Financial State of the States 2023

Truth in Accounting

Daniels College of Business
UNIVERSITY OF DENVER
School of Accountancy

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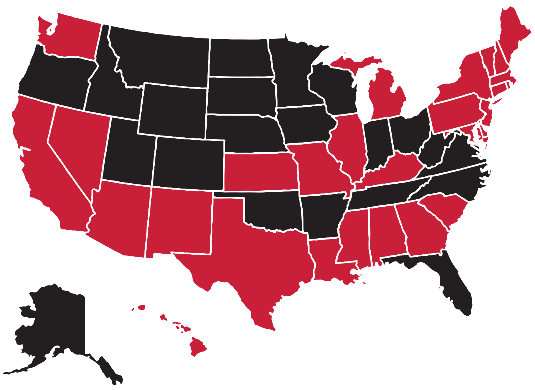
Summary of Findings

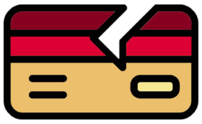
28 states did not have enough money to pay their bills



When states do not have enough money to pay their bills, TIA takes the money needed to pay bills and divides it by the estimated number of state taxpayers. We call the resulting number a Taxpayer Burden™. Conversely, a Taxpayer Surplus™ is the amount of money left over after all of a state's bills are paid, divided by the estimated number of taxpayers in the state.

We rank the states based on these numbers. States with a Taxpayer Burden™ are shown in red; states with a Taxpayer Surplus™ are shown in black.

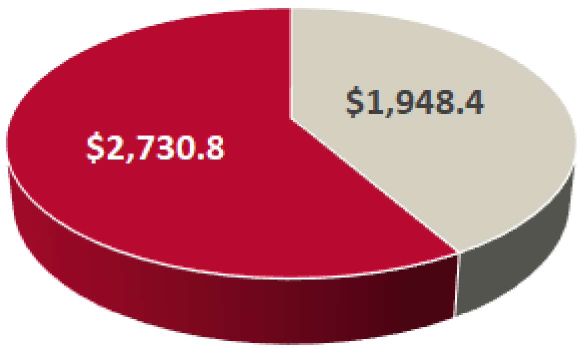
$938.6 billion in debt



In total, debt among the states was $938.6 billion at the end of the 2022 fiscal year.

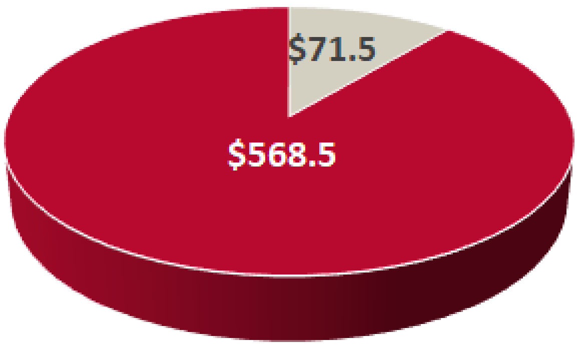
Total Unfunded Retirement Promises

Only 71% of promised pension benefits have been funded.



(in billions)

Only 11% of promised retiree health care benefits have been funded.



(in billions)

50 State Page and Ranking

Executive Summary

Taxpayers and citizens deserve easy-to-understand, truthful, and transparent financial information from their governments. Because this is our belief at Truth in Accounting, we analyze and make sense of those lengthy, cumbersome, and sometimes misleading government documents.

This is our fourteenth annual Financial State of the States (FSOS) report, a comprehensive analysis of the fiscal health of all 50 states based on fiscal year 2022 annual comprehensive financial reports (ACFRs).* This is the most recent available data representing the state finances. For most states, fiscal year (FY) 2022 ran from June 1, 2021 to June 30, 2022.

At the end of the fiscal year 2022, 28 states did not have enough money to pay all of their bills. This means that to claim their budgets were balanced—as is required by law in 49 states—elected officials have not included the actual costs of the government in their budget calculations and have pushed costs onto future taxpayers.

The TIA methodology divides the money needed to pay bills by the number of state taxpayers to calculate the Taxpayer Burden™. If a state has money available after all bills are considered, that surplus amount is divided by the number of taxpayers to come up with the Taxpayer Surplus™. We then rank the states based on these calculations. We also implement a grading system to provide further context to each state's Taxpayer Burden or Taxpayer Surplus. Based on our grading methodology, four states received A's, 18 received B's, nine received C's, 13 received D's, and six states received failing grades.

Together, all 50 states had $2 trillion worth of assets available to pay bills; their debt, including unfunded retirement benefit promises, amounted to $2.9 trillion. Pension debt totaled $782 billion, and other post-employment benefits (OPEB), mainly retiree health care, totaled $569 billion.

Overall, it appeared state debt decreased mostly due to the following two factors:

- Tax revenue collection increased due to the lockdowns ending.
- Each state received and used millions, if not billions, of dollars in Federal COVID funds.

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* As of August 25, 2023, the 2022 ACFRs for Arizona, California, Iowa, Nevada, and Oklahoma had not been released. Therefore, for those states, 2021 data was used in this report.

Introduction and Background

Truth in Accounting (TIA) believes it is imperative to provide you with an honest accounting of each state's financial condition. Therefore, we developed a model to analyze all the assets and liabilities of all 50 states, including unreported liabilities.

Since all levels of government derive their just powers from the consent of the governed, government officials are responsible for reporting their actions and results in transparent and comprehensible ways to the people. Providing accurate and timely information to citizens and the media is essential to government responsibility and accountability. A lack of transparency in financial information, budgets, and financial reports makes it difficult for governments to meet this democratic responsibility.

This is the motivation and foundation for the nonpartisan mission of TIA: to educate and empower citizens with understandable, reliable, and transparent government financial information. TIA is a 501(c)(3) nonprofit, nonpartisan organization composed of business, community, and academic leaders interested in improving government financial reporting. TIA makes no policy recommendations beyond improvements to budgeting and accounting practices that will enhance the public's understanding of government finances.

We are also working to change how governmental funds are accounted for so everyone can determine whether their state's budgets are genuinely balanced. We were instrumental in the recent accounting standards upgrade from the Governmental Accounting Standards Board (GASB), requiring states to disclose their liabilities related to pension benefits (GASB 68) and retiree health care benefits (GASB 75) on their balance sheets. Transparency in government accounting is improving, but much work still needs to be done.

Truth in Accounting recommends FACT-based budgeting and accounting, which stands for full accrual calculations and techniques (FACT). FACT-based budgeting and accounting moves beyond cash-basis to provide more accurate and truthful budgeting and financial reporting documents. It is the gold standard in accounting.

This 14th edition of the Financial State of the States also marks the second year of the Truth in Accounting Project at the University of Denver's School of Accountancy. This partnership has brought together two organizations focused on ethical financial leadership. The collaboration between TIA and the University of Denver provides faculty and students with research and mentorship opportunities. They are increasing their understanding of government accounting at all levels as they assist in analyzing and extracting data from government financial documents to produce our flagship reports that citizens have come to cherish:

- The Financial State of the Union
- The Financial State of the States
- The Financial State of the Cities

The University of Denver partnership also has propelled Truth In Accounting into a national leadership position for implementing the Financial Data Transparency Act (FDTA). The FDTA is bipartisan legislation that was signed into law on December 23, 2022, as part of H.R. 7776, the James M. Inhofe National Defense Authorization Act for Fiscal Year 2023. The legislation intends to make government reporting machine-readable, much like the 2009 SEC requirement for publicly traded corporations. Companies, since 2009, have been required to submit their financial statements in a machine-readable format to the SEC's Electronic Data Gathering, Analysis, and Retrieval system, EDGAR. The system provides investors and regulators with easy accessibility.

With the passage of the FDTA, state and local government financial documents will need to be filed in machine-readable format, modernizing government reporting. Most government financial reports are currently available only in PDF form, which results in data retrieval challenges and an unclear picture of financials.

The TIA project at the University of Denver received a grant to expand machine-readable definitions to apply to different municipal reporting entities. We will release this report in late fall 2023.

Additionally, over the summer of 2023, national conferences offered panel sessions on implementing the FDTA. The TIA project at the University of Denver shared the stage with the Governmental Accounting Standards Board, the Government Finance Officers Association, and the National Association of State Auditors, Comptrollers, and Treasurers to discuss the importance of machine-readable data in government reporting. The University of Denver TIA project will continue to provide leadership in this arena during the planning and implementation of this vital legislation.

Pensions & Market Volatility

A government's Net Pension Liability is calculated by subtracting the market value of its pension plan assets from the estimated amount of promised benefits. When using the market value of pension plan assets, the Net Pension Liability will fluctuate based on market conditions. Some argue that because Net Pension Liability is a component of a government's Net Position (assets minus liabilities), fluctuations in market values result in great volatility in the Net Position. To avoid such fluctuations, the Governmental Accounting Standards Board (GASB) allows governments to amortize the fluctuation in market values over time.

Truth in Accounting believes that the Net Position should not be shielded from market fluctuations. Users of the financial report, especially taxpayers, need to understand the reality of pension plan investments. We believe that including investments at market value in the pension liability does not cause great volatility in a government's Net Position. Reality does. Taxpayers need to understand this volatility and the risk taken on by governments, which in turn is a risk to taxpayers.

Therefore, we calculate the money needed to pay bills by using the market value of pension assets without any amortization of the unrealized gains in market value. For most states and cities in FY 2021, the value of pension investments* increased dramatically because of strong markets. Thus, the resulting unfunded pension benefits and money needed to pay bills decreased equally dramatically.

Unfortunately in FY 2022, for many states, those unrealized investment gains turned into unrealized investment losses. These losses had an adverse effect on states' unfunded pension benefits and financial condition. However, in most cases, this was offset by additional tax revenues and federal COVID relief funds.

West Virginia's Teachers Retirement System is an example of the significant impact the substantial fluctuations in investment markets can have on a state's pension liability. On June 30, 2020, the system reported a Net Pension Liability of $3.2 billion. In FY 2021, its investments experienced unrealized gains of 31.93 percent which cut the Net Pension Liability in half to $1.6 billion. In FY 2022, the system's investment asset values experienced unrealized losses of 6.2 percent, resulting in a $1 billion increase in Net Pension Liability.

This highlights the volatility and risk surrounding pension plan investment and corresponding pension liabilities. Taxpayers can only hope that when pension plan investments need to be sold to pay for benefits, the market value of those investments will be high. If not, taxpayers will be on the hook to pay higher taxes to cover the promised benefits.

Elected officials may see this temporary, unrealized gain in pension investments as an opportunity to reduce pension contributions and/or increase benefits. Such actions are not advisable, because of the possibility of future downturns in the markets.

For FY 2022 financial reports most states reported their Net Pension Liability calculated as of 2021 which included high unrealized investment gains. Looking at those numbers elected officials may have made spending and taxing decisions based on reported improved financial conditions. TIA's calculations were based on the most recently available pension data, which for FY 2022 included unrealized investment losses.

Sunshine & Sinkhole States

We split the states into two groups. States that lacked the necessary funds to pay their bills are called Sinkhole States, while those with enough money are referred to as Sunshine States. In 2022, several states saw financial improvement and only 28 states did not have enough money to pay their bills. This is fewer than 31 in 2021 and 39 in 2020. In 2021, much of the improvements came from COVID funding and stock market increases. This year, the stock market had less of a positive influence due to large fluctuations in market value. However, state fiscal improvements were still related to federal COVID dollars and increased tax collections. Tourism and individual spending increased, thus most states had more money from tax revenues, often improving a state's ability to pay its bills. Yet for some states, even these positive economic factors were not enough to keep the state out of "sinkhole" status.

Top Five Sunshine States

1	Alaska	$80,000
2	North Dakota	$47,400
3	Wyoming	$24,600
4	Utah	$12,700
5	Tennessee	$9,500

Bottom Five Sinkhole States

46	Hawaii	-$23,100
47	Massachusetts	-$26,700
48	Illinois	-$41,600
49	Connecticut	-$50,700
50	New Jersey	-$53,600

Top 5 Sunshine States

(1) ALASKA remained in first place in our ranking. Our analysis includes the state's "Earning Reserve Account" from oil revenues as assets available to pay bills. This treatment is in line with the state's audited financial report, which indicates the state had more than $16 billion in "spendable" assets. Alaska's financial condition decreased by $5 billion bringing its money available to pay bills down to $20.9 billion. Most of this decrease was due to the investment loss in the state's permanent fund, the first loss in this fund in more than a decade. Even with this loss Alaska still had a surplus that breaks down to $80,000 for every state taxpayer. It is advisable for a state to have surplus funds to counteract possible negative investment returns. This is exemplified by Alaska's permanent fund and pension systems and the dramatic decreases in 2022.

(2) NORTH DAKOTA maintained its second-place ranking with $23.4 billion in assets available to pay $10.5 billion of bills. Thus, the state had a Taxpayer Surplus of $47,400. North Dakota's financial condition decreased slightly, mostly due to an increase in its net pension liability. In 2021 the investments in the state's retirement systems experienced gains of more than 20 percent, but in 2022 the investments experienced negative returns greater than five percent. While these poor returns increased the state's unfunded pension debt, North Dakota remained an "A" state.

(3) WYOMING remained an "A" state in 2022. The state maintained its third-place ranking with $4.9 billion available to pay future bills, including unfunded retirement benefits. When broken down, this available money became a Taxpayer Surplus of $24,600. However, Wyoming's economy is subject to outside forces. In 2022, oil prices and natural gas prices spiked as an outgrowth of the Russian invasion of Ukraine and associated responses. Despite the elevated natural gas prices of the past six months, Wyoming's natural gas production has continued to decline, and declines in coal production will impact Wyoming's financial condition in the future.

(4) UTAH'S taxpayers and residents benefit from some of the most responsible financial management practices in the nation. Utah has the best record among the 50 states in keeping expenses below revenues. In fact, Utah has done that every year since 2005–even during the Great Recession and now post the global COVID pandemic. At the end of its most recent fiscal year, Utah had a $13.2 billion surplus, which breaks down to $12,700 per state taxpayer. Sales tax revenues in the governmental funds increased $631.4 million or 17.69 percent, compared to $262.4 million or 9.35 percent increase from the prior year. This contributed to Utah maintaining its Top Five status.

(5) TENNESSEE rose two spots in the rankings this year, becoming one of the top five sunshine states, with a Taxpayer Surplus of $9,500. This improvement was driven by increased revenue and ongoing federal COVID aid. Tennessee's Taxpayer Surplus calculation used a June 30, 2022, financial report but also included some 2021 retirement plan data due to the lack of new information. In 2021, pension plan investments had high returns, but in 2022, most states' pension systems saw negative returns, leading to higher unfunded pension debt and negatively affecting the state's financial condition and Taxpayer Surplus (Burden). This helps explain why Tennessee moved ahead of South Dakota and Nebraska in the rankings.

Bottom 5 Sinkhole States

(46) Hawaii improved its financial condition from 2021, but it still needed $11.4 billion to pay its bills. This breaks down to $15,000 per taxpayer. Hawaii's economy rebounded post-pandemic: hotel occupancy was up 18.6 percent from 2021, and total tax revenue increased by over $1.2 billion. However, this was not enough to move Hawaii out of the bottom five Sinkhole states. Furthermore, Hawaii depends on tourism dollars and the recent devastating fire on Maui may adversely impact Hawaii in 2023.

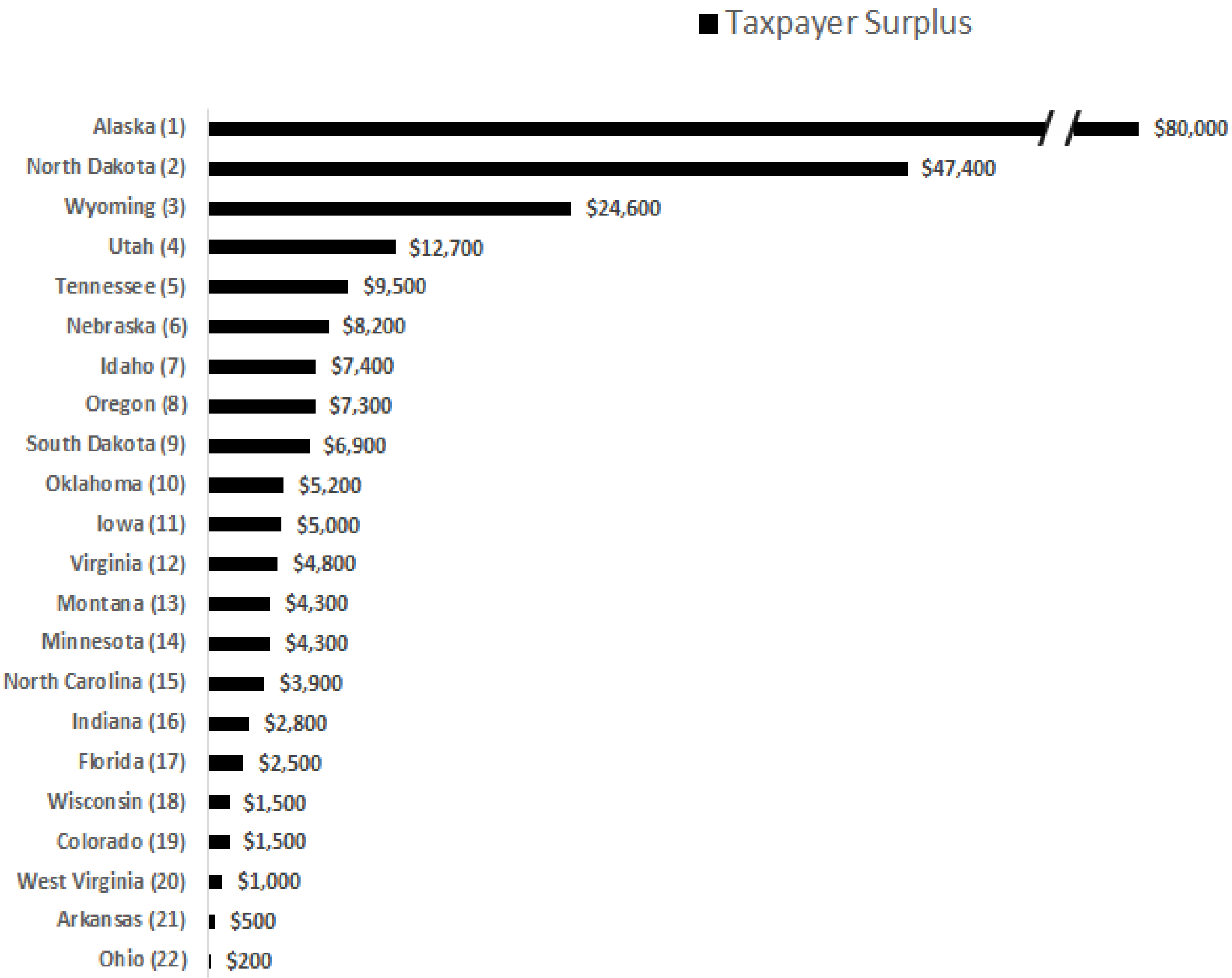
(47) Massachusetts needed $73.2 billion more than it had to pay its bills, or $26,700 per taxpayer, at the end of fiscal year 2022. Almost half of Massachusetts' debt comes from unfunded pension benefits, which totaled $43.2 billion. In 2021 Massachusetts retirement systems reported 29 percent in investment gains. In 2022 this changed to investment losses of close to 4 percent. This contributed to its "F" grade.

(48) Illinois remained at number 48. The state needed $175 billion more than it had to pay all of its bills, which breaks down to $41,600 per taxpayer. Even though it had revenue increases of $18.4 billion, mostly from increased grants and tax increases, the state remained deeply in debt. Illinois was also extremely tardy when releasing its annual financial report. Illinois released its report more than 400 days after the end of the fiscal year when the standard for timeliness is 180 days.

