank

\$504.9
million

Money available
to pay future bills

\$500

Taxpayer
Surplus

B

Financial grade

Data included in this report is derived from the state of Iowa's 2017 audited Comprehensive Annual Financial Report and retirement plans' actuarial reports.

IOWA

FINANCIAL BREAKDOWN

FAST FACTS

- + Iowa has \$8.7 billion available in assets to pay \$8.2 billion worth of bills.
- + The outcome is a \$504.9 million surplus, which breaks down to \$500 per taxpayer.
- + The state excludes \$107.8 million of retirement liabilities from its balance sheet.
- + Iowa's reported net position is inflated by \$402 million, largely because the state defers recognizing losses incurred when the net pension liability increases.

THE STATE'S ASSETS EXCEED ITS BILLS

Assets	\$30,671,502,000
<i>Minus:</i> Capital assets	-\$15,353,875,000
Restricted assets	-\$6,571,142,000
Assets available to pay bills	\$8,746,485,000
<i>Minus:</i> Bills	-\$8,241,549,000
Money available to pay bills	\$504,936,000
Each taxpayer's share of surplus	\$500

BILLS THE STATE HAS ACCUMULATED

Bonds	\$5,017,309,000
Other liabilities	\$3,629,085,000
<i>Minus:</i> Debt related to capital assets	-\$2,137,798,000
Unfunded pension benefits	\$1,344,714,000
Unfunded retiree health care	\$388,239,000
Bills	\$8,241,549,000

GRADE: B

Bottom line: Iowa has enough money to pay its bills, so it has received a "B" for its finances from Truth in Accounting. A "B" grade is given to states with a Taxpayer Surplus between \$100 and \$10,000.

Truth in Accounting is committed to educating and empowering citizens with understandable, reliable, and transparent government financial information. To be knowledgeable participants in their government and its budget process, citizens need truthful and transparent financial information.



FLORIDA EARNS 'C' GRADE FOR ITS FISCAL HEALTH

September 2018

truthinaccounting.org

THE FINANCIAL STATE OF FLORIDA

A new analysis of the latest available audited financial reports found Florida has a Taxpayer Burden™ of \$1,800, earning it a "C" grade based on Truth in Accounting's grading scale.

Florida's elected officials have made repeated financial decisions that have left the state with a debt burden of \$11.6 billion, according to the analysis. That burden equates to \$1,800 for every state taxpayer. Florida's financial problems stem mostly from unfunded retirement obligations in the form of pension and other post-employment benefits. Of the \$60.8 billion in retirement benefits promised, the state has not funded \$10.9 billion in pension and \$9.3 billion in retiree health care benefits.

Florida's financial condition is not only disconcerting but also misleading as government officials have failed to disclose significant amounts of retirement debt on the state's balance sheet. Residents and taxpayers have been presented with an unreliable and inaccurate accounting of the state government's finances.

Here's the truth:



Data included in this report is derived from the state of Florida's 2017 audited Comprehensive Annual Financial Report and retirement plans' actuarial reports.

FLORIDA FINANCIAL BREAKDOWN

FAST FACTS

- + Florida has \$58.6 billion available in assets to pay \$70.1 billion worth of bills.
- + The outcome is a \$11.6 billion shortfall and a \$1,800 Taxpayer Burden.
- + Despite reporting most of its pension debt, the state continues to hide \$5.9 billion of its retiree health care debt.
- + Florida's reported net position is inflated by \$4.3 billion, largely because the state defers recognizing losses incurred when the net pension liability increases.

THE STATE'S BILLS EXCEED ITS ASSETS

Assets	\$210,687,430,000
<i>Minus:</i> Capital assets	-\$110,451,430,000
Restricted assets	-\$41,664,110,000
Assets available to pay bills	\$58,571,890,000
<i>Minus:</i> Bills	-\$70,126,724,000
Money needed to pay bills	-\$11,554,834,000
Each taxpayer's share of this debt	-\$1,800

BILLS THE STATE HAS ACCUMULATED

Bonds	\$28,402,579,000
Other liabilities	\$34,310,434,000
<i>Minus:</i> Debt related to capital assets	-\$12,781,571,000
Unfunded pension benefits	\$10,915,958,000
Unfunded retiree health care	\$9,279,324,000
Bills	\$70,126,724,000

GRADE: C

Bottom line: Florida's Taxpayer Burden is less than \$5,000, so it has received a "C" for its finances from Truth in Accounting. While better off than many other states, Florida still owes more than it owns.

Truth in Accounting is committed to educating and empowering citizens with understandable, reliable, and transparent government financial information. To be knowledgeable participants in their government and its budget process, citizens need truthful and transparent financial information.



VIRGINIA EARNS 'C' GRADE FOR ITS FINANCES

September 2018
truthinaccounting.org



THE FINANCIAL STATE OF VIRGINIA

A new analysis of the latest available audited financial reports found Virginia has a Taxpayer Burden™ of \$1,900, earning it a "C" grade based on Truth in Accounting's grading scale.

Financial decisions made by the commonwealth's elected officials have left Virginia with a \$5.4 billion shortfall, which equates to \$1,900 for every taxpayer. Most of the commonwealth's overall debt comes from retirement liabilities that have accumulated over many years. Of the \$33.5 billion in retirement benefits promised, the commonwealth has not funded \$6.9 billion in pension and \$2.9 billion in retiree health care benefits.

Virginia's financial condition is not only disconcerting but also misleading as government officials have failed to disclose significant amounts of retirement debt on the commonwealth's balance sheet. Residents and taxpayers have been presented with an unreliable and inaccurate accounting of their government's finances.

Here's the truth:

12

Rank

\$5.4
billion

Money needed to
pay bills

-\$1,900

Taxpayer
Burden

C

Financial grade

Data included in this report is derived from the commonwealth of Virginia's 2017 audited Comprehensive Annual Financial Report and retirement plans' actuarial reports.

Photo Credit: Wikimedia Commons; Wilson44691

VIRGINIA FINANCIAL BREAKDOWN

FAST FACTS

- + Virginia has \$35.8 billion available in assets to pay \$41.2 billion worth of bills.
- + The outcome is a \$5.4 billion shortfall and a \$1,900 Taxpayer Burden.
- + Despite reporting all of its pension debt, the commonwealth continues to hide \$936.9 million of its retiree health care debt.
- + Virginia's reported net position is inflated by \$1.5 billion, largely because the commonwealth defers recognizing losses incurred when the net pension liability increases.

THE COMMONWEALTH'S BILLS EXCEED ITS ASSETS

Assets	\$105,755,374,000
<i>Minus:</i> Capital assets	-\$53,224,288,000
Restricted assets	-\$16,725,683,000
Assets available to pay bills	\$35,805,403,000
<i>Minus:</i> Bills	-\$41,175,434,000
Money needed to pay bills	-\$5,370,031,000
Each taxpayer's share of this debt	-\$1,900

BILLS THE COMMONWEALTH HAS ACCUMULATED

Bonds	\$27,085,160,000
Other liabilities	\$20,763,438,000
<i>Minus:</i> Debt related to capital assets	-\$16,439,411,000
Unfunded pension benefits	\$6,892,038,000
Unfunded retiree health care	\$2,874,209,000
Bills	\$41,175,434,000

GRADE: C

Bottom line: Virginia's Taxpayer Burden is less than \$5,000, so it has received a "C" for its finances from Truth in Accounting. While better off than many other states, Virginia still owes more than it owns.

Truth in Accounting is committed to educating and empowering citizens with understandable, reliable, and transparent government financial information. To be knowledgeable participants in their government and its budget process, citizens need truthful and transparent financial information.



INDIANA EARNS 'C' GRADE FOR ITS FINANCES

September 2018
truthinaccounting.org

THE FINANCIAL STATE OF INDIANA

A new analysis of the latest available audited financial reports found Indiana has a Taxpayer Burden™ of \$2,700, earning it a "C" grade based on Truth in Accounting's grading scale.

Financial decisions made by the state's elected officials have left Indiana with a \$5.7 billion shortfall, which equates to \$2,700 for every taxpayer. Much of the state's overall debt comes from retirement liabilities that have accumulated over many years. Of the \$25.6 billion in retirement benefits promised, the state has not funded \$13.6 billion in pension and \$878.6 million in retiree health care benefits.

Indiana's financial condition is not only disconcerting but also misleading as government officials have failed to disclose significant amounts of retirement debt on the state's balance sheet. Residents and taxpayers have been presented with an unreliable and inaccurate accounting of the state government's finances.

Here's the truth:

13

Rank

\$5.7

billion
Money needed to
pay bills

-\$2,700

Taxpayer
Burden

C

Financial grade

Data included in this report is derived from the state of Indiana's 2017 audited Comprehensive Annual Financial Report and retirement plans' actuarial reports.

Photo Credit: flickr.com; Daniel X. O'Neil

INDIANA FINANCIAL BREAKDOWN

FAST FACTS

- + Indiana has \$23 billion available in assets to pay \$28.8 billion worth of bills.
- + The outcome is a \$5.7 billion shortfall and a \$2,700 Taxpayer Burden.
- + Despite reporting all of its pension debt, the state continues to hide \$727.9 million of its retiree health care debt.
- + Indiana's reported net position is inflated by \$2 billion, largely because the state defers recognizing losses incurred when the net pension liability increases.

THE STATE'S BILLS EXCEED ITS ASSETS

Assets	\$58,540,417,000
<i>Minus:</i> Capital assets	-\$26,513,811,000
Restricted assets	-\$9,008,118,000
Assets available to pay bills	\$23,018,488,000
<i>Minus:</i> Bills	-\$28,753,281,000
Money needed to pay bills	-\$5,734,793,000
Each taxpayer's share of this debt	-\$2,700

BILLS THE STATE HAS ACCUMULATED

Bonds	\$9,000,000,000
Other liabilities	\$10,387,610,000
<i>Minus:</i> Debt related to capital assets	-\$5,131,452,000
Unfunded pension benefits	\$13,618,494,000
Unfunded retiree health care	\$878,629,000
Bills	\$28,753,281,000

GRADE: C

Bottom line: Indiana's Taxpayer Burden is less than \$5,000, so it has received a "C" for its finances from Truth in Accounting. While better off than many other states, Indiana still owes more than it owns.

Truth in Accounting is committed to educating and empowering citizens with understandable, reliable, and transparent government financial information. To be knowledgeable participants in their government and its budget process, citizens need truthful and transparent financial information.



OKLAHOMA'S FINANCES EARN 'C' GRADE

September 2018
truthinaccounting.org



THE FINANCIAL STATE OF OKLAHOMA

A new analysis of the latest available audited financial reports found Oklahoma has a Taxpayer Burden™ of \$2,900, earning it a "C" grade based on Truth in Accounting's grading scale.

Financial decisions made by the state's elected officials have left Oklahoma with a \$3.2 billion shortfall, which equates to \$2,900 for every taxpayer. Most of the state's overall debt comes from retirement liabilities that have accumulated over many years. Of the \$31.3 billion in retirement benefits promised, the state has not funded \$6.8 billion in pension and \$221.4 million in retiree health care benefits.

Oklahoma's financial condition is not only disconcerting but also misleading as government officials have failed to disclose significant amounts of retirement debt on the state's balance sheet. Residents and taxpayers have been presented with an unreliable and inaccurate accounting of the state government's finances.

Here's the truth:

14

Rank

**\$3.2
billion**

Money needed to
pay bills

-\$2,900

Taxpayer
Burden

C

Financial grade

Data included in this report is derived from the state of Oklahoma's 2017 audited Comprehensive Annual Financial Report and retirement plans' actuarial reports.

OKLAHOMA FINANCIAL BREAKDOWN

FAST FACTS

- + Oklahoma has \$10.1 billion available in assets to pay \$13.3 billion worth of bills.
- + The outcome is a \$3.2 billion shortfall and a \$2,900 Taxpayer Burden.
- + The state is hiding \$3.5 billion of pension debt and \$5.4 million of retiree health care debt from its balance sheet.
- + Oklahoma's reported net position is inflated by \$1.6 billion, largely because the state defers recognizing losses incurred when the net pension liability increases.

THE STATE'S BILLS EXCEED ITS ASSETS

Assets	\$40,953,812,000
<i>Minus:</i> Capital assets	-\$21,007,520,000
Restricted assets	-\$9,891,996,000
Assets available to pay bills	\$10,054,296,000
<i>Minus:</i> Bills	-\$13,294,537,000
Money needed to pay bills	-\$3,240,241,000
Each taxpayer's share of this debt	-\$2,900

BILLS THE STATE HAS ACCUMULATED

Bonds	\$7,136,732,000
Other liabilities	\$5,283,136,000
<i>Minus:</i> Debt related to capital assets	-\$6,132,457,000
Unfunded pension benefits	\$6,785,708,000
Unfunded retiree health care	\$221,418,000
Bills	\$13,294,537,000

GRADE: C

Bottom line: Oklahoma's Taxpayer Burden is less than \$5,000, so it has received a "C" for its finances from Truth in Accounting. While better off than many other states, Oklahoma still owes more than it owns.

Truth in Accounting is committed to educating and empowering citizens with understandable, reliable, and transparent government financial information. To be knowledgeable participants in their government and its budget process, citizens need truthful and transparent financial information.



MONTANA EARNS 'C' GRADE FOR ITS FISCAL HEALTH

September 2018
truthinaccounting.org

THE FINANCIAL STATE OF MONTANA

A new analysis of the latest available audited financial reports found Montana has a Taxpayer Burden™ of \$3,300, earning it a "C" grade based on Truth in Accounting's grading scale.

Financial decisions made by the state's elected officials have left Montana with a \$1.1 billion shortfall, which equates to \$3,300 for every taxpayer. Much of the state's overall debt comes from retirement liabilities that have accumulated over many years. Of the \$8.9 billion in retirement benefits promised, the state has not funded \$2.3 billion in pension and \$458.8 million in retiree health care benefits.

Montana's financial condition is not only disconcerting but also misleading as government officials have failed to disclose significant amounts of retirement debt on the state's balance sheet. Residents and taxpayers have been presented with an unreliable and inaccurate accounting of the state government's finances.

Here's the truth:

15

Rank

\$1.1

billion

Money needed to
pay bills

-\$3,300

Taxpayer
Burden

C

Financial grade

Data included in this report is derived from the state of Montana's 2017 audited Comprehensive Annual Financial Report and retirement plans' actuarial reports.

MONTANA FINANCIAL BREAKDOWN

FAST FACTS

- + Montana has \$4.9 billion available in assets to pay \$6 billion worth of bills.
- + The outcome is a \$1.1 billion shortfall and a \$3,300 Taxpayer Burden.
- + The state is hiding \$293.4 million of pension debt and \$42.2 million of retiree health care debt from its balance sheet.
- + Montana's reported net position is inflated by \$354.3 million, largely because the state defers recognizing losses incurred when the net pension liability increases.

THE STATE'S BILLS EXCEED ITS ASSETS

Assets	\$15,899,045,000
<i>Minus:</i> Capital assets	-\$6,898,911,000
Restricted assets	-\$4,121,248,000
Assets available to pay bills	\$4,878,886,000
<i>Minus:</i> Bills	-\$6,023,738,000
Money needed to pay bills	-\$1,144,852,000
Each taxpayer's share of this debt	-\$3,300

BILLS THE STATE HAS ACCUMULATED

Bonds	\$882,198,000
Other liabilities	\$2,821,761,000
<i>Minus:</i> Debt related to capital assets	-\$409,278,000
Unfunded pension benefits	\$2,270,303,000
Unfunded retiree health care	\$458,754,000
Bills	\$6,023,738,000

GRADE: C

Bottom line: Montana's Taxpayer Burden is less than \$5,000, so it has received a "C" for its finances from Truth in Accounting. While better off than many other states, Montana still owes more than it owns.

Truth in Accounting is committed to educating and empowering citizens with understandable, reliable, and transparent government financial information. To be knowledgeable participants in their government and its budget process, citizens need truthful and transparent financial information.



NEVADA FINANCES EARN 'C' GRADE

September 2018
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THE FINANCIAL STATE OF NEVADA

A new analysis of the latest available audited financial reports found Nevada has a Taxpayer Burden™ of \$3,300, earning it a "C" grade based on Truth in Accounting's grading scale.

Financial decisions made by the state's elected officials have left Nevada with a \$3.1 billion shortfall, which equates to \$3,300 for every taxpayer. Much of the state's overall debt comes from retirement liabilities that have accumulated over many years. Of the \$11.6 billion in retirement benefits promised, the state has not funded \$2.6 billion in pension and \$1.5 billion in retiree health care benefits.

