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### **Connecticut Hiding \$38 Billion in Retirement Debt**

CHICAGO — Today, Truth in Accounting (TIA), a Chicago-based think tank that analyzes government financial reporting, released a new report titled, *[The Financial State of Connecticut](#)*.

In the report, TIA researchers reveal that the state did not report 78 percent — or \$38 billion worth — of its retirement debt on its balance sheet. This means Connecticut only reported \$10 billion in retirement and health care benefits, but owes \$48 billion. This hidden debt is a result of the use of outdated accounting methods by state government officials.

“State officials are ignoring the minimum payment requirements and accumulating more and more debt,” said Sheila Weinberg, founder and CEO of Truth in Accounting. “If this pattern continues, Connecticut will only sink further into a bigger financial hole.”

When TIA researchers included the \$38 billion of hidden debt, they discovered that Connecticut:

- owes \$72 billion in bills;
- has \$10 billion available to pay bills; and
- needs \$62 billion to pay bills

If Connecticut’s \$62 billion shortfall were divided amongst its taxpayers, each taxpayer’s personal share would be \$48,600. “It’s time Connecticut state officials acknowledge the state’s debt reality and help correct the burgeoning crisis. The first step is fiscal transparency. Until Connecticut’s accounting is accurate and transparent, real action cannot be taken and future generations will carry the financial burden,” said Weinberg.

Data from the study was derived from Connecticut’s June 30, 2014 audited *Comprehensive Annual Financial Report* and retirement plans’ actuarial reports.

*Founded in 2002, Truth in Accounting is dedicated to educating and empowering citizens with understandable, reliable, and transparent government financial information. Sheila Weinberg is a Certified Public Accountant with more than 30 years of experience in the field.*

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