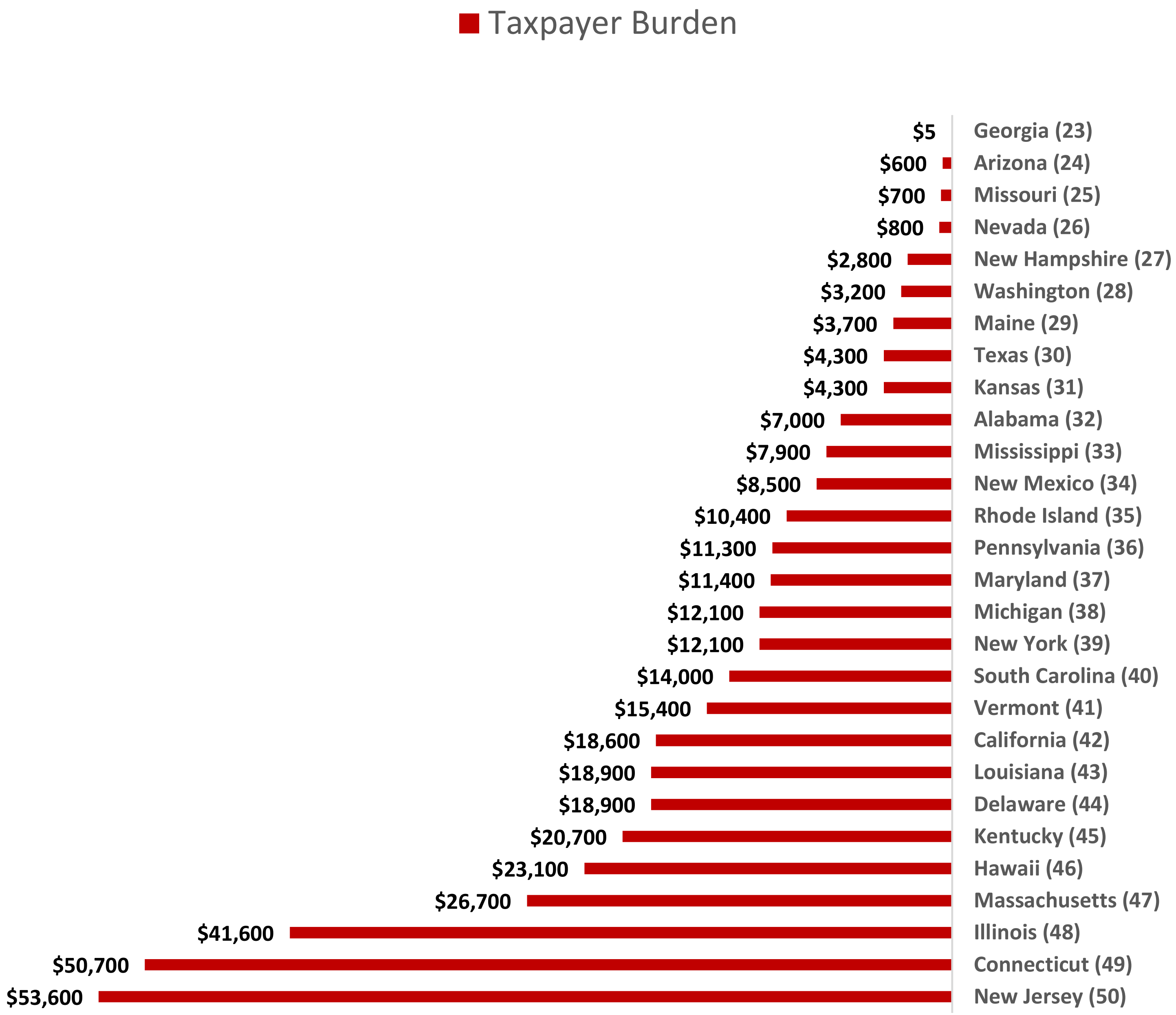
(49) Connecticut taxpayers are on the hook for $50,700 each for FY 2022. The total needed from taxpayers was $68.9 billion. Connecticut continues to face challenges as fixed costs and debt service related to state pensions and retirement healthcare systems represent a growing share of the state budget. In 2022, the state's major pension systems saw a negative return of 7.63 percent. The result was an increase in pension debt, which caused a deterioration in its financial condition. This contributed to it earning the unfortunate distinction of being a sinkhole state again.

(50) New Jersey remained in the worst spot in the rankings for the second year in a row and continued to be a bottom-five Sinkhole State for the fourteenth year in a row. The state's money needed to pay bills was more than $179 billion. New Jersey's pension systems contributed to this status by generating investment losses averaging 7.66 percent. This was after gains in 2021 of over 28 percent. This debt all translates to an individual Taxpayer Burden™ of $53,600, giving New Jersey the distinct dishonor of last place in the Financial State of the States.

50 State Ranking Chart



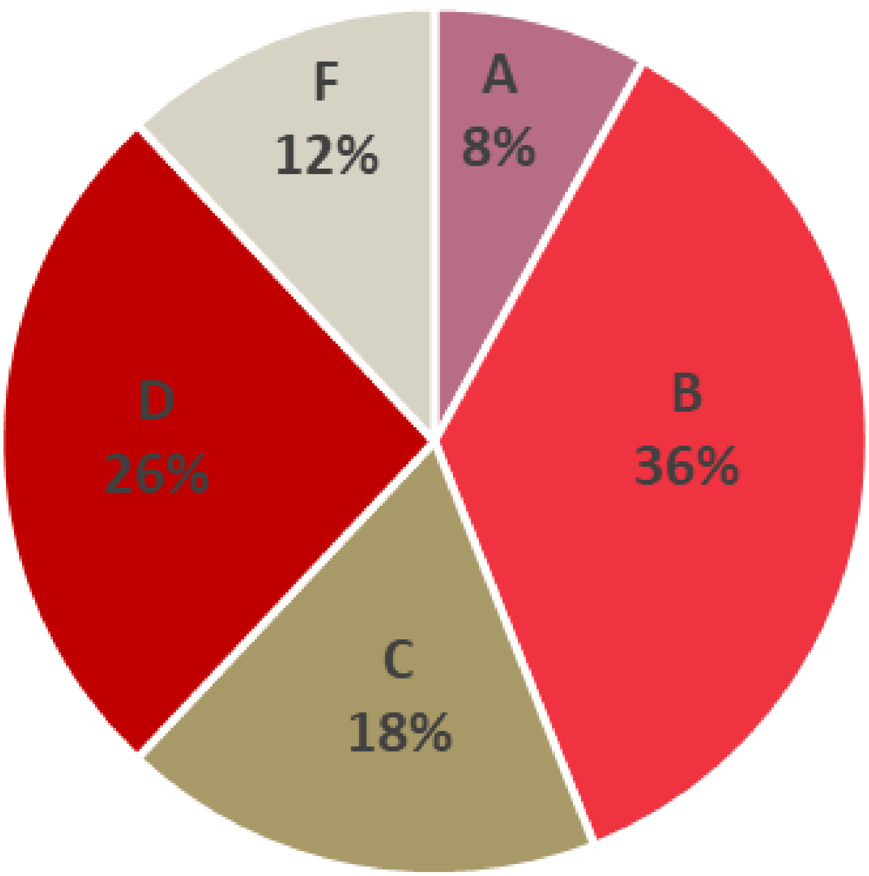
50 State Ranking Chart



Grading the States

Truth in Accounting's grading system for the 50 states gives greater meaning to each state's Taxpayer Burden or Taxpayer Surplus. An "A" or "B" grade is given to governments that have met their balanced budget requirements and have a Taxpayer Surplus. A state government receives a "C," or passing grade if it comes close to meeting its balanced budget requirement, which is reflected in a small Taxpayer Burden. "D" and "F" grades apply to governments that have not balanced their budgets and have significant Taxpayer Burdens. Based on our grading system, here are the number of states for each grade:

A grade: Taxpayer Surplus greater than $10,000 - 4 states
B grade: Taxpayer Surplus between $1 and $9,999 - 18 states
C grade: Taxpayer Burden between $0 and $4,999 - 9 states
D grade: Taxpayer Burden between $5,000 and $20,000 - 13 states
F grade: Taxpayer Burden greater than $20,000 - 6 states



Does Your State Balance Its Budget?

By definition, if a state has a balanced budget requirement, then spending should be equal to revenue brought in during a specific year. Unfortunately, in the world of government accounting, things are often not as they appear.

Every state except for Vermont has balanced budget requirements, yet even with these rules in place, states have accumulated $938.6 billion in debt. How can states rack up debt and balance their budgets at the same time?

States balance budgets by using accounting tricks such as the following:

- Inflating revenue assumptions
- Counting borrowed money as income
- Understating the true costs of government
- Delaying the payment of current bills until the start of the next fiscal year so they aren't included in the budget calculations

The most common accounting trick states use is hiding a large portion of employee compensation from the budgeting process. Employee compensation packages include benefits such as healthcare, life insurance, and pensions. States become obligated to pay for these benefits as employees earn them, just as businesses are required to do in the private sector.

Although these retirement benefits will not be paid until the employees retire, they still represent current compensation costs because they were earned and incurred throughout the employees' tenure. Furthermore, money needs to be put into the retirement fund to accumulate investment earnings. If states didn't offer pensions and other benefits, they might have to compensate their employees with higher salaries from which they would fund their own retirement.

Unfortunately, some elected officials have used portions of the money that is owed to pension and OPEB funds to keep taxes low and pay for politically popular programs. This is similar to charging earned benefits to a credit card without having the money to pay off the debt. Instead of funding promised benefits now, they have been charged to future taxpayers. Shifting the payment of employee benefits to future taxpayers allows the budget to appear balanced while state debt is increasing.

Why is a Balanced Budget Important?

Forty-nine states and all of the 75 most populated cities have balanced budget requirements. As the Governmental Accounting Standards Board (GASB) points out, the intent of these requirements is "to require financing and spending practices that enable governmental entities to avoid financial difficulty and to live within their means."

Another objective of balanced budget requirements is accountability; elected officials should be accountable for the tax dollars they spend. They should not be able to shift the burden of paying for current services and benefits to future taxpayers. Former U.S. Treasury official Frank Cavanaugh said it best, "Politicians should not have the pleasure of spending (getting votes) without the pain of taxing (losing votes)."

Government budgets are misleading and confusing. The way governments currently calculate their budgets circumvents the objectives of the balanced budget requirements. Debt has been accumulated and elected officials have incurred costs beyond the tax revenues collected, so these budgets are not truly balanced.

Governments can accumulate debt while claiming a balanced budget because the vast majority of budgets are prepared on the cash-basis. This antiquated accounting method includes cash inflows, including loan proceeds, and outflows—in other words, only checks written.

Financial reports should help elected officials and citizens determine whether revenues were sufficient to pay for the services and benefits provided that year. Recent improvements to reporting standards require governments to recognize liabilities for pension and post-retirement benefits. However, this requirement is for the consolidated or "government-wide" statements. Budgeted funds statements and annual budgets are not required to reflect this long-term debt. Budgets only reflect the anticipated expenditures for that year, not the expenses incurred. Therefore, budgets include only pension contributions, which may be significantly less than the earned and accrued pension benefits.

Budgets are prepared at the fund level. Governments have different types of funds to track different types of revenues and expenditures.

Why is a Balanced Budget Important?

A fund balance is the total accumulation of operating surpluses and deficits since the beginning of a local government's existence. Most governments' largest fund, which is used to track their operational costs, is the "general fund."

The current way the general fund and other budgeted funds are accounted for in governmental financial reports makes it impossible to know if these funds were balanced. Like budgets, these funds are accounted for using in essence the cash-basis method.

GASB is currently deliberating whether this type of accounting should continue. Truth in Accounting believes the general fund and other budgeted funds should be accounted for using FACT-based accounting, similar to the way businesses do their accounting, which is also similar to how the government-wide statements are accounted for.

To determine whether revenues are sufficient to pay for current services and benefits, general fund accounting should include only earned revenues and all incurred expenses.

How Timely is Your State's Financial Report?

Timely financial information is crucial during government decision-making processes, such as creating a budget. However, most states issued their 2022 annual financial reports late and after the completion of their budget process. Ideally, states should issue their annual financial reports within 100 days of their fiscal year-end. The Government Finance Officers Association (GFOA) standard for states to publish their annual reports is 180 days after the end of the fiscal year. For FY 2022 the national average for publishing these reports was roughly 233 days.

Thirty-one states took more than 180 days to make their annual financial reports public, while 19 states produced the reports prior to the GFOA deadline. No state issued its annual report within 100 days, although South Carolina was the earliest at 152 days. The least timely states were Arizona, California, and Nevada (which have not released their FY 2022 reports). Iowa and Nevada released their FY 2022 reports after August 25, 2023, our research cut-off date.

It is crucial for citizens to have their government's financial information in a timely manner. Due to the tardiness of Arizona, California, Iowa, Oklahoma and Nevada in releasing their financial reports, we were unable to include the newest data in this report and were forced to rely on FY 2021 information.

Most corporate financial reports are issued within 45 days of their respective fiscal year ends. There are internal difficulties and obstacles for states to reach this standard. However, timely financial information is critical so citizens, taxpayers, and legislators can be knowledgeable participants in crucial decision-making processes, such as voting and budgeting.

Timely State Reports

The following tables give the number of days it took each state to publish its annual report after the end of its fiscal year (FYE). Here are the states that reported their finances on time according to the GFOA's standards.

19 Timely States	Days to Release
South Carolina	152
Kansas	153
New York	154
North Carolina	158
Pennsylvania	162
Maine	167
Utah	167
Virginia	168
Minnesota	169
West Virginia	169
Colorado	173
Washington	173
Ohio	174
Tennessee	174
Wisconsin	174
Vermont	175
Idaho	176
New Hampshire	179
Michigan	180

Five Most Timely States	Days to Release
South Carolina	152
Kansas	153
New York	154
North Carolina	158
Pennsylvania	162

Tardy State Reports

Here are the states that did not publish their financial reports within the 180-day deadline. California and Arizona had not released their fiscal year 2022 report as of September 19, 2023.

17 Tardy States	Days to Release
Texas	181
Alabama	182
Hawaii	183
Indiana	183
South Dakota	183
Louisiana	184
North Dakota	197
Arkansas	209
Kentucky	209
Delaware	211
Nebraska	214
Maryland	215
Rhode Island	215
Wyoming	215
Connecticut	239
Oregon	242
Georgia	244

14 States Excessively Tardy (Over 250 Days)	Days to Release
Alaska	260
Montana	265
Missouri	267
Florida	270
New Jersey	284
Mississippi	295
Massachusetts	335
New Mexico	365
Illinois	411
Iowa**	414
Oklahoma**	426
Arizona**	***
California**	***
Nevada**	***

** Issued after August 25, 2023. FY 2021 data used in this report.

*** Unissued as of September 19, 2023

Unfunded Retirement Liabilities

State and local governments are now required to disclose most of their retirement liabilities, including unfunded pension and other post-employment benefits (OPEB), on their balance sheets. States have promised these retirement benefits to employees, including teachers, firefighters, and police, but the majority of state governments have not put enough money aside to fund these benefits

In FY 2022, total unfunded pension liabilities among the 50 states were $782 billion. For every $1 of promised pension benefits, the 50 states had only set aside 71 cents on average to fund these promises. Furthermore, in FY 2022, total unfunded OPEB liabilities among the 50 states were $569 billion. For every $1 of promised retiree health care benefits, the 50 states had only set aside 11 cents on average to fund these promises.

Most governments have very little money set aside to pay promised OPEB benefits because they follow a pay-as-you-go approach, paying an amount each year that is equal to the benefits distributed or claimed in that year. But this does not negate the fact that each year, employees earn these benefits and a corresponding liability is created. The pay-as-you-go approach pushes current compensation costs and liabilities onto future taxpayers.

To promote accountability and truly balance their budgets, governments should contribute the full amount of benefits that employees have earned to their OPEB plans each year. While states do set aside more money for their pension plans, it is still not enough to finance pension benefits after employees are no longer working.

Our calculations have always included all unfunded liabilities, including pensions and OPEB. In past reports, we referred to these liabilities which were not listed on the Statements of Net Position, called a Balance Sheet in businesses, as "hidden debt."

Although hidden debt is not as big of a problem as in the past, thanks to new accounting standards, total hidden debt among the 50 states was still $203 billion in FY 2022. This hidden debt exists largely because states used prior year data when reporting their current pension and OPEB liabilities. In addition, a few state governments exclude their share of pension and OPEB plans' debt from their balance sheet despite being responsible for plan contributions.

Why Truthful, Transparent and Timely Financial Information is Important

A representative form of government depends on an informed electorate, but due to current practices in both accounting and budgeting, the true financial health of a state is usually obscured and citizens are deceived, or at best misled. Without access to truthful, timely, and transparent information, how can citizens be knowledgeable participants in their governments?

Accurate accounting requires all expenses to be reported in the state's budget and financial statements when incurred, not when they are paid. Full accrual calculations and techniques, or FACT-based budgeting, incorporates all current compensation costs, including the portion of retiree benefits that employees earn every year.

A lack of transparency in government finance leads to the following problems:

- Accounting tricks allow elected officials to claim balanced budgets, giving residents a false sense of security while their states sink further into debt.
- Residents do not know the true cost of their state government, and elected officials are able to spend amounts larger than the state's revenues.
- Complex pension systems, which both citizens and elected officials have difficulty understanding, rack up massive debts, putting states further in the red.
- Voters may re-elect leaders based on false claims that budgets were balanced or the state has a surplus.
- Elected officials create and continue new programs and increased services without knowing the true cost of government spending.
- Our representative form of government is undermined because citizens become cynical and do not trust their governments.

States should use financial reports from the previous year to calculate a more accurate and realistic budget for the following year. However, because many financial reports are not timely, the important information included in these reports is not available during the budgeting process.

Furthermore, these budgets do not include all costs—they exclude large portions of compensation costs because money is not set aside to cover retirement benefits as they are earned.

While the implementation of the Governmental Accounting Standards Board (GASB) Statement No. 68 required state governments to report their pension liabilities on their balance sheets, the amount being reported is still inaccurate because GASB gave states the option to report the liability using the prior year's numbers. For example, of the 46 states whose fiscal year ended June 30, 2022, all but three reported the pension liability for their major pension plans using data calculated as of June 30, 2021. By allowing states to report their pension liability using a measurement date different from the financial report's fiscal year-end, GASB is overriding the basic accounting concept that a balance sheet should be a snapshot of an entity's financial condition at a specific point in time.

By allowing states to report their pension liability using a measurement date different from the financial report's fiscal year end, GASB is overriding the basic accounting concept that a balance sheet should be a snapshot of an entity's financial condition at a specific point in time.

Greater transparency was brought with a new accounting standard, GASB Statement No. 75, which requires state and local governments to report their other post-employment benefits (OPEB) on their balance sheets.

However, another issue, worsened by both GASB 68 and GASB 75 is the expanded use of confusing and misleading accounts called "deferred outflows" and "deferred inflows." These accounts distort states' net positions, or overall financial condition, and expenses. For example, instead of recognizing the full loss in the value of its pension plan assets as an expense during the year in which the loss occurred, a state increases its deferred outflows, which is on the asset side of the balance sheet. In this case, the state's net position would be inflated and only a fraction of the loss would be included in the state's income statement.

Recommendations

Recommendations to citizens:

1. To better understand your state's finances, visit data-z.org and select your state to learn about your government's true financial condition.
2. Encourage your politicians to enact TIA's proposed legislation, the Fiscal Transparency & Accountability Act.
3. Promote accountability of your elected officials by demanding the use of full accrual calculations and techniques (FACT) in the budgeting process and putting their government's financial report in a machine-readable format, such as XBRL.

Recommendations to elected officials:

4. Sponsor TIA's Fiscal Transparency & Accountability Act. This model legislation is adaptable for any state and is available at www.truthinaccounting.org.
5. Put people over politics by determining the actual cost of government, including all post-employment benefit programs which would allow you to begin the conversations on tax and spending priorities from a position of truthful financial facts.
6. Protect our future generations from enormous debt, and cease asserting that budgets are balanced while putting off expenses into the future.
7. To better serve your constituents, gain a more accurate picture of your government's financial condition at www.data-z.org.
8. Ensure that state financial information is provided to taxpayers in a timely fashion and in a machine-readable format like XBRL.
9. Before starting the budgeting process, review the information in your state's prior year's annual report and this Financial State of the States report.

Recommendations to government financial report preparers:

1. Release financial reports within 100 days of the fiscal year-end.
2. Use pension and OPEB data calculated as of the government's annual report fiscal year-end in its annual financial report even if this delays its release.
3. Make financial reports easily accessible online in a searchable format such as XBRL.
4. Include a net position not distorted by misleading and confusing deferred items.
5. Require both state and retirement system annual reports to be audited by an outside CPA firm.

Recommendations to standard setters:

1. Require governments to calculate their net pension and OPEB liabilities based upon measurement dates, which are the same as a government's financial report's fiscal year-end.
2. Modify GASB 68, 75, and other standards to eliminate the use of deferred outflows and inflows.
3. Implement FACT-based accounting for governmental funds, including the general fund.

