



ALASKA'S FINANCES RANK BEST IN NATION

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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:

1

Rank

**\$16.3
billion**

Money available to
pay future bills

\$56,500

Taxpayer
Surplus

A

Financial grade

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.