Nevada's financial condition is not only disconcerting but also misleading as government officials have failed to disclose significant amounts of retirement debt on the state's balance sheet. Residents and taxpayers have been presented with an unreliable and inaccurate accounting of the state government's finances.

Here's the truth:

16

Rank

\$3.1
billion

Money needed to
pay bills

-\$3,300

Taxpayer
Burden

C

Financial grade

Data included in this report is derived from the state of Nevada's 2017 audited Comprehensive Annual Financial Report and retirement plans' actuarial reports.

Photo Credit: flickr.com; Bernard Spragg, NZ

NEVADA

FINANCIAL BREAKDOWN

FAST FACTS

- + Nevada has \$5.4 billion available in assets to pay \$8.5 billion worth of bills.
- + The outcome is a \$3.1 billion shortfall and a \$3,300 Taxpayer Burden.
- + Despite reporting all of its pension debt, the state continues to hide \$1.5 billion of its retiree health care debt.
- + Nevada's reported net position is inflated by \$286 million, largely because the state defers recognizing losses incurred when the net pension liability increases.

THE STATE'S BILLS EXCEED ITS ASSETS

Assets	\$18,537,379,000
<i>Minus:</i> Capital assets	-\$9,249,941,000
Restricted assets	-\$3,914,471,000
Assets available to pay bills	\$5,372,967,000
<i>Minus:</i> Bills	-\$8,463,423,000
Money needed to pay bills	-\$3,090,456,000
Each taxpayer's share of this debt	-\$3,300

BILLS THE STATE HAS ACCUMULATED

Bonds	\$3,604,194,000
Other liabilities	\$2,777,520,000
<i>Minus:</i> Debt related to capital assets	-\$1,996,022,000
Unfunded pension benefits	\$2,579,983,000
Unfunded retiree health care	\$1,497,748,000
Bills	\$8,463,423,000

GRADE: C

Bottom line: Nevada's Taxpayer Burden is less than \$5,000, so it has received a "C" for its finances from Truth in Accounting. While better off than many other states, Nevada still owes more than it owns.

Truth in Accounting is committed to educating and empowering citizens with understandable, reliable, and transparent government financial information. To be knowledgeable participants in their government and its budget process, citizens need truthful and transparent financial information.



ARKANSAS EARNS 'C' GRADE FOR ITS FISCAL HEALTH

September 2018
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THE FINANCIAL STATE OF ARKANSAS

A new analysis of the latest available audited financial reports found Arkansas has a Taxpayer Burden™ of \$3,600, earning it a "C" grade based on Truth in Accounting's grading scale.

Arkansas' elected officials have made repeated financial decisions that have left the state with a debt burden of \$2.9 billion, according to the analysis. That burden equates to \$3,600 for every state taxpayer. Arkansas' financial problems stem mostly from unfunded retirement obligations in the form of pension and other post-employment benefits. Of the \$13.1 billion in retirement benefits promised, the state has not funded \$3 billion in pension and \$2.3 billion in retiree health care benefits.

Arkansas' financial condition is not only disconcerting but also misleading as government officials have failed to disclose significant amounts of retirement debt on the state's balance sheet. Residents and taxpayers have been presented with an unreliable and inaccurate accounting of the state government's finances.

Here's the truth:

17

Rank

\$2.9
billion

Money needed to
pay bills

-\$3,600

Taxpayer
Burden

C

Financial grade

Data included in this report is derived from the state of Arkansas' 2017 audited Comprehensive Annual Financial Report and retirement plans' actuarial reports.

ARKANSAS

FINANCIAL BREAKDOWN

FAST FACTS

- + Arkansas has \$6.6 billion available in assets to pay \$9.5 billion worth of bills.
- + The outcome is a \$2.9 billion shortfall and a \$3,600 Taxpayer Burden.
- + Despite reporting all of its pension debt, the state continues to hide \$877.1 million of its retiree health care debt.
- + Arkansas' reported net position is inflated by \$621.3 million, largely because the state defers recognizing losses incurred when the net pension liability increases.

THE STATE'S BILLS EXCEED ITS ASSETS

Assets	\$26,454,282,000
<i>Minus:</i> Capital assets	-\$16,083,895,000
Restricted assets	-\$3,749,661,000
Assets available to pay bills	\$6,620,726,000
<i>Minus:</i> Bills	-\$9,475,010,000
Money needed to pay bills	-\$2,854,284,000
Each taxpayer's share of this debt	-\$3,600

BILLS THE STATE HAS ACCUMULATED

Bonds	\$4,242,847,000
Other liabilities	\$2,975,743,000
<i>Minus:</i> Debt related to	
capital assets	-\$2,972,312,000
Unfunded pension benefits	\$2,962,003,000
Unfunded retiree health care	\$2,266,729,000
Bills	\$9,475,010,000

GRADE: C

Bottom line: Arkansas' Taxpayer Burden is less than \$5,000, so it has received a "C" for its finances from Truth in Accounting. While better off than many other states, Arkansas still owes more than it owns.

Truth in Accounting is committed to educating and empowering citizens with understandable, reliable, and transparent government financial information. To be knowledgeable participants in their government and its budget process, citizens need truthful and transparent financial information.



WISCONSIN EARNS 'C' GRADE FOR ITS FINANCES

September 2018
truthinaccounting.org

THE FINANCIAL STATE OF WISCONSIN

A new analysis of the latest available audited financial reports found Wisconsin has a Taxpayer Burden™ of \$3,900, earning it a "C" grade based on Truth in Accounting's grading scale.

Financial decisions made by the state's elected officials have left Wisconsin with a \$8 billion shortfall, which equates to \$3,900 for every taxpayer. Most of the state's overall debt comes from retirement liabilities that have accumulated over many years. Of the \$31.3 billion in retirement benefits promised, the state has not funded \$260.2 million in pension and \$1.2 billion in retiree health care benefits.

Wisconsin's financial condition is not only disconcerting but also misleading as government officials have failed to disclose significant amounts of retirement debt on the state's balance sheet. Residents and taxpayers have been presented with an unreliable and inaccurate accounting of the state government's finances.

Here's the truth:

18

Rank

\$8
billion

Money needed to
pay bills

-\$3,900

Taxpayer
Burden

C

Financial grade

Data included in this report is derived from the state of Wisconsin's 2017 audited Comprehensive Annual Financial Report and retirement plans' actuarial reports.

Photo Credit: flickr.com; Wisconsin Department of Natural Resources

WISCONSIN FINANCIAL BREAKDOWN

FAST FACTS

- + Wisconsin has \$11.5 billion available in assets to pay \$19.5 billion worth of bills.
- + The outcome is a \$8 billion shortfall and a \$3,900 Taxpayer Burden.
- + The state is hiding \$27.4 million of pension debt and \$666.6 million of retiree health care debt from its balance sheet.
- + Wisconsin's reported net position is inflated by \$1.5 billion, largely because the state defers recognizing losses incurred when the net pension liability increases.

THE STATE'S BILLS EXCEED ITS ASSETS

Assets	\$55,488,658,000
<i>Minus:</i> Capital assets	-\$31,477,303,000
Restricted assets	-\$12,506,398,000
Assets available to pay bills	\$11,504,957,000
<i>Minus:</i> Bills	-\$19,480,689,000
Money needed to pay bills	-\$7,975,732,000
Each taxpayer's share of this debt	-\$3,900

BILLS THE STATE HAS ACCUMULATED

Bonds	\$13,601,424,000
Other liabilities	\$11,452,096,000
<i>Minus:</i> Debt related to capital assets	-\$7,081,263,000
Unfunded pension benefits	\$260,154,000
Unfunded retiree health care	\$1,248,278,000
Bills	\$19,480,689,000

GRADE: C

Bottom line: Wisconsin's Taxpayer Burden is less than \$5,000, so it has received a "C" for its finances from Truth in Accounting. While better off than many other states, Wisconsin still owes more than it owns.

Truth in Accounting is committed to educating and empowering citizens with understandable, reliable, and transparent government financial information. To be knowledgeable participants in their government and its budget process, citizens need truthful and transparent financial information.

GEORGIA EARNS 'C' GRADE FOR FISCAL HEALTH

September 2018
truthinaccounting.org



THE FINANCIAL STATE OF GEORGIA

A new analysis of the latest available audited financial reports found Georgia has a Taxpayer Burden™ of \$3,900, earning it a "C" grade based on Truth in Accounting's grading scale.

Georgia's elected officials have made repeated financial decisions that have left the state with a debt burden of \$11.1 billion, according to the analysis. That burden equates to \$3,900 for every state taxpayer. Georgia's financial problems stem mostly from unfunded retirement obligations in the form of pension and other post-employment benefits. Of the \$45 billion in retirement benefits promised, the state has not funded \$7.4 billion in pension and \$7.6 billion in retiree health care benefits.

Georgia's financial condition is not only disconcerting but also misleading as government officials have failed to disclose significant amounts of retirement debt on the state's balance sheet. Residents and taxpayers have been presented with an unreliable and inaccurate accounting of the state government's finances.

Here's the truth:

19

Rank

\$11.1
billion

Money needed to
pay bills

-\$3,900

Taxpayer
Burden

C

Financial grade

Data included in this report is derived from the state of Georgia's 2017 audited Comprehensive Annual Financial Report and retirement plans' actuarial reports.

GEORGIA FINANCIAL BREAKDOWN

FAST FACTS

- + Georgia has \$22.1 billion available in assets to pay \$33.2 billion worth of bills.
- + The outcome is a \$11.1 billion shortfall and a \$3,900 Taxpayer Burden.
- + Despite reporting all of its pension debt, the state continues to hide \$5 billion of its retiree health care debt.
- + Georgia's reported net position is inflated by \$2.6 billion, largely because the state defers recognizing losses incurred when the net pension liability increases.

THE STATE'S BILLS EXCEED ITS ASSETS

Assets	\$72,139,155,000
<i>Minus:</i> Capital assets	-\$37,303,774,000
Restricted assets	-\$12,725,219,000
Assets available to pay bills	\$22,110,162,000
<i>Minus:</i> Bills	-\$33,241,228,000
Money needed to pay bills	-\$11,131,066,000
Each taxpayer's share of this debt	-\$3,900

BILLS THE STATE HAS ACCUMULATED

Bonds	\$14,961,769,000
Other liabilities	\$13,813,026,000
<i>Minus:</i> Debt related to capital assets	-\$10,530,025,000
Unfunded pension benefits	\$7,406,554,000
Unfunded retiree health care	\$7,589,904,000
Bills	\$33,241,228,000

GRADE: C

Bottom line: Georgia's Taxpayer Burden is less than \$5,000, so it has received a "C" for its finances from Truth in Accounting. While better off than many other states, Georgia still owes more than it owns.

Truth in Accounting is committed to educating and empowering citizens with understandable, reliable, and transparent government financial information. To be knowledgeable participants in their government and its budget process, citizens need truthful and transparent financial information.

MISSOURI EARNS 'C' GRADE FOR ITS FINANCES

September 2018
truthinaccounting.org

THE FINANCIAL STATE OF MISSOURI

A new analysis of the latest available audited financial reports found Missouri has a Taxpayer Burden™ of \$4,100, earning it a "C" grade based on Truth in Accounting's grading scale.

Financial decisions made by the state's elected officials have left Missouri with a \$7.9 billion shortfall, which equates to \$4,100 for every taxpayer. Much of the state's overall debt comes from retirement liabilities that have accumulated over many years. Of the \$24.9 billion in retirement benefits promised, the state has not funded \$7.8 billion in pension and \$3.3 billion in retiree health care benefits.

Missouri's financial condition is not only disconcerting but also misleading as government officials have failed to disclose significant amounts of retirement debt on the state's balance sheet. The state's financial report also received a qualified opinion because the auditors found some financial data was not presented in accordance with generally accepted accounting principles.

Here's the truth:

20

Rank

\$7.9

billion

Money needed to
pay bills

-\$4,100

Taxpayer
Burden

C

Financial grade

Data included in this report is derived from the state of Missouri's 2017 audited Comprehensive Annual Financial Report and retirement plans' actuarial reports.

Photo Credit: Wikimedia Commons; Mitchell Schultheis

MISSOURI FINANCIAL BREAKDOWN

FAST FACTS

- + Missouri has \$8.9 billion available in assets to pay \$16.8 billion worth of bills.
- + The outcome is a \$7.9 billion shortfall and a \$4,100 Taxpayer Burden.
- + Despite reporting most of its pension debt, the state continues to hide \$1.9 billion of its retiree health care debt.
- + Missouri's reported net position is inflated by \$2.1 billion, largely because the state defers recognizing losses incurred when the net pension liability increases.

THE STATE'S BILLS EXCEED ITS ASSETS

Assets	\$53,155,157,000
<i>Minus:</i> Capital assets	-\$38,267,347,000
Restricted assets	-\$5,951,294,000
Assets available to pay bills	\$8,936,516,000
<i>Minus:</i> Bills	-\$16,832,633,000
Money needed to pay bills	-\$7,896,117,000
Each taxpayer's share of this debt	-\$4,100

BILLS THE STATE HAS ACCUMULATED

Bonds	\$5,418,171,000
Other liabilities	\$5,676,779,000
<i>Minus:</i> Debt related to capital assets	-\$5,282,212,000
Unfunded pension benefits	\$7,768,845,000
Unfunded retiree health care	\$3,251,050,000
Bills	\$16,832,633,000

GRADE: C

Bottom line: Missouri's Taxpayer Burden is less than \$5,000, so it has received a "C" for its finances from Truth in Accounting. While better off than many other states, Missouri still owes more than it owns.

Truth in Accounting is committed to educating and empowering citizens with understandable, reliable, and transparent government financial information. To be knowledgeable participants in their government and its budget process, citizens need truthful and transparent financial information.



ARIZONA FINANCES EARN 'C' GRADE

September 2018
truthinaccounting.org

THE FINANCIAL STATE OF ARIZONA

A new analysis of the latest available audited financial reports found Arizona has a Taxpayer Burden™ of \$4,500, earning it a "C" grade based on Truth in Accounting's grading scale.

Financial decisions made by the state's elected officials have left Arizona with a \$8.8 billion shortfall, which equates to \$4,500 for every taxpayer. Much of the state's overall debt comes from retirement liabilities that have accumulated over many years. Of the \$24.3 billion in retirement benefits promised, the state has not funded \$7.6 billion in pension and \$1.2 billion in retiree health care benefits.

Arizona's financial condition is not only disconcerting but also misleading as government officials have failed to disclose significant amounts of retirement debt on the state's balance sheet. Residents and taxpayers have been presented with an unreliable and inaccurate accounting of the state government's finances.

Here's the truth:

21

Rank

\$8.8
billion

Money needed to
pay bills

-\$4,500

Taxpayer
Burden

C

Financial grade

Data included in this report is derived from the state of Arizona's 2017 audited Comprehensive Annual Financial Report and retirement plans' actuarial reports.

Photo Credit: Wikimedia Commons; Sehara

ARIZONA

FINANCIAL BREAKDOWN

FAST FACTS

- + Arizona has \$9.8 billion available in assets to pay \$18.6 billion worth of bills.
- + The outcome is a \$8.8 billion shortfall and a \$4,500 Taxpayer Burden.
- + The state is hiding \$2.1 billion of pension debt and \$896.5 million of retiree health care debt from its balance sheet.
- + Arizona's reported net position is inflated by \$906.4 million, largely because the state defers recognizing losses incurred when the net pension liability increases.

THE STATE'S BILLS EXCEED ITS ASSETS

Assets	\$48,565,689,000
<i>Minus:</i> Capital assets	-\$29,166,033,000
Restricted assets	-\$9,557,293,000
Assets available to pay bills	\$9,842,363,000
<i>Minus:</i> Bills	-\$18,637,573,000
Money needed to pay bills	-\$8,795,210,000
Each taxpayer's share of this debt	-\$4,500

BILLS THE STATE HAS ACCUMULATED

Bonds	\$7,522,658,000
Other liabilities	\$8,973,680,000
<i>Minus:</i> Debt related to capital assets	-\$6,653,783,000
Unfunded pension benefits	\$7,640,583,000
Unfunded retiree health care	\$1,154,435,000
Bills	\$18,637,573,000

GRADE: C

Bottom line: Arizona's Taxpayer Burden is less than \$5,000, so it has received a "C" for its finances from Truth in Accounting. While better off than many other states, Arizona still owes more than it owns.

Truth in Accounting is committed to educating and empowering citizens with understandable, reliable, and transparent government financial information. To be knowledgeable participants in their government and its budget process, citizens need truthful and transparent financial information.