Methodology

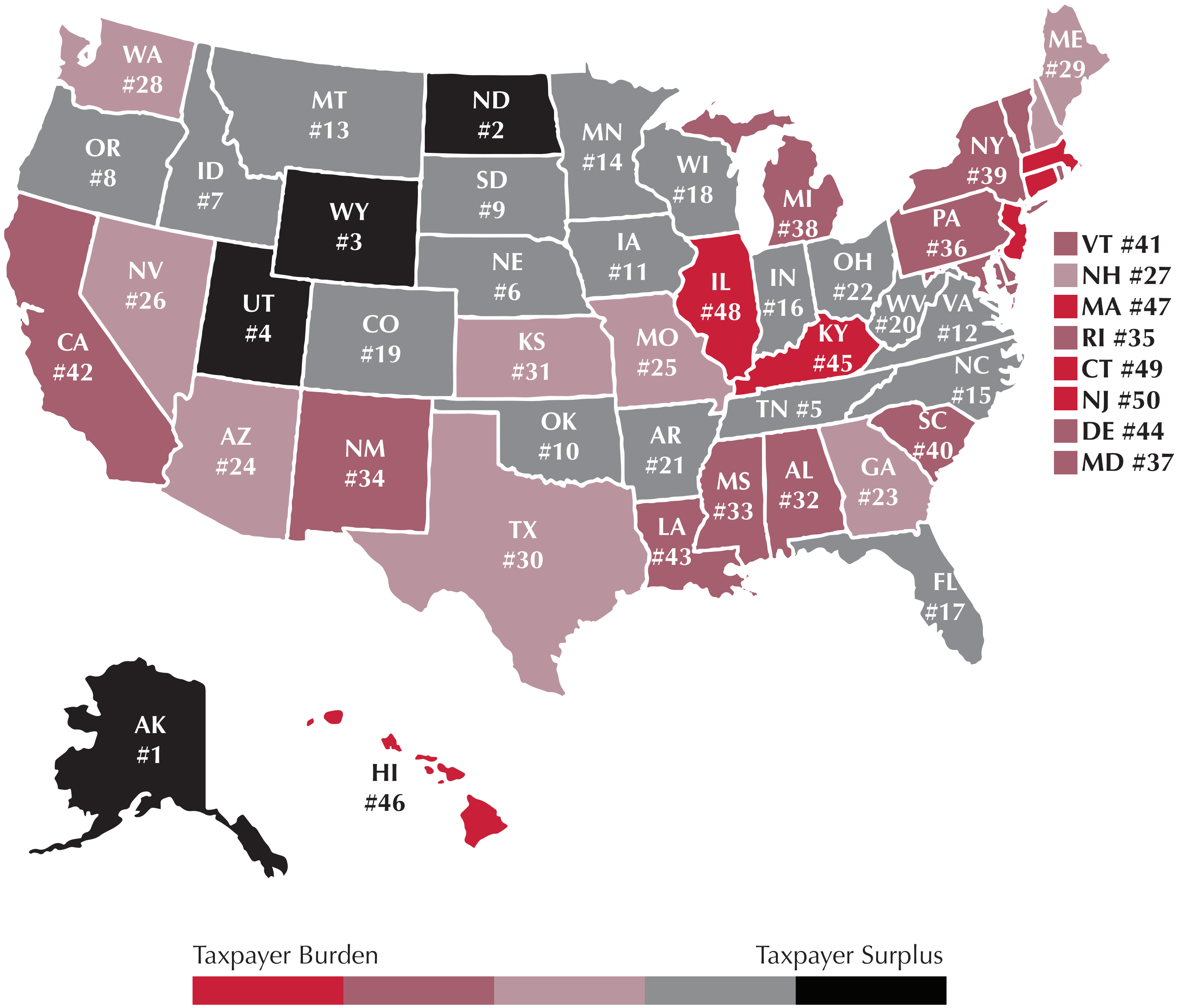
The financial information in our reports comes from the states' annual comprehensive financial and retirement plans' reports. TIA researchers use a systematic and holistic approach to determine the condition of government finances. Each number is reviewed multiple times for its validity. Our approach compares a government's bills—including those related to retirement systems but excluding debt related to capital assets such as land, buildings, and infrastructure—to the government assets available to pay these bills. We exclude restricted assets and capital assets because it is not prudent, nor often even possible to sell long-term assets to pay short-term bills.

Until recently, state and local governments were not required to record all of their public employee retirement benefit obligations, including pensions and retiree healthcare, as liabilities on their balance sheet. For over 12 years, TIA researchers have done a comprehensive analysis of each state's financial condition for the Financial State of the States which included all these liabilities. We have also used this methodology for the last six years to analyze the 75 most populous cities and other government entities.

To simplify government finances, we break it down to a per-taxpayer level and calculate a single dollar amount called a Taxpayer Burden or Taxpayer Surplus. The Taxpayer Burden is the amount each taxpayer would have to pay to free the government of non-capital debt. We calculate this number by subtracting "total bills" from "assets available to pay bills," and then take the resulting number, or "money needed to pay bills," and divide it by the estimated number of the government's taxpayers with a positive federal income tax liability (according to the IRS). Conversely, a Taxpayer Surplus is each taxpayer's share of the government's available assets after all bills have been paid.

In addition to our Taxpayer Burden calculation, we provide a grading system to give more context. Each government's grade is based upon its ability to remain debt-free as required to truly balance its budget. Our letter grades provide taxpayers a valuable alternative to the widely reported letter grades issued by credit rating agencies. We believe government officials and the media have become too reliant on credit ratings which focus on the needs of bondholders, rather than taxpayers, and reflect a government's ability to pay bonds with little consideration of other sources of government debt, such as unfunded pension liabilities.

State Rankings



The Truth

Money Needed to Pay Bills

$9.8 billion

Taxpayer Burden™

$7,000

Financial Grade

D

Ranking

32 out of 50

Alabama Slips in 2022

Financial State of Alabama

Alabama's financial condition worsened in 2022, leaving the state with insufficient money to pay its bills. The shortfall amounted to $9.8 billion. Based upon the state's latest audited financial report for fiscal year 2022, it had a Taxpayer Burden™ of $7,000, earning it a "D" grade from Truth in Accounting.

Like many states, Alabama's economic condition improved due to federal funding for COVID relief and increased tax collections attributed to taxpayers' pent-up tourism and purchasing demands. However, unfunded retirement obligations continue to plague Alabama's ability to pay its bills.

Over the last two years, the value of Alabama's pension investments has been subject to the volatility of the markets. In 2021 financial markets improved and the state's pension investments reported significant gains. Unfortunately, market conditions turned negative during fiscal year 2022, resulting in significant unrealized investment losses which in turn caused the amount of unfunded promised pension benefits to increase. This volatility highlights the risk to pension systems and taxpayers of fixed benefits that are partially funded by earnings from erratic markets.

The data included in this report is derived from Alabama's 2022 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other states' financial, demographic, and economic information, go to Data-Z.org.

Alabama's Financial Breakdown

- Alabama had $17.2 billion available to pay $27 billion worth of bills.
- The outcome was a $9.8 billion shortfall, which breaks down to a burden of $7,000 per taxpayer.
- Alabama's overall financial condition worsened during 2022. The state reported a decline in GDP as well as inflationary conditions impacting the state's manufacturing.

The State's Bills Exceeded Its Assets

Total Assets	$74,388,503,000
Minus: Capital Assets	-$34,727,334,000
Restricted Assets	-$22,465,962,000
Assets Available to Pay Bills	$17,195,207,000
Minus: Total Bills*	$27,004,128,000
Money needed to pay bills	$9,808,921,000
Each taxpayer's share of this burden	$7,000

*Breakdown of Total Bills

Bonds	$11,254,951,000
Other Liabilities	$9,237,802,000
Minus: Debt Related to Capital Assets	-$6,969,768,000
Unfunded Pension Benefits	$10,721,733,000
Unfunded Retiree Health Care Benefits	$2,759,410,000
Total Bills	$27,004,128,000

Grade:

D

Bottom line: Alabama would need $7,000 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.

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The Truth

Truth in Accounting

Money Available to Pay Bills
$20.9 billion

Taxpayer Surplus™
$80,000

Financial Grade
A

Ranking
1 out of 50

Alaska Finances Best in Nation

Financial State of Alaska

Alaska's financial condition deteriorated in 2022, but the state still had more than enough resources, $20.9 billion, to pay all its bills. Based upon the state's latest audited financial report for fiscal year 2022, it had a Taxpayer Surplus™ of $80,000, earning it an "A" grade from Truth in Accounting.

Like many states in this year's report, Alaska's economic condition improved due to federal funding for COVID relief and increased tax collections attributed to taxpayers' pent-up tourism and purchasing demands. However, these increases may be transitory as federal COVID funds dissipate and tax collections return to more stabilized levels. Additional market declines after the state's fiscal year-end most likely caused decreases in the value of pension systems' assets, which could cause an increase in its unfunded pension promises.

Even though Alaska was in good fiscal health at the end of its 2022 fiscal year, uncertainty surrounding the full economic recovery post-COVID makes it impossible to determine how much will be needed to maintain government services and benefits in the coming years. With such uncertainty, it is good that the state retains funds available to pay bills.

The data included in this report is derived from Alaska's 2022 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other states' financial, demographic, and economic information, go to Data-Z.org.

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Alaska's Financial Breakdown

- Alaska had $37.1 billion available to pay $16.3 billion worth of bills.
- The outcome was a $20.9 billion surplus, which breaks down to $80,000 per taxpayer.
- Alaska's permanent fund experienced an investment loss of more than $3 billion.

The State's Assets Exceeded Its Bills

Total Assets	$115,888,546,000
Minus: Capital Assets	-$12,982,970,000
Restricted Assets	-$65,766,677,000
Assets Available to Pay Bills	$37,138,899,000
Minus: Total Bills*	$16,272,723,000
Money available to pay bills	$20,866,176,000
Each taxpayer's share of this surplus	$80,000

*Breakdown of Total Bills

Bonds	$4,958,373,000
Other Liabilities	$10,876,762,000
Minus: Debt Related to Capital Assets	-$1,932,008,000
Unfunded Pension Benefits	$4,280,164,000
Overfunded Retiree Health Care Benefits	-$1,910,568,000
Total Bills	$16,272,723,000

Grade:

A

Bottom line: Alaska had more than enough money to pay its outstanding bills and received an "A" grade for its finances. According to Truth in Accounting's grading scale, any government with a Taxpayer Surplus greater than $10,000 is given an "A" grade.

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The Truth

Money Needed to Pay Bills
$1.3 billion

Taxpayer Burden™
$600

Financial Grade
C

Ranking
24 out of 50

Arizona's Financial Report Late Again

Financial State of Arizona

As of August 25, 2023, Arizona had not released its fiscal year 2022 annual financial report. Based upon the state's last audited financial report for fiscal year 2021, it had a Taxpayer Burden™ of $600, earning it a "C" grade from Truth in Accounting. At that time Arizona needed $1.3 billion to pay its bills.

Unfunded pensions and other employee retirement obligations continued to plague the state. Based upon the state's outdated data, in 2021 the state had only set aside 70 cents for every dollar of promised pension benefits and 31 cents for every dollar of promised retiree health care benefits. The state's retirement obligations could increase because of declines in the financial markets in 2022 and 2023. These declines could result in a significant decrease in the value of retirement systems' investments and cause the unfunded retirement promises to dramatically increase.

Arizona is extremely tardy with its annual financial report. The Government Finance Officers Association standard for timeliness is 180 days after the fiscal year-end. Truth in Accounting believes governments should release their financial reports within 100 days of the fiscal year-end. Without the information from the financial report, citizens and elected officials are left in the dark during the budgeting process.

The data included in this report is derived from Arizona's 2021 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other states' financial, demographic, and economic information, go to Data-Z.org.

Arizona's Financial Breakdown

- Arizona had $19.3 billion available to pay $20.6 billion worth of bills.
- The outcome was a $1.3 billion shortfall, which breaks down to a burden of $600 per taxpayer.
- As of August 25, 2023, Arizona had not released its fiscal year 2022 annual financial report. The information in this report could be very valuable during the state's budget process and other financial decisions.

The State's Bills Exceeded Its Assets

Total Assets	$65,181,576,000
Minus: Capital Assets	-$32,794,696,000
Restricted Assets	-$13,132,827,000
Assets Available to Pay Bills	$19,254,053,000
Minus: Total Bills*	$20,581,502,000
Money needed to pay bills	$1,327,449,000
Each taxpayer's share of this burden	$600

*Breakdown of Total Bills

Bonds	$6,651,649,000
Other Liabilities	$14,219,704,000
Minus: Debt Related to Capital Assets	-$6,771,658,000
Unfunded Pension Benefits	$5,057,987,000
Unfunded Retiree Health Care Benefits	$1,423,820,000
Total Bills	$20,581,502,000

Grade:

C

Bottom line: Arizona would need $600 from each of its taxpayers to pay all of its outstanding bills and received a "C" grade for its finances. According to Truth in Accounting's grading scale, any government with a Taxpayer Burden between $0 and $4,999 is given a "C" grade.

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The Truth

Truth in Accounting

Money Available to Pay Bills

$421 million

Taxpayer Surplus™

$500

Financial Grade

B

Ranking

21 out of 50

Arkansas Saw a Slight Decline

Financial State of Arkansas

Arkansas' financial condition deteriorated in 2022, but the state still had more than enough resources, $421 million, to pay all its bills. Based upon the state's latest audited financial report for fiscal year 2022, it had a Taxpayer Surplus™ of $500, earning it a "B" grade from Truth in Accounting.

Like many states in this year's report, Arkansas' economic condition improved due to federal funding for COVID relief and increased tax collections attributed to taxpayers' pent-up tourism and purchasing demands. However, these increases may be transitory as federal COVID funds dissipate and tax collections return to more stabilized levels. Additional market declines after the state's fiscal year-end most likely caused decreases in the value of pension systems' assets, which could cause an increase in its unfunded pension promises.

Even though Arkansas was in good fiscal health at the end of its 2022 fiscal year, uncertainty surrounding the full economic recovery post-COVID makes it impossible to determine how much will be needed to maintain government services and benefits in the coming years. With such uncertainty, it is good that the state retains funds available to pay bills.

The data included in this report is derived from Arkansas' 2022 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other states' financial, demographic, and economic information, go to Data-Z.org.

Arkansas' Financial Breakdown

- Arkansas had $10.2 billion available to pay $9.7 billion worth of bills.
- The outcome was a $421 million surplus, which breaks down to $500 per taxpayer.
- Arkansas experienced a downward trend in its financial position but still had enough money to pay its bills.

The State's Assets Exceeded Its Bills

Total Assets	$36,586,015,000
Minus: Capital Assets	-$18,778,534,000
Restricted Assets	-$7,637,993,000
Assets Available to Pay Bills	$10,169,488,000
Minus: Total Bills*	$9,748,481,000
Money available to pay bills	$421,007,000
Each taxpayer's share of this surplus	$500

*Breakdown of Total Bills

Bonds	$3,627,065,000
Other Liabilities	$5,197,851,000
Minus: Debt Related to Capital Assets	-$3,066,545,000
Unfunded Pension Benefits	$2,425,745,000
Unfunded Retiree Health Care Benefits	$1,564,365,000
Total Bills	$9,748,481,000

Grade:	
B	Bottom line: Arkansas had more than enough money to pay its outstanding bills and received a "B" grade for its finances. According to Truth in Accounting's grading scale, any government with a Taxpayer Surplus between $1 and $9,999 is given a "B" grade.

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The Truth

Truth in Accounting

Money Needed to Pay Bills
$240.6 billion

Taxpayer Burden™
$18,600

Financial Grade
D

Ranking
42 out of 50

California's Financial Report Tardy Again

Financial State of California

As of August 25, 2023, California had not released its fiscal year 2022 annual financial report. Based upon the state's last audited financial report for fiscal year 2021, it had a Taxpayer Burden™ of $18,600, earning it a "D" grade from Truth in Accounting. At that time California needed $240.6 billion to pay its bills.

Unfunded pensions and other employee retirement obligations continued to plague the state. Based upon the state's outdated data, in 2021 the state had only set aside 81 cents for every dollar of promised pension benefits and 4 cents for every dollar of promised retiree health care benefits. The state's retirement obligations could increase because of declines in the financial markets in 2022 and 2023. These declines could result in a significant decrease in the value of retirement systems' investments and cause the unfunded retirement promises to dramatically increase.

California is extremely tardy with its annual financial report. The Government Finance Officers Association standard for timeliness is 180 days after the fiscal year-end. Truth in Accounting believes governments should release their financial reports within 100 days of the fiscal year-end. Without the information from the financial report, citizens and elected officials are left in the dark during the budgeting process.

The data included in this report is derived from California's 2022 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other states' financial, demographic, and economic information, go to Data-Z.org.

California's Financial Breakdown

- In 2021 California had $250.9 billion available to pay $491.5 billion worth of bills.
- The outcome was a $240.6 billion shortfall, which breaks down to a burden of $18,600 per taxpayer.
- As of August 25, 2023, California had not released its fiscal year 2022 annual financial report. The information in this report could be very valuable during the state's budget process and other financial decisions.

The State's Bills Exceeded Its Assets

Total Assets	$535,557,057,000
Minus: Capital Assets	-$197,237,686,000
Restricted Assets	-$87,402,174,000
Assets Available to Pay Bills	$250,917,197,000
Minus: Total Bills*	$491,522,804,000
Money needed to pay bills	$240,605,607,000
Each taxpayer's share of this burden	$18,600

*Breakdown of Total Bills

Bonds	$131,519,445,000
Other Liabilities	$212,372,546,000
Minus: Debt Related to Capital Assets	-$59,346,379,000
Unfunded Pension Benefits	$84,333,577,000
Unfunded Retiree Health Care Benefits	$122,643,615,000
Total Bills	$491,522,804,000

Grade:

D

Bottom line: California would need $18,600 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.

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The Truth

Truth in Accounting

Money Available to Pay Bills

$3.2 billion

Taxpayer Surplus™

$1,500

Financial Grade

B

Ranking

19 out of 50

Colorado's Financial Condition Improved Significantly

Financial State of Colorado

Colorado's financial condition improved in 2022. Based upon the state's latest audited financial report for fiscal year 2022, it had a Taxpayer Surplus™ of $1,500, earning it a "B" grade from Truth in Accounting.

Colorado had more than enough resources, $3.2 billion, to pay all its bills. Like many states, Colorado's economic condition improved due to federal funding for COVID relief and increased tax collections attributed to taxpayers' pent-up tourism and purchasing demands. However, these increases may be transitory as federal COVID funds dissipate and tax collections return to more stabilized levels. Additional market declines after the state's fiscal year-end most likely caused decreases in the value of pension systems' assets, which could cause an increase in its unfunded pension promises.

Even though Colorado was in good fiscal health at the end of its 2022 fiscal year, uncertainty surrounding the full economic recovery post-COVID makes it impossible to determine how much will be needed to maintain government services and benefits in the coming years. With such uncertainty, it is good that the state retains funds available to pay bills.

The data included in this report is derived from Colorado's 2022 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other states' financial, demographic, and economic information, go to Data-Z.org.

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Colorado's Financial Breakdown

- Colorado had $30.6 billion available to pay $27.4 billion worth of bills.
- The outcome was a $3.2 billion surplus, which breaks down to $1,500 per taxpayer.
- Colorado's overall financial condition improved significantly in 2022, causing it to move from a sinkhole to a sunshine state. The state will most likely be a sinkhole state again next year, because of declines in the financial markets which might adversely affect its pension funds' investments.

The State's Assets Exceeded Its Bills

Total Assets		$65,539,521,000
Minus:	Capital Assets	-$26,182,390,000
	Restricted Assets	-$8,765,667,000
Assets Available to Pay Bills		$30,591,464,000
Minus:	Total Bills*	$27,389,936,000
Money available to pay bills		$3,201,528,000
Each taxpayer's share of this surplus		$1,500

*Breakdown of Total Bills

Bonds		$4,903,124,000
Other Liabilities		$23,500,503,000
Minus:	Debt Related to Capital Assets	-$10,961,915,000
Unfunded Pension Benefits		$8,410,964,000
Unfunded Retiree Health Care Benefits		$1,537,260,000
Total Bills		$27,389,936,000

Grade:

B

Bottom line: Colorado had more than enough money to pay its outstanding bills and received a "B" grade for its finances. According to Truth in Accounting's grading scale, any government with a Taxpayer Surplus between $1 and $9,999 is given a "B" grade.

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The Truth

Truth in Accounting

Money Needed to Pay Bills

$68.6 billion

Taxpayer Burden™

$50,700

Financial Grade

F

Ranking

49 out of 50

Connecticut Remains Second-To-Last

Financial State of Connecticut

Connecticut's financial condition improved in 2022, but the state still needed $68.6 billion to pay its bills. Based upon the state's latest audited financial report for fiscal year 2022, it had a Taxpayer Burden™ of $50,700, earning it an "F" grade from Truth in Accounting.

