



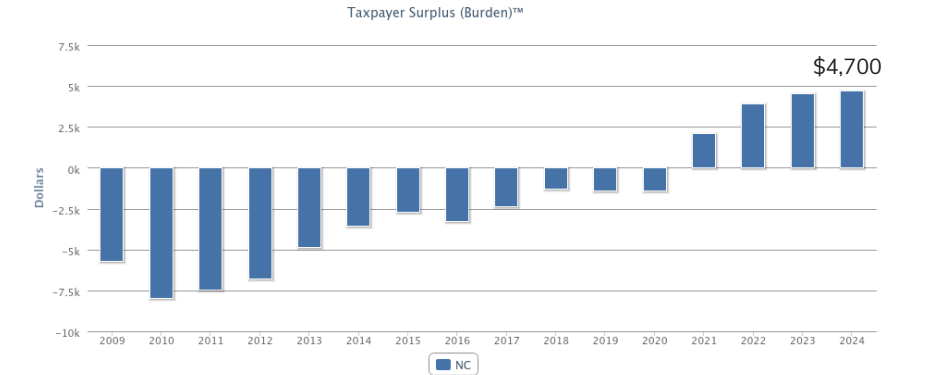


North Carolina's Financial Breakdown

Money Available to Pay Bills	\$17 billion	
Taxpayer Surplus	\$4,700	
Ranking (Out of 50)	17	
Financial Grade	B	

Although North Carolina had less money available in 2024 than the year before, it still ended the year with \$17 billion more than needed to pay its bills. This resulted in a Taxpayer Surplus™ of \$4,700 and earned the state a “B” grade from Truth in Accounting.

North Carolina's revenues were higher than its expenses, but the money available to pay general bills dropped by \$346 million. This happened because restricted assets grew by \$1.6 billion, mainly for the University of North Carolina system, which can only be used for scholarships, buildings, research, and similar purposes—not for general state expenses. Additionally, the state's retiree health benefit liability increased by \$3.7 billion due to updated assumptions about medical costs, enrollment, and impacts from the Inflation Reduction Act, showing how small changes in estimates can greatly affect future funding needs.



Temporary pandemic-related programs increased North Carolina's federal funding starting in 2020, helping provide money to pay its bills. As these programs end and national fiscal pressures rise, federal grants and contributions may return to 2019 levels adjusted for inflation. If that happens, North Carolina could lose \$11.5 billion in federal funding, which is nearly 14 percent of estimated expenses for the state's primary government. This shortfall could strain the state's ability to maintain services, meet obligations, and balance its budget.

The data in this report is derived from North Carolina's audited 2024 Annual Comprehensive Financial Report and its retirement systems' reports. To explore prior years or compare financial, demographic, and economic data across other states and cities, visit [Data-Z.org](#).

North Carolina's Financial Facts

- FACT #1:**
North Carolina had \$74.6 billion available to pay \$57.6 billion worth of bills.
- FACT #2:**
The outcome was a \$17 billion surplus, which breaks down to \$4,700 per taxpayer.
- FACT #3:**
North Carolina may lose \$11.5 billion in federal funding (14 percent of expenses) if allocations return to 2019 levels, adjusted only for inflation.

The State's Assets Exceeded Its Bills

Total Assets	\$185,390,683,000
Minus: Capital Assets	-\$95,704,520,000
Restricted Assets	-\$15,134,657,000
Assets Available to Pay Bills	\$74,551,506,000
Minus: Total Bills*	-\$57,593,171,000
Money Available to Pay Bills	\$16,958,335,000
Each Taxpayer's Share of this Surplus	\$4,700

*Breakdown of Total Bills

Bonds	\$11,972,465,000
Other Liabilities	\$34,404,536,000
Minus: Debt Related to Capital Assets	-\$12,784,710,000
Unfunded Pension Benefits	\$6,915,945,000
Unfunded Retiree Health Care Benefits	\$17,084,935,000
Total Bills	\$57,593,171,000

Grade:
B

Bottom line:
North Carolina had more than enough money to pay its outstanding bills and received a “B” grade for its finances. According to Truth in Accounting’s grading scale, any government with a Taxpayer Surplus between \$1 and \$9,999 is given a “B” grade.



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