



THE TRUTH

Money Needed to Pay Bills

\$197.7 Billion

Taxpayer Burden™

\$58,700

Financial Grade

F

Ranking

50 out of 50

New Jersey Ranked Dead Last For Fiscal Health



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Financial State of New Jersey

New Jersey moved from 49th to last place this year, remaining in the bottom five Sinkhole States for thirteen years in a row. New Jersey was the only state to experience a decrease in its financial condition. The money it needed to pay bills increased by more than \$12.5 billion. This all translates to an individual Taxpayer Burden™ of \$58,700 giving New Jersey the distinct dishonor of last place in the Financial State of the States for 2021.

Like all states, New Jersey's pension plan assets experienced significant, short-term increases in values, yet the state's portion of the Net Pension Liability increased because the State assumed new pension responsibilities from their local governments. New Jersey had only set aside 47 cents for every dollar of promised pension benefits and one cent for every dollar of promised retiree health care benefits. Given these facts, the state's overall debt situation will likely further deteriorate over the coming year.

Record gains in the stock market occurred in 2021, but much of that improvement is fading. Markets have lost an average of 14% value in 2022. If benefits and funding are not changed, future taxpayers will be burdened with paying the under-funded retirement promises.

The data included in this report is derived from the State of New Jersey's 2021 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare state financial, demographic and economic information go to Data-Z.org.



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New Jersey's Financial Breakdown

Fast Facts

- New Jersey had \$43.4 billion available to pay \$241.1 billion worth of bills.
- The outcome was a \$197.7 billion shortfall, which breaks down to a burden of \$58,700 per taxpayer.
- New Jersey's financial position appeared to decrease in 2021. Its status will most likely decline further as federal Covid funding decreases and the market value of retirement system assets decline.

THE STATE'S BILLS EXCEEDED ITS ASSETS

Total assets	\$125,096,461,000
Minus: Capital assets	-\$60,640,300,000
Restricted assets	-\$21,078,482,000
Assets available to pay bills	\$43,377,679,000
Minus: Total bills	-\$241,064,442,000
Money needed to pay bills	\$197,686,763,000
Each taxpayer's share of this burden	\$58,700

* BREAKDOWN OF TOTAL BILLS

Bonds	\$65,251,173,000
Other liabilities	\$28,329,102,000
Minus: Debt related to capital assets	-\$37,907,367,000
Unfunded pension benefits	\$79,799,355,000
Unfunded retiree health care benefits	\$105,592,179,000
Total bills	\$241,064,442,000

Grade:

F

Bottom line: New Jersey would need \$58,700 from each of its taxpayers to pay all of its bills, so it received an "F" for its finances. According to Truth in Accounting's grading scale, any government with a Taxpayer Burden greater than \$20,000 receives an "F"

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