Like many states in this year's report, Connecticut's economic condition improved due to federal funding for COVID relief and increased tax collections attributed to taxpayers' pent-up tourism and purchasing demands. However, unfunded pensions and other employee retirement obligations continued to plague the state.

Over the last two years, the value of Connecticut's pension investments has been subject to the volatility of the markets. In 2021, financial markets improved, and the state's pension system's investments reported significant gains. Unfortunately, the market conditions turned negative during fiscal year 2022, resulting in significant investment losses, which in turn caused the amount of unfunded promised pension benefits to increase. This volatility highlights the risk to pension systems and taxpayers when fixed benefits are partially funded by earnings from erratic markets.

The data included in this report is derived from Connecticut's 2022 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other states' financial, demographic, and economic information, go to Data-Z.org.

Connecticut's Financial Breakdown

- Connecticut had $22.9 billion available to pay $91.5 billion worth of bills.
- The outcome was a $68.6 billion shortfall, which breaks down to a burden of $50,700 per taxpayer.
- Connecticut's overall financial condition improved. Its tax revenues were up significantly, but it still did not have enough money to pay its bills. However, the state has no counties to share public services creating a higher burden for the state.

The State's Bills Exceeded Its Assets

Total Assets	$58,316,997,000
Minus: Capital Assets	-$23,653,715,000
Restricted Assets	-$11,791,693,000
Assets Available to Pay Bills	$22,871,589,000
Minus: Total Bills*	$91,481,089,000
Money needed to pay bills	$68,609,500,000
Each taxpayer's share of this burden	$50,700

*Breakdown of Total Bills

Bonds	$34,941,947,000
Other Liabilities	$12,140,160,000
Minus: Debt Related to Capital Assets	-$13,293,471,000
Unfunded Pension Benefits	$40,590,669,000
Unfunded Retiree Health Care Benefits	$17,101,784,000
Total Bills	$91,481,089,000

Grade:	
F	Bottom line: Connecticut would need $50,700 from each of its taxpayers to pay all of its outstanding bills and received an "F" grade for its finances. According to Truth in Accounting's grading scale, any government with a Taxpayer Burden greater than $20,000 is given an "F" grade.

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The Truth

Money Needed to Pay Bills
$6.9 billion

Taxpayer Burden™
$18,900

Financial Grade
D

Ranking
44 out of 50

Delaware Still in Bottom 10

Financial State of Delaware

Delaware's financial condition worsened in 2022, leaving the state with insufficient money to pay its bills. The shortfall amounted to $6.9 billion. Based upon the state's latest audited financial report for fiscal year 2022, it had a Taxpayer Burden™ of $18,900, earning it a "D" grade from Truth in Accounting.

Like many states, Delaware's economic condition improved due to federal funding for COVID relief and increased tax collections attributed to taxpayers' pent-up tourism and purchasing demands. However, unfunded retirement obligations continue to plague Delaware's ability to pay its bills.

Over the last two years, the value of Delaware's pension investments has been subject to the volatility of the markets. In 2021 financial markets improved and the state's pension investments reported significant gains. Unfortunately, market conditions turned negative during fiscal year 2022, resulting in significant unrealized investment losses which in turn caused the amount of unfunded promised pension benefits to increase. This volatility highlights the risk to pension systems and taxpayers of fixed benefits that are partially funded by earnings from erratic markets.

The data included in this report is derived from Delaware's 2022 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other states' financial, demographic, and economic information, go to Data-Z.org.

Delaware's Financial Breakdown

- Delaware had $7.2 billion available to pay $14 billion worth of bills.
- The outcome was a $6.9 billion shortfall, which breaks down to a burden of $18,900 per taxpayer.
- Delaware's overall financial condition improved slightly. However, it still did not have enough money to pay its bills.

The State's Bills Exceeded Its Assets

Total Assets		$20,382,207,000
Minus:	Capital Assets	-$10,569,280,000
	Restricted Assets	-$2,659,675,000
Assets Available to Pay Bills		$7,153,252,000
Minus:	Total Bills*	$14,018,814,000
Money needed to pay bills		$6,865,562,000
Each taxpayer's share of this burden		$18,900

*Breakdown of Total Bills

Bonds		$3,966,583,000
Other Liabilities		$4,584,352,000
Minus:	Debt Related to Capital Assets	-$4,713,550,000
Unfunded Pension Benefits		$1,707,861,000
Unfunded Retiree Health Care Benefits		$8,473,568,000
Total Bills		$14,018,814,000

Grade:

D

Bottom line: Delaware would need $18,900 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.

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The Truth

Money Available to Pay Bills

$18.4 billion

Taxpayer Surplus™

$2,500

Financial Grade

B

Ranking

17 out of 50

Florida's Ranking Up Slightly

Financial State of Florida

Florida's financial condition improved in 2022. Based upon the state's latest audited financial report for fiscal year 2022, it had a Taxpayer Surplus™ of $2,500, earning it a "B" grade from Truth in Accounting.

Florida had more than enough resources, $18.4 billion, to pay all its bills. Like many states, Florida's economic condition improved due to federal funding for COVID relief and increased tax collections attributed to taxpayers' pent-up tourism and purchasing demands. However, these increases may be transitory as federal COVID funds dissipate and tax collections return to more stabilized levels. Additional market declines after the state's fiscal year-end most likely caused decreases in the value of pension systems' assets, which could cause an increase in its unfunded pension promises.

Even though Florida was in good fiscal health at the end of its 2022 fiscal year, uncertainty surrounding the full economic recovery post-COVID makes it impossible to determine how much will be needed to maintain government services and benefits in the coming years. With such uncertainty, it is good that the state retains funds available to pay bills.

The data included in this report is derived from Florida's 2022 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other states' financial, demographic, and economic information, go to Data-Z.org.

Florida's Financial Breakdown

- Florida had $98.2 billion available to pay $79.9 billion worth of bills.
- The outcome was a $18.4 billion surplus, which breaks down to $2,500 per taxpayer.
- Florida's reported revenues exceeded its expenses, with sales and use taxes increasing by almost $8 billion and program expenses decreasing significantly. These improvements may be transitory.

The State's Assets Exceeded Its Bills

Total Assets	$274,673,232,000
Minus: Capital Assets	-$130,918,170,000
Restricted Assets	-$45,505,985,000
Assets Available to Pay Bills	$98,249,077,000
Minus: Total Bills*	$79,873,972,000
Money available to pay bills	$18,375,105,000
Each taxpayer's share of this surplus	$2,500

*Breakdown of Total Bills

Bonds	$23,361,277,000
Other Liabilities	$47,589,321,000
Minus: Debt Related to Capital Assets	-$13,391,787,000
Unfunded Pension Benefits	$11,689,205,000
Unfunded Retiree Health Care Benefits	$10,625,956,000
Total Bills	$79,873,972,000

Grade:

B

Bottom line: Florida had more than enough money to pay its outstanding bills and received a "B" grade for its finances. According to Truth in Accounting's grading scale, any government with a Taxpayer Surplus between $1 and $9,999 is given a "B" grade.

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The Truth

Money Needed to Pay Bills
$15.7 million

Taxpayer Burden™
$5

Financial Grade
C

Ranking
23 out of 50

Georgia: No. 23 in Fiscal Health

Financial State of Georgia

Georgia's financial condition improved in 2022, but the state still needed $15.7 million to pay its bills. Based upon the state's latest audited financial report for fiscal year 2022, it had a Taxpayer Burden™ of $5, earning it a "C" grade from Truth in Accounting.

Like many states in this year's report, Georgia's economic condition improved due to federal funding for COVID relief and increased tax collections attributed to taxpayers' pent-up tourism and purchasing demands. However, unfunded pensions and other employee retirement obligations continued to plague the state.

Over the last two years, the value of Georgia's pension investments has been subject to the volatility of the markets. In 2021, financial markets improved, and the state's pension system's investments reported significant gains. Unfortunately, the market conditions turned negative during fiscal year 2022, resulting in significant investment losses, which in turn caused the amount of unfunded promised pension benefits to increase. This volatility highlights the risk to pension systems and taxpayers when fixed benefits are partially funded by earnings from erratic markets.

The data included in this report is derived from Georgia's 2022 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other states' financial, demographic, and economic information, go to Data-Z.org.

Georgia's Financial Breakdown

- Georgia had $46.907 billion available to pay $46.923 billion worth of bills.
- The outcome was a $15.7 million shortfall, which breaks down to a burden of $5 per taxpayer.
- Georgia's overall financial condition improved, but it still did not have enough money to pay its bills. While its retiree health care funding improved by $1.19 million, the pension funding worsened.

The State's Bills Exceeded Its Assets

Total Assets	$110,303,547,000
Minus: Capital Assets	-$45,190,017,000
Restricted Assets	-$18,206,475,000
Assets Available to Pay Bills	$46,907,055,000
Minus: Total Bills*	$46,922,720,000
Money needed to pay bills	$15,665,000
Each taxpayer's share of this burden	$5

*Breakdown of Total Bills

Bonds	$17,533,066,000
Other Liabilities	$24,764,566,000
Minus: Debt Related to Capital Assets	-$11,939,015,000
Unfunded Pension Benefits	$12,438,458,000
Unfunded Retiree Health Care Benefits	$4,125,645,000
Total Bills	$46,922,720,000

Grade:

C

Bottom line: Georgia would need $5 from each of its taxpayers to pay all of its outstanding bills and received a "C" grade for its finances. According to Truth in Accounting's grading scale, any government with a Taxpayer Burden between $0 and $4,999 is given a "C" grade.

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The Truth

Money Needed to Pay Bills

$11.4 billion

Taxpayer Burden™

$23,100

Financial Grade

F

Ranking

46 out of 50

Hawaii Still in Bottom Five

Financial State of Hawaii

Hawaii's financial condition improved in 2022, but the state still needed $11.4 billion to pay its bills. Based upon the state's latest audited financial report for fiscal year 2022, it had a Taxpayer Burden™ of $23,100, earning it an "F" grade from Truth in Accounting.

The pension data used for last year's Financial State of Hawaii was for 2020 because 2021 data was unavailable. Fortunately, this year, 2022 data was available. Between 2020 and 2022, while investment income dropped dramatically in 2022, the state's unfunded pension promises decreased due to the substantial investment income experienced by the pension system in 2021. Unfortunately, 2022 data for Hawaii's Employer-Union Health Benefits Trust Fund unfunded liability was not available. For 2021, the fund reported a decrease in unfunded retiree healthcare promises as contributions increased and unusually high investment income exceeded accruing interest and benefits.

However, these positive economic factors did not change the fact that Hawaii still needed more than $11 billion to pay its outstanding bills, including unfunded retirement obligations.

The data included in this report is derived from Hawaii's 2022 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other states' financial, demographic, and economic information, go to Data-Z.org.

Hawaii's Financial Breakdown

- Hawaii had $11.2 billion available to pay $22.6 billion worth of bills.
- The outcome was a $11.4 billion shortfall, which breaks down to a burden of $23,100 per taxpayer.
- Hawaii's overall financial condition improved significantly in 2022. Despite federal COVID funding and increased tax collections, Hawaii still did not have enough money to pay its bills.

The State's Bills Exceeded Its Assets

Total Assets		$35,483,570,000
Minus:	Capital Assets	-$18,756,550,000
	Restricted Assets	-$5,523,642,000
Assets Available to Pay Bills		$11,203,378,000
Minus:	Total Bills*	$22,577,408,000
Money needed to pay bills		$11,374,030,000
Each taxpayer's share of this burden		$23,100

*Breakdown of Total Bills

Bonds		$12,924,213,000
Other Liabilities		$5,573,715,000
Minus:	Debt Related to Capital Assets	-$12,515,175,000
Unfunded Pension Benefits		$8,967,858,000
Unfunded Retiree Health Care Benefits		$7,626,797,000
Total Bills		$22,577,408,000

Grade:

F

Bottom line: Hawaii would need $23,100 from each of its taxpayers to pay all of its outstanding bills and received an "F" grade for its finances. According to Truth in Accounting's grading scale, any government with a Taxpayer Burden greater than $20,000 is given an "F" grade.

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Money Available to Pay Bills

$4.4 billion

Taxpayer Surplus™

$7,400

Financial Grade

B

Ranking

7 out of 50

Idaho Rises to No. 7

Financial State of Idaho

Idaho's financial condition improved in 2022. Based upon the state's latest audited financial report for fiscal year 2022, it had a Taxpayer Surplus™ of $7,400, earning it a "B" grade from Truth in Accounting.

Idaho had more than enough resources, $4.4 billion, to pay all its bills. Like many states, Idaho's economic condition improved due to federal funding for COVID relief and increased tax collections attributed to taxpayers' pent-up tourism and purchasing demands. However, these increases may be transitory as federal COVID funds dissipate and tax collections return to more stabilized levels. Additional market declines after the state's fiscal year-end most likely caused decreases in the value of pension systems' assets, which could cause an increase in its unfunded pension promises.

Even though Idaho was in good fiscal health at the end of its 2022 fiscal year, uncertainty surrounding the full economic recovery post-COVID makes it impossible to determine how much will be needed to maintain government services and benefits in the coming years. With such uncertainty, it is good that the state retains funds available to pay bills.

The data included in this report is derived from Idaho's 2022 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other states' financial, demographic, and economic information, go to Data-Z.org.

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Idaho's Financial Breakdown

- Idaho had $10.2 billion available to pay $5.8 billion worth of bills.
- The outcome was a $4.4 billion surplus, which breaks down to $7,400 per taxpayer.
- The growth in Idaho's tax collection was associated with an increase in taxable income rather than tax rates, and is likely to be among the highest in history.

The State's Assets Exceeded Its Bills

Total Assets	$27,722,254,000
Minus: Capital Assets	-$9,867,377,000
Restricted Assets	-$7,645,303,000
Assets Available to Pay Bills	$10,209,574,000
Minus: Total Bills*	$5,764,192,000
Money available to pay bills	$4,445,382,000
Each taxpayer's share of this surplus	$7,400

*Breakdown of Total Bills

Bonds	$2,077,930,000
Other Liabilities	$4,192,895,000
Minus: Debt Related to Capital Assets	-$1,457,714,000
Unfunded Pension Benefits	$987,779,000
Overfunded Retiree Health Care Benefits	-$36,698,000
Total Bills	$5,764,192,000

Grade:	
B	Bottom line: Idaho had more than enough money to pay its outstanding bills and received a "B" grade for its finances. According to Truth in Accounting's grading scale, any government with a Taxpayer Surplus between $1 and $9,999 is given a "B" grade.

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Money Needed to Pay Bills

$175.4 billion

Taxpayer Burden™

$41,600

Financial Grade

F

Ranking

48 out of 50

Illinois Still Near the Bottom

Financial State of Illinois

Illinois' financial condition improved in 2022, but the state still needed $175.4 billion to pay its bills. Based upon the state's latest audited financial report for fiscal year 2022, it had a Taxpayer Burden™ of $41,600, earning it an "F" grade from Truth in Accounting.

Like many states in this year's report, Illinois' economic condition improved due to federal funding for COVID relief and increased tax collections attributed to taxpayers' pent-up tourism and purchasing demands. However, unfunded pensions and other employee retirement obligations continued to plague the state.

Over the last two years, the value of Illinois' pension investments has been subject to the volatility of the markets. In 2021, financial markets improved, and the state's pension system's investments reported significant gains. Unfortunately, the market conditions turned negative during fiscal year 2022, resulting in significant investment losses, which in turn caused the amount of unfunded promised pension benefits to increase. This volatility highlights the risk to pension systems and taxpayers when fixed benefits are partially funded by earnings from erratic markets.

The data included in this report is derived from Illinois' 2022 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other states' financial, demographic, and economic information, go to Data-Z.org.

Illinois' Financial Breakdown

- Illinois had $51.8 billion available to pay $227.2 billion worth of bills.
- The outcome was a $175.4 billion shortfall, which breaks down to a burden of $41,600 per taxpayer.
- Illinois' financial condition improved mostly because of the way the state's actuaries calculated its unfunded retiree healthcare benefits. Despite the resulting significant decrease in the amount of these unfunded benefits, Illinois still did not have enough money to pay its bills.

The State's Bills Exceeded Its Assets

Total Assets		$111,521,093,000
Minus:	Capital Assets	-$42,799,232,000
	Restricted Assets	-$16,927,684,000
Assets Available to Pay Bills		$51,794,177,000
Minus:	Total Bills*	$227,229,180,000
Money needed to pay bills		$175,435,003,000
Each taxpayer's share of this burden		$41,600

*Breakdown of Total Bills

Bonds		$42,388,621,000
Other Liabilities		$35,376,612,000
Minus:	Debt Related to Capital Assets	-$18,198,927,000
Unfunded Pension Benefits		$146,301,267,000
Unfunded Retiree Health Care Benefits		$21,361,607,000
Total Bills		$227,229,180,000

Grade:

F

Bottom line: Illinois would need $41,600 from each of its taxpayers to pay all of its outstanding bills and received an "F" grade for its finances. According to Truth in Accounting's grading scale, any government with a Taxpayer Burden greater than $20,000 is given an "F" grade.

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Money Available to Pay Bills
$6 billion

Taxpayer Surplus™
$2,800

Financial Grade
B

Ranking
16 out of 50

Indiana Finances Still in Top 20

Financial State of Indiana

Indiana's financial condition improved in 2022. Based upon the state's latest audited financial report for fiscal year 2022, it had a Taxpayer Surplus™ of $2,800, earning it a "B" grade from Truth in Accounting.

Indiana had more than enough resources, $6 billion, to pay all its bills. Like many states, Indiana's economic condition improved due to federal funding for COVID relief and increased tax collections attributed to taxpayers' pent-up tourism and purchasing demands. However, these increases may be transitory as federal COVID funds dissipate and tax collections return to more stabilized levels. Additional market declines after the state's fiscal year-end most likely caused decreases in the value of pension systems' assets, which could cause an increase in its unfunded pension promises.

Even though Indiana was in good fiscal health at the end of its 2022 fiscal year, uncertainty surrounding the full economic recovery post-COVID makes it impossible to determine how much will be needed to maintain government services and benefits in the coming years. With such uncertainty, it is good that the state retains funds available to pay bills.

The data included in this report is derived from Indiana's 2022 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other states' financial, demographic, and economic information, go to Data-Z.org.

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Indiana's Financial Breakdown

- Indiana had $36.3 billion available to pay $30.3 billion worth of bills.
- The outcome was a $6 billion surplus, which breaks down to $2,800 per taxpayer.
- Operating grants and contributions increased $1.3 billion due primarily to the American Rescue Plan Economic Stimulus fund.

The State's Assets Exceeded Its Bills

Total Assets	$81,810,347,000
Minus: Capital Assets	-$31,244,183,000
Restricted Assets	-$14,244,287,000
Assets Available to Pay Bills	$36,321,877,000
Minus: Total Bills*	$30,308,511,000
Money available to pay bills	$6,013,366,000
Each taxpayer's share of this surplus	$2,800

*Breakdown of Total Bills

Bonds	$8,706,214,000
Other Liabilities	$16,585,845,000
Minus: Debt Related to Capital Assets	-$5,392,950,000
Unfunded Pension Benefits	$10,208,918,000
Unfunded Retiree Health Care Benefits	$200,484,000
Total Bills	$30,308,511,000

Grade:

B

Bottom line: Indiana had more than enough money to pay its outstanding bills and received a "B" grade for its finances. According to Truth in Accounting's grading scale, any government with a Taxpayer Surplus between $1 and $9,999 is given a "B" grade.

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Money Available to Pay Bills

$5.3 billion

Taxpayer Surplus™

$5,000

Financial Grade

B

Ranking

11 out of 50

Iowa's Financial Report is Tardy

Financial State of Iowa

As of August 25, 2023, Iowa had not released its fiscal year 2022 annual financial report. Based upon the state's last audited financial report for fiscal year 2021, it had a Taxpayer Surplus™ of $5,000, earning it a "B" grade from Truth in Accounting. Using its 2021 data, the state had $5.3 billion available to pay its bills, but this could change dramatically because of the decline in the financial markets in 2022 and 2023

Unfunded pension promises are determined by subtracting the earned and accrued pension benefits from the value of the pension investments. The information for many states that have produced their 2022 financial reports revealed that the large unrealized gains of 2021 turned into losses in 2022. When newer data is available, the state's amount of unfunded pension promises could increase significantly.

Iowa is extremely tardy with its annual financial report. The Government Finance Officers Association standard for timeliness is 180 days after the fiscal year-end. Truth in Accounting believes governments should release their financial reports within 100 days of the fiscal year-end. Without the information from the financial report, citizens and elected officials are left in the dark during the budgeting process.

The data included in this report is derived from Iowa's 2021 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other states' financial, demographic, and economic information, go to Data-Z.org.

