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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 — 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 This hidden debt is a result of the use of outdated accounting methods by state government officials.

TIA researchers also found that when Connecticut's unfunded debt is divided amongst taxpayers, each individual's share totals a whopping \$48,600 per person.

“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 continue to sink into a deeper 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

“The first step to fix this issue is fiscal transparency and it's time Connecticut state officials acknowledge the state's real debt amount,” said Weinberg. “Until Connecticut's accounting is accurate and transparent, real action cannot be taken and future generations will carry the financial burden.”

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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