MINNESOTA FINANCES ON A ROLLER-COASTER RIDE

September 2018
truthinaccounting.org



THE FINANCIAL STATE OF MINNESOTA

A new analysis of the latest available audited financial reports found Minnesota has a Taxpayer Burden™ of \$4,700, earning it a "C" grade based on Truth in Accounting's grading scale.

Minnesota's elected officials have made repeated financial decisions that have left the state with a debt burden of \$9.7 billion, according to the analysis. That burden equates to \$4,700 for every state taxpayer. Minnesota's financial problems stem mostly from unfunded retirement obligations in the form of pension and other post-employment benefits. Of the \$30.4 billion in retirement benefits promised, the state has not funded \$11.8 billion in pension and \$938.1 million in retiree health care benefits.

Minnesota's Taxpayer Burden has been erratic in the last few years. Between the 2016 and 2017 fiscal years, the debt burden decreased from \$8,800 to \$4,700. The fluctuation primarily has been the result of changes in actuarial assumptions used to value the state's pension liabilities.

Here's the truth:

22

Rank

\$9.7
billion

Money needed to
pay bills

-\$4,700

Taxpayer
Burden

C

Financial grade

Data included in this report is derived from the state of Minnesota's 2017 audited Comprehensive Annual Financial Report and retirement plans' actuarial reports.

Photo Credit: flickr.com; Lorie Shauli

MINNESOTA FINANCIAL BREAKDOWN

FAST FACTS

- + Minnesota has \$21 billion available in assets to pay \$30.7 billion worth of bills.
- + The outcome is a \$9.7 billion shortfall and a \$4,700 Taxpayer Burden.
- + Despite reporting all of its pension debt, the state continues to hide \$314.2 million of its retiree health care debt.
- + Minnesota's reported net position is inflated by \$10.2 billion, largely because the state defers recognizing losses incurred when the net pension liability increases.

THE STATE'S BILLS EXCEED ITS ASSETS

Assets	\$62,951,441,000
<i>Minus:</i> Capital assets	-\$27,770,441,000
Restricted assets	-\$14,133,424,000
Assets available to pay bills	\$21,047,576,000
<i>Minus:</i> Bills	-\$30,711,047,000
Money needed to pay bills	-\$9,663,471,000
Each taxpayer's share of this debt	-\$4,700

BILLS THE STATE HAS ACCUMULATED

Bonds	\$15,270,421,000
Other liabilities	\$10,352,749,000
<i>Minus:</i> Debt related to capital assets	-\$7,686,713,000
Unfunded pension benefits	\$11,836,506,000
Unfunded retiree health care	\$938,084,000
Bills	\$30,711,047,000

GRADE: C

Bottom line: Minnesota's Taxpayer Burden is less than \$5,000, so it has received a "C" for its finances from Truth in Accounting. While better off than many other states, Minnesota still owes more than it owns.

Truth in Accounting is committed to educating and empowering citizens with understandable, reliable, and transparent government financial information. To be knowledgeable participants in their government and its budget process, citizens need truthful and transparent financial information.

NEW HAMPSHIRE'S FINANCES EARN 'D' GRADE

September 2018
truthinaccounting.org

THE FINANCIAL STATE OF NEW HAMPSHIRE

A new analysis of the latest available audited financial reports found New Hampshire has a Taxpayer Burden™ of \$5,400, earning it a "D" grade based on Truth in Accounting's grading scale.

New Hampshire's elected officials have made repeated financial decisions that have left the state with a debt burden of \$2.9 billion, according to the analysis. That burden equates to \$5,400 for every state taxpayer. New Hampshire's financial problems stem mostly from unfunded retirement obligations that have accumulated over many years. Of the \$5.4 billion in retirement benefits promised, the state has not funded \$1.1 billion in pension and \$2.5 billion in retiree health care benefits.

New Hampshire's financial condition is not only alarming but also misleading as government officials have failed to disclose significant amounts of retirement debt on the state's balance sheet. Residents and taxpayers have been presented with an unreliable and inaccurate accounting of the state government's finances.

Here's the truth:

23

Rank

\$2.9
billion

Money needed to
pay bills

-\$5,400

Taxpayer
Burden

D

Financial grade

Data included in this report is derived from the state of New Hampshire's 2017 audited Comprehensive Annual Financial Report and retirement plans' actuarial reports.

Photo Credit: flickr.com; Howard Ignatius

NEW HAMPSHIRE FINANCIAL BREAKDOWN

FAST FACTS

- + New Hampshire has \$2.2 billion available in assets to pay \$5 billion worth of bills.
- + The outcome is a \$2.9 billion shortfall and a \$5,400 Taxpayer Burden.
- + Despite reporting all of its pension debt, the state continues to hide \$1.3 billion of its retiree health care debt.
- + New Hampshire's reported net position is inflated by \$308.2 million, largely because the state defers recognizing losses incurred when the net pension liability increases.

THE STATE'S BILLS EXCEED ITS ASSETS

Assets	\$9,444,329,000
<i>Minus:</i> Capital assets	-\$5,302,724,000
Restricted assets	-\$1,961,553,000
Assets available to pay bills	\$2,180,052,000
<i>Minus:</i> Bills	-\$5,049,901,000
Money needed to pay bills	-\$2,869,849,000
Each taxpayer's share of this debt	-\$5,400

BILLS THE STATE HAS ACCUMULATED

Bonds	\$1,910,425,000
Other liabilities	\$1,252,873,000
<i>Minus:</i> Debt related to capital assets	-\$1,696,759,000
Unfunded pension benefits	\$1,073,961,000
Unfunded retiree health care	\$2,509,401,000
Bills	\$5,049,901,000

GRADE: D

Bottom line: New Hampshire does not have enough money to pay its bills, so it has received a "D" for its finances from Truth in Accounting. A "D" grade is given to states with a Taxpayer Burden between \$5,000 and \$20,000. Because of New Hampshire's balanced budget requirement, its Taxpayer Burden should be \$0.

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MAINE EARNS 'D' GRADE FOR ITS FINANCES

September 2018
truthinaccounting.org



THE FINANCIAL STATE OF MAINE

A new analysis of the latest available audited financial reports found Maine has a Taxpayer Burden™ of \$7,500, earning it a "D" grade based on Truth in Accounting's grading scale.

Maine's elected officials have made repeated financial decisions that have left the state with a debt burden of \$3.5 billion, according to the analysis. That burden equates to \$7,500 for every state taxpayer. Maine's financial problems stem mostly from unfunded retirement obligations that have accumulated over many years. Of the \$15.9 billion in retirement benefits promised, the state has not funded \$2.6 billion in pension and \$1.9 billion in retiree health care benefits.

Maine's financial condition is not only alarming but also misleading as government officials have failed to disclose significant amounts of retirement debt on the state's balance sheet. Residents and taxpayers have been presented with an unreliable and inaccurate accounting of the state government's finances.

Here's the truth:

24

Rank

\$3.5
billion

Money needed to
pay bills

-\$7,500

Taxpayer
Burden

D

Financial grade

Data included in this report is derived from the state of Maine's 2017 audited Comprehensive Annual Financial Report and retirement plans' actuarial reports.

Photo Credit: Wikimedia Commons; Lee Coursey

MAINE FINANCIAL BREAKDOWN

FAST FACTS

- + Maine has \$6.4 billion available in assets to pay \$9.9 billion worth of bills.
- + The outcome is a \$3.5 billion shortfall and a \$7,500 Taxpayer Burden.
- + Despite reporting all of its pension debt, the state continues to hide \$1.6 billion of its retiree health care debt.
- + Maine's reported net position is inflated by \$884.9 million, largely because the state defers recognizing losses incurred when the net pension liability increases.

THE STATE'S BILLS EXCEED ITS ASSETS

Assets	\$14,432,680,000
<i>Minus:</i> Capital assets	-\$5,952,256,000
Restricted assets	-\$2,057,393,000
Assets available to pay bills	\$6,423,031,000
<i>Minus:</i> Bills	-\$9,903,078,000
Money needed to pay bills	-\$3,480,047,000
Each taxpayer's share of this debt	-\$7,500

BILLS THE STATE HAS ACCUMULATED

Bonds	\$4,964,453,000
Other liabilities	\$1,657,159,000
<i>Minus:</i> Debt related to capital assets	-\$1,224,645,000
Unfunded pension benefits	\$2,575,742,000
Unfunded retiree health care	\$1,930,369,000
Bills	\$9,903,078,000

GRADE: D

Bottom line: Maine does not have enough money to pay its bills, so it has received a "D" for its finances from Truth in Accounting. A "D" grade is given to states with a Taxpayer Burden between \$5,000 and \$20,000. Because of Maine's balanced budget requirement, its Taxpayer Burden should be \$0.

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KANSAS FINANCES EARN 'D' GRADE

September 2018
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THE FINANCIAL STATE OF KANSAS

A new analysis of the latest available audited financial reports found Kansas has a Taxpayer Burden™ of \$7,600, earning it a "D" grade based on Truth in Accounting's grading scale.

Kansas' elected officials have made repeated financial decisions that have left the state with a debt burden of \$7 billion, according to the analysis. That burden equates to \$7,600 for every state taxpayer. Kansas' financial problems stem mostly from unfunded retirement obligations that have accumulated over many years. Of the \$19.7 billion in retirement benefits promised, the state has not funded \$6.5 billion in pension and \$173,000 in retiree health care benefits.

Kansas' financial condition is not only alarming but also misleading as government officials have failed to disclose significant amounts of retirement debt on the state's balance sheet. Residents and taxpayers have been presented with an unreliable and inaccurate accounting of the state government's finances.

Here's the truth:

25

Rank

\$7

billion

Money needed to
pay bills

-\$7,600

Taxpayer
Burden

D

Financial grade

Data included in this report is derived from the state of Kansas' 2017 audited Comprehensive Annual Financial Report and retirement plans' actuarial reports.

KANSAS

FINANCIAL BREAKDOWN

FAST FACTS

- + Kansas has \$3.3 billion available in assets to pay \$10.3 billion worth of bills.
- + The outcome is a \$7 billion shortfall and a \$7,600 Taxpayer Burden.
- + The state reports a pension liability of \$2.3 billion on its balance sheet, but our analysis indicated that an additional \$4.2 billion attributed to the state's school districts should be included.
- + Kansas' reported net position is inflated by \$344.7 million, largely because the state defers recognizing losses incurred when the net pension liability increases.

THE STATE'S BILLS EXCEED ITS ASSETS

Assets	\$26,669,031,000
<i>Minus:</i> Capital assets	-\$18,029,100,000
Restricted assets	-\$5,329,741,000
Assets available to pay bills	\$3,310,190,000
<i>Minus:</i> Bills	-\$10,340,778,000
Money needed to pay bills	-\$7,030,588,000
Each taxpayer's share of this debt	-\$7,600

BILLS THE STATE HAS ACCUMULATED

Bonds	\$5,732,537,000
Other liabilities	\$3,463,696,000
<i>Minus:</i> Debt related to capital assets	-\$5,336,954,000
Unfunded pension benefits	\$6,481,326,000
Unfunded retiree health care	\$173,000
Bills	\$10,340,778,000

GRADE: D

Bottom line: Kansas does not have enough money to pay its bills, so it has received a "D" for its finances from Truth in Accounting. A "D" grade is given to states with a Taxpayer Burden between \$5,000 and \$20,000. Because of Kansas' balanced budget requirement, its Taxpayer Burden should be \$0.

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OHIO'S FISCAL HEALTH DECLINES

September 2018
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THE FINANCIAL STATE OF OHIO

A new analysis of the latest available audited financial reports found Ohio has a Taxpayer Burden™ of \$7,700, earning it a "D" grade based on Truth in Accounting's grading scale. The state's financial condition has deteriorated in recent years, with its Taxpayer Burden increasing by \$3,900 between 2014 and 2017.

Ohio's elected officials have made repeated financial decisions that have left the state with a debt burden of \$30.7 billion, according to the analysis. That burden equates to \$7,700 for every state taxpayer. Ohio's financial problems stem mostly from unfunded retirement obligations that have accumulated over many years. Of the \$60.1 billion in retirement benefits promised, the state has not funded \$12.1 billion in pension and \$3.7 billion in retiree health care benefits.

Ohio's financial condition is not only alarming but also misleading as government officials have failed to disclose significant amounts of retirement debt on the state's balance sheet. Residents and taxpayers have been presented with an unreliable and inaccurate accounting of the state government's finances.

Here's the truth:

26

Rank

\$30.7
billion

Money needed to
pay bills

-\$7,700

Taxpayer
Burden

D

Financial grade

Data included in this report is derived from the state of Ohio's 2017 audited Comprehensive Annual Financial Report and retirement plans' actuarial reports.

Photo Credit: flickr.com; Andrew Hitchcock

OHIO

FINANCIAL BREAKDOWN

FAST FACTS

- + Ohio has \$47.4 billion available in assets to pay \$78.1 billion worth of bills.
- + The outcome is a \$30.7 billion shortfall and a \$7,700 Taxpayer Burden.
- + The state is hiding \$3.3 billion of pension debt and \$3.5 billion of retiree health care debt from its balance sheet.
- + Ohio's reported net position is inflated by \$8.3 billion, largely because the state defers recognizing losses incurred when the net pension liability increases.

THE STATE'S BILLS EXCEED ITS ASSETS

Assets	\$113,509,767,000
<i>Minus:</i> Capital assets	-\$43,095,935,000
Restricted assets	-\$23,021,995,000
Assets available to pay bills	\$47,391,837,000
<i>Minus:</i> Bills	-\$78,079,052,000
Money needed to pay bills	-\$30,687,215,000
Each taxpayer's share of this debt	-\$7,700

BILLS THE STATE HAS ACCUMULATED

Bonds	\$21,009,541,000
Other liabilities	\$52,015,556,000
<i>Minus:</i> Debt related to capital assets	-\$10,821,423,000
Unfunded pension benefits	\$12,145,105,000
Unfunded retiree health care	\$3,730,273,000
Bills	\$78,079,052,000

GRADE: D


Bottom line: Ohio does not have enough money to pay its bills, so it has received a "D" for its finances from Truth in Accounting. A "D" grade is given to states with a Taxpayer Burden between \$5,000 and \$20,000. Because of Ohio's balanced budget requirement, its Taxpayer Burden should be \$0.

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NORTH CAROLINA'S FINANCES EARN 'D' GRADE

September 2018

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THE FINANCIAL STATE OF NORTH CAROLINA

A new analysis of the latest available audited financial reports found North Carolina has a Taxpayer Burden™ of \$8,100, earning it a "D" grade based on Truth in Accounting's grading scale.

Financial decisions made by the state's elected officials over the years have left North Carolina with a \$24.3 billion shortfall, which equates to \$8,100 for every taxpayer. Most of the state's overall debt comes from contractually protected pension benefits and retiree health care costs. Of the \$68.3 billion in retirement benefits promised, the state has not funded \$3.8 billion in pension and \$32.8 billion in retiree health care benefits.

North Carolina's financial condition is not only alarming but also misleading as government officials have failed to disclose significant amounts of retirement debt on the state's balance sheet. Residents and taxpayers have been presented with an unreliable and inaccurate accounting of the state government's finances.

Here's the truth:

27

Rank

\$24.3
billion

Money needed to
pay bills

-\$8,100

Taxpayer
Burden

D

Financial grade

Data included in this report is derived from the state of North Carolina's 2017 audited Comprehensive Annual Financial Report and retirement plans' actuarial reports.

NORTH CAROLINA FINANCIAL BREAKDOWN

FAST FACTS

- + North Carolina has \$31.7 billion available in assets to pay \$56 billion worth of bills.
- + The outcome is a \$24.3 billion shortfall and a \$8,100 Taxpayer Burden.
- + Despite reporting all of its pension debt, the state continues to hide \$32.8 billion of its retiree health care debt.
- + North Carolina's reported net position is inflated by \$2.9 billion, largely because the state defers recognizing losses incurred when the net pension liability increases.

THE STATE'S BILLS EXCEED ITS ASSETS

Assets	\$108,885,702,000
<i>Minus:</i> Capital assets	-\$68,271,244,000
Restricted assets	-\$8,881,712,000
Assets available to pay bills	\$31,732,746,000
<i>Minus:</i> Bills	-\$56,004,599,000
Money needed to pay bills	-\$24,271,853,000
Each taxpayer's share of this debt	-\$8,100

BILLS THE STATE HAS ACCUMULATED

Bonds	\$11,701,309,000
Other liabilities	\$16,193,772,000
<i>Minus:</i> Debt related to capital assets	-\$8,452,971,000
Unfunded pension benefits	\$3,752,835,000
Unfunded retiree health care	\$32,809,654,000
Bills	\$56,004,599,000

GRADE: D

Bottom line: North Carolina does not have enough money to pay its bills, so it has received a "D" for its finances from Truth in Accounting. A "D" grade is given to states with a Taxpayer Burden between \$5,000 and \$20,000. Because of North Carolina's balanced budget requirement, its Taxpayer Burden should be \$0.