Iowa's Financial Breakdown

- In 2021 Iowa had $14.7 billion available to pay $9.3 billion worth of bills.
- The outcome was a $5.3 billion surplus, which breaks down to $5,000 per taxpayer.
- As of August 25, 2023, Iowa had not released its fiscal year 2022 annual financial report. The information in this report could be very valuable during the state's budget process and other financial decisions.

The State's Assets Exceeded Its Bills

Total Assets	$40,384,480,000
Minus: Capital Assets	-$17,615,387,000
Restricted Assets	-$8,118,512,000
Assets Available to Pay Bills	$14,650,581,000
Minus: Total Bills*	$9,333,911,000
Money available to pay bills	$5,316,670,000
Each taxpayer's share of this surplus	$5,000

*Breakdown of Total Bills

Bonds	$5,656,753,000
Other Liabilities	$5,257,622,000
Minus: Debt Related to Capital Assets	-$1,908,329,000
Overfunded Pension Benefits	-$144,759,000
Unfunded Retiree Health Care Benefits	$472,624,000
Total Bills	$9,333,911,000

Grade:	
B	Bottom line: Iowa had more than enough money to pay its outstanding bills and received a "B" grade for its finances. According to Truth in Accounting's grading scale, any government with a Taxpayer Surplus between $1 and $9,999 is given a "B" grade.

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Money Needed to Pay Bills
$4.1 billion

Taxpayer Burden™
$4,300

Financial Grade
C

Ranking
31 out of 50

Kansas Worsened in 2022

Financial State of Kansas

Kansas' financial condition worsened in 2022, leaving the state with insufficient money to pay its bills. The shortfall amounted to $4.1 billion. Based upon the state's latest audited financial report for fiscal year 2022, it had a Taxpayer Burden™ of $4,300, earning it a "C" grade from Truth in Accounting.

Like many states, Kansas' economic condition improved due to federal funding for COVID relief and increased tax collections attributed to taxpayers' pent-up tourism and purchasing demands. However, unfunded retirement obligations continue to plague Kansas' ability to pay its bills.

Over the last two years, the value of Kansas' pension investments has been subject to the volatility of the markets. In 2021 financial markets improved and the state's pension investments reported significant gains. Unfortunately, market conditions turned negative during fiscal year 2022, resulting in significant unrealized investment losses which in turn caused the amount of unfunded promised pension benefits to increase. This volatility highlights the risk to pension systems and taxpayers of fixed benefits that are partially funded by earnings from erratic markets.

The data included in this report is derived from Kansas' 2022 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other states' financial, demographic, and economic information, go to Data-Z.org.

Kansas' Financial Breakdown

- Kansas had $9.5 billion available to pay $13.6 billion worth of bills.
- The outcome was a $4.1 billion shortfall, which breaks down to a burden of $4,300 per taxpayer.
- The Kansas Public Employees Retirement System's liability increased by $1.6 billion despite an additional $1.1 contribution from pension obligations. While the system's investments experienced a 26% gain in 2021, in 2022 these assets lost 5% in value.

The State's Bills Exceeded Its Assets

Total Assets	$37,976,554,000
Minus: Capital Assets	-$19,530,556,000
Restricted Assets	-$8,906,626,000
Assets Available to Pay Bills	$9,539,372,000
Minus: Total Bills*	$13,608,386,000
Money needed to pay bills	$4,069,014,000
Each taxpayer's share of this burden	$4,300

*Breakdown of Total Bills

Bonds	$4,811,164,000
Other Liabilities	$6,115,453,000
Minus: Debt Related to Capital Assets	-$4,733,105,000
Unfunded Pension Benefits	$7,328,719,000
Unfunded Retiree Health Care Benefits	$86,155,000
Total Bills	$13,608,386,000

Grade:

C

Bottom line: Kansas would need $4,300 from each of its taxpayers to pay all of its outstanding bills and received a "C" grade for its finances. According to Truth in Accounting's grading scale, any government with a Taxpayer Burden between $0 and $4,999 is given a "C" grade.

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The Truth

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Money Needed to Pay Bills

$27.1 billion

Taxpayer Burden™

$20,700

Financial Grade

F

Ranking

45 out of 50

Kentucky Worsened in 2022

Financial State of Kentucky

Kentucky's financial condition worsened in 2022, leaving the state with insufficient money to pay its bills. The shortfall amounted to $27.1 billion. Based upon the state's latest audited financial report for fiscal year 2022, it had a Taxpayer Burden™ of $20,700, earning it an "F" grade from Truth in Accounting.

Like many states, Kentucky's economic condition improved due to federal funding for COVID relief and increased tax collections attributed to taxpayers' pent-up tourism and purchasing demands. However, unfunded retirement obligations continue to plague Kentucky's ability to pay its bills.

Over the last two years, the value of Kentucky's pension investments has been subject to the volatility of the markets. In 2021 financial markets improved and the state's pension investments reported significant gains. Unfortunately, market conditions turned negative during fiscal year 2022, resulting in significant unrealized investment losses which in turn caused the amount of unfunded promised pension benefits to increase. This volatility highlights the risk to pension systems and taxpayers of fixed benefits that are partially funded by earnings from erratic markets.

The data included in this report is derived from Kentucky's 2022 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other states' financial, demographic, and economic information, go to Data-Z.org.

Kentucky's Financial Breakdown

- Kentucky had $21 billion available to pay $48.1 billion worth of bills.
- The outcome was a $27.1 billion shortfall, which breaks down to a burden of $20,700 per taxpayer.
- After reporting greater than 20% investment gains on the investments in 2021, the Teachers Retirement System reportedly lost more than 10% on its investments in 2022. These poor results caused an increase in the state's unfunded pension benefits.

The State's Bills Exceeded Its Assets

Total Assets		$66,810,316,000
Minus:	Capital Assets	-$37,228,877,000
	Restricted Assets	-$8,598,542,000
Assets Available to Pay Bills		$20,982,897,000
Minus:	Total Bills*	$48,131,865,000
Money needed to pay bills		$27,148,968,000
Each taxpayer's share of this burden		$20,700

*Breakdown of Total Bills

Bonds		$9,231,398,000
Other Liabilities		$11,203,115,000
Minus:	Debt Related to Capital Assets	-$5,326,506,000
Unfunded Pension Benefits		$29,877,551,000
Unfunded Retiree Health Care Benefits		$3,146,307,000
Total Bills		$48,131,865,000

Grade:

F

Bottom line: Kentucky would need $20,700 from each of its taxpayers to pay all of its outstanding bills and received an "F" grade for its finances. According to Truth in Accounting's grading scale, any government with a Taxpayer Burden greater than $20,000 is given an "F" grade.

The Truth

Money Needed to Pay Bills

$22.8 billion

Taxpayer Burden™

$18,900

Financial Grade

D

Ranking

43 out of 50

Louisiana Ranked No. 43

Financial State of Louisiana

Louisiana's financial condition worsened in 2022, leaving the state with insufficient money to pay its bills. The shortfall amounted to $22.8 billion. Based upon the state's latest audited financial report for fiscal year 2022, it had a Taxpayer Burden™ of $18,900, earning it a "D" grade from Truth in Accounting.

Like many states, Louisiana's economic condition improved due to federal funding for COVID relief and increased tax collections attributed to taxpayers' pent-up tourism and purchasing demands. However, unfunded retirement obligations continue to plague Louisiana's ability to pay its bills.

Over the last two years, the value of Louisiana's pension investments has been subject to the volatility of the markets. In 2021 financial markets improved and the state's pension investments reported significant gains. Unfortunately, market conditions turned negative during fiscal year 2022, resulting in significant unrealized investment losses which in turn caused the amount of unfunded promised pension benefits to increase. This volatility highlights the risk to pension systems and taxpayers of fixed benefits that are partially funded by earnings from erratic markets.

The data included in this report is derived from Louisiana's 2022 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other states' financial, demographic, and economic information, go to Data-Z.org.

Louisiana's Financial Breakdown

- Louisiana had $27.4 billion available to pay $50.2 billion worth of bills.
- The outcome was a $22.8 billion shortfall, which breaks down to a burden of $18,900 per taxpayer.
- Louisiana's fiscal position worsened in 2022 mostly due to the reported losses in pension systems' investments. Even though it received over a billion dollars in COVID funds, it did not have enough money to pay its bills.

The State's Bills Exceeded Its Assets

Total Assets	$72,412,247,000
Minus: Capital Assets	-$34,250,754,000
Restricted Assets	-$10,715,231,000
Assets Available to Pay Bills	$27,446,262,000
Minus: Total Bills*	$50,241,641,000
Money needed to pay bills	$22,795,379,000
Each taxpayer's share of this burden	$18,900

*Breakdown of Total Bills

Bonds	$13,337,365,000
Other Liabilities	$23,279,579,000
Minus: Debt Related to Capital Assets	-$6,542,448,000
Unfunded Pension Benefits	$10,245,826,000
Unfunded Retiree Health Care Benefits	$9,921,319,000
Total Bills	$50,241,641,000

Grade:

D

Bottom line: Louisiana would need $18,900 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.

The Truth

Truth in Accounting

Money Needed to Pay Bills
$1.9 billion

Taxpayer Burden™
$3,700

Financial Grade
C

Ranking
29 out of 50

Maine Remained 29th

Financial State of Maine

Maine's financial condition worsened in 2022, leaving the state with insufficient money to pay its bills. The shortfall amounted to $1.9 billion. Based upon the state's latest audited financial report for fiscal year 2022, it had a Taxpayer Burden™ of $3,700, earning it a "C" grade from Truth in Accounting.

Like many states, Maine's economic condition improved due to federal funding for COVID relief and increased tax collections attributed to taxpayers' pent-up tourism and purchasing demands. However, unfunded retirement obligations continue to plague Maine's ability to pay its bills.

Over the last two years, the value of Maine's pension investments has been subject to the volatility of the markets. In 2021 financial markets improved and the state's pension investments reported significant gains. Unfortunately, market conditions turned negative during fiscal year 2022, resulting in significant unrealized investment losses which in turn caused the amount of unfunded promised pension benefits to increase. This volatility highlights the risk to pension systems and taxpayers of fixed benefits that are partially funded by earnings from erratic markets.

The data included in this report is derived from Maine's 2022 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other states' financial, demographic, and economic information, go to Data-Z.org.

Maine's Financial Breakdown

- Maine had $11.1 billion available to pay $13.1 billion worth of bills.
- The outcome was a $1.9 billion shortfall, which breaks down to a burden of $3,700 per taxpayer.
- Maine's reported revenues increased primarily due to an increase in tax revenue. Business activities expenses decreased entirely due to the decrease in expenses related to the Employment Security Fund.

The State's Bills Exceeded Its Assets

Total Assets	$20,876,132,000
Minus: Capital Assets	-$6,872,144,000
Restricted Assets	-$2,864,277,000
Assets Available to Pay Bills	$11,139,711,000
Minus: Total Bills*	$13,050,880,000
Money needed to pay bills	$1,911,169,000
Each taxpayer's share of this burden	$3,700

*Breakdown of Total Bills

Bonds	$5,649,103,000
Other Liabilities	$4,051,539,000
Minus: Debt Related to Capital Assets	-$1,831,049,000
Unfunded Pension Benefits	$2,442,216,000
Unfunded Retiree Health Care Benefits	$2,739,071,000
Total Bills	$13,050,880,000

Grade:	
C	Bottom line: Maine would need $3,700 from each of its taxpayers to pay all of its outstanding bills and received a "C" grade for its finances. According to Truth in Accounting's grading scale, any government with a Taxpayer Burden between $0 and $4,999 is given a "C" grade.

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The Truth

Money Needed to Pay Bills

$25.3 billion

Taxpayer Burden™

$11,400

Financial Grade

D

Ranking

37 out of 50

Maryland Remains in Bottom 20

Financial State of Maryland

Maryland's financial condition improved in 2022, but the state still needed $25.3 billion to pay its bills. Based upon the state's latest audited financial report for fiscal year 2022, it had a Taxpayer Burden™ of $11,400, earning it a "D" grade from Truth in Accounting.

Like many states in this year's report, Maryland's economic condition improved due to federal funding for COVID relief and increased tax collections attributed to taxpayers' pent-up tourism and purchasing demands. However, unfunded pensions and other employee retirement obligations continued to plague the state.

Over the last two years, the value of Maryland's pension investments has been subject to the volatility of the markets. In 2021, financial markets improved, and the state's pension system's investments reported significant gains. Unfortunately, the market conditions turned negative during fiscal year 2022, resulting in significant investment losses, which in turn caused the amount of unfunded promised pension benefits to increase. This volatility highlights the risk to pension systems and taxpayers when fixed benefits are partially funded by earnings from erratic markets.

The data included in this report is derived from Maryland's 2022 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other states' financial, demographic, and economic information, go to Data-Z.org.

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Maryland's Financial Breakdown

- Maryland had $35.1 billion available to pay $60.3 billion worth of bills.
- The outcome was a $25.3 billion shortfall, which breaks down to a burden of $11,400 per taxpayer.
- While Maryland's pension system reported a $4.5 billion increase in unfunded liabilities mostly due to unrealized losses in investment assets, the state reported $10 billion of revenues in excess of expenses, due to federal grants and increased taxes.

The State's Bills Exceeded Its Assets

Total Assets		$87,449,353,000
Minus:	Capital Assets	-$44,083,811,000
	Restricted Assets	-$8,314,468,000
Assets Available to Pay Bills		$35,051,074,000
Minus:	Total Bills*	$60,339,144,000
Money needed to pay bills		$25,288,070,000
Each taxpayer's share of this burden		$11,400

*Breakdown of Total Bills

Bonds		$26,163,015,000
Other Liabilities		$14,614,648,000
Minus:	Debt Related to Capital Assets	-$13,256,811,000
Unfunded Pension Benefits		$19,383,465,000
Unfunded Retiree Health Care Benefits		$13,434,827,000
Total Bills		$60,339,144,000

Grade:

D

Bottom line: Maryland would need $11,400 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.

The Truth

Money Needed to Pay Bills

$73.2 billion

Taxpayer Burden™

$26,700

Financial Grade

F

Ranking

47 out of 50

Massachusetts Remained in Bottom Five

Financial State of Massachusetts

Massachusetts' financial condition improved in 2022, but the state still needed $73.2 billion to pay its bills. Based upon the state's latest audited financial report for fiscal year 2022, it had a Taxpayer Burden™ of $26,700, earning it an "F" grade from Truth in Accounting.

Like many states in this year's report, Massachusetts' economic condition improved due to federal funding for COVID relief and increased tax collections attributed to taxpayers' pent-up tourism and purchasing demands. However, unfunded pensions and other employee retirement obligations continued to plague the state.

Over the last two years, the value of Massachusetts' pension investments has been subject to the volatility of the markets. In 2021, financial markets improved, and the state's pension system's investments reported significant gains. Unfortunately, the market conditions turned negative during fiscal year 2022, resulting in significant investment losses, which in turn caused the amount of unfunded promised pension benefits to increase. This volatility highlights the risk to pension systems and taxpayers when fixed benefits are partially funded by earnings from erratic markets.

The data included in this report is derived from Massachusetts' 2022 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other states' financial, demographic, and economic information, go to Data-Z.org.

Massachusetts' Financial Breakdown

- Massachusetts had $51.1 billion available to pay $124.3 billion worth of bills.
- The outcome was a $73.2 billion shortfall, which breaks down to a burden of $26,700 per taxpayer.
- Massachusetts revenues, including additional tax revenues and federal aid, exceeded its expenses. While this decreased the state's money needed to pay bills, the majority of this decrease was offset by a $6.4 billion increase in its unfunded pension benefits.

The State's Bills Exceeded Its Assets

Total Assets	$117,246,601,000
Minus: Capital Assets	-$57,567,205,000
Restricted Assets	-$8,583,903,000
Assets Available to Pay Bills	$51,095,493,000
Minus: Total Bills*	$124,313,789,000
Money needed to pay bills	$73,218,296,000
Each taxpayer's share of this burden	$26,700

*Breakdown of Total Bills

Bonds	$56,613,766,000
Other Liabilities	$28,093,250,000
Minus: Debt Related to Capital Assets	-$19,402,551,000
Unfunded Pension Benefits	$43,240,569,000
Unfunded Retiree Health Care Benefits	$15,768,755,000
Total Bills	$124,313,789,000

Grade:

F

Bottom line: Massachusetts would need $26,700 from each of its taxpayers to pay all of its outstanding bills and received an "F" grade for its finances. According to Truth in Accounting's grading scale, any government with a Taxpayer Burden greater than $20,000 is given an "F" grade.

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Money Needed to Pay Bills
$40.7 billion

Taxpayer Burden™
$12,100

Financial Grade
D

Ranking
38 out of 50

Michigan Fell to No. 38

Financial State of Michigan

Michigan's financial condition worsened in 2022, leaving the state with insufficient money to pay its bills. The shortfall amounted to $40.7 billion. Based upon the state's latest audited financial report for fiscal year 2022, it had a Taxpayer Burden™ of $12,100, earning it a "D" grade from Truth in Accounting.

Like many states, Michigan's economic condition improved due to federal funding for COVID relief and increased tax collections attributed to taxpayers' pent-up tourism and purchasing demands. However, unfunded retirement obligations continue to plague Michigan's ability to pay its bills.

Over the last two years, the value of Michigan's pension investments has been subject to the volatility of the markets. In 2021 financial markets improved and the state's pension investments reported significant gains. Unfortunately, market conditions turned negative during fiscal year 2022, resulting in significant unrealized investment losses which in turn caused the amount of unfunded promised pension benefits to increase. This volatility highlights the risk to pension systems and taxpayers of fixed benefits that are partially funded by earnings from erratic markets.

The data included in this report is derived from Michigan's 2022 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other states' financial, demographic, and economic information, go to Data-Z.org.

Michigan's Financial Breakdown

- Michigan had $47.4 billion available to pay $88 billion worth of bills.
- The outcome was a $40.7 billion shortfall, which breaks down to a burden of $12,100 per taxpayer.
- While Michigan's major pension and retiree health care plans reported positive annual returns of more than 26% in 2021, these returns became negative by more than 3% in 2022. The result was a significant increase in the amount of unfunded retirement benefits.

The State's Bills Exceeded Its Assets

Total Assets	$100,216,006,000
Minus: Capital Assets	-$30,370,612,000
Restricted Assets	-$22,494,241,000
Assets Available to Pay Bills	$47,351,153,000
Minus: Total Bills*	$88,040,117,000
Money needed to pay bills	$40,688,964,000
Each taxpayer's share of this burden	$12,100

*Breakdown of Total Bills

Bonds	$18,965,757,000
Other Liabilities	$21,832,889,000
Minus: Debt Related to Capital Assets	-$6,301,160,000
Unfunded Pension Benefits	$45,463,257,000
Unfunded Retiree Health Care Benefits	$8,079,374,000
Total Bills	$88,040,117,000

Grade:

D

Bottom line: Michigan would need $12,100 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.

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Money Available to Pay Bills
$8.9 billion

Taxpayer Surplus™
$4,300

Financial Grade
B

Ranking
14 out of 50

Minnesota Ranked in Top 20

Financial State of Minnesota

Minnesota's financial condition improved in 2022. Based upon the state's latest audited financial report for fiscal year 2022, it had a Taxpayer Surplus™ of $4,300, earning it a "B" grade from Truth in Accounting.

Minnesota had more than enough resources, $8.9 billion, to pay all its bills. Like many states, Minnesota's economic condition improved due to federal funding for COVID relief and increased tax collections attributed to taxpayers' pent-up tourism and purchasing demands. However, these increases may be transitory as federal COVID funds dissipate and tax collections return to more stabilized levels. Additional market declines after the state's fiscal year-end most likely caused decreases in the value of pension systems' assets, which could cause an increase in its unfunded pension promises.

Even though Minnesota was in good fiscal health at the end of its 2022 fiscal year, uncertainty surrounding the full economic recovery post-COVID makes it impossible to determine how much will be needed to maintain government services and benefits in the coming years. With such uncertainty, it is good that the state retains funds available to pay bills.

The data included in this report is derived from Minnesota's 2022 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other states' financial, demographic, and economic information, go to Data-Z.org.

Minnesota's Financial Breakdown

- Minnesota had $40.2 billion available to pay $31.3 billion worth of bills.
- The outcome was a $8.9 billion surplus, which breaks down to $4,300 per taxpayer.
- Minnesota saw improvements in its fiscal condition predominantly due to increased tax collection as the state recovered from the depressed economy during the pandemic.

