Vermont's Financial Breakdown

Money Needed to Pay Bills	**$3.1 billion**	
Taxpayer Burden	$12,500	
Ranking (Out of 50)	43	
Financial Grade	**D**	

Vermont needed more money to pay its bills in 2024, with the shortfall rising to $3.1 billion. This resulted in a Taxpayer Burden™ of $12,500, which led to a "D" grade from Truth in Accounting.

Vermont reported that revenues exceeded expenses, largely due to the University of Vermont and the State Agricultural College, but the state's unfunded retiree health care liabilities grew significantly. The University's liability increased by $211.4 million after switching medical providers for its Medicare Advantage plans. Additionally, retiree health care costs rose for the state's retirement systems due to updated assumptions about higher future health costs and lower retiree payments. These changes highlight ongoing financial risks and uncertainty tied to health care costs.

Taxpayer Surplus (Burden)™

-$12,500
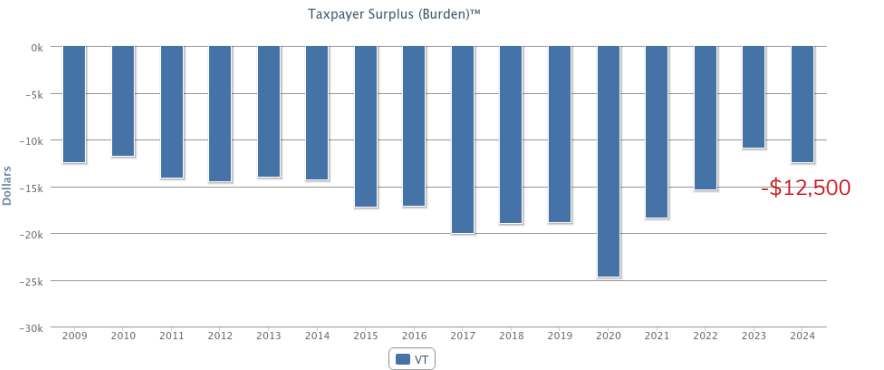
Federal funding for Vermont surged during the pandemic through emergency and short-term programs. As these supports expire and federal budget constraints intensify, the risk of funding returning to pre-pandemic levels grows. This report considers a scenario in which federal grants and contributions return to 2019 levels, adjusted for inflation. If that occurs, Vermont could lose $859 million, which is nearly 9 percent of estimated spending for the state's primary government. This loss would place additional strain on a government already facing challenges in meeting its financial obligations.

Vermont's Financial Facts

FACT #1:
Vermont had $5.9 billion available to pay $9 billion worth of bills.

FACT #2:
The outcome was a $3.1 billion shortfall, which breaks down to a burden of $12,500 per taxpayer.

FACT #3:
Vermont may lose $859 million in federal funding (9 percent of expenses) if allocations return to 2019 levels, adjusted only for inflation.

The State's Bills Exceeded Its Assets

Total Assets	$13,399,479,000
Minus: Capital Assets	-$4,672,761,000
Restricted Assets	-$2,856,621,000
Assets Available to Pay Bills	$5,870,097,000
Minus: Total Bills*	-$8,966,604,000
Money Needed to Pay Bills	$3,096,507,000
Each Taxpayer's Share of this Burden	$12,500

*Breakdown of Total Bills

Bonds	$2,674,766,000
Other Liabilities	$2,225,955,000
Minus: Debt Related to Capital Assets	-$1,208,129,000
Unfunded Pension Benefits	$2,841,745,000
Unfunded Retiree Health Care Benefits	$2,432,267,000
Total Bills	$8,966,604,000

Grade:

D

Bottom line:
Vermont would need $12,500 from each of its taxpayers to pay all of its outstanding bills and received a "D" grade for its finances. According to Truth in Accounting's grading scale, any government with a Taxpayer Burden between $5,000 and $20,000 is given a "D" grade.