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WASHINGTON EARNS 'D' GRADE FOR FISCAL HEALTH

September 2018
truthinaccounting.org

THE FINANCIAL STATE OF WASHINGTON

A new analysis of the latest available audited financial reports found Washington had a Taxpayer Burden™ of \$9,100, earning it a "D" grade based on Truth in Accounting's grading scale.

Financial decisions made by the state's elected officials over the years have left Washington with a \$23 billion shortfall, which equates to \$8,700 for every taxpayer. Much of the state's overall debt comes from contractually protected pension benefits and retiree health care costs. Of the \$89.4 billion in retirement benefits promised, the state has not funded \$21.7 billion in pension and \$10.5 billion in retiree health care benefits.

Washington's financial condition is not only alarming but also misleading as government officials have failed to disclose significant amounts of retirement debt on the state's balance sheet. Residents and taxpayers have been presented with an unreliable and inaccurate accounting of the state government's finances.

Here's the truth:

28

Rank

\$23
billion

Money needed to
pay bills

-\$8,700

Taxpayer
Burden

D

Financial grade

Data included in this report is derived from the state of Washington's 2017 audited Comprehensive Annual Financial Report and retirement plans' actuarial reports.

WASHINGTON FINANCIAL BREAKDOWN

FAST FACTS

- + Washington has \$39.2 billion available in assets to pay \$62.2 billion worth of bills.
- + The outcome is a \$23 billion shortfall and a \$8,700 Taxpayer Burden.
- + The state excludes \$4.6 billion of pension debt and \$7.3 billion of retiree health care debt from its balance sheet.
- + Washington's reported net position is inflated by \$1.3 billion, largely because the state defers recognizing losses incurred when the net pension liability increases.

THE STATE'S BILLS EXCEED ITS ASSETS

Assets	\$96,642,660,000
<i>Minus:</i> Capital assets	-\$44,258,678,000
Restricted assets	-\$13,175,911,000
Assets available to pay bills	\$39,208,071,000
<i>Minus:</i> Bills	-\$62,159,380,000
Money needed to pay bills	-\$22,951,309,000
Each taxpayer's share of this debt	-\$8,700

BILLS THE STATE HAS ACCUMULATED

Bonds	\$25,667,013,000
Other liabilities	\$26,420,911,000
<i>Minus:</i> Debt related to capital assets	-\$22,126,916,000
Unfunded pension benefits	\$21,698,595,000
Unfunded retiree health care	\$10,499,777,000
Bills	\$62,159,380,000

GRADE: D

Bottom line: Washington does not have enough money to pay its bills, so it has received a "D" for its finances from Truth in Accounting. A "D" grade is given to states with a Taxpayer Burden between \$5,000 and \$20,000. Because of Washington's balanced budget requirement, its Taxpayer Burden should be \$0.

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NEW MEXICO FLUNKS ITS FINANCIAL AUDIT

September 2018
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THE FINANCIAL STATE OF NEW MEXICO

An analysis of the 2016 audited financial report found New Mexico had a Taxpayer Burden™ of \$9,000, earning it a "D" grade based on Truth in Accounting's grading scale.

New Mexico's elected officials have made repeated financial decisions that have left the state with a debt burden of \$5.1 billion, according to the analysis. That burden equates to \$9,000 for every state taxpayer. New Mexico's financial problems stem mostly from unfunded retirement obligations that have accumulated over many years. Of the \$19.1 billion in retirement benefits promised, the state has not funded \$5.5 billion in pension and \$2.5 billion in retiree health care benefits.

New Mexico's financial condition is not only alarming but also misleading as government officials have failed to disclose significant amounts of retirement debt on the state's balance sheet. Because New Mexico's financial statements received a disclaimer of opinion, its true financial condition is unknown. The state's financial statements are also unreliable because they are consistently published late, taking an average of 350 days to issue since 2009.

Here's the truth:

29

Rank

\$5.1
billion

Money needed to
pay bills

-\$9,000

Taxpayer
Burden

D

Financial grade

Data included in this report is derived from the state of New Mexico's 2016 audited Comprehensive Annual Financial Report (CAFR) and retirement plans' actuarial reports. The 2017 CAFR was not made publicly available as of August 1, 2018.

Photo Credit: Wikimedia Commons; Luca Galuzzi

NEW MEXICO

FINANCIAL BREAKDOWN

FAST FACTS

- + New Mexico has \$9.2 billion available in assets to pay \$14.4 billion worth of bills.
- + The outcome is a \$5.1 billion shortfall and a \$9,000 Taxpayer Burden.
- + The state is hiding \$1.1 billion of pension debt and \$2.5 billion of retiree health care debt from its balance sheet.
- + New Mexico's reported net position is inflated by \$427.5 million, largely because the state defers recognizing losses incurred when the net pension liability increases.

THE STATE'S BILLS EXCEED ITS ASSETS

Assets	\$39,928,372,000
<i>Minus:</i> Capital assets	-\$10,004,301,000
Restricted assets	-\$20,692,161,000
Assets available to pay bills	\$9,231,910,000
<i>Minus:</i> Bills	-\$14,368,959,000
Money needed to pay bills	-\$5,137,049,000
Each taxpayer's share of this debt	-\$9,000

BILLS THE STATE HAS ACCUMULATED

Bonds	\$5,480,579,000
Other liabilities	\$3,275,898,000
<i>Minus:</i> Debt related to capital assets	-\$2,383,483,000
Unfunded pension benefits	\$5,484,622,000
Unfunded retiree health care	\$2,511,343,000
Bills	\$14,368,959,000

GRADE: D

Bottom line: New Mexico does not have enough money to pay its bills, so it has received a "D" for its finances from Truth in Accounting. A "D" grade is given to states with a Taxpayer Burden between \$5,000 and \$20,000. Because of New Mexico's balanced budget requirement, its Taxpayer Burden should be \$0.

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WEST VIRGINIA EARNs 'D' GRADE FOR ITS FINANCES

September 2018
truthinaccounting.org



THE FINANCIAL STATE OF WEST VIRGINIA

A new analysis of the latest available audited financial reports found West Virginia had a Taxpayer Burden™ of \$9,500, earning it a "D" grade based on Truth in Accounting's grading scale.

Financial decisions made by the state's elected officials over the years have left West Virginia with a \$4.9 billion shortfall, which equates to \$9,500 for every taxpayer. Much of the state's overall debt comes from contractually protected pension benefits and retiree health care costs. Of the \$18.5 billion in retirement benefits promised, the state has not funded \$3.6 billion in pension and \$2 billion in retiree health care benefits.

West Virginia's financial condition is not only alarming but also misleading as government officials have failed to disclose significant amounts of retirement debt on the state's balance sheet. Residents and taxpayers have been presented with an unreliable and inaccurate accounting of the state government's finances.

Here's the truth:

30

Rank

**\$4.9
billion**

Money needed to
pay bills

-\$9,500

Taxpayer
Burden

D

Financial grade

Data included in this report is derived from the state of West Virginia's 2017 audited Comprehensive Annual Financial Report and retirement plans' actuarial reports.

Photo Credit: flickr.com; bobistraveling

WEST VIRGINIA FINANCIAL BREAKDOWN

FAST FACTS

- + West Virginia has \$8.3 billion available in assets to pay \$13.2 billion worth of bills.
- + The outcome is a \$4.9 billion shortfall and a \$9,500 Taxpayer Burden.
- + Despite reporting all of its pension debt, the state continues to hide \$91.9 million of its retiree health care debt.
- + West Virginia's reported net position is inflated by \$1.3 billion, largely because the state defers recognizing losses incurred when the net pension liability increases.

THE STATE'S BILLS EXCEED ITS ASSETS

Assets	\$25,235,631,000
<i>Minus:</i> Capital assets	-\$13,569,451,000
Restricted assets	-\$3,356,349,000
Assets available to pay bills	\$8,309,831,000
<i>Minus:</i> Bills	-\$13,228,077,000
Money needed to pay bills	-\$4,918,246,000
Each taxpayer's share of this debt	-\$9,500

BILLS THE STATE HAS ACCUMULATED

Bonds	\$4,388,054,000
Other liabilities	\$5,070,367,000
<i>Minus:</i> Debt related to capital assets	-\$1,786,804,000
Unfunded pension benefits	\$3,564,533,000
Unfunded retiree health care	\$1,991,927,000
Bills	\$13,228,077,000

GRADE: D

Bottom line: West Virginia does not have enough money to pay its bills, so it has received a "D" grade for its finances from Truth in Accounting. A "D" is given to states with a Taxpayer Burden between \$5,000 and \$20,000. Because of West Virginia's balanced budget requirement, its Taxpayer Burden should be \$0.

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COLORADO'S DEBT BURDEN WORSENS

September 2018
truthinaccounting.org

THE FINANCIAL STATE OF COLORADO

A new analysis of the latest available audited financial reports found Colorado has a Taxpayer Burden™ of \$9,800, earning it a "D" grade based on Truth in Accounting's grading scale.

Financial decisions made by the state's elected officials over the years have left Colorado with a \$19.3 billion shortfall, which equates to \$9,800 for every taxpayer. Most of the state's overall debt comes from contractually protected pension benefits and retiree health care costs. Of the \$33.3 billion in retirement benefits promised, the state has not funded \$18.3 billion in pension and \$1.1 billion in retiree health care benefits.

Colorado's financial condition declined in 2017 primarily due to an increase in the state's pension liability. The Colorado Public Employees' Retirement Association determined there is a risk that projected plan assets might not be enough to pay all promised benefits. Taking this risk into account, the actuaries reduced the percentage rate used to determine the current value of promised benefits from 7.50 percent to 5.26 percent, which resulted in an increase in the pension liability. In addition, updated mortality assumptions affected the amount of the liability.

Here's the truth:

31

Rank

\$19.3

billion
Money needed to
pay bills

-\$9,800

Taxpayer
Burden

D

Financial grade

Data included in this report is derived from the state of Colorado's 2017 audited Comprehensive Annual Financial Report and retirement plans' actuarial reports.

COLORADO

FINANCIAL BREAKDOWN

FAST FACTS

- + Colorado has \$12.7 billion available in assets to pay \$31.9 billion worth of bills.
- + The outcome is a \$19.3 billion shortfall and a \$9,800 Taxpayer Burden.
- + The state hides \$460.3 million of pension debt and \$786.9 million of its retiree health care debt.
- + Colorado's reported net position is inflated by \$5.7 billion, largely because the state defers recognizing losses incurred when the net pension liability increases.

THE STATE'S BILLS EXCEED ITS ASSETS

Assets	\$42,132,568,000
<i>Minus:</i> Capital assets	-\$21,695,780,000
Restricted assets	-\$7,785,674,000
Assets available to pay bills	\$12,651,114,000
<i>Minus:</i> Bills	-\$31,946,562,000
Money needed to pay bills	-\$19,295,448,000
Each taxpayer's share of this debt	-\$9,800

BILLS THE STATE HAS ACCUMULATED

Bonds	\$4,895,567,000
Other liabilities	\$8,052,856,000
<i>Minus:</i> Debt related to capital assets	-\$450,864,000
Unfunded pension benefits	\$18,318,530,000
Unfunded retiree health care	\$1,130,473,000
Bills	\$31,946,562,000

GRADE: D

Bottom line: Colorado does not have enough money to pay its bills, so it has received a "D" for its finances from Truth in Accounting. A "D" grade is given to states with a Taxpayer Burden between \$5,000 and \$20,000. Because of Colorado's balanced budget requirement, its Taxpayer Burden should be \$0.

Truth in Accounting is committed to educating and empowering citizens with understandable, reliable, and transparent government financial information. To be knowledgeable participants in their government and its budget process, citizens need truthful and transparent financial information.

TEXAS EARNS 'D' GRADE FOR ITS FINANCES

September 2018
truthinaccounting.org



THE FINANCIAL STATE OF TEXAS

A new analysis of the latest available audited financial reports found Texas has a Taxpayer Burden™ of \$10,100, earning it a "D" grade based on Truth in Accounting's grading scale.

Texas' elected officials have made repeated financial decisions that have left the state with a debt burden of \$82.2 billion, according to the analysis. That burden equates to \$10,100 for every state taxpayer. Texas' financial problems stem mostly from unfunded retirement obligations that have accumulated over many years. Of the \$238.4 billion in retirement benefits promised, the state has not funded \$45 billion in pension and \$65.5 billion in retiree health care benefits.

Texas' financial condition is not only alarming but also misleading as government officials have failed to disclose significant amounts of retirement debt on the state's balance sheet. Residents and taxpayers have been presented with an unreliable and inaccurate accounting of the state government's finances.

Here's the truth:

32

Rank

\$82.2
billion

Money needed to
pay bills

-\$10,100

Taxpayer
Burden

D

Financial grade

Data included in this report is derived from the state of Texas' 2017 audited Comprehensive Annual Financial Report and retirement plans' actuarial reports.

Photo Credit: flickr.com; John Fowler

TEXAS FINANCIAL BREAKDOWN

FAST FACTS

- + Texas has \$76.1 billion available in assets to pay \$158.3 billion worth of bills.
- + The outcome is a \$82.2 billion shortfall and a \$10,100 Taxpayer Burden.
- + Despite reporting all of its pension debt, the state continues to hide \$58.8 billion of its retiree health care debt.
- + Texas' reported net position is inflated by \$7.3 billion, largely because the state defers recognizing losses incurred when the net pension liability increases.

THE STATE'S BILLS EXCEED ITS ASSETS

Assets	\$310,210,655,000
<i>Minus:</i> Capital assets	-\$136,298,942,000
Restricted assets	-\$97,847,543,000
Assets available to pay bills	\$76,064,170,000
<i>Minus:</i> Bills	-\$158,308,010,000
Money needed to pay bills	-\$82,243,840,000
Each taxpayer's share of this debt	-\$10,100

BILLS THE STATE HAS ACCUMULATED

Bonds	\$51,092,527,000
Other liabilities	\$44,319,448,000
<i>Minus:</i> Debt related to capital assets	-\$47,598,796,000
Unfunded pension benefits	\$45,025,759,000
Unfunded retiree health care	\$65,469,072,000
Bills	\$158,308,010,000

GRADE: D

Bottom line: Texas does not have enough money to pay its bills, so it has received a "D" for its finances from Truth in Accounting. A "D" grade is given to states with a Taxpayer Burden between \$5,000 and \$20,000. Because of Texas' balanced budget requirement, its Taxpayer Burden should be \$0.

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MISSISSIPPI RANKS NO. 33 FOR FISCAL HEALTH

September 2018
truthinaccounting.org



THE FINANCIAL STATE OF MISSISSIPPI

A new analysis of the latest available audited financial reports found Mississippi has a Taxpayer Burden™ of \$11,300, earning it a "D" grade based on Truth in Accounting's grading scale.

Mississippi's elected officials have made repeated financial decisions that have left the state with a debt burden of \$8.3 billion, according to the analysis. That burden equates to \$11,300 for every state taxpayer. Mississippi's financial problems stem mostly from unfunded retirement obligations that have accumulated over many years. Of the \$16 billion in retirement benefits promised, the state has not funded \$5.8 billion in pension and \$784.8 million in retiree health care benefits.

Mississippi's financial condition is not only alarming but also misleading as government officials have failed to disclose significant amounts of retirement debt on the state's balance sheet. Residents and taxpayers have been presented with an unreliable and inaccurate accounting of the state government's finances.

Here's the truth:

33

Rank

\$8.3
billion

Money needed to
pay bills

-\$11,300

Taxpayer
Burden

D

Financial grade

Data included in this report is derived from the state of Mississippi's 2017 audited Comprehensive Annual Financial Report and retirement plans' actuarial reports.

MISSISSIPPI FINANCIAL BREAKDOWN

FAST FACTS

- + Mississippi has \$5.7 billion available in assets to pay \$14 billion worth of bills.
- + The outcome is a \$8.3 billion shortfall and a \$11,300 Taxpayer Burden.
- + Despite reporting all of its pension debt, the state continues to hide \$596.4 million of its retiree health care debt.
- + Mississippi's reported net position is inflated by \$1.4 billion, largely because the state defers recognizing losses incurred when the net pension liability increases.