The State's Assets Exceeded Its Bills

Total Assets	$91,822,798,000
Minus: Capital Assets	-$31,564,540,000
Restricted Assets	-$20,102,491,000
Assets Available to Pay Bills	$40,155,767,000
Minus: Total Bills*	$31,276,293,000
Money available to pay bills	$8,879,474,000
Each taxpayer's share of this surplus	$4,300

*Breakdown of Total Bills

Bonds	$16,934,822,000
Other Liabilities	$16,181,910,000
Minus: Debt Related to Capital Assets	-$7,327,842,000
Unfunded Pension Benefits	$4,334,966,000
Unfunded Retiree Health Care Benefits	$1,152,437,000
Total Bills	$31,276,293,000

Grade:

B

Bottom line: Minnesota had more than enough money to pay its outstanding bills and received a "B" grade for its finances. According to Truth in Accounting's grading scale, any government with a Taxpayer Surplus between $1 and $9,999 is given a "B" grade.

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Money Needed to Pay Bills

$5.9 billion

Taxpayer Burden™

$7,900

Financial Grade

D

Ranking

33 out of 50

Mississippi Remains in Bottom 20

Financial State of Mississippi

Mississippi's financial condition worsened in 2022, leaving the state with insufficient money to pay its bills. The shortfall amounted to $5.9 billion. Based upon the state's latest audited financial report for fiscal year 2022, it had a Taxpayer Burden™ of $7,900, earning it a "D" grade from Truth in Accounting.

Like many states, Mississippi's economic condition improved due to federal funding for COVID relief and increased tax collections attributed to taxpayers' pent-up tourism and purchasing demands. However, unfunded retirement obligations continue to plague Mississippi's ability to pay its bills.

Over the last two years, the value of Mississippi's pension investments has been subject to the volatility of the markets. In 2021 financial markets improved and the state's pension investments reported significant gains. Unfortunately, market conditions turned negative during fiscal year 2022, resulting in significant unrealized investment losses which in turn caused the amount of unfunded promised pension benefits to increase. This volatility highlights the risk to pension systems and taxpayers of fixed benefits that are partially funded by earnings from erratic markets.

The data included in this report is derived from Mississippi's 2022 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other states' financial, demographic, and economic information, go to Data-Z.org.

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Mississippi's Financial Breakdown

- Mississippi had $11.4 billion available to pay $17.2 billion worth of bills.
- The outcome was a $5.9 billion shortfall, which breaks down to a burden of $7,900 per taxpayer.
- The Public Employees' Retirement System reported an investment gain of more than 32% in 2021, but this was followed by an 8.5% loss in 2022. The resulting increase in the system unfunded pension benefits also caused a deterioration in the state's overall financial condition.

The State's Bills Exceeded Its Assets

Total Assets	$42,824,260,000
Minus: Capital Assets	-$22,814,051,000
Restricted Assets	-$8,653,286,000
Assets Available to Pay Bills	$11,356,923,000
Minus: Total Bills*	$17,241,789,000
Money needed to pay bills	$5,884,866,000
Each taxpayer's share of this burden	$7,900

*Breakdown of Total Bills

Bonds	$6,039,072,000
Other Liabilities	$7,026,716,000
Minus: Debt Related to Capital Assets	-$2,852,149,000
Unfunded Pension Benefits	$6,830,342,000
Unfunded Retiree Health Care Benefits	$197,808,000
Total Bills	$17,241,789,000

Grade:

D

Bottom line: Mississippi would need $7,900 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.

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Money Needed to Pay Bills
$1.3 billion

Taxpayer Burden™
$700

Financial Grade
C

Ranking
25 out of 50

Missouri's Finances Improved Slightly

Financial State of Missouri

Missouri's financial condition improved in 2022, but the state still needed $1.3 billion to pay its bills. Based upon the state's latest audited financial report for fiscal year 2022, it had a Taxpayer Burden™ of $700, earning it a "C" grade from Truth in Accounting.

Like many states in this year's report, Missouri's economic condition improved due to federal funding for COVID relief and increased tax collections attributed to taxpayers' pent-up tourism and purchasing demands. However, unfunded pensions and other employee retirement obligations continued to plague the state.

Over the last two years, the value of Missouri's pension investments has been subject to the volatility of the markets. In 2021, financial markets improved, and the state's pension system's investments reported significant gains. Unfortunately, the market conditions turned negative during fiscal year 2022, resulting in significant investment losses, which in turn caused the amount of unfunded promised pension benefits to increase. This volatility highlights the risk to pension systems and taxpayers when fixed benefits are partially funded by earnings from erratic markets.

The data included in this report is derived from Missouri's 2022 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other states' financial, demographic, and economic information, go to Data-Z.org.

Missouri's Financial Breakdown

- Missouri had $21.6 billion available to pay $22.9 billion worth of bills.
- The outcome was a $1.3 billion shortfall, which breaks down to a burden of $700 per taxpayer.
- The Missouri State Employees' Plan was at its highest unfunded amount in recent history. While the plan reported an investment gain of more than 26% in 2021, a loss of almost 9% was reported in 2022.

The State's Bills Exceeded Its Assets

Total Assets	$70,657,841,000
Minus: Capital Assets	-$40,468,239,000
Restricted Assets	-$8,601,796,000
Assets Available to Pay Bills	$21,587,806,000
Minus: Total Bills*	$22,867,631,000
Money needed to pay bills	$1,279,825,000
Each taxpayer's share of this burden	$700

*Breakdown of Total Bills

Bonds	$4,214,571,000
Other Liabilities	$9,806,764,000
Minus: Debt Related to Capital Assets	-$4,189,596,000
Unfunded Pension Benefits	$9,970,822,000
Unfunded Retiree Health Care Benefits	$3,065,070,000
Total Bills	$22,867,631,000

Grade:

C

Bottom line: Missouri would need $700 from each of its taxpayers to pay all of its outstanding bills and received a "C" grade for its finances. According to Truth in Accounting's grading scale, any government with a Taxpayer Burden between $0 and $4,999 is given a "C" grade.

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Money Available to Pay Bills

$1.7 billion

Taxpayer Surplus™

$4,300

Financial Grade

B

Ranking

13 out of 50

Montana's Financial Condition Improved

Financial State of Montana

Montana's financial condition improved in 2022. Based upon the state's latest audited financial report for fiscal year 2022, it had a Taxpayer Surplus™ of $4,300, earning it a "B" grade from Truth in Accounting.

Montana had more than enough resources, $1.7 billion, to pay all its bills. Like many states, Montana's economic condition improved due to federal funding for COVID relief and increased tax collections attributed to taxpayers' pent-up tourism and purchasing demands. However, these increases may be transitory as federal COVID funds dissipate and tax collections return to more stabilized levels. Additional market declines after the state's fiscal year-end most likely caused decreases in the value of pension systems' assets, which could cause an increase in its unfunded pension promises.

Even though Montana was in good fiscal health at the end of its 2022 fiscal year, uncertainty surrounding the full economic recovery post-COVID makes it impossible to determine how much will be needed to maintain government services and benefits in the coming years. With such uncertainty, it is good that the state retains funds available to pay bills.

The data included in this report is derived from Montana's 2022 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other states' financial, demographic, and economic information, go to Data-Z.org.

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Montana's Financial Breakdown

- Montana had $9.4 billion available to pay $7.8 billion worth of bills.
- The outcome was a $1.7 billion surplus, which breaks down to $4,300 per taxpayer.
- Montana's overall financial condition improved considerably, with much improvement coming from temporary federal COVID related funds and continued growth in tax revenue.

The State's Assets Exceeded Its Bills

Total Assets	$23,111,606,000
Minus: Capital Assets	-$8,461,687,000
Restricted Assets	-$5,226,658,000
Assets Available to Pay Bills	$9,423,261,000
Minus: Total Bills*	$7,765,749,000
Money available to pay bills	$1,657,512,000
Each taxpayer's share of this surplus	$4,300

*Breakdown of Total Bills

Bonds	$212,174,000
Other Liabilities	$5,271,284,000
Minus: Debt Related to Capital Assets	-$630,800,000
Unfunded Pension Benefits	$2,741,880,000
Unfunded Retiree Health Care Benefits	$171,211,000
Total Bills	$7,765,749,000

Grade:

B

Bottom line: Montana had more than enough money to pay its outstanding bills and received a "B" grade for its finances. According to Truth in Accounting's grading scale, any government with a Taxpayer Surplus between $1 and $9,999 is given a "B" grade.

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Money Available to Pay Bills
$5.3 billion

Taxpayer Surplus™
$8,200

Financial Grade
B

Ranking
6 out of 50

Nebraska Remains 6th

Financial State of Nebraska

Nebraska's financial condition improved in 2022. Based upon the state's latest audited financial report for fiscal year 2022, it had a Taxpayer Surplus™ of $8,200, earning it a "B" grade from Truth in Accounting.

Nebraska had more than enough resources, $5.3 billion, to pay all its bills. Like many states, Nebraska's economic condition improved due to federal funding for COVID relief and increased tax collections attributed to taxpayers' pent-up tourism and purchasing demands. However, these increases may be transitory as federal COVID funds dissipate and tax collections return to more stabilized levels. Additional market declines after the state's fiscal year-end most likely caused decreases in the value of pension systems' assets, which could cause an increase in its unfunded pension promises.

Even though Nebraska was in good fiscal health at the end of its 2022 fiscal year, uncertainty surrounding the full economic recovery post-COVID makes it impossible to determine how much will be needed to maintain government services and benefits in the coming years. With such uncertainty, it is good that the state retains funds available to pay bills.

The data included in this report is derived from Nebraska's 2022 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other states' financial, demographic, and economic information, go to Data-Z.org.

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Nebraska's Financial Breakdown

- In 2021, Nebraska had $10.9 billion available to pay $5.5 billion worth of bills.
- The outcome was a $5.3 billion surplus, which breaks down to $8,200 per taxpayer.
- Nebraska saw a net improvement over the previous year in large part due to reported COVID recovery funds. The state's retirement system appeared to be overfunded by $24.9 million, but maintaining an excess amount is advisable because the value of the plans' investments can fluctuate dramatically.

The State's Assets Exceeded Its Bills

Total Assets	$33,318,051,000
Minus: Capital Assets	-$13,443,267,000
Restricted Assets	-$9,008,762,000
Assets Available to Pay Bills	$10,866,022,000
Minus: Total Bills*	$5,530,109,000
Money available to pay bills	$5,335,913,000
Each taxpayer's share of this surplus	$8,200

*Breakdown of Total Bills

Bonds	$1,304,810,000
Other Liabilities	$5,366,936,000
Minus: Debt Related to Capital Assets	-$1,141,313,000
Overfunded Pension Benefits	-$24,930,000
Unfunded Retiree Health Care Benefits	$24,606,000
Total Bills	$5,530,109,000

Grade:

B

Bottom line: Nebraska had more than enough money to pay its outstanding bills and received a "B" grade for its finances. According to Truth in Accounting's grading scale, any government with a Taxpayer Surplus between $1 and $9,999 is given a "B" grade.

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Money Needed to Pay Bills
$877.9 million

Taxpayer Burden™
$800

Financial Grade
C

Ranking
26 out of 50

Nevada Releases Tardy Report

Financial State of Nevada

As of August 25, 2023, Nevada had not released its fiscal year 2022 annual financial report. Based upon the state's last audited financial report for fiscal year 2021, it had a Taxpayer Burden™ of $800, earning it a "C" grade from Truth in Accounting. At that time Nevada needed $877.9 billion to pay its bills.

Unfunded pensions and other employee retirement obligations continued to plague the state. Based upon the state's outdated data, in 2021 the state had only set aside 87 cents for every dollar of promised pension benefits and no money aside for promised retiree health care benefits. The state's retirement obligations could increase because of declines in the financial markets in 2022 and 2023. These declines could result in a significant decrease in the value of retirement systems' investments and cause the unfunded retirement promises to dramatically increase.

Nevada is extremely tardy with its annual financial report. The Government Finance Officers Association standard for timeliness is 180 days after the fiscal year-end. Truth in Accounting believes governments should release their financial reports within 100 days of the fiscal year-end. Without the information from the financial report, citizens and elected officials are left in the dark during the budgeting process.

The data included in this report is derived from Nevada's 2021 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other states' financial, demographic, and economic information, go to Data-Z.org.

Nevada's Financial Breakdown

- In 2021, Nevada had $11.9 billion available to pay $12.8 billion worth of bills.
- The outcome was a $877.9 million shortfall, which breaks down to a burden of $800 per taxpayer.
- As of August 25, 2023, Nevada had not released its fiscal year 2022 annual financial report. The information in this report could be very valuable during the state's budget process and other financial decisions.

The State's Bills Exceeded Its Assets

Total Assets	$29,275,573,000
Minus: Capital Assets	-$13,906,277,000
Restricted Assets	-$3,453,614,000
Assets Available to Pay Bills	$11,915,682,000
Minus: Total Bills*	$12,793,599,000
Money needed to pay bills	$877,917,000
Each taxpayer's share of this burden	$800

*Breakdown of Total Bills

Bonds	$3,740,685,000
Other Liabilities	$7,951,011,000
Minus: Debt Related to Capital Assets	-$2,171,865,000
Unfunded Pension Benefits	$1,782,238,000
Unfunded Retiree Health Care Benefits	$1,491,530,000
Total Bills	$12,793,599,000

Grade:	
C	Bottom line: Nevada would need $800 from each of its taxpayers to pay all of its outstanding bills and received a "C" grade for its finances. According to Truth in Accounting's grading scale, any government with a Taxpayer Burden between $0 and $4,999 is given a "C" grade.

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The Truth

Money Needed to Pay Bills

$1.6 billion

Taxpayer Burden™

$2,800

Financial Grade

C

Ranking

27 out of 50

New Hampshire's Financial Condition Worsened

Financial State of New Hampshire

New Hampshire's financial condition improved in 2022, but the state still needed $1.6 billion to pay its bills. Based upon the state's latest audited financial report for fiscal year 2022, it had a Taxpayer Burden™ of $2,800, earning it a "C" grade from Truth in Accounting.

Like many states in this year's report, New Hampshire's economic condition improved due to federal funding for COVID relief and increased tax collections attributed to taxpayers' pent-up tourism and purchasing demands. However, unfunded pensions and other employee retirement obligations continued to plague the state.

Over the last two years, the value of New Hampshire's pension investments has been subject to the volatility of the markets. In 2021, financial markets improved, and the state's pension system's investments reported significant gains. Unfortunately, the market conditions turned negative during fiscal year 2022, resulting in significant investment losses, which in turn caused the amount of unfunded promised pension benefits to increase. This volatility highlights the risk to pension systems and taxpayers when fixed benefits are partially funded by earnings from erratic markets.

The data included in this report is derived from New Hampshire's 2022 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other states' financial, demographic, and economic information, go to Data-Z.org.

New Hampshire's Financial Breakdown

- New Hampshire had $4.4 billion available to pay $5.9 billion worth of bills.
- The outcome was a $1.6 billion shortfall, which breaks down to a burden of $2,800 per taxpayer.
- The New Hampshire Retirement System reported an investment gain of almost 30percent in 2021, but this was followed by an 8.5% loss in 2022. The resulting increase in the system's unfunded pension benefits also caused a deterioration in the state's overall financial condition.

The State's Bills Exceeded Its Assets

Total Assets		$12,937,151,000
Minus:	Capital Assets	-$5,729,436,000
	Restricted Assets	-$2,855,229,000
Assets Available to Pay Bills		$4,352,486,000
Minus:	Total Bills*	$5,941,573,000
Money needed to pay bills		$1,589,087,000
Each taxpayer's share of this burden		$2,800

*Breakdown of Total Bills

Bonds		$1,445,441,000
Other Liabilities		$2,826,925,000
Minus:	Debt Related to Capital Assets	-$1,686,929,000
Unfunded Pension Benefits		$1,161,173,000
Unfunded Retiree Health Care Benefits		$2,194,963,000
Total Bills		$5,941,573,000

Grade:

C

Bottom line: New Hampshire would need $2,800 from each of its taxpayers to pay all of its outstanding bills and received a "C" grade for its finances. According to Truth in Accounting's grading scale, any government with a Taxpayer Burden between $0 and $4,999 is given a "C" grade.

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The Truth

Truth in Accounting

Money Needed to Pay Bills
$179.2 billion

Taxpayer Burden™
$53,600

Financial Grade
F

Ranking
50 out of 50

New Jersey Dead Last Again

Financial State of New Jersey

New Jersey's financial condition improved in 2022, but the state still needed $179.2 billion to pay its bills. Based upon the state's latest audited financial report for fiscal year 2022, it had a Taxpayer Burden™ of $53,600, earning it an "F" grade from Truth in Accounting.

Like many states in this year's report, New Jersey's economic condition improved due to federal funding for COVID relief and increased tax collections attributed to taxpayers' pent-up tourism and purchasing demands. However, unfunded pensions and other employee retirement obligations continued to plague the state.

Over the last two years, the value of New Jersey's pension investments has been subject to the volatility of the markets. In 2021, financial markets improved, and the state's pension system's investments reported significant gains. Unfortunately, the market conditions turned negative during fiscal year 2022, resulting in significant investment losses, which in turn caused the amount of unfunded promised pension benefits to increase. This volatility highlights the risk to pension systems and taxpayers when fixed benefits are partially funded by earnings from erratic markets.

The data included in this report is derived from New Jersey's 2022 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other states' financial, demographic, and economic information, go to Data-Z.org.

New Jersey's Financial Breakdown

- New Jersey had $48.7 billion available to pay $227.9 billion worth of bills.
- The outcome was a $179.2 billion shortfall, which breaks down to a burden of $53,600 per taxpayer.
- New Jersey had set aside less than 42 cents for every dollar of promised pension benefits. Less than one cent had been set aside for every dollar of promised retiree health care benefits.

The State's Bills Exceeded Its Assets

Total Assets	$133,545,762,000
Minus: Capital Assets	-$62,405,956,000
Restricted Assets	-$22,463,900,000
Assets Available to Pay Bills	$48,675,906,000
Minus: Total Bills*	$227,879,842,000
Money needed to pay bills	$179,203,936,000
Each taxpayer's share of this burden	$53,600

*Breakdown of Total Bills

Bonds	$61,096,492,000
Other Liabilities	$29,138,222,000
Minus: Debt Related to Capital Assets	-$38,870,423,000
Unfunded Pension Benefits	$84,415,923,000
Unfunded Retiree Health Care Benefits	$92,099,628,000
Total Bills	$227,879,842,000

Grade:	
F	Bottom line: New Jersey would need $53,600 from each of its taxpayers to pay all of its outstanding bills and received an "F" grade for its finances. According to Truth in Accounting's grading scale, any government with a Taxpayer Burden greater than $20,000 is given an "F" grade.

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The Truth

Truth in Accounting

Money Needed to Pay Bills

$5.2 billion

Taxpayer Burden™

$8,500

Financial Grade

D

Ranking

34 out of 50

New Mexico's Finances Deteriorated

Financial State of New Mexico

New Mexico's financial condition worsened in 2022, leaving the state with insufficient money to pay its bills. The shortfall amounted to $5.2 billion. Based upon the state's latest audited financial report for fiscal year 2022, it had a Taxpayer Burden™ of $8,500, earning it a "D" grade from Truth in Accounting.

Like many states, New Mexico's economic condition improved due to federal funding for COVID relief and increased tax collections attributed to taxpayers' pent-up tourism and purchasing demands. However, unfunded retirement obligations continue to plague New Mexico's ability to pay its bills.

Over the last two years, the value of New Mexico's pension investments has been subject to the volatility of the markets. In 2021, financial markets improved and the state's pension investments reported significant gains. Unfortunately, market conditions turned negative during fiscal year 2022, resulting in significant unrealized investment losses, which in turn caused the amount of unfunded promised pension benefits to increase. This volatility highlights the risk to pension systems and taxpayers of fixed benefits that are partially funded by earnings from erratic markets.

The data included in this report is derived from New Mexico's 2022 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other states' financial, demographic, and economic information, go to Data-Z.org.

New Mexico's Financial Breakdown

- New Mexico had $14.3 billion available to pay $19.5 billion worth of bills.
- The outcome was a $5.2 billion shortfall, which breaks down to a burden of $8,500 per taxpayer.
- The Public Employees Retirement System reported an investment gain of more than 25% in 2021, but this was followed by a more than 3% loss in 2022. The resulting increase in the system unfunded pension benefits also caused a deterioration in the state's overall financial condition.

The State's Bills Exceeded Its Assets

Total Assets	$71,433,133,000
Minus: Capital Assets	-$10,976,974,000
Restricted Assets	-$46,168,587,000
Assets Available to Pay Bills	$14,287,572,000
Minus: Total Bills*	$19,456,495,000
Money needed to pay bills	$5,168,923,000
Each taxpayer's share of this burden	$8,500

*Breakdown of Total Bills

Bonds	$6,727,343,000
Other Liabilities	$7,878,049,000
Minus: Debt Related to Capital Assets	-$2,359,001,000
Unfunded Pension Benefits	$6,293,320,000
Unfunded Retiree Health Care Benefits	$916,784,000
Total Bills	$19,456,495,000

Grade:

D

Bottom line: New Mexico would need $8,500 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.

