



THE TRUTH

Money Available to Pay
Future Bills

\$8.7 billion

Taxpayer Surplus™

\$4,400

Financial Grade
B

Ranking
6 out of 50

**Tennessee Received ‘B’ Grade
For Its Fiscal Health**



September 2021

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Financial State of Tennessee

Tennessee’s healthy financial condition helped the state weather the onset of the COVID-19 pandemic. Based upon the state’s latest audited financial report for fiscal year 2020, Tennessee had a Taxpayer Surplus™ of \$4,400, earning it a “B” grade from Truth in Accounting.

Unlike most states, Tennessee had more than enough resources available, \$8.7 billion, to pay all of its bills, including public employees’ retirement benefits. This means Tennessee’s elected officials truly balanced their budgets. When broken down, the amount available to pay future bills resulted in a surplus of \$4,400 for each Tennessee taxpayer.

Even though Tennessee was financially sound before and during the pandemic, the state still received federal support from COVID-19 related grants. The surplus Tennessee had and additional funds will help the state to weather any future public health or economic crises and downturns in the market, which can cause the value of a government’s assets to fluctuate. The uncertainty surrounding this current 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 2020 audited Annual Comprehensive Financial Report and retirement plans’ reports. To compare states’ financial information go to Data-Z.org.

Tennessee’s Financial Breakdown

Fast Facts

- Tennessee had \$24.9 billion available to pay \$16.2 billion worth of bills.
- The outcome was a \$8.7 billion surplus, which breaks down to \$4,400 per taxpayer.
- Tennessee’s overall financial condition improved by more than 20 percent largely due to COVID-related grants.

THE STATE’S ASSETS EXCEEDED ITS BILLS

Total assets	\$68,603,053,000
Minus: Capital assets	-\$38,352,961,000
Restricted assets	-\$5,349,045,000
Assets available to pay bills	\$24,901,047,000
Minus: Total bills	-\$16,160,237,000
Money available (needed) to pay future bills	\$8,740,810,000
Each taxpayer’s share of this surplus	\$4,400

BILLS THE STATE ACCUMULATED

Bonds	\$9,171,025,000
Other liabilities	\$6,421,536,000
Minus: Debt related to capital assets	-\$2,385,202,000
Unfunded pension benefits	\$1,370,688,000
Unfunded retiree health care benefits	\$1,582,190,000
Total bills	\$16,160,237,000

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) nonprofit organization 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.