

SOUTH CAROLINA RACKS UP COLOSSAL DEBT

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THE FINANCIAL STATE OF SOUTH CAROLINA

Repeated decisions by state officials have left the state with a staggering debt burden of \$14.1 billion, according to Truth in Accounting's (TIA) analysis of the most recent financial filings. That burden equates to \$10,100 for every South Carolina taxpayer.

These statistics are troubling, but what's more troubling is that state government 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 state residents a false impression of their state's overall financial health.

Here's the truth:

**\$14.1
billion**

money needed
to pay bills

-\$10,100

taxpayer
burden™

D

South Carolina's
financial grade

Data included in this report is derived from the state of South Carolina's 2016 audited Comprehensive Annual Financial Report and retirement plans' actuarial reports.

SOUTH CAROLINA FINANCIAL BREAKDOWN

FAST FACTS

- + South Carolina has \$14.1 billion available in assets to pay \$28.2 billion worth of bills.
- + The outcome: A \$14.1 billion shortfall and a \$10,100 taxpayer burden™.
- + Despite reporting most of its pension debt, the state continues to hide all of its retiree health care debt. The state's total hidden debt amounts to \$10.7 billion.

THE STATE'S BILLS EXCEED ITS ASSETS

| | |
|-------------------------------------------|-------------------|
| Assets | \$54,566,881,000 |
| <i>Minus:</i> Capital assets | -\$30,312,638,000 |
| Restricted assets | -\$10,106,707,000 |
| Assets available to pay bills | \$14,147,536,000 |
| <i>Minus:</i> Bills | -\$28,212,009,000 |
| Money needed to pay bills | -\$14,064,473,000 |
| Each taxpayer's share of this debt | -\$10,100 |

BILLS THE STATE HAS ACCUMULATED

| | |
|----------------------------------------------|-------------------------|
| Bonds | \$12,946,108,000 |
| Other liabilities | \$10,349,593,000 |
| <i>Minus:</i> Debt related to capital assets | -\$11,824,924,000 |
| Unfunded pension benefits | \$6,843,924,000 |
| Unfunded retiree health care | \$9,897,308,000 |
| Bills | \$28,212,009,000 |

GRADE: D

Bottom line: South Carolina 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 South Carolina'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.