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### Good and Bad News for Tennessee's Finances

CHICAGO — Truth in Accounting (TIA), a Chicago-based think tank that analyzes government financial reporting, released a new report today that reveals Tennessee is hiding 77 percent of retirement debt but has a financial surplus.

The report titled [\*The Financial State of Tennessee\*](#) uncovers that the state did not report \$2.5 billion in retirement debt on the state's 2014 balance sheet. Tennessee only reported \$764 million in retirement and health care benefits but owes \$3.3 billion. This discrepancy is a result of the state government using outdated accounting methods.

Despite this hidden debt, TIA researchers discovered that Tennessee still has a surplus of \$2.5 billion. When TIA researchers included the \$2.5 billion of hidden debt, they discovered that Tennessee:

- owes \$12.3 billion in bills;
- has \$14.8 billion available to pay bills; and
- has \$2.5 billion available to pay future bills.

If Tennessee's \$2.5 billion surplus were divided among its taxpayers, each taxpayer's personal share would be around \$1,300.

“While Tennessee lawmakers deserve applause for having a state surplus, truthful and transparent accounting practices are necessary to avoid financial fallout for future generations,” said Sheila Weinberg, Founder and CEO of TIA.

Data from the study was derived from Tennessee's June 30, 2014 audited *Comprehensive Annual Financial Report* and retirement plans' actuarial reports.

*Founded in 2002, Truth in Accounting is dedicated to educating and empowering citizens with understandable, reliable, and transparent government financial information. Sheila Weinberg is a Certified Public Accountant with more than 30 years of experience in the field.*

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