



THE TRUTH

Money Available to Pay
Future Bills
\$7.1 billion

Taxpayer Surplus™
\$3,400

Financial Grade
B

Ranking
5 out of 50

**Tennessee Ranked No. 5
for its Fiscal Health**



September 2020

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Financial State of Tennessee

Going into the coronavirus pandemic, Tennessee had some resources set aside. Based upon the state’s latest audited financial report, which is dated before the crisis began, Tennessee had a Taxpayer Surplus™ of \$3,400, earning it a “B” grade from Truth in Accounting. According to rough estimates by Truth in Accounting, Tennessee is projected to lose \$6 billion in revenue as a result of this crisis.

Unlike most states before the crisis, Tennessee had more than enough resources available, \$7.1 billion, to pay all of its current bills, including public employees’ retirement benefits. This means that Tennessee’s elected officials have truly balanced their budgets. When broken down, the amount available to pay future bills resulted in a surplus of \$3,400 for each Tennessee taxpayer.

The surplus Tennessee had will help the state to weather the current pandemic and downturns in the market, which can cause the value of a government’s assets to fluctuate. But the uncertainty surrounding this crisis makes it impossible to determine how much will be needed to maintain government services and benefits.

The data included in this report is derived from the state of Tennessee’s 2019 audited Comprehensive Annual Financial Report and retirement plans’ reports. To compare states’ financial information go to Data-Z.org.

Tennessee Financial Breakdown

Fast Facts

- Tennessee had \$21.4 billion available to pay \$14.3 billion worth of bills.
- The outcome was a \$7.1 billion surplus, which breaks down to \$3,400 per taxpayer.
- Tennessee’s financial condition improved by more than \$3.2 billion from the previous fiscal year due to increases in tax revenue.

THE STATE’S ASSETS EXCEEDED ITS BILLS

Total assets	\$63,630,058,000
Minus: Capital assets	-\$37,002,000,000
Restricted assets	-\$5,201,968,000
Assets available to pay bills	\$21,426,090,000
Minus: Total bills	-\$14,339,498,000
Money available (needed) to pay bills	\$7,086,592,000
Each taxpayer’s share of this surplus	\$3,400

BILLS THE STATE ACCUMULATED

Bonds	\$9,019,374,000
Other liabilities	\$4,231,868,000
Minus: Debt related to capital assets	-\$2,469,230,000
Unfunded pension benefits	\$1,576,840,000
Unfunded retiree health care benefits	\$1,980,646,000
Total bills	\$14,339,498,000

Grade:

B

Bottom line: Tennessee had more than enough money to pay its bills, so it received a “B” for its finances from Truth in Accounting. A “B” grade is given to states with a Taxpayer Surplus between \$100 and \$10,000.

Truth in Accounting is a 501(c)(3) 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.