THE STATE'S BILLS EXCEED ITS ASSETS

Assets	\$32,211,746,000
<i>Minus:</i> Capital assets	-\$20,929,735,000
Restricted assets	-\$5,581,637,000
Assets available to pay bills	\$5,700,374,000
<i>Minus:</i> Bills	-\$13,960,766,000
Money needed to pay bills	-\$8,260,392,000
Each taxpayer's share of this debt	-\$11,300

BILLS THE STATE HAS ACCUMULATED

Bonds	\$5,841,403,000
Other liabilities	\$4,230,658,000
<i>Minus:</i> Debt related to capital assets	-\$2,697,203,000
Unfunded pension benefits	\$5,801,155,000
Unfunded retiree health care	\$784,753,000
Bills	\$13,960,766,000

GRADE: D

Bottom line: Mississippi does not have enough money to pay its bills, so it has received a "D" for its finances from Truth in Accounting. A "D" grade is given to states with a Taxpayer Burden between \$5,000 and \$20,000. Because of Mississippi's balanced budget requirement, its Taxpayer Burden should be \$0.

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ALABAMA LACKING TRANSPARENCY

September 2018
truthinaccounting.org

THE FINANCIAL STATE OF ALABAMA

An analysis of the latest available audited financial reports found Alabama has a Taxpayer Burden™ of \$11,800, earning it a "D" grade based on Truth in Accounting's grading scale.

Alabama's elected officials have made repeated financial decisions that have left the state with a debt burden of \$15.2 billion, according to the analysis. That burden equates to \$11,800 for every state taxpayer. Alabama's financial problems stem mostly from unfunded retirement obligations that have accumulated over many years. Of the \$33.8 billion in retirement benefits promised, the state has not funded \$7.7 billion in pension and \$8.9 billion in retiree health care benefits.

Alabama's financial condition is not only alarming but also misleading as government officials have failed to disclose significant amounts of retirement debt on the state's balance sheet. Furthermore, for the past two years the state has taken about a year and a half to release its annual financial report. Residents and taxpayers have been presented with an unreliable and inaccurate accounting of the state government's finances.

Here's the truth:

34

Rank

\$15.2
billion

Money needed to
pay bills

-\$11,800

Taxpayer
Burden

D

Financial grade

Data included in this report is derived from the state of Alabama's 2016 audited Comprehensive Annual Financial Report (CAFR) and retirement plans' actuarial reports. The state's 2017 CAFR was still not released as of August 1, 2018.

ALABAMA

FINANCIAL BREAKDOWN

FAST FACTS

- + Alabama has \$10.5 billion available in assets to pay \$25.8 billion worth of bills.
- + The outcome is a \$15.2 billion shortfall and a \$11,800 Taxpayer Burden.
- + The state reports most of its pension debt, but continues to hide \$7.7 billion of its retiree health care debt.
- + Alabama's reported net position is inflated by \$1.1 billion, largely because the state defers recognizing losses incurred when the net pension liability increases.

THE STATE'S BILLS EXCEED ITS ASSETS

Assets	\$52,256,833,000
<i>Minus:</i> Capital assets	-\$30,356,119,000
Restricted assets	-\$11,368,759,000
Assets available to pay bills	\$10,531,955,000
<i>Minus:</i> Bills	-\$25,764,522,000
Money needed to pay bills	-\$15,232,567,000
Each taxpayer's share of this debt	-\$11,800

BILLS THE STATE HAS ACCUMULATED

Bonds	\$8,883,099,000
Other liabilities	\$5,400,605,000
<i>Minus:</i> Debt related to capital assets	-\$5,203,088,000
Unfunded pension benefits	\$7,744,972,000
Unfunded retiree health care	\$8,938,934,000
Bills	\$25,764,522,000

GRADE: D

Bottom line: Alabama does not have enough money to pay its bills, so it has received a "D" for its finances from Truth in Accounting. A "D" grade is given to states with a Taxpayer Burden between \$5,000 and \$20,000. Because of Alabama's balanced budget requirement, its Taxpayer Burden should be \$0.

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RHODE ISLAND EARNS 'D' GRADE FOR ITS FINANCES

September 2018
truthinaccounting.org

THE FINANCIAL STATE OF RHODE ISLAND

A new analysis of the latest available audited financial reports found Rhode Island has a Taxpayer Burden™ of \$14,500, earning it a "D" grade based on Truth in Accounting's grading scale.

Rhode Island's elected officials have made repeated financial decisions that have left the state with a debt burden of \$5.5 billion, according to the analysis. That burden equates to \$14,500 for every state taxpayer. Rhode Island's financial problems stem mostly from unfunded retirement obligations that have accumulated over many years. Of the \$8.7 billion in retirement benefits promised, the state has not funded \$3.6 billion in pension and \$701.4 million in retiree health care benefits.

Rhode Island's financial condition is not only alarming but also misleading as government officials have failed to disclose significant amounts of retirement debt on the state's balance sheet. Residents and taxpayers have been presented with an unreliable and inaccurate accounting of the state government's finances.

Here's the truth:

35

Rank

\$5.5

billion
Money needed to
pay bills

-\$14,500

Taxpayer
Burden

D

Financial grade

Data included in this report is derived from the state of Rhode Island's 2017 audited Comprehensive Annual Financial Report and retirement plans' actuarial reports.

RHODE ISLAND FINANCIAL BREAKDOWN

FAST FACTS

- + Rhode Island has \$5.2 billion available in assets to pay \$10.7 billion worth of bills.
- + The outcome is a \$5.5 billion shortfall and a \$14,500 Taxpayer Burden.
- + Despite reporting all of its pension debt, the state continues to hide \$620.7 million of its retiree health care debt.
- + Rhode Island's reported net position is inflated by \$512 million, largely because the state defers recognizing losses incurred when the net pension liability increases.

THE STATE'S BILLS EXCEED ITS ASSETS

Assets	\$14,130,405,000
<i>Minus:</i> Capital assets	-\$6,416,347,000
Restricted assets	-\$2,522,402,000
Assets available to pay bills	\$5,191,656,000
<i>Minus:</i> Bills	-\$10,712,604,000
Money needed to pay bills	-\$5,520,948,000
Each taxpayer's share of this debt	-\$14,500

BILLS THE STATE HAS ACCUMULATED

Bonds	\$5,710,483,000
Other liabilities	\$2,578,398,000
<i>Minus:</i> Debt related to capital assets	-\$1,892,804,000
Unfunded pension benefits	\$3,615,167,000
Unfunded retiree health care	\$701,360,000
Bills	\$10,712,604,000

GRADE: D

Bottom line: Rhode Island does not have enough money to pay its bills, so it has received a "D" for its finances from Truth in Accounting. A "D" grade is given to states with a Taxpayer Burden between \$5,000 and \$20,000. Because of Rhode Island's balanced budget requirement, its Taxpayer Burden should be \$0.

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LOUISIANA RANKS NO. 36 FOR ITS FISCAL HEALTH

September 2018
truthinaccounting.org



THE FINANCIAL STATE OF LOUISIANA

A new analysis of the latest available audited financial reports found Louisiana has a Taxpayer Burden™ of \$15,500, earning it a "D" grade based on Truth in Accounting's grading scale.

Louisiana's elected officials have made repeated financial decisions that have left the state with a debt burden of \$19.7 billion, according to the analysis. That burden equates to \$15,500 for every state taxpayer. Louisiana's financial problems stem mostly from unfunded retirement obligations that have accumulated over many years. Of the \$34.2 billion in retirement benefits promised, the state has not funded \$9.6 billion in pension and \$7.4 billion in retiree health care benefits.

Louisiana's financial condition is not only alarming but also misleading as government officials have failed to disclose significant amounts of retirement debt on the state's balance sheet. The state's financial report also received a qualified opinion because the auditors found some financial data was not presented in accordance with generally accepted accounting principles.

Here's the truth:

36

Rank

\$19.7
billion

Money needed to
pay bills

-\$15,500

Taxpayer
Burden

D

Financial grade

Data included in this report is derived from the state of Louisiana's 2017 audited Comprehensive Annual Financial Report and retirement plans' actuarial reports.

Photo Credit: flickr.com; Erik Larson

LOUISIANA FINANCIAL BREAKDOWN

FAST FACTS

- + Louisiana has \$15.9 billion available in assets to pay \$35.6 billion worth of bills.
- + The outcome is a \$19.7 billion shortfall and a \$15,500 Taxpayer Burden.
- + Despite reporting all of its pension debt, the state continues to hide \$2.6 billion of its retiree health care debt.
- + Louisiana's reported net position is inflated by \$2.4 billion, largely because the state defers recognizing losses incurred when the net pension liability increases.

THE STATE'S BILLS EXCEED ITS ASSETS

Assets	\$46,067,518,000
<i>Minus:</i> Capital assets	-\$21,667,872,000
Restricted assets	-\$8,454,785,000
Assets available to pay bills	\$15,944,861,000
<i>Minus:</i> Bills	-\$35,639,570,000
Money needed to pay bills	-\$19,694,709,000
Each taxpayer's share of this debt	-\$15,500

BILLS THE STATE HAS ACCUMULATED

Bonds	\$12,006,939,000
Other liabilities	\$12,766,726,000
<i>Minus:</i> Debt related to capital assets	-\$6,179,277,000
Unfunded pension benefits	\$9,598,620,000
Unfunded retiree health care	\$7,446,562,000
Bills	\$35,639,570,000

GRADE: D

Bottom line: Louisiana does not have enough money to pay its bills, so it has received a "D" for its finances from Truth in Accounting. A "D" grade is given to states with a Taxpayer Burden between \$5,000 and \$20,000. Because of Louisiana's balanced budget requirement, its Taxpayer Burden should be \$0.

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MARYLAND RANKS NO. 37 FOR FISCAL HEALTH

September 2018
truthinaccounting.org



THE FINANCIAL STATE OF MARYLAND

A new analysis of the latest available audited financial reports found Maryland has a Taxpayer Burden™ of \$16,000, earning it a "D" grade based on Truth in Accounting's grading scale.

Maryland's elected officials have made repeated financial decisions that have left the state with a debt burden of \$34.6 billion, according to the analysis. That burden equates to \$16,000 for every state taxpayer. Maryland's financial problems stem mostly from unfunded retirement obligations that have accumulated over many years. Of the \$79.8 billion in retirement benefits promised, the state has not funded \$21.3 billion in pension and \$11.9 billion in retiree health care benefits.

Maryland's financial condition is not only alarming but also misleading as government officials have failed to disclose significant amounts of retirement debt on the state's balance sheet. Residents and taxpayers have been presented with an unreliable and inaccurate accounting of the state government's finances.

Here's the truth:

37

Rank

\$34.6
billion

Money needed to
pay bills

-\$16,000

Taxpayer
Burden

D

Financial grade

Data included in this report is derived from the state of Maryland's 2017 audited Comprehensive Annual Financial Report and retirement plans' actuarial reports.

MARYLAND FINANCIAL BREAKDOWN

FAST FACTS

- + Maryland has \$17.1 billion available in assets to pay \$51.7 billion worth of bills.
- + The outcome is a \$34.6 billion shortfall and a \$16,000 Taxpayer Burden.
- + Despite reporting all of its pension debt, the state continues to hide \$6.9 billion of its retiree health care debt.
- + Maryland's reported net position is inflated by \$5.2 billion, largely because the state defers recognizing losses incurred when the net pension liability increases.

THE STATE'S BILLS EXCEED ITS ASSETS

Assets	\$58,246,235,000
<i>Minus:</i> Capital assets	-\$37,057,224,000
Restricted assets	-\$4,067,043,000
Assets available to pay bills	\$17,121,968,000
<i>Minus:</i> Bills	-\$51,684,804,000
Money needed to pay bills	-\$34,562,836,000
Each taxpayer's share of this debt	-\$16,000

BILLS THE STATE HAS ACCUMULATED

Bonds	\$20,534,706,000
Other liabilities	\$9,877,073,000
<i>Minus:</i> Debt related to capital assets	-\$11,955,968,000
Unfunded pension benefits	\$21,290,987,000
Unfunded retiree health care	\$11,938,006,000
Bills	\$51,684,804,000

GRADE: D

Bottom line: Maryland does not have enough money to pay its bills, so it has received a "D" for its finances from Truth in Accounting. A "D" grade is given to states with a Taxpayer Burden between \$5,000 and \$20,000. Because of Maryland's balanced budget requirement, its Taxpayer Burden should be \$0.

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MICHIGAN RANKS NO. 38 FOR FISCAL HEALTH

September 2018
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THE FINANCIAL STATE OF MICHIGAN

A new analysis of the latest available audited financial reports found Michigan has a Taxpayer Burden™ of \$16,600, earning it a "D" grade based on Truth in Accounting's grading scale.

Michigan's elected officials have made repeated financial decisions that have left the state with a debt burden of \$53 billion, according to the analysis. That burden equates to \$16,600 for every state taxpayer. Michigan's financial problems stem mostly from unfunded retirement obligations that have accumulated over many years. Of the \$119.8 billion in retirement benefits promised, the state has not funded \$32.5 billion in pension and \$19.3 billion in retiree health care benefits.

Michigan's financial condition is not only alarming but also misleading as government officials have failed to disclose significant amounts of retirement debt on the state's balance sheet. Residents and taxpayers have been presented with an unreliable and inaccurate accounting of the state government's finances.

Here's the truth:

38

Rank

\$53
billion

Money needed to
pay bills

-\$16,600

Taxpayer
Burden

D

Financial grade

Data included in this report is derived from the state of Michigan's 2017 audited Comprehensive Annual Financial Report and retirement plans' actuarial reports.

MICHIGAN FINANCIAL BREAKDOWN

FAST FACTS

- + Michigan has \$25.8 billion available in assets to pay \$78.7 billion worth of bills.
- + The outcome is a \$53 billion shortfall and a \$16,600 Taxpayer Burden.
- + The state excludes \$25.8 billion of pension debt and \$16.3 billion of retiree health care debt from its balance sheet.
- + Michigan's reported net position is inflated by \$1.2 billion, largely because the state defers recognizing losses incurred when the net pension liability increases.

THE STATE'S BILLS EXCEED ITS ASSETS

Assets	\$68,692,592,000
<i>Minus:</i> Capital assets	-\$28,201,122,000
Restricted assets	-\$14,721,302,000
Assets available to pay bills	\$25,770,168,000
<i>Minus:</i> Bills	-\$78,723,221,000
Money needed to pay bills	-\$52,953,053,000
Each taxpayer's share of this debt	-\$16,600

BILLS THE STATE HAS ACCUMULATED

Bonds	\$20,316,300,000
Other liabilities	\$10,532,776,000
<i>Minus:</i> Debt related to capital assets	-\$3,892,077,000
Unfunded pension benefits	\$32,481,857,000
Unfunded retiree health care	\$19,284,365,000
Bills	\$78,723,221,000

GRADE: D

Bottom line: Michigan does not have enough money to pay its bills, so it has received a "D" for its finances from Truth in Accounting. A "D" grade is given to states with a Taxpayer Burden between \$5,000 and \$20,000. Because of Michigan's balanced budget requirement, its Taxpayer Burden should be \$0.

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SOUTH CAROLINA'S FINANCES EARN 'D' GRADE

September 2018
truthinaccounting.org



THE FINANCIAL STATE OF SOUTH CAROLINA

A new analysis of the latest available audited financial reports found South Carolina has a Taxpayer Burden™ of \$18,100, earning it a "D" grade based on Truth in Accounting's grading scale.

Financial decisions made by the state's elected officials over the years have left South Carolina with a \$26.2 billion shortfall, which equates to \$18,100 for every taxpayer. Most of the state's overall debt comes from contractually protected pension benefits and retiree health care costs. Of the \$45.6 billion in retirement benefits promised, the state has not funded \$14.1 billion in pension and \$13.8 billion in retiree health care benefits.

South Carolina's financial condition is not only alarming but also misleading as government officials have failed to disclose significant amounts of retirement debt on the state's balance sheet. Residents and taxpayers have been presented with an unreliable and inaccurate accounting of the state government's finances.

Here's the truth:

39

Rank

\$26.2
billion

Money needed to
pay bills

-\$18,100

Taxpayer
Burden

D

Financial grade

Data included in this report is derived from the state of South Carolina's 2017 audited Comprehensive Annual Financial Report and retirement plans' actuarial reports.