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The Truth

Truth in Accounting

Money Needed to Pay Bills
$82.4 billion

Taxpayer Burden™
$12,100

Financial Grade
D

Ranking
39 out of 50

New York's Financial Position Improved

Financial State of New York

New York's financial condition improved in 2022, but the state still needed $82.4 billion to pay its bills. Based upon the state's audited financial report for fiscal year 2022, it had a Taxpayer Burden™ of $12,100, earning it a "D" grade from Truth in Accounting.

In addition, New York's pension system moved to an over-funded position due to strong investment income for its fiscal year ending March 31, 2022. An over-funded position during a good economic cycle is desirable because of the volatility of financial markets.

On the other hand, the state's unfunded retiree healthcare promises also decreased by $8 billion due to an increase in the discount rate used to calculate the current value of benefits to be paid in the future. Even with this decrease, New York still needed $92 billion to fund the retiree health care benefits its employees had earned to date.

The data included in this report is derived from New York's 2022 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other states' financial, demographic, and economic information, go to Data-Z.org.

New York's Financial Breakdown

- New York had $238.6 billion available to pay $320.9 billion worth of bills.
- The outcome was a $82.4 billion shortfall, which breaks down to a burden of $12,100 per taxpayer.
- The state's revenue exceeded its expenses by more than $20 billion due to an increase in taxes, charges for services and grants. The New York State Health Insurance Plan liability decreased by more than $8.5 billion due to a change in the discount rate from 2.84 percent to 2.34 percent.

The State's Bills Exceeded Its Assets

Total Assets		$507,684,000,000
Minus:	Capital Assets	-$229,704,000,000
	Restricted Assets	-$39,421,000,000
Assets Available to Pay Bills		$238,559,000,000
Minus:	Total Bills*	$320,919,362,000
Money needed to pay bills		$82,360,362,000
Each taxpayer's share of this burden		$12,100

*Breakdown of Total Bills

Bonds		$126,840,000,000
Other Liabilities		$216,632,000,000
Minus:	Debt Related to Capital Assets	-$114,998,000,000
Overfunded Pension Benefits		-$18,558,000
Unfunded Retiree Health Care Benefits		$92,463,920,000
Total Bills		$320,919,362,000

Grade:

D

Bottom line: New York would need $12,100 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.

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The Truth

Truth in Accounting

Money Available to Pay Bills

$13.2 billion

Taxpayer Surplus™

$3,900

Financial Grade

B

Ranking

15 out of 50

North Carolina Ranked 15

Financial State of North Carolina

North Carolina's financial condition improved in 2022. Based upon the state's latest audited financial report for fiscal year 2022, it had a Taxpayer Surplus™ of $3,900, earning it a "B" grade from Truth in Accounting.

North Carolina had more than enough resources, $13.2 billion, to pay all its bills. Like many states, North Carolina's economic condition improved due to federal funding for COVID relief and increased tax collections attributed to taxpayers' pent-up tourism and purchasing demands. However, these increases may be transitory as federal COVID funds dissipate and tax collections return to more stabilized levels. Additional market declines after the state's fiscal year-end most likely caused decreases in the value of pension systems' assets, which could cause an increase in its unfunded pension promises.

Even though North Carolina was in good fiscal health at the end of its 2022 fiscal year, uncertainty surrounding the full economic recovery post-COVID makes it impossible to determine how much will be needed to maintain government services and benefits in the coming years. With such uncertainty, it is good that the state retains funds available to pay bills.

The data included in this report is derived from North Carolina's 2022 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other states' financial, demographic, and economic information, go to Data-Z.org.

North Carolina's Financial Breakdown

- North Carolina had $60.5 billion available to pay $47.4 billion worth of bills.
- The outcome was a $13.2 billion surplus, which breaks down to $3,900 per taxpayer.
- North Carolina's financial position improved largely due to Federal COVID funds and increased Medicaid funding. The improvement is despite changes in actuarial assumptions that increased its unfunded pension benefits and decreased unfunded retiree health care benefits.

The State's Assets Exceeded Its Bills

Total Assets		$161,354,059,000
Minus:	Capital Assets	-$87,354,089,000
	Restricted Assets	-$13,453,601,000
Assets Available to Pay Bills		$60,546,369,000
Minus:	Total Bills*	$47,370,991,000
Money available to pay bills		$13,175,378,000
Each taxpayer's share of this surplus		$3,900

*Breakdown of Total Bills

Bonds		$13,919,265,000
Other Liabilities		$26,696,783,000
Minus:	Debt Related to Capital Assets	-$12,534,822,000
Unfunded Pension Benefits		$7,118,616,000
Unfunded Retiree Health Care Benefits		$12,171,149,000
Total Bills		$47,370,991,000

Grade:

B

Bottom line: North Carolina had more than enough money to pay its outstanding bills and received a "B" grade for its finances. According to Truth in Accounting's grading scale, any government with a Taxpayer Surplus between $1 and $9,999 is given a "B" grade.

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The Truth

Money Available to Pay Bills

$12.8 billion

Taxpayer Surplus™

$47,400

Financial Grade

A

Ranking

2 out of 50

North Dakota Ranked No. 2

Financial State of North Dakota

North Dakota's financial condition deteriorated in 2022, but the state still had more than enough resources, $12.8 billion, to pay all its bills. Based upon the state's latest audited financial report for fiscal year 2022, it had a Taxpayer Surplus™ of $47,400, earning it an "A" grade from Truth in Accounting.

Like many states in this year's report, North Dakota's economic condition improved due to federal funding for COVID relief and increased tax collections attributed to taxpayers' pent-up tourism and purchasing demands. However, these increases may be transitory as federal COVID funds dissipate and tax collections return to more stabilized levels. Additional market declines after the state's fiscal year-end most likely caused decreases in the value of pension systems' assets, which could cause an increase in its unfunded pension promises.

Even though North Dakota was in good fiscal health at the end of its 2022 fiscal year, uncertainty surrounding the full economic recovery post-COVID makes it impossible to determine how much will be needed to maintain government services and benefits in the coming years. With such uncertainty, it is good that the state retains funds available to pay bills.

The data included in this report is derived from North Dakota's 2022 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other states' financial, demographic, and economic information, go to Data-Z.org.

North Dakota's Financial Breakdown

- North Dakota had $23.4 billion available to pay $10.5 billion worth of bills.
- The outcome was a $12.8 billion surplus, which breaks down to $47,400 per taxpayer.
- While the state's financial condition decreased slightly, North Dakota received its ninth "A" grade for financial condition.

The State's Assets Exceeded Its Bills

Total Assets		$41,316,986,000
Minus:	Capital Assets	-$7,827,304,000
	Restricted Assets	-$10,135,685,000
Assets Available to Pay Bills		$23,353,997,000
Minus:	Total Bills*	$10,507,579,000
Money available to pay bills		$12,846,418,000
Each taxpayer's share of this surplus		$47,400

*Breakdown of Total Bills

Bonds		$2,945,367,000
Other Liabilities		$6,739,388,000
Minus:	Debt Related to Capital Assets	-$733,651,000
Unfunded Pension Benefits		$1,513,326,000
Unfunded Retiree Health Care Benefits		$43,149,000
Total Bills		$10,507,579,000

Grade:	
A	Bottom line: North Dakota had more than enough money to pay its outstanding bills and received an "A" grade for its finances. According to Truth in Accounting's grading scale, any government with a Taxpayer Surplus greater than $10,000 is given an "A" grade.

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The Truth

Money Available to Pay Bills

$799.2 million

Taxpayer Surplus™

$200

Financial Grade

B

Ranking

22 out of 50

Ohio's Financial Condition Improved

Financial State of Ohio

Ohio's financial condition improved in 2022. Based upon the state's latest audited financial report for fiscal year 2022, it had a Taxpayer Surplus™ of $200, earning it a "B" grade from Truth in Accounting.

Ohio had more than enough resources, $799.2 million, to pay all its bills. Like many states, Ohio's economic condition improved due to federal funding for COVID relief and increased tax collections attributed to taxpayers' pent-up tourism and purchasing demands. However, these increases may be transitory as federal COVID funds dissipate and tax collections return to more stabilized levels. Additional market declines after the state's fiscal year-end most likely caused decreases in the value of pension systems' assets, which could cause an increase in its unfunded pension promises.

Even though Ohio was in good fiscal health at the end of its 2022 fiscal year, uncertainty surrounding the full economic recovery post-COVID makes it impossible to determine how much will be needed to maintain government services and benefits in the coming years. With such uncertainty, it is good that the state retains funds available to pay bills.

The data included in this report is derived from Ohio's 2022 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other states' financial, demographic, and economic information, go to Data-Z.org.

Ohio's Financial Breakdown

- Ohio had $70.4 billion available to pay $69.6 billion worth of bills.
- The outcome was a $799.2 million surplus, which breaks down to $200 per taxpayer.
- Ohio's overall financial condition improved significantly in 2022, causing it to move from a sinkhole to a sunshine state. This is primarily due to the decrease in unfunded pension and retiree health care benefits, and increased tax collections.

The State's Assets Exceeded Its Bills

Total Assets	$142,974,611,000
Minus: Capital Assets	-$48,041,238,000
Restricted Assets	-$24,578,538,000
Assets Available to Pay Bills	$70,354,835,000
Minus: Total Bills*	$69,555,683,000
Money available to pay bills	$799,152,000
Each taxpayer's share of this surplus	$200

*Breakdown of Total Bills

Bonds	$29,704,477,000
Other Liabilities	$46,828,439,000
Minus: Debt Related to Capital Assets	-$12,138,883,000
Unfunded Pension Benefits	$6,367,644,000
Overfunded Retiree Health Care Benefits	-$1,205,994,000
Total Bills	$69,555,683,000

Grade:

B

Bottom line: Ohio had more than enough money to pay its outstanding bills and received a "B" grade for its finances. According to Truth in Accounting's grading scale, any government with a Taxpayer Surplus between $1 and $9,999 is given a "B" grade.

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The Truth

Truth in Accounting

Money Available to Pay Bills
$5.7 billion

Taxpayer Surplus™
$5,200

Financial Grade
B

Ranking
10 out of 50

Oklahoma: Tardy with Financial Report

Financial State of Oklahoma

As of August 25, 2023, Oklahoma had not released its fiscal year 2022 annual financial report. Based upon the state's last audited financial report for fiscal year 2021, it had a Taxpayer Surplus™ of $5,200, earning it a "B" grade from Truth in Accounting. Using its 2021 data, the state had $5.7 billion available to pay its bills, but this could change dramatically because of the decline in the financial markets in 2022 and 2023.

Unfunded pension promises are determined by subtracting the earned and accrued pension benefits from the value of the pension investments. The information for many states that have produced their 2022 financial reports revealed that the large unrealized gains of 2021 turned into losses in 2022. When newer data is available, the state's amount of unfunded pension promises could increase significantly.

Oklahoma is extremely tardy with its annual financial report. The Government Finance Officers Association standard for timeliness is 180 days after the fiscal year-end. Truth in Accounting believes governments should release their financial reports within 100 days of the fiscal year-end. Without the information from the financial report, citizens and elected officials are left in the dark during the budgeting process.

The data included in this report is derived from Oklahoma's 2021 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other states' financial, demographic, and economic information, go to Data-Z.org.

Oklahoma's Financial Breakdown

- In 2021, Oklahoma had $17.6 billion available to pay $11.9 billion worth of bills.
- The outcome was a $5.7 billion surplus, which breaks down to $5,200 per taxpayer.
- As of August 25, 2023, Oklahoma had not released its fiscal year 2022 annual financial report. The information in this report could be very valuable during the state's budget process and other financial decisions.

The State's Assets Exceeded Its Bills

Total Assets	$53,190,803,000
Minus: Capital Assets	-$23,357,929,000
Restricted Assets	-$12,257,494,000
Assets Available to Pay Bills	$17,575,380,000
Minus: Total Bills*	$11,868,754,000
Money available to pay bills	$5,706,626,000
Each taxpayer's share of this surplus	$5,200

*Breakdown of Total Bills

Bonds	$8,374,020,000
Other Liabilities	$6,887,000,000
Minus: Debt Related to Capital Assets	-$6,802,841,000
Unfunded Pension Benefits	$3,048,418,000
Unfunded Retiree Health Care Benefits	$362,157,000
Total Bills	$11,868,754,000

Grade:

B

Bottom line: Oklahoma had more than enough money to pay its outstanding bills and received a "B" grade for its finances. According to Truth in Accounting's grading scale, any government with a Taxpayer Surplus between $1 and $9,999 is given a "B" grade.

The Truth

Truth in Accounting

Money Available to Pay Bills

$10.7 billion

Taxpayer Surplus™

$7,300

Financial Grade

B

Ranking

8 out of 50

Oregon Ranked No. 8

Financial State of Oregon

Oregon's financial condition improved in 2022. Based upon the state's latest audited financial report for fiscal year 2022, it had a Taxpayer Surplus™ of $7,300, earning it a "B" grade from Truth in Accounting.

Oregon had more than enough resources, $10.7 billion, to pay all its bills. Like many states, Oregon's economic condition improved due to federal funding for COVID relief and increased tax collections attributed to taxpayers' pent-up tourism and purchasing demands. However, these increases may be transitory as federal COVID funds dissipate and tax collections return to more stabilized levels. Additional market declines after the state's fiscal year-end most likely caused decreases in the value of pension systems' assets, which could cause an increase in its unfunded pension promises.

Even though Oregon was in good fiscal health at the end of its 2022 fiscal year, uncertainty surrounding the full economic recovery post-COVID makes it impossible to determine how much will be needed to maintain government services and benefits in the coming years. With such uncertainty, it is good that the state retains funds available to pay bills.

The data included in this report is derived from Oregon's 2022 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other states' financial, demographic, and economic information, go to Data-Z.org.

Oregon's Financial Breakdown

- Oregon had $37.1 billion available to pay $26.4 billion worth of bills.
- The outcome was a $10.7 billion surplus, which breaks down to $7,300 per taxpayer.
- Operating grants and contributions increased $3.4 billion from fiscal year 2021 primarily due to an increase in reimbursement for Medicaid costs and combating the effects of COVID.

The State's Assets Exceeded Its Bills

Total Assets	$75,035,686,000
Minus: Capital Assets	-$24,249,862,000
Restricted Assets	-$13,703,095,000
Assets Available to Pay Bills	$37,082,729,000
Minus: Total Bills*	$26,400,518,000
Money available to pay bills	$10,682,211,000
Each taxpayer's share of this surplus	$7,300

*Breakdown of Total Bills

Bonds	$14,614,381,000
Other Liabilities	$14,031,673,000
Minus: Debt Related to Capital Assets	-$7,536,453,000
Unfunded Pension Benefits	$5,349,288,000
Overfunded Retiree Health Care Benefits	-$58,371,000
Total Bills	$26,400,518,000

Grade:

B

Bottom line: Oregon had more than enough money to pay its outstanding bills and received a "B" grade for its finances. According to Truth in Accounting's grading scale, any government with a Taxpayer Surplus between $1 and $9,999 is given a "B" grade.

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Money Needed to Pay Bills

$51.3 billion

Taxpayer Burden™

$11,300

Financial Grade

D

Ranking

36 out of 50

Pennsylvania's Financial Condition Improved

Financial State of Pennsylvania

Pennsylvania's financial condition improved in 2022, but the state still needed $51.3 billion to pay its bills. Based upon the state's latest audited financial report for fiscal year 2022, it had a Taxpayer Burden™ of $11,300, earning it a "D" grade from Truth in Accounting.

Even though Pennsylvania's financial report was for the fiscal year ending June 30, 2022, the State Employees Retirement System's liability was measured for the year ended December 31, 2021. In that fiscal year, the liability decreased because the system's investments experienced an unrealized gain of 17.2%, a $5.7 billion increase. The calculated amount of the state's unfunded retiree health promises also decreased because of an increase in the discount rates used to calculate the current value of benefits to be paid in the future.

However, these positive economic factors did not change the fact that Pennsylvania needed more than $51 billion to pay its outstanding bills, including unfunded retirement obligations.

The data included in this report is derived from Pennsylvania's 2022 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other states' financial, demographic, and economic information, go to Data-Z.org.

Pennsylvania's Financial Breakdown

- Pennsylvania had $60.9 billion available to pay $112.2 billion worth of bills.
- The outcome was a $51.3 billion shortfall, which breaks down to a burden of $11,300 per taxpayer.
- Pennsylvania's overall financial condition improved significantly as a result of federal COVID-related grants, yet it still did not have enough money to pay its bills.

The State's Bills Exceeded Its Assets

Total Assets	$129,755,750,000
Minus: Capital Assets	-$54,899,500,000
Restricted Assets	-$13,958,296,000
Assets Available to Pay Bills	$60,897,954,000
Minus: Total Bills*	$112,245,441,000
Money needed to pay bills	$51,347,487,000
Each taxpayer's share of this burden	$11,300

*Breakdown of Total Bills

Bonds	$38,854,703,000
Other Liabilities	$35,585,831,000
Minus: Debt Related to Capital Assets	-$17,638,728,000
Unfunded Pension Benefits	$34,873,392,000
Unfunded Retiree Health Care Benefits	$20,570,243,000
Total Bills	$112,245,441,000

Grade:

D

Bottom line: Pennsylvania would need $11,300 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.

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The Truth

Truth in Accounting

Money Needed to Pay Bills
$4.3 billion

Taxpayer Burden™
$10,400

Financial Grade
D

Ranking
35 out of 50

Rhode Island's Financial Condition Worsened

Financial State of Rhode Island

Rhode Island's financial condition worsened in 2022, leaving the state with insufficient money to pay its bills. The shortfall amounted to $4.3 billion. Based upon the state's latest audited financial report for fiscal year 2022, it had a Taxpayer Burden™ of $10,400, earning it a "D" grade from Truth in Accounting.

Like many states, Rhode Island's economic condition improved due to federal funding for COVID relief and increased tax collections attributed to taxpayers' pent-up tourism and purchasing demands. However, unfunded retirement obligations continue to plague Rhode Island's ability to pay its bills.

Over the last two years, the value of Rhode Island's pension investments has been subject to the volatility of the markets. In 2021 financial markets improved and the state's pension investments reported significant gains. Unfortunately, market conditions turned negative during fiscal year 2022, resulting in significant unrealized investment losses which in turn caused the amount of unfunded promised pension benefits to increase. This volatility highlights the risk to pension systems and taxpayers of fixed benefits that are partially funded by earnings from erratic markets.

The data included in this report is derived from Rhode Island's 2022 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other states' financial, demographic, and economic information, go to Data-Z.org.

Rhode Island's Financial Breakdown

- Rhode Island had $8.1 billion available to pay $12.4 billion worth of bills.
- The outcome was a $4.3 billion shortfall, which breaks down to a burden of $10,400 per taxpayer.
- Rhode Island's overall financial condition worsened in 2022 slightly. While all of the state's major pension funds reported gains on investments of more than 27% in 2021, they reported small losses in 2022.

The State's Bills Exceeded Its Assets

Total Assets	$19,296,736,000
Minus: Capital Assets	-$7,700,608,000
Restricted Assets	-$3,486,977,000
Assets Available to Pay Bills	$8,109,151,000
Minus: Total Bills*	$12,364,530,000
Money needed to pay bills	$4,255,379,000
Each taxpayer's share of this burden	$10,400

*Breakdown of Total Bills

Bonds	$5,587,444,000
Other Liabilities	$4,792,321,000
Minus: Debt Related to Capital Assets	-$1,685,358,000
Unfunded Pension Benefits	$3,401,929,000
Unfunded Retiree Health Care Benefits	$268,194,000
Total Bills	$12,364,530,000

Grade:

D

Bottom line: Rhode Island would need $10,400 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.

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The Truth

Money Needed to Pay Bills

$23 billion

Taxpayer Burden™

$14,000

Financial Grade

D

Ranking

40 out of 50

South Carolina's Finances Remain Shaky

Financial State of South Carolina

South Carolina's financial condition worsened in 2022, leaving the state with insufficient money to pay its bills. The shortfall amounted to $23 billion. Based upon the state's latest audited financial report for fiscal year 2022, it had a Taxpayer Burden™ of $14,000, earning it a "D" grade from Truth in Accounting.

Like many states, South Carolina's economic condition improved due to federal funding for COVID relief and increased tax collections attributed to taxpayers' pent-up tourism and purchasing demands. However, unfunded retirement obligations continue to plague South Carolina's ability to pay its bills.

