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RANKING

ALASKA

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“Sunshine State”

AK has enough assets
to cover its debt

Taxpayer Surplus

AK has largest surplus
of all 50 states at
\$52,300
per taxpayer

Taxpayer Surplus

is **99%** of an average
citizen’s personal
income of **\$52,901**

THE FINANCIAL STATE OF ALASKA

The State's Assets Exceed Its Bills

| | |
|---|-------------------|
| Assets | \$100,736,126,000 |
| Minus: Capital Assets | \$11,259,508,000 |
| Restricted Assets | \$49,053,430,000 |
| Assets Available to Pay Bills | \$40,423,188,000 |
| Minus: Bills | \$25,985,378,000 |
| Money Available to Pay Future Bills | \$14,437,810,000 |
| Each Taxpayer's Share of Surplus | \$52,300 |

Alaska has \$100.7 billion in assets, but most of these assets are not available to pay state bills.

The \$11.3 billion of capital assets, such as roads, buildings, and land should not be sold to pay bills. The use of \$49.1 billion of the assets is restricted by law or contract.

That leaves \$40.4 billion of state's assets available to pay \$26 billion of bills as they come due.

Alaska's elected officials seem to promise only the amount of benefits they can afford to pay.

Each Taxpayer's Share of the Financial Surplus is \$52,300



Truth in Accounting is committed to educating and empowering citizens with understandable, reliable and transparent government financial information.

We call on governments to truthfully balance their budgets by including all real and certain expenses when incurred not when paid.

To be knowledgeable participants in their government and its budget process, citizens need to be provided with truthful and transparent financial information.

www.TruthInAccounting.org

www.StateDataLab.org

The Bills Alaska Has Accumulated

| | |
|---|-------------------------|
| Bonds | \$5,588,226,000 |
| Other Liabilities | \$4,970,355,000 |
| Minus: Debt Related to Capital Assets | \$2,177,339,000 |
| Unfunded Pension Benefits | \$7,746,780,000 |
| Unfunded Retirees' Health Care Benefits | \$9,857,356,000 |
| Bills | \$25,985,378,000 |

The state has accumulated bonds of \$5.6 billion and other liabilities of \$5 billion. The calculation of assets available to pay bills does not include capital assets, so \$2.2 billion of related debt is removed from the calculation of State bills.

Unfunded employees' retirement benefits represent 68% of state bills. These unfunded liabilities have accumulated because state employees have been promised \$7.7 billion of pension benefits and \$9.9 billion of retirees' health care benefits. Unlike most states, Alaska has the assets needed to pay these liabilities.

Alaska's elected officials seem to promise only the amount of benefits they can afford to pay.

Alaska should be commended for having the largest state surplus of all the states. However, this accomplishment does not pardon the state of its responsibility to truthfully report all of its assets and liabilities.

None of the State's Retirement Liabilities are Reported

Unreported Retirement Liabilities \$17,604,136,000

A detailed study of Alaska's actuaries' schedules found retirement benefits totaling \$17.6 billion have been promised, but not funded. A review of the state's balance sheet determined that none these liabilities are reported.

Data is derived from the state of Alaska's June 30, 2014 audited Comprehensive Annual Financial Report and retirement plans' actuarial reports.

Number of taxpayers is based on an estimation of the state's population with a federal tax liability.