SOUTH CAROLINA FINANCIAL BREAKDOWN

FAST FACTS

- + South Carolina has \$12.5 billion available in assets to pay \$38.7 billion worth of bills
- + The outcome is a \$26.2 billion shortfall and a \$18,100 Taxpayer Burden.
- + The state is hiding \$7.4 billion of pension debt and \$13.8 billion of retiree health care debt.
- + South Carolina's reported net position is inflated by \$1.4 billion, largely because the state defers recognizing losses incurred when the net pension liability increases.

THE STATE'S BILLS EXCEED ITS ASSETS

Assets	\$57,086,127,000
<i>Minus:</i> Capital assets	-\$32,302,279,000
Restricted assets	-\$12,265,489,000
Assets available to pay bills	\$12,518,359,000
<i>Minus:</i> Bills	-\$38,691,018,000
Money needed to pay bills	-\$26,172,659,000
Each taxpayer's share of this debt	-\$18,100

BILLS THE STATE HAS ACCUMULATED

Bonds	\$13,575,124,000
Other liabilities	\$9,916,701,000
<i>Minus:</i> Debt related to capital assets	-\$12,719,514,000
Unfunded pension benefits	\$14,149,396,000
Unfunded retiree health care	\$13,769,311,000
Bills	\$38,691,018,000

GRADE: D

Bottom line: South Carolina does not have enough money to pay its bills, so it has received a "D" for its finances from Truth in Accounting. A "D" grade is given to states with a Taxpayer Burden between \$5,000 and \$20,000. Because of South Carolina's balanced budget requirement, its Taxpayer Burden should be \$0.

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PENNSYLVANIA'S DEBT BURDEN WORSENS

September 2018
truthinaccounting.org



THE FINANCIAL STATE OF PENNSYLVANIA

A new analysis of the latest available audited financial reports found Pennsylvania has a Taxpayer Burden™ of \$18,800, earning it a "D" grade based on Truth in Accounting's grading scale. The commonwealth's financial condition has gradually deteriorated since 2009, with its Taxpayer Burden increasing by \$10,600.

Pennsylvania's elected officials have made repeated financial decisions that have left the commonwealth with a debt burden of \$82.1 billion, according to the analysis. That burden equates to \$18,800 for every taxpayer. Pennsylvania's financial problems stem mostly from unfunded retirement obligations that have accumulated over many years. Of the \$124.6 billion in retirement benefits promised, the commonwealth has not funded \$42.8 billion in pension and \$29.8 billion in retiree health care benefits.

Pennsylvania's financial condition is not only alarming but also misleading as government officials have failed to disclose significant amounts of retirement debt on the commonwealth's balance sheet. Residents and taxpayers have been presented with an unreliable and inaccurate accounting of their government's finances.

Here's the truth:

40

Rank

\$82.1
billion

Money needed to
pay bills

-\$18,800

Taxpayer
Burden

D

Financial grade

Data included in this report is derived from the commonwealth of Pennsylvania's 2017 audited Comprehensive Annual Financial Report and retirement plans' actuarial reports.

PENNSYLVANIA FINANCIAL BREAKDOWN

FAST FACTS

- + Pennsylvania has \$38 billion available in assets to pay \$120.1 billion worth of bills.
- + The outcome is a \$82.1 billion shortfall and a \$18,800 Taxpayer Burden.
- + The commonwealth is hiding \$24.7 billion of pension debt and \$24.4 billion of retiree health care debt from its balance sheet.
- + Pennsylvania's reported net position is inflated by \$3.5 billion, largely because the commonwealth defers recognizing losses incurred when the net pension liability increases.

THE COMMONWEALTH'S BILLS EXCEED ITS ASSETS

Assets	\$96,138,273,000
<i>Minus:</i> Capital assets	-\$47,474,103,000
Restricted assets	-\$10,688,419,000
Assets available to pay bills	\$37,975,751,000
<i>Minus:</i> Bills	-\$120,059,525,000
Money needed to pay bills	-\$82,083,774,000
Each taxpayer's share of this debt	-\$18,800

BILLS THE COMMONWEALTH HAS ACCUMULATED

Bonds	\$34,657,473,000
Other liabilities	\$27,047,549,000
<i>Minus:</i> Debt related to capital assets	-\$14,190,628,000
Unfunded pension benefits	\$42,771,258,000
Unfunded retiree health care	\$29,773,873,000
Bills	\$120,059,525,000

GRADE: D

Bottom line: Pennsylvania does not have enough money to pay its bills, so it has received a "D" for its finances from Truth in Accounting. A "D" grade is given to states with a Taxpayer Burden between \$5,000 and \$20,000. Because of Pennsylvania's balanced budget requirement, its Taxpayer Burden should be \$0.

Truth in Accounting is committed to educating and empowering citizens with understandable, reliable, and transparent government financial information. To be knowledgeable participants in their government and its budget process, citizens need truthful and transparent financial information.

VERMONT RANKS NO. 41 FOR FISCAL HEALTH

September 2018
truthinaccounting.org

THE FINANCIAL STATE OF VERMONT

A new analysis of the latest available audited financial reports found Vermont has a Taxpayer Burden™ of \$20,100, earning it an "F" grade based on Truth in Accounting's grading scale.

Vermont's elected officials have made repeated financial decisions that have left the state with a debt burden of \$4.7 billion, according to the analysis. That burden equates to \$20,100 for every state taxpayer. Vermont's financial problems stem mostly from unfunded retirement obligations that have accumulated over many years. Of the \$8.6 billion in retirement benefits promised, the state has not funded \$2.2 billion in pension and \$3 billion in retiree health care benefits.

Vermont's financial condition is not only alarming but also misleading as government officials have failed to disclose significant amounts of retirement debt on the state's balance sheet. Residents and taxpayers have been presented with an unreliable and inaccurate accounting of the state government's finances.

Here's the truth:

41

Rank

\$4.7
billion

Money needed to
pay bills

-\$20,100

Taxpayer
Burden

F

Financial grade

Data included in this report is derived from the state of Vermont's 2017 audited Comprehensive Annual Financial Report and retirement plans' actuarial reports.

Photo Credit: Wikimedia Commons; FC

VERMONT FINANCIAL BREAKDOWN

FAST FACTS

- + Vermont has \$3.6 billion available in assets to pay \$8.3 billion worth of bills.
- + The outcome is a \$4.7 billion shortfall and a \$20,100 Taxpayer Burden.
- + The state is hiding \$191.3 million of pension debt and \$1.8 billion of retiree health care debt from its balance sheet.
- + Vermont's reported net position is inflated by \$500.8 million, largely because the state defers recognizing losses incurred when the net pension liability increases.

THE STATE'S BILLS EXCEED ITS ASSETS

Assets	\$9,279,463,000
<i>Minus:</i> Capital assets	-\$3,739,980,000
Restricted assets	-\$1,889,772,000
Assets available to pay bills	\$3,649,711,000
<i>Minus:</i> Bills	-\$8,340,544,000
Money needed to pay bills	-\$4,690,833,000
Each taxpayer's share of this debt	-\$20,100

BILLS THE STATE HAS ACCUMULATED

Bonds	\$3,182,762,000
Other liabilities	\$1,018,780,000
<i>Minus:</i> Debt related to capital assets	-\$1,014,562,000
Unfunded pension benefits	\$2,162,740,000
Unfunded retiree health care	\$2,990,824,000
Bills	\$8,340,544,000

GRADE: F

Bottom line: Vermont would need more than \$20,000 from each of its taxpayers to pay all of its bills, so it has received an "F" for its finances from Truth in Accounting.

Truth in Accounting is committed to educating and empowering citizens with understandable, reliable, and transparent government financial information. To be knowledgeable participants in their government and its budget process, citizens need truthful and transparent financial information.

NEW YORK RANKS NO. 42 FOR FISCAL HEALTH

September 2018
truthinaccounting.org



THE FINANCIAL STATE OF NEW YORK

A new analysis of the latest available audited financial reports found New York has a Taxpayer Burden™ of \$21,500, earning it an "F" grade based on Truth in Accounting's grading scale.

Financial decisions made by the state's elected officials over the years have left New York with a \$143 billion shortfall, which equates to \$21,500 for every taxpayer. Much of the state's overall debt comes from constitutionally protected pension benefits and retiree health care costs. Of the \$245.2 billion in retirement benefits promised, the state has not funded \$15.5 billion in pension and \$110.7 billion in retiree health care benefits.

New York's financial condition is not only alarming but also misleading as government officials have failed to disclose significant amounts of retirement debt on the state's balance sheet. Residents and taxpayers have been presented with an unreliable and inaccurate accounting of the state government's finances.

Here's the truth:

42

Rank

\$143
billion

Money needed to
pay bills

-\$21,500

Taxpayer
Burden

F

Financial grade

Data included in this report is derived from the state of New York's 2017 audited Comprehensive Annual Financial Report and retirement plans' actuarial reports.

NEW YORK FINANCIAL BREAKDOWN

FAST FACTS

- + New York has \$135 billion available in assets to pay \$277.9 billion worth of bills.
- + The outcome is a \$143 billion shortfall and a \$21,500 Taxpayer Burden.
- + Despite reporting all of its pension debt, the state continues to hide \$69.7 billion of its retiree health care debt.
- + New York's reported net position is inflated by \$11.5 billion, largely because the state defers recognizing losses incurred when the net pension liability increases.

THE STATE'S BILLS EXCEED ITS ASSETS

Assets	\$354,386,000,000
<i>Minus:</i> Capital assets	-\$195,576,000,000
Restricted assets	-\$23,853,000,000
Assets available to pay bills	\$134,957,000,000
<i>Minus:</i> Bills	-\$277,923,371,000
Money needed to pay bills	-\$142,966,371,000
Each taxpayer's share of this debt	-\$21,500

BILLS THE STATE HAS ACCUMULATED

Bonds	\$102,972,000,000
Other liabilities	\$138,838,000,000
<i>Minus:</i> Debt related to capital assets	-\$90,012,000,000
Unfunded pension benefits	\$15,473,929,000
Unfunded retiree health care	\$110,651,442,000
Bills	\$277,923,371,000

GRADE: F

Bottom line: New York would need more than \$20,000 from each of its taxpayers to pay all of its bills, so it has received an "F" for its finances from Truth in Accounting.

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CALIFORNIA'S 'SURPLUSES' RESULT IN \$269.9 BILLION OF DEBT

September 2018
truthinaccounting.org

THE FINANCIAL STATE OF CALIFORNIA

A new analysis of the latest available audited financial reports found California has a Taxpayer Burden™ of \$22,000, earning it an "F" grade based on Truth in Accounting's grading scale.

Despite Gov. Jerry Brown touting surpluses, California faces a \$269.9 billion shortfall, which equates to a \$22,000 burden for every taxpayer. Most of the state's overall debt comes from contractually protected pension benefits and retiree health care costs. Of the \$461.3 billion in retirement benefits promised, the state has not funded \$102.5 billion in pension and \$107 billion in retiree health care benefits.

California's financial condition is not only alarming but also misleading as government officials have failed to disclose significant amounts of retirement debt on the state's balance sheet. Residents and taxpayers have been presented with an unreliable and inaccurate accounting of the state government's finances.

Here's the truth:

43

Rank

\$269.9
billion

Money needed to
pay bills

-\$22,000

Taxpayer
Burden

F

Financial grade

Data included in this report is derived from the state of California's 2017 audited Comprehensive Annual Financial Report and retirement plans' actuarial reports.

Photo Credit: flickr.com; Ronnie Pitman

CALIFORNIA FINANCIAL BREAKDOWN

FAST FACTS

- + California has \$100.1 billion available in assets to pay \$369.9 billion worth of bills.
- + The outcome is a \$269.9 billion shortfall and a \$22,000 Taxpayer Burden.
- + Despite reporting most of its pension debt, the state continues to hide \$58.4 billion of its retiree health care debt.
- + California's reported net position is inflated by \$16.7 billion, largely because the state defers recognizing losses incurred when the net pension liability increases.

THE STATE'S BILLS EXCEED ITS ASSETS

Assets	\$333,966,739,000
<i>Minus:</i> Capital assets	-\$172,548,381,000
Restricted assets	-\$61,362,937,000
Assets available to pay bills	\$100,055,421,000
<i>Minus:</i> Bills	-\$369,941,086,000
Money needed to pay bills	-\$269,885,665,000
Each taxpayer's share of this debt	-\$22,000

BILLS THE STATE HAS ACCUMULATED

Bonds	\$131,661,174,000
Other liabilities	\$78,070,735,000
<i>Minus:</i> Debt related to capital assets	-\$49,288,635,000
Unfunded pension benefits	\$102,474,752,000
Unfunded retiree health care	\$107,023,060,000
Bills	\$369,941,086,000

GRADE: F

Bottom line: California would need more than \$20,000 from each of its taxpayers to pay all of its bills, so it has received an "F" for its finances from Truth in Accounting.

Truth in Accounting is committed to educating and empowering citizens with understandable, reliable, and transparent government financial information. To be knowledgeable participants in their government and its budget process, citizens need truthful and transparent financial information.



DELAWARE FINANCES CONTINUE TO CRUMBLE

September 2018
truthinaccounting.org



THE FINANCIAL STATE OF DELAWARE

A new analysis of the latest available audited financial reports found Delaware had a Taxpayer Burden™ of \$30,400, earning it an "F" grade based on Truth in Accounting's grading scale. The state's financial condition has deteriorated in recent years, with its Taxpayer Burden increasing by \$13,200 between 2013 and 2017.

Financial decisions made by the state's elected officials over the years have left Delaware with a \$10 billion shortfall, which equates to \$30,400 for every taxpayer. Most of the state's overall debt comes from contractually protected pension benefits and retiree health care costs. Of the \$19.5 billion in retirement benefits promised, the state has not funded \$1.9 billion in pension and \$8.4 billion in retiree health care benefits.

Delaware's financial condition is not only alarming but also misleading as government officials have failed to disclose significant amounts of retirement debt on the state's balance sheet. Residents and taxpayers have been presented with an unreliable and inaccurate accounting of the state government's finances.

Here's the truth:

44

Rank

**\$10
billion**

Money needed to
pay bills

-\$30,400

Taxpayer
Burden

F

Financial grade

Data included in this report is derived from the state of Delaware's 2017 audited Comprehensive Annual Financial Report and retirement plans' actuarial reports.

DELAWARE FINANCIAL BREAKDOWN

FAST FACTS

- + Delaware has \$2.6 billion available in assets to pay \$12.7 billion worth of bills.
- + The outcome is a \$10 billion shortfall and a \$30,400 Taxpayer Burden.
- + Despite reporting all of its pension debt, the state continues to hide \$5.6 billion of its retiree health care debt.
- + Delaware's reported net position is inflated by \$805.1 million, largely because the state defers recognizing losses incurred when the net pension liability increases.

THE STATE'S BILLS EXCEED ITS ASSETS

Assets	\$13,789,012,000
<i>Minus:</i> Capital assets	-\$9,336,198,000
Restricted assets	-\$1,822,108,000
Assets available to pay bills	\$2,630,706,000
<i>Minus:</i> Bills	-\$12,654,165,000
Money needed to pay bills	-\$10,023,459,000
Each taxpayer's share of this debt	-\$30,400

BILLS THE STATE HAS ACCUMULATED

Bonds	\$3,643,923,000
Other liabilities	\$2,303,759,000
<i>Minus:</i> Debt related to capital assets	-\$3,570,652,000
Unfunded pension benefits	\$1,888,093,000
Unfunded retiree health care	\$8,389,042,000
Bills	\$12,654,165,000

GRADE: F

Bottom line: Delaware would need more than \$20,000 from each of its taxpayers to pay all of its bills, so it has received an "F" for its finances from Truth in Accounting.

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HAWAII RANKS NO. 45 FOR ITS FISCAL HEALTH

September 2018
truthinaccounting.org

THE FINANCIAL STATE OF HAWAII

A new analysis of the latest available audited financial reports found Hawaii has a Taxpayer Burden™ of \$31,600, earning it an "F" grade based on Truth in Accounting's grading scale.

Hawaii's elected officials have made repeated financial decisions that have left the state with a debt burden of \$15.6 billion, according to the analysis. That burden equates to \$31,600 for every state taxpayer. Hawaii's financial problems stem mostly from unfunded retirement obligations in the form of pension and other post-employment benefits. Of the \$30.1 billion in retirement benefits promised, the state has not funded \$9 billion in pension and \$9.3 billion in retiree health care benefits.

Hawaii's financial condition is not only alarming but also misleading as government officials have failed to disclose significant amounts of retirement debt on the state's balance sheet. Residents and taxpayers have been presented with an unreliable and inaccurate accounting of the state government's finances.

