

PENNSYLVANIA FINANCES CONTINUE TO CRUMBLE

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THE FINANCIAL STATE OF PENNSYLVANIA

Repeated decisions by government officials have left the commonwealth with a staggering debt burden of \$72.4 billion, according to Truth in Accounting's (TIA) analysis of the most recent financial filings. That burden equates to \$16,800 for every Pennsylvania taxpayer.

These statistics are troubling, but what's more troubling is that commonwealth officials continue to obscure large amounts of retirement debt on their balance sheets, despite new rules to increase financial transparency. This skewed financial data gives residents a false impression of their commonwealth's overall financial health.

Here's the truth:

**\$72.4
billion**

money needed
to pay bills

-\$16,800

taxpayer
burden™

D

Pennsylvania's
financial grade

PENNSYLVANIA FINANCIAL BREAKDOWN

FAST FACTS

- + Pennsylvania has \$39 billion available assets to pay \$111.4 billion worth of bills.
- + The outcome: A \$72.4 billion shortfall and a \$16,800 taxpayer burden™.
- + Most of Pennsylvania's pension and retiree health care liabilities are excluded from the balance sheet. The commonwealth's total hidden debt amounts to \$42.7 billion.

THE COMMONWEALTH'S BILLS EXCEED ITS ASSETS

Assets	\$94,343,841,000
<i>Minus:</i> Capital assets	-\$46,153,560,000
Restricted assets	-\$9,173,267,000
Assets available to pay bills	\$39,017,014,000
<i>Minus:</i> Bills	-\$111,371,213,000
Money needed to pay bills	-\$72,354,199,000
Each taxpayer's share of this debt	-\$16,800

BILLS THE COMMONWEALTH HAS ACCUMULATED

Bonds	\$33,132,566,000
Other liabilities	\$27,365,971,000
<i>Minus:</i> Debt related to capital assets	-\$13,684,983,000
Unfunded pension benefits	\$41,940,108,000
Unfunded retiree health care	\$22,617,551,000
Bills	\$111,371,213,000

GRADE: D

Bottom line: Pennsylvania does not have enough money to pay its bills, so it has received a D for its finances from Truth in Accounting. A D grade is given to states with a taxpayer burden™ between \$5,000 & \$20,000. Because of Pennsylvania's balanced budget requirement, their taxpayer burden should be \$0.

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.