Here's the truth:

45

Rank

**\$15.6
billion**

Money needed to
pay bills

-\$31,600

Taxpayer
Burden

F

Financial grade

Data included in this report is derived from the state of Hawaii's 2017 audited Comprehensive Annual Financial Report and retirement plans' actuarial reports.

Photo Credit: flickr.com; Anthony Quintano

HAWAII

FINANCIAL BREAKDOWN

FAST FACTS

- + Hawaii has \$6.9 billion available in assets to pay \$22.5 billion worth of bills.
- + The outcome is a \$15.6 billion shortfall and a \$31,600 Taxpayer Burden.
- + Despite reporting all of its pension debt, the state continues to hide \$4.2 billion of its retiree health care debt.
- + Hawaii's reported net position is inflated by \$3.1 billion, largely because the state defers recognizing losses incurred when the net pension liability increases.

THE STATE'S BILLS EXCEED ITS ASSETS

Assets	\$27,456,156,000
<i>Minus:</i> Capital assets	-\$16,287,067,000
Restricted assets	-\$4,262,210,000
Assets available to pay bills	\$6,906,879,000
<i>Minus:</i> Bills	-\$22,521,607,000
Money needed to pay bills	-\$15,614,728,000
Each taxpayer's share of this debt	-\$31,600

BILLS THE STATE HAS ACCUMULATED

Bonds	\$10,582,455,000
Other liabilities	\$2,689,922,000
<i>Minus:</i> Debt related to capital assets	-\$9,044,857,000
Unfunded pension benefits	\$8,979,417,000
Unfunded retiree health care	\$9,314,670,000
Bills	\$22,521,607,000

GRADE: F

Bottom line: Hawaii would need more than \$20,000 from each of its taxpayers to pay all of its bills, so it has received an "F" for its finances from Truth in Accounting.

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MASSACHUSETTS RANKS NO. 46 FOR FISCAL HEALTH

September 2018
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THE FINANCIAL STATE OF MASSACHUSETTS

A new analysis of the latest available audited financial reports found Massachusetts has a Taxpayer Burden™ of \$33,500, earning it an "F" grade based on Truth in Accounting's grading scale.

Financial decisions made by the commonwealth's elected officials over the years have left Massachusetts with a \$86.9 billion shortfall, which equates to \$33,500 for every taxpayer. Much of the commonwealth's overall debt comes from contractually protected pension benefits and retiree health care costs. Of the \$120.4 billion in retirement benefits promised, the commonwealth has not funded \$39.2 billion in pension and \$22.2 billion in retiree health care benefits.

Massachusetts' financial condition is not only alarming but also misleading as government officials have failed to disclose significant amounts of retirement debt on the commonwealth's balance sheet. Residents and taxpayers have been presented with an unreliable and inaccurate accounting of their government's finances.

Here's the truth:

46

Rank

\$86.9
billion

Money needed to
pay bills

-\$33,500

Taxpayer
Burden

F

Financial grade

Data included in this report is derived from the commonwealth of Massachusetts' 2017 audited Comprehensive Annual Financial Report and retirement plans' actuarial reports.

MASSACHUSETTS FINANCIAL BREAKDOWN

FAST FACTS

- + Massachusetts has \$21.3 billion available in assets to pay \$108.2 billion worth of bills
- + The outcome is a \$86.9 billion shortfall and a \$33,500 Taxpayer Burden.
- + Despite reporting all of its pension debt, the commonwealth continues to hide \$13.4 billion of its retiree health care debt.
- + Massachusetts' reported net position is inflated by \$9.2 billion, largely because the commonwealth defers recognizing losses incurred when the net pension liability increases.

THE COMMONWEALTH'S BILLS EXCEED ITS ASSETS

Assets	\$77,096,974,000
<i>Minus:</i> Capital assets	-\$48,509,868,000
Restricted assets	-\$7,319,649,000
Assets available to pay bills	\$21,267,457,000
<i>Minus:</i> Bills	-\$108,198,626,000
Money needed to pay bills	-\$86,931,169,000
Each taxpayer's share of this debt	-\$33,500

BILLS THE COMMONWEALTH HAS ACCUMULATED

Bonds	\$50,779,094,000
Other liabilities	\$12,912,827,000
<i>Minus:</i> Debt related to capital assets	-\$16,852,574,000
Unfunded pension benefits	\$39,199,758,000
Unfunded retiree health care	\$22,159,521,000
Bills	\$108,198,626,000

GRADE: F

Bottom line: Massachusetts would need more than \$20,000 from each of its taxpayers to pay all of its bills, so it has received an "F" for its finances from Truth in Accounting.

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KENTUCKY FINANCES STILL IN PERIL

September 2018
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THE FINANCIAL STATE OF KENTUCKY

A new analysis of the latest available audited financial reports found Kentucky has a Taxpayer Burden™ of \$39,200, earning it an "F" grade based on Truth in Accounting's grading scale.

Financial decisions made by the commonwealth's elected officials over the years have left Kentucky with a \$50.3 billion shortfall, which equates to \$39,200 for every taxpayer. Most of the commonwealth's overall debt comes from contractually protected pension benefits and retiree health care costs. Of the \$71.7 billion in retirement benefits promised, the commonwealth has not funded \$40.6 billion in pension and \$6.5 billion in retiree health care benefits.

Kentucky's financial condition is not only alarming but also misleading as government officials have failed to disclose significant amounts of retirement debt on the commonwealth's balance sheet. Residents and taxpayers have been presented with an unreliable and inaccurate accounting of their government's finances.

Here's the truth:

47

Rank

\$50.3

billion

Money needed to
pay bills

-\$39,200

Taxpayer
Burden

F

Financial grade

Data included in this report is derived from the commonwealth of Kentucky's 2017 audited Comprehensive Annual Financial Report and retirement plans' actuarial reports.

KENTUCKY FINANCIAL BREAKDOWN

FAST FACTS

- + Kentucky has \$12 billion available in assets to pay \$62.3 billion worth of bills.
- + The outcome is a \$50.3 billion shortfall and a \$39,200 Taxpayer Burden.
- + Despite reporting all of its pension debt, the commonwealth continues to hide \$3.1 billion of its retiree health care debt.
- + Kentucky's reported net position is inflated by \$7.5 billion, largely because the commonwealth defers recognizing losses incurred when the net pension liability increases.

THE COMMONWEALTH'S BILLS EXCEED ITS ASSETS

Assets	\$51,642,568,000
<i>Minus:</i> Capital assets	-\$33,650,003,000
Restricted assets	-\$6,008,620,000
Assets available to pay bills	\$11,983,945,000
<i>Minus:</i> Bills	-\$62,258,778,000
Money needed to pay bills	-\$50,274,833,000
Each taxpayer's share of this debt	-\$39,200

BILLS THE COMMONWEALTH HAS ACCUMULATED

Bonds	\$11,458,769,000
Other liabilities	\$9,437,609,000
<i>Minus:</i> Debt related to capital assets	-\$5,724,736,000
Unfunded pension benefits	\$40,560,666,000
Unfunded retiree health care	\$6,526,470,000
Bills	\$62,258,778,000

GRADE: F

Bottom line: Kentucky would need more than \$20,000 from each of its taxpayers to pay all of its bills, so it has received an "F" for its finances from Truth in Accounting.

Truth in Accounting is committed to educating and empowering citizens with understandable, reliable, and transparent government financial information. To be knowledgeable participants in their government and its budget process, citizens need truthful and transparent financial information.

ILLINOIS SLIDING FURTHER INTO DEBT

September 2018
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THE FINANCIAL STATE OF ILLINOIS

A new analysis of the latest available audited financial reports found Illinois had a Taxpayer Burden™ of \$50,800, earning it an "F" grade based on Truth in Accounting's grading scale. The state's fiscal health has declined each year since 2009, with its Taxpayer Burden increasing by \$21,700 during that time.

Financial decisions made by the state's elected officials over the years have left Illinois with a \$216.1 billion shortfall, which equates to \$50,800 for every taxpayer. Most of the state's overall debt comes from constitutionally protected pension benefits and retiree health care costs. Of the \$270.6 billion in retirement benefits promised, the state has not funded \$134.4 billion in pension and \$52.5 billion in retiree health care benefits.

Illinois' financial condition is not only alarming but also misleading as government officials have failed to disclose significant amounts of retirement debt on the state's balance sheet. Residents and taxpayers have been presented with an unreliable and inaccurate accounting of the state government's finances.

Here's the truth:

48

Rank

\$216.1
billion

Money needed to
pay bills

-\$50,800

Taxpayer
Burden

F

Financial grade

Data included in this report is derived from the state of Illinois' 2017 audited Comprehensive Annual Financial Report and retirement plans' actuarial reports.

Photo Credit: Wikimedia Commons; Lonelymiesarchie

ILLINOIS FINANCIAL BREAKDOWN

FAST FACTS

- + Illinois has \$28.8 billion available in assets to pay \$244.9 billion worth of bills.
- + The outcome is a \$216.1 billion shortfall and a \$50,800 Taxpayer Burden.
- + Despite reporting all of its pension debt, the state continues to hide \$36.1 billion of its retiree health care debt.
- + Illinois' reported net position is inflated by \$24.4 billion, largely because the state defers recognizing losses incurred when the net pension liability increases.

THE STATE'S BILLS EXCEED ITS ASSETS

Assets	\$80,823,083,000
<i>Minus:</i> Capital assets	-\$37,532,833,000
Restricted assets	-\$14,511,680,000
Assets available to pay bills	\$28,778,570,000
<i>Minus:</i> Bills	-\$244,893,218,000
Money needed to pay bills	-\$216,114,648,000
Each taxpayer's share of this debt	-\$50,800

BILLS THE STATE HAS ACCUMULATED

Bonds	\$38,375,304,000
Other liabilities	\$35,158,256,000
<i>Minus:</i> Debt related to capital assets	-\$15,559,227,000
Unfunded pension benefits	\$134,375,722,000
Unfunded retiree health care	\$52,543,163,000
Bills	\$244,893,218,000

GRADE: F

Bottom line: Illinois would need more than \$20,000 from each of its taxpayers to pay all of its bills, so it has received an "F" for its finances from Truth in Accounting.

Truth in Accounting is committed to educating and empowering citizens with understandable, reliable, and transparent government financial information. To be knowledgeable participants in their government and its budget process, citizens need truthful and transparent financial information.

CONNECTICUT RANKS NO. 49 FOR FISCAL HEALTH

September 2018
truthinaccounting.org



THE FINANCIAL STATE OF CONNECTICUT

A new analysis of the latest available audited financial reports found Connecticut had a Taxpayer Burden™ of \$53,400, earning it an "F" grade based on Truth in Accounting's grading scale.

Financial decisions made by the state's elected officials over the years have left Connecticut with a \$69.8 billion shortfall, which equates to \$53,400 for every taxpayer. Much of the state's overall debt comes from contractually protected pension benefits and retiree health care costs. Of the \$85.6 billion in retirement benefits promised, the state has not funded \$34.8 billion in pension and \$20.9 billion in retiree health care benefits.

Connecticut's financial condition is not only alarming but also misleading as government officials have failed to disclose significant amounts of retirement debt on the state's balance sheet. Residents and taxpayers have been presented with an unreliable and inaccurate accounting of the state government's finances.

Here's the truth:

49

Rank

\$69.8
billion

Money needed to
pay bills

-\$53,400

Taxpayer
Burden

F

Financial grade

Data included in this report is derived from the state of Connecticut's 2017 audited Comprehensive Annual Financial Report and retirement plans' actuarial reports.

Photo Credit: flickr.com; Jay McAnally

CONNECTICUT FINANCIAL BREAKDOWN

FAST FACTS

- + Connecticut has \$12.1 billion available in assets to pay \$81.9 billion worth of bills.
- + The outcome is a \$69.8 billion shortfall and a \$53,400 Taxpayer Burden.
- + Despite reporting all of its pension debt, the state continues to hide \$10.4 billion of its retiree health care debt.
- + Connecticut's reported net position is inflated by \$11 billion, largely because the state defers recognizing losses incurred when the net pension liability increases.

THE STATE'S BILLS EXCEED ITS ASSETS

Assets	\$38,174,808,000
<i>Minus:</i> Capital assets	-\$20,527,800,000
Restricted assets	-\$5,537,936,000
Assets available to pay bills	\$12,109,072,000
<i>Minus:</i> Bills	-\$81,884,151,000
Money needed to pay bills	-\$69,775,079,000
Each taxpayer's share of this debt	-\$53,400

BILLS THE STATE HAS ACCUMULATED

Bonds	\$31,658,586,000
Other liabilities	\$5,928,320,000
<i>Minus:</i> Debt related to capital assets	-\$11,374,822,000
Unfunded pension benefits	\$34,811,035,000
Unfunded retiree health care	\$20,861,032,000
Bills	\$81,884,151,000

GRADE: F

Bottom line: Connecticut would need more than \$20,000 from each of its taxpayers to pay all of its bills, so it has received an "F" for its finances from Truth in Accounting.

Truth in Accounting is committed to educating and empowering citizens with understandable, reliable, and transparent government financial information. To be knowledgeable participants in their government and its budget process, citizens need truthful and transparent financial information.

NEW JERSEY'S FINANCES WORST IN NATION

September 2018
truthinaccounting.org

THE FINANCIAL STATE OF NEW JERSEY

A new analysis of the latest available audited financial reports found New Jersey has a Taxpayer Burden™ of \$61,400, earning it an "F" grade based on Truth in Accounting's grading scale.

Financial decisions made by the state's elected officials over the years have left New Jersey with a \$195.5 billion shortfall, which equates to \$61,400 for every taxpayer. Most of the state's overall debt comes from contractually protected pension benefits and retiree health care costs. Of the \$223.5 billion in retirement benefits promised, the state has not funded \$103.5 billion in pension and \$71.9 billion in retiree health care benefits.

While New Jersey's financial statements indicated an annual deficit of nearly \$11 billion, the state's financial condition seemingly improved because the actuaries of the state's retirement systems increased the percentage rates used to determine the current value of promised benefits, which led to a decline in liabilities.

Here's the truth:

50

Rank

\$195.5
billion

Money needed to
pay bills

-\$61,400

Taxpayer
Burden

F

Financial grade

Data included in this report is derived from the state of New Jersey's 2017 audited Comprehensive Annual Financial Report and retirement plans' actuarial reports.

NEW JERSEY FINANCIAL BREAKDOWN

FAST FACTS

- + New Jersey has \$25.5 billion available in assets to pay \$221 billion worth of bills.
- + The outcome is a \$195.5 billion shortfall and a \$61,400 Taxpayer Burden.
- + Despite reporting all of its pension debt, the state continues to hide \$34.3 billion of its retiree health care debt.
- + New Jersey's reported net position is inflated by \$27.7 billion, largely because the state defers recognizing losses incurred when the net pension liability increases.

THE STATE'S BILLS EXCEED ITS ASSETS

Assets	\$97,506,876,000
<i>Minus:</i> Capital assets	-\$55,725,411,000
Restricted assets	-\$16,234,642,000
Assets available to pay bills	\$25,546,823,000
<i>Minus:</i> Bills	-\$221,029,729,000
Money needed to pay bills	-\$195,482,906,000
Each taxpayer's share of this debt	-\$61,400

BILLS THE STATE HAS ACCUMULATED

Bonds	\$62,762,831,000
Other liabilities	\$18,990,418,000
<i>Minus:</i> Debt related to capital assets	-\$36,151,202,000
Unfunded pension benefits	\$103,516,407,000
Unfunded retiree health care	\$71,911,275,000
Bills	\$221,029,729,000

GRADE: F

Bottom line: New Jersey would need more than \$20,000 from each of its taxpayers to pay all of its bills, so it has received an "F" for its finances from Truth in Accounting.

Truth in Accounting is committed to educating and empowering citizens with understandable, reliable, and transparent government financial information. To be knowledgeable participants in their government and its budget process, citizens need truthful and transparent financial information.

Appendix I: Financial State of the States Schedule

(in Billions)								
Ranking	State	Reported Assets*	Less: Capital Assets	Less: Assets Restricted By Law or Contract	Assets Available to Pay Bills	Less: Bills	Money Available (Needed) to Pay Bills	Each Taxpayer's Financial Surplus (Burden)
34	Alabama	\$52.3	(\$30.4)	(\$11.4)	\$10.5	(\$25.8)	(\$15.2)	(\$11,800)
1	Alaska	\$94.9	(\$12.2)	(\$52.0)	\$30.6	(\$14.3)	\$16.3	\$56,500
21	Arizona	\$48.6	(\$29.2)	(\$9.6)	\$9.8	(\$18.6)	(\$8.8)	(\$4,500)
17	Arkansas	\$26.5	(\$16.1)	(\$3.7)	\$6.6	(\$9.5)	(\$2.9)	(\$3,600)
43	California	\$334.0	(\$172.5)	(\$61.4)	\$100.1	(\$369.9)	(\$269.9)	(\$22,000)
31	Colorado	\$42.1	(\$21.7)	(\$7.8)	\$12.7	(\$31.9)	(\$19.3)	(\$9,800)
49	Connecticut	\$38.2	(\$20.5)	(\$5.5)	\$12.1	(\$81.9)	(\$69.8)	(\$53,400)
44	Delaware	\$13.8	(\$9.3)	(\$1.8)	\$2.6	(\$12.7)	(\$10.0)	(\$30,400)
11	Florida	\$210.7	(\$110.5)	(\$41.7)	\$58.6	(\$70.1)	(\$11.6)	(\$1,800)
19	Georgia	\$72.1	(\$37.3)	(\$12.7)	\$22.1	(\$33.2)	(\$11.1)	(\$3,900)
45	Hawaii	\$27.5	(\$16.3)	(\$4.3)	\$6.9	(\$22.5)	(\$15.6)	(\$31,600)
6	Idaho	\$17.6	(\$8.0)	(\$5.7)	\$3.9	(\$2.6)	\$1.3	\$2,700
48	Illinois	\$80.8	(\$37.5)	(\$14.5)	\$28.8	(\$244.9)	(\$216.1)	(\$50,800)
13	Indiana	\$58.5	(\$26.5)	(\$9.0)	\$23.0	(\$28.8)	(\$5.7)	(\$2,700)
10	Iowa	\$30.7	(\$15.4)	(\$6.6)	\$8.7	(\$8.2)	\$0.5	\$500
25	Kansas	\$26.7	(\$18.0)	(\$5.3)	\$3.3	(\$10.3)	(\$7.0)	(\$7,600)
47	Kentucky	\$51.6	(\$33.7)	(\$6.0)	\$12.0	(\$62.3)	(\$50.3)	(\$39,200)
36	Louisiana	\$46.1	(\$21.7)	(\$8.5)	\$15.9	(\$35.6)	(\$19.7)	(\$15,500)
24	Maine	\$14.4	(\$6.0)	(\$2.1)	\$6.4	(\$9.9)	(\$3.5)	(\$7,500)
37	Maryland	\$58.2	(\$37.1)	(\$4.1)	\$17.1	(\$51.7)	(\$34.6)	(\$16,000)
46	Massachusetts	\$77.1	(\$48.5)	(\$7.3)	\$21.3	(\$108.2)	(\$86.9)	(\$33,500)
38	Michigan	\$68.7	(\$28.2)	(\$14.7)	\$25.8	(\$78.7)	(\$53.0)	(\$16,600)
22	Minnesota	\$63.0	(\$27.8)	(\$14.1)	\$21.0	(\$30.7)	(\$9.7)	(\$4,700)
33	Mississippi	\$32.2	(\$20.9)	(\$5.6)	\$5.7	(\$14.0)	(\$8.3)	(\$11,300)
20	Missouri	\$53.2	(\$38.3)	(\$6.0)	\$8.9	(\$16.8)	(\$7.9)	(\$4,100)
14	Montana	\$15.9	(\$6.9)	(\$4.1)	\$4.9	(\$6.0)	(\$1.1)	(\$3,300)

* Net of Reported Pension Assets and OPEB Assets

Appendix I: Financial State of the States Schedule

(in Billions)								
Ranking	State	Reported Assets*	Less: Capital Assets	Less: Assets Restricted By Law or Contract	Assets Available to Pay Bills	Less: Bills	Money Available (Needed) to Pay Bills	Each Taxpayer's Financial Surplus (Burden)
8	Nebraska	\$22.4	(\$12.0)	(\$6.1)	\$4.3	(\$3.1)	\$1.2	\$1,800
16	Nevada	\$18.5	(\$9.2)	(\$3.9)	\$5.4	(\$8.5)	(\$3.1)	(\$3,300)
23	New Hampshire	\$9.4	(\$5.3)	(\$2.0)	\$2.2	(\$5.0)	(\$2.9)	(\$5,400)
50	New Jersey	\$97.5	(\$55.7)	(\$16.2)	\$25.5	(\$221.0)	(\$195.5)	(\$61,400)
29	New Mexico	\$39.9	(\$10.0)	(\$20.7)	\$9.2	(\$14.4)	(\$5.1)	(\$9,000)
42	New York	\$354.4	(\$195.6)	(\$23.9)	\$135.0	(\$277.9)	(\$143.0)	(\$21,500)
27	North Carolina	\$108.9	(\$68.3)	(\$8.9)	\$31.7	(\$56.0)	(\$24.3)	(\$8,100)
2	North Dakota	\$28.4	(\$6.3)	(\$7.6)	\$14.5	(\$7.4)	\$7.1	\$24,900
26	Ohio	\$113.5	(\$43.1)	(\$23.0)	\$47.4	(\$78.1)	(\$30.7)	(\$7,700)
14	Oklahoma	\$41.0	(\$21.0)	(\$9.9)	\$10.1	(\$13.3)	(\$3.2)	(\$2,900)
9	Oregon	\$51.1	(\$19.6)	(\$10.0)	\$21.4	(\$20.1)	\$1.4	\$1,000
40	Pennsylvania	\$96.1	(\$47.5)	(\$10.7)	\$38.0	(\$120.1)	(\$82.1)	(\$18,800)
35	Rhode Island	\$14.1	(\$6.4)	(\$2.5)	\$5.2	(\$10.7)	(\$5.5)	(\$14,500)
39	South Carolina	\$57.1	(\$32.3)	(\$12.3)	\$12.5	(\$38.7)	(\$26.2)	(\$18,100)
5	South Dakota	\$11.4	(\$5.4)	(\$2.8)	\$3.2	(\$2.3)	\$0.9	\$3,100
7	Tennessee	\$57.4	(\$34.9)	(\$4.4)	\$18.1	(\$13.0)	\$5.0	\$2,500
32	Texas	\$310.2	(\$136.3)	(\$97.8)	\$76.1	(\$158.3)	(\$82.2)	(\$10,100)
4	Utah	\$43.0	(\$24.1)	(\$8.5)	\$10.3	(\$6.4)	\$3.9	\$4,400
41	Vermont	\$9.3	(\$3.7)	(\$1.9)	\$3.6	(\$8.3)	(\$4.7)	(\$20,100)
12	Virginia	\$105.8	(\$53.2)	(\$16.7)	\$35.8	(\$41.2)	(\$5.4)	(\$1,900)
28	Washington	\$96.6	(\$44.3)	(\$13.2)	\$39.2	(\$62.2)	(\$23.0)	(\$8,700)
30	West Virginia	\$25.2	(\$13.6)	(\$3.4)	\$8.3	(\$13.2)	(\$4.9)	(\$9,500)
18	Wisconsin	\$55.5	(\$31.5)	(\$12.5)	\$11.5	(\$19.5)	(\$8.0)	(\$3,900)
3	Wyoming	\$34.2	(\$7.8)	(\$14.8)	\$11.6	(\$7.6)	\$4.0	\$19,600
All States		\$3,456.2	(\$1,737.5)	(\$659.0)	\$1,059.7	(\$2,605.5)	(\$1,545.9)	

* Net of Reported Pension Assets and OPEB Assets

Appendix II: Schedule of Accumulated Bills

(in Billions)

State	State Bonds	Other Liabilities*	Less: Debt Related to Capital Assets	Unfunded Pension Benefits Due	Unfunded Retirees' Health Care Benefits Due	Total Bills
Alabama	\$8.9	\$5.4	\$5.2	\$7.7	\$8.9	\$25.8
Alaska	\$5.7	\$5.7	\$2.2	\$4.5	\$0.6	\$14.3
Arizona	\$7.5	\$9.0	\$6.7	\$7.6	\$1.2	\$18.6
Arkansas	\$4.2	\$3.0	\$3.0	\$3.0	\$2.3	\$9.5
California	\$131.7	\$78.1	\$49.3	\$102.5	\$107.0	\$369.9
Colorado	\$4.9	\$8.1	\$0.5	\$18.3	\$1.1	\$31.9
Connecticut	\$31.7	\$5.9	\$11.4	\$34.8	\$20.9	\$81.9
Delaware	\$3.6	\$2.3	\$3.6	\$1.9	\$8.4	\$12.7
Florida	\$28.4	\$34.3	\$12.8	\$10.9	\$9.3	\$70.1
Georgia	\$15.0	\$13.8	\$10.5	\$7.4	\$7.6	\$33.2
Hawaii	\$10.6	\$2.7	\$9.0	\$9.0	\$9.3	\$22.5
Idaho	\$2.1	\$1.2	\$1.2	\$0.4	\$0.1	\$2.6
Illinois	\$38.4	\$35.2	\$15.6	\$134.4	\$52.5	\$244.9
Indiana	\$9.0	\$10.4	\$5.1	\$13.6	\$0.9	\$28.8
Iowa	\$5.0	\$3.6	\$2.1	\$1.3	\$0.4	\$8.2
Kansas	\$5.7	\$3.5	\$5.3	\$6.5	\$0.0	\$10.3
Kentucky	\$11.5	\$9.4	\$5.7	\$40.6	\$6.5	\$62.3
Louisiana	\$12.0	\$12.8	\$6.2	\$9.6	\$7.4	\$35.6
Maine	\$5.0	\$1.7	\$1.2	\$2.6	\$1.9	\$9.9
Maryland	\$20.5	\$9.9	\$12.0	\$21.3	\$11.9	\$51.7
Massachusetts	\$50.8	\$12.9	\$16.9	\$39.2	\$22.2	\$108.2
Michigan	\$20.3	\$10.5	\$3.9	\$32.5	\$19.3	\$78.7
Minnesota	\$15.3	\$10.4	\$7.7	\$11.8	\$0.9	\$30.7
Mississippi	\$5.8	\$4.2	\$2.7	\$5.8	\$0.8	\$14.0
Missouri	\$5.4	\$5.7	\$5.3	\$7.8	\$3.3	\$16.8
Montana	\$0.9	\$2.8	\$0.4	\$2.3	\$0.5	\$6.0

*Does not include Net Pension and OPEB Obligations

Appendix II: Schedule of Accumulated Bills

(in Billions)						
State	State Bonds	Other Liabilities*	Less: Debt Related to Capital Assets	Unfunded Pension Benefits Due	Unfunded Retirees' Health Care Benefits Due	Total Bills
Nebraska	\$0.9	\$2.5	\$0.7	\$0.5	\$0.0	\$3.1
Nevada	\$3.6	\$2.8	\$2.0	\$2.6	\$1.5	\$8.5
New Hampshire	\$1.9	\$1.3	\$1.7	\$1.1	\$2.5	\$5.0
New Jersey	\$62.8	\$19.0	\$36.2	\$103.5	\$71.9	\$221.0
New Mexico	\$5.5	\$3.3	\$2.4	\$5.5	\$2.5	\$14.4
New York	\$103.0	\$138.8	\$90.0	\$15.5	\$110.7	\$277.9
North Carolina	\$11.7	\$16.2	\$8.5	\$3.8	\$32.8	\$56.0
North Dakota	\$1.6	\$5.3	\$0.3	\$0.9	\$0.1	\$7.4
Ohio	\$21.0	\$52.0	\$10.8	\$12.1	\$3.7	\$78.1
Oklahoma	\$7.1	\$5.3	\$6.1	\$6.8	\$0.2	\$13.3
Oregon	\$13.0	\$9.1	\$6.2	\$4.1	\$0.1	\$20.1
Pennsylvania	\$34.7	\$27.0	\$14.2	\$42.8	\$29.8	\$120.1
Rhode Island	\$5.7	\$2.6	\$1.9	\$3.6	\$0.7	\$10.7
South Carolina	\$13.6	\$9.9	\$12.7	\$14.1	\$13.8	\$38.7
South Dakota	\$2.1	\$0.9	\$0.7	(\$0.0)	\$0.0	\$2.3
Tennessee	\$6.3	\$5.5	\$2.4	\$1.8	\$1.8	\$13.0
Texas	\$51.1	\$44.3	\$47.6	\$45.0	\$65.5	\$158.3
Utah	\$5.6	\$2.9	\$3.6	\$1.4	\$0.1	\$6.4
Vermont	\$3.2	\$1.0	\$1.0	\$2.2	\$3.0	\$8.3
Virginia	\$27.1	\$20.8	\$16.4	\$6.9	\$2.9	\$41.2
Washington	\$25.7	\$26.4	\$22.1	\$21.7	\$10.5	\$62.2
West Virginia	\$4.4	\$5.1	\$1.8	\$3.6	\$2.0	\$13.2
Wisconsin	\$13.6	\$11.5	\$7.1	\$0.3	\$1.2	\$19.5
Wyoming	\$0.8	\$5.6	\$0.2	\$0.6	\$0.7	\$7.6
All States	\$885.7	\$721.3	\$502.0	\$837.5	\$663.1	\$2,605.5

*Does not include Net Pension and OPEB Obligations

Appendix III: Retirement Liabilities

State	(in Billions)		
	Unfunded Pension Benefits Due	Unfunded Retirees' Health Care Benefits Due	Total Unfunded Retirement Benefits Due
Alabama	\$7.7	\$8.9	\$16.7
Alaska	\$4.5	\$0.6	\$5.1
Arizona	\$7.6	\$1.2	\$8.8
Arkansas	\$3.0	\$2.3	\$5.2
California	\$102.5	\$107.0	\$209.5
Colorado	\$18.3	\$1.1	\$19.4
Connecticut	\$34.8	\$20.9	\$55.7
Delaware	\$1.9	\$8.4	\$10.3
Florida	\$10.9	\$9.3	\$20.2
Georgia	\$7.4	\$7.6	\$15.0
Hawaii	\$9.0	\$9.3	\$18.3
Idaho	\$0.4	\$0.1	\$0.5
Illinois	\$134.4	\$52.5	\$186.9
Indiana	\$13.6	\$0.9	\$14.5
Iowa	\$1.3	\$0.4	\$1.7
Kansas	\$6.5	\$0.0	\$6.5
Kentucky	\$40.6	\$6.5	\$47.1
Louisiana	\$9.6	\$7.4	\$17.0
Maine	\$2.6	\$1.9	\$4.5
Maryland	\$21.3	\$11.9	\$33.2
Massachusetts	\$39.2	\$22.2	\$61.4
Michigan	\$32.5	\$19.3	\$51.8
Minnesota	\$11.8	\$0.9	\$12.8
Mississippi	\$5.8	\$0.8	\$6.6
Missouri	\$7.8	\$3.3	\$11.0
Montana	\$2.3	\$0.5	\$2.7

*A negative amount represents a reported net pension and/or OPEB asset(s).

Appendix III: Retirement Liabilities

	(in Billions)		
State	Unfunded Pension Benefits Due	Unfunded Retirees' Health Care Benefits Due	Total Unfunded Retirement Benefits Due
Nebraska	\$0.5	\$0.0	\$0.5
Nevada	\$2.6	\$1.5	\$4.1
New Hampshire	\$1.1	\$2.5	\$3.6
New Jersey	\$103.5	\$71.9	\$175.4
New Mexico	\$5.5	\$2.5	\$8.0
New York	\$15.5	\$110.7	\$126.1
North Carolina	\$3.8	\$32.8	\$36.6
North Dakota	\$0.9	\$0.1	\$0.9
Ohio	\$12.1	\$3.7	\$15.9
Oklahoma	\$6.8	\$0.2	\$7.0
Oregon	\$4.1	\$0.1	\$4.2
Pennsylvania	\$42.8	\$29.8	\$72.5
Rhode Island	\$3.6	\$0.7	\$4.3
South Carolina	\$14.1	\$13.8	\$27.9
South Dakota	(\$0.0)	\$0.0	\$0.0
Tennessee	\$1.8	\$1.8	\$3.6
Texas	\$45.0	\$65.5	\$110.5
Utah	\$1.4	\$0.1	\$1.5
Vermont	\$2.2	\$3.0	\$5.2
Virginia	\$6.9	\$2.9	\$9.8
Washington	\$21.7	\$10.5	\$32.2
West Virginia	\$3.6	\$2.0	\$5.6
Wisconsin	\$0.3	\$1.2	\$1.5
Wyoming	\$0.6	\$0.7	\$1.3
All States	\$837.5	\$663.1	\$1,500.6

*A negative amount represents a reported net pension and/or OPEB asset(s).

Notes

[illegible]

Notes



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