Over the last two years, the value of South Carolina's pension investments has been subject to the volatility of the markets. In 2021 financial markets improved and the state's pension investments reported significant gains. Unfortunately, market conditions turned negative during fiscal year 2022, resulting in significant unrealized investment losses which in turn caused the amount of unfunded promised pension benefits to increase. This volatility highlights the risk to pension systems and taxpayers of fixed benefits that are partially funded by earnings from erratic markets.

The data included in this report is derived from South Carolina's 2022 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other states' financial, demographic, and economic information, go to Data-Z.org.

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South Carolina's Financial Breakdown

- South Carolina had $29.9 billion available to pay $52.9 billion worth of bills.
- The outcome was a $23 billion shortfall, which breaks down to a burden of $14,000 per taxpayer.
- The South Carolina Retirement System reported an investment gain of 28% in 2021, but an investment loss in 2022. This loss increased the state's unfunded pension benefits and money needed to pay bills.

The State's Bills Exceeded Its Assets

Total Assets		$81,090,474,000
Minus:	Capital Assets	-$33,800,007,000
	Restricted Assets	-$17,352,745,000
Assets Available to Pay Bills		$29,937,722,000
Minus:	Total Bills*	$52,909,034,000
Money needed to pay bills		$22,971,312,000
Each taxpayer's share of this burden		$14,000

*Breakdown of Total Bills

Bonds		$13,125,189,000
Other Liabilities		$17,854,054,000
Minus:	Debt Related to Capital Assets	-$9,065,667,000
Unfunded Pension Benefits		$14,899,538,000
Unfunded Retiree Health Care Benefits		$16,095,920,000
Total Bills		$52,909,034,000

Grade:	
D	Bottom line: South Carolina would need $14,000 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.

The Truth

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Money Available to Pay Bills
$2.1 billion

Taxpayer Surplus™
$6,900

Financial Grade
B

Ranking
9 out of 50

South Dakota Ranked in Top Ten

Financial State of South Dakota

South Dakota's financial condition deteriorated in 2022, but the state still had more than enough resources, $2.1 billion, to pay all its bills. Based upon the state's latest audited financial report for fiscal year 2022, it had a Taxpayer Surplus™ of $6,900, earning it a "B" grade from Truth in Accounting.

Like many states in this year's report, South Dakota's economic condition improved due to federal funding for COVID relief and increased tax collections attributed to taxpayers' pent-up tourism and purchasing demands. However, these increases may be transitory as federal COVID funds dissipate and tax collections return to more stabilized levels. Additional market declines after the state's fiscal year-end most likely caused decreases in the value of pension systems' assets, which could cause an increase in its unfunded pension promises.

Even though South Dakota was in good fiscal health at the end of its 2022 fiscal year, uncertainty surrounding the full economic recovery post-COVID makes it impossible to determine how much will be needed to maintain government services and benefits in the coming years. With such uncertainty, it is good that the state retains funds available to pay bills.

The data included in this report is derived from South Dakota's 2022 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other states' financial, demographic, and economic information, go to Data-Z.org.

South Dakota's Financial Breakdown

- South Dakota had $6 billion available to pay $3.9 billion worth of bills.
- The outcome was a $2.1 billion surplus, which breaks down to $6,900 per taxpayer.
- South Dakota had no unfunded retiree health care benefits and its pension plans appeared to be overfunded by $3.1 million, but maintaining a surplus is advisable because the value of pension plan assets can fluctuate dramatically.

The State's Assets Exceeded Its Bills

Total Assets	$15,847,386,000
Minus: Capital Assets	-$6,253,957,000
Restricted Assets	-$3,584,927,000
Assets Available to Pay Bills	$6,008,502,000
Minus: Total Bills*	$3,867,076,000
Money available to pay bills	$2,141,426,000
Each taxpayer's share of this surplus	$6,900

*Breakdown of Total Bills

Bonds	$2,282,376,000
Other Liabilities	$2,296,210,000
Minus: Debt Related to Capital Assets	-$708,375,000
Overfunded Pension Benefits	-$3,135,000
Unfunded Retiree Health Care Benefits	$0
Total Bills	$3,867,076,000

Grade:

B

Bottom line: South Dakota had more than enough money to pay its outstanding bills and received a "B" grade for its finances. According to Truth in Accounting's grading scale, any government with a Taxpayer Surplus between $1 and $9,999 is given a "B" grade.

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Money Available to Pay Bills
$20.9 billion

Taxpayer Surplus™
$9,500

Financial Grade
B

Ranking
5 out of 50

Tennessee's Rises to No. 5

Financial State of Tennessee

Tennessee's financial condition improved in 2022. Based upon the state's latest audited financial report for fiscal year 2022, it had a Taxpayer Surplus™ of $9,500, earning it a "B" grade from Truth in Accounting.

Tennessee had more than enough resources, $20.9 billion, to pay all its bills. Like many states, Tennessee's economic condition improved due to federal funding for COVID relief and increased tax collections attributed to taxpayers' pent-up tourism and purchasing demands. However, these increases may be transitory as federal COVID funds dissipate and tax collections return to more stabilized levels. Additional market declines after the state's fiscal year-end most likely caused decreases in the value of pension systems' assets, which could cause an increase in its unfunded pension promises.

Even though Tennessee was in good fiscal health at the end of its 2022 fiscal year, uncertainty surrounding the full economic recovery post-COVID makes it impossible to determine how much will be needed to maintain government services and benefits in the coming years. With such uncertainty, it is good that the state retains funds available to pay bills.

The data included in this report is derived from Tennessee's 2022 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other states' financial, demographic, and economic information, go to Data-Z.org.

Tennessee's Financial Breakdown

- Tennessee had $37.5 billion available to pay $16.6 billion worth of bills.
- The outcome was a $20.9 billion surplus, which breaks down to $9,500 per taxpayer.
- Tennessee's overall financial condition improved largely as a result of federal COVID-related grants and increased revenues. The state's pension plans appeared to be overfunded by $696.6 billion, but maintaining an excess amount is advisable because the value of the plans' investments can fluctuate dramatically.

The State's Assets Exceeded Its Bills

Total Assets	$85,198,572,000
Minus: Capital Assets	-$40,842,091,000
Restricted Assets	-$6,822,394,000
Assets Available to Pay Bills	$37,534,087,000
Minus: Total Bills*	$16,631,185,000
Money available to pay bills	$20,902,902,000
Each taxpayer's share of this surplus	$9,500

*Breakdown of Total Bills

Bonds	$8,736,300,000
Other Liabilities	$10,160,722,000
Minus: Debt Related to Capital Assets	-$2,678,622,000
Overfunded Pension Benefits	-$696,593,000
Unfunded Retiree Health Care Benefits	$1,109,378,000
Total Bills	$16,631,185,000

Grade:	
B	Bottom line: Tennessee had more than enough money to pay its outstanding bills and received a "B" grade for its finances. According to Truth in Accounting's grading scale, any government with a Taxpayer Surplus between $1 and $9,999 is given a "B" grade.

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Money Needed to Pay Bills

$38.4 billion

Taxpayer Burden™

$4,300

Financial Grade

C

Ranking

30 out of 50

Texas Improved Financially in 2022

Financial State of Texas

Texas' financial condition improved in 2022, but the state still needed $38.4 billion to pay its bills. Based upon the state's latest audited financial report for fiscal year 2022, it had a Taxpayer Burden™ of $4,300, earning it a "C" grade from Truth in Accounting.

Like many states in this year's report, Texas' economic condition improved due to federal funding for COVID relief and increased tax collections attributed to taxpayers' pent-up tourism and purchasing demands. However, unfunded pensions and other employee retirement obligations continued to plague the state.

Over the last two years, the value of Texas' pension investments has been subject to the volatility of the markets. In 2021, financial markets improved, and the state's pension system's investments reported significant gains. Unfortunately, the market conditions turned negative during fiscal year 2022, resulting in significant investment losses, which in turn caused the amount of unfunded promised pension benefits to increase. This volatility highlights the risk to pension systems and taxpayers when fixed benefits are partially funded by earnings from erratic markets.

The data included in this report is derived from Texas' 2022 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other states' financial, demographic, and economic information, go to Data-Z.org.

Texas' Financial Breakdown

- Texas had $147.6 billion available to pay $186 billion worth of bills.
- The outcome was a $38.4 billion shortfall, which breaks down to a burden of $4,300 per taxpayer.
- Texas improved its financial condition in 2022, but it still did not have enough money to pay its bills. The improvement was primarily due to increases in federal revenue related to COVID.

The State's Bills Exceeded Its Assets

Total Assets	$478,230,887,000
Minus: Capital Assets	-$179,053,888,000
Restricted Assets	-$151,606,877,000
Assets Available to Pay Bills	$147,570,122,000
Minus: Total Bills*	$185,992,873,000
Money needed to pay bills	$38,422,751,000
Each taxpayer's share of this burden	$4,300

*Breakdown of Total Bills

Bonds	$60,577,982,000
Other Liabilities	$67,080,077,000
Minus: Debt Related to Capital Assets	-$54,558,377,000
Unfunded Pension Benefits	$53,625,249,000
Unfunded Retiree Health Care Benefits	$59,267,942,000
Total Bills	$185,992,873,000

Grade:	
C	Bottom line: Texas would need $4,300 from each of its taxpayers to pay all of its outstanding bills and received a "C" grade for its finances. According to Truth in Accounting's grading scale, any government with a Taxpayer Burden between $0 and $4,999 is given a "C" grade.

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Money Available to Pay Bills
$13.2 billion

Taxpayer Surplus™
$12,700

Financial Grade
A

Ranking
4 out of 50

Utah Keeps Surplus For 14 Years

Financial State of Utah

Utah's financial condition improved in 2022. Based upon the state's latest audited financial report for fiscal year 2022, it had a Taxpayer Surplus™ of $12,700, earning it an "A" grade from Truth in Accounting.

Utah had more than enough resources, $13.2 billion, to pay all its bills. Like many states, Utah's economic condition improved due to federal funding for COVID relief and increased tax collections attributed to taxpayers' pent-up tourism and purchasing demands. However, these increases may be transitory as federal COVID funds dissipate and tax collections return to more stabilized levels. Additional market declines after the state's fiscal year-end most likely caused decreases in the value of pension systems' assets, which could cause an increase in its unfunded pension promises.

Even though Utah was in good fiscal health at the end of its 2022 fiscal year, uncertainty surrounding the full economic recovery post-COVID makes it impossible to determine how much will be needed to maintain government services and benefits in the coming years. With such uncertainty, it is good that the state retains funds available to pay bills.

The data included in this report is derived from Utah's 2022 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other states' financial, demographic, and economic information, go to Data-Z.org.

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Utah's Financial Breakdown

- Utah had $19.2 billion available to pay $6.1 billion worth of bills.
- The outcome was a $13.2 billion surplus, which breaks down to $12,700 per taxpayer.
- Utah has maintained a Taxpayer Surplus for the last 14 years and earns an "A" from Truth in Accounting. The state's retirement systems appeared to be overfunded by $535.2 million, but maintaining an excess amount is advisable because the value of the systems' investments can fluctuate dramatically.

The State's Assets Exceeded Its Bills

Total Assets	$68,032,474,000
Minus: Capital Assets	-$34,372,236,000
Restricted Assets	-$14,436,952,000
Assets Available to Pay Bills	$19,223,286,000
Minus: Total Bills*	$6,066,616,000
Money available to pay bills	$13,156,670,000
Each taxpayer's share of this surplus	$12,700

*Breakdown of Total Bills

Bonds	$7,263,417,000
Other Liabilities	$6,381,295,000
Minus: Debt Related to Capital Assets	-$7,042,867,000
Overfunded Pension Benefits	-$504,459,000
Overfunded Retiree Health Care Benefits	-$30,770,000
Total Bills	$6,066,616,000

Grade:

A

Bottom line: Utah had more than enough money to pay its outstanding bills and received an "A" grade for its finances. According to Truth in Accounting's grading scale, any government with a Taxpayer Surplus greater than $10,000 is given an "A" grade.

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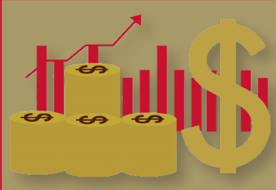

Money Needed to Pay Bills

$3.8 billion

Taxpayer Burden™

$15,400

Financial Grade

D

Ranking

41 out of 50

Vermont Remains in Bottom 10

Financial State of Vermont

Vermont's financial condition improved in 2022, but the state still needed $3.8 billion to pay its bills. Based upon the state's latest audited financial report for fiscal year 2022, it had a Taxpayer Burden™ of $15,400, earning it a "D" grade from Truth in Accounting.

Like many states in this year's report, Vermont's economic condition improved due to federal funding for COVID relief and increased tax collections attributed to taxpayers' pent-up tourism and purchasing demands. However, unfunded pensions and other employee retirement obligations continued to plague the state.

Over the last two years, the value of Vermont's pension investments has been subject to the volatility of the markets. In 2021, financial markets improved, and the state's pension system's investments reported significant gains. Unfortunately, the market conditions turned negative during fiscal year 2022, resulting in significant investment losses, which in turn caused the amount of unfunded promised pension benefits to increase. This volatility highlights the risk to pension systems and taxpayers when fixed benefits are partially funded by earnings from erratic markets.

The data included in this report is derived from Vermont's 2022 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other states' financial, demographic, and economic information, go to Data-Z.org.

Vermont's Financial Breakdown

- Vermont had $6 billion available to pay $9.8 billion worth of bills.
- The outcome was a $3.8 billion shortfall, which breaks down to a burden of $15,400 per taxpayer.
- Vermont improved its financial condition in 2022, but it still did not have enough money to pay its bills. The improvement was primarily due to increases in federal revenue related to COVID.

The State's Bills Exceeded Its Assets

Total Assets	$12,742,030,000
Minus: Capital Assets	-$4,339,721,000
Restricted Assets	-$2,381,014,000
Assets Available to Pay Bills	$6,021,295,000
Minus: Total Bills*	$9,784,449,000
Money needed to pay bills	$3,763,154,000
Each taxpayer's share of this burden	$15,400

*Breakdown of Total Bills

Bonds	$2,707,293,000
Other Liabilities	$2,513,452,000
Minus: Debt Related to Capital Assets	-$1,140,288,000
Unfunded Pension Benefits	$3,052,459,000
Unfunded Retiree Health Care Benefits	$2,651,533,000
Total Bills	$9,784,449,000

Grade:

D

Bottom line: Vermont would need $15,400 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.

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Money Available to Pay Bills
$14.3 billion

Taxpayer Surplus™
$4,800

Financial Grade
B

Ranking
12 out of 50

Virginia's Overall Financial Condition Improved

Financial State of Virginia

Virginia's financial condition improved in 2022. Based upon the state's latest audited financial report for fiscal year 2022, it had a Taxpayer Surplus™ of $4,800, earning it a "B" grade from Truth in Accounting.

Virginia had more than enough resources, $14.3 billion, to pay all its bills. Like many states, Virginia's economic condition improved due to federal funding for COVID relief and increased tax collections attributed to taxpayers' pent-up tourism and purchasing demands. However, these increases may be transitory as federal COVID funds dissipate and tax collections return to more stabilized levels. Additional market declines after the state's fiscal year-end most likely caused decreases in the value of pension systems' assets, which could cause an increase in its unfunded pension promises.

Even though Virginia was in good fiscal health at the end of its 2022 fiscal year, uncertainty surrounding the full economic recovery post-COVID makes it impossible to determine how much will be needed to maintain government services and benefits in the coming years. With such uncertainty, it is good that the state retains funds available to pay bills.

The data included in this report is derived from Virginia's 2022 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other states' financial, demographic, and economic information, go to Data-Z.org.

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Virginia's Financial Breakdown

- Virginia had $72.9 billion available to pay $58.6 billion worth of bills.
- The outcome was a $14.3 billion surplus, which breaks down to $4,800 per taxpayer.
- Virginia's revenue exceeded its expenses by $9.5 billion dollars. Much of this financial improvement was offset by a 6% reported loss in the value of pension investments.

The State's Assets Exceeded Its Bills

Total Assets	$165,796,007,000
Minus: Capital Assets	-$65,209,737,000
Restricted Assets	-$27,644,641,000
Assets Available to Pay Bills	$72,941,629,000
Minus: Total Bills*	$58,620,476,000
Money available to pay bills	$14,321,153,000
Each taxpayer's share of this surplus	$4,800

*Breakdown of Total Bills

Bonds	$33,291,076,000
Other Liabilities	$41,430,481,000
Minus: Debt Related to Capital Assets	-$23,357,283,000
Unfunded Pension Benefits	$5,587,998,000
Unfunded Retiree Health Care Benefits	$1,668,204,000
Total Bills	$58,620,476,000

Grade:

B

Bottom line: Virginia had more than enough money to pay its outstanding bills and received a "B" grade for its finances. According to Truth in Accounting's grading scale, any government with a Taxpayer Surplus between $1 and $9,999 is given a "B" grade.

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The Truth

Truth in Accounting

Money Needed to Pay Bills
$9.2 billion

Taxpayer Burden™
$3,200

Financial Grade
C

Ranking
28 out of 50

Washington's Financial Condition Declined

Financial State of Washington

Washington's financial condition worsened in 2022, leaving the state with insufficient money to pay its bills. The shortfall amounted to $9.2 billion. Based upon the state's latest audited financial report for fiscal year 2022, it had a Taxpayer Burden™ of $3,200, earning it a "C" grade from Truth in Accounting.

Like many states, Washington's economic condition improved due to federal funding for COVID relief and increased tax collections attributed to taxpayers' pent-up tourism and purchasing demands. However, unfunded retirement obligations continue to plague Washington's ability to pay its bills.

Over the last two years, the value of Washington's pension investments has been subject to the volatility of the markets. In 2021 financial markets improved and the state's pension investments reported significant gains. Unfortunately, market conditions turned negative during fiscal year 2022, resulting in significant unrealized investment losses which in turn caused the amount of unfunded promised pension benefits to increase. This volatility highlights the risk to pension systems and taxpayers of fixed benefits that are partially funded by earnings from erratic markets.

The data included in this report is derived from Washington's 2022 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other states' financial, demographic, and economic information, go to Data-Z.org.

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Washington's Financial Breakdown

- Washington had $62.9 billion available to pay $72.2 billion worth of bills.
- The outcome was a $9.2 billion shortfall, which breaks down to a burden of $3,200 per taxpayer.
- Washington is one of the few states whose financial condition worsened this year. One of the major reasons for this deterioration is the state's unfunded pension benefits increased due to poor investment returns.

The State's Bills Exceeded Its Assets

Total Assets	$127,570,113,000
Minus: Capital Assets	-$51,163,967,000
Restricted Assets	-$13,466,053,000
Assets Available to Pay Bills	$62,940,093,000
Minus: Total Bills*	$72,167,351,000
Money needed to pay bills	$9,227,258,000
Each taxpayer's share of this burden	$3,200

*Breakdown of Total Bills

Bonds	$28,202,688,000
Other Liabilities	$39,678,180,000
Minus: Debt Related to Capital Assets	-$25,140,812,000
Unfunded Pension Benefits	$20,981,307,000
Unfunded Retiree Health Care Benefits	$8,445,988,000
Total Bills	$72,167,351,000

Grade:

C

Bottom line: Washington would need $3,200 from each of its taxpayers to pay all of its outstanding bills and received a "C" grade for its finances. According to Truth in Accounting's grading scale, any government with a Taxpayer Burden between $0 and $4,999 is given a "C" grade.

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The Truth

Truth in Accounting

Money Available to Pay Bills
$491.5 million

Taxpayer Surplus™
$1,000

Financial Grade
B

Ranking
20 out of 50

West Virginia Moves from 16 to 20.

Financial State of West Virginia

West Virginia's financial condition deteriorated in 2022, but the state still had more than enough resources, $491.5 million, to pay all its bills. Based upon the state's latest audited financial report for fiscal year 2022, it had a Taxpayer Surplus™ of $1,000, earning it a "B" grade from Truth in Accounting.

Like many states in this year's report, West Virginia's economic condition improved due to federal funding for COVID relief and increased tax collections attributed to taxpayers' pent-up tourism and purchasing demands. However, these increases may be transitory as federal COVID funds dissipate and tax collections return to more stabilized levels. Additional market declines after the state's fiscal year-end most likely caused decreases in the value of pension systems' assets, which could cause an increase in its unfunded pension promises.

Even though West Virginia was in good fiscal health at the end of its 2022 fiscal year, uncertainty surrounding the full economic recovery post-COVID makes it impossible to determine how much will be needed to maintain government services and benefits in the coming years. With such uncertainty, it is good that the state retains funds available to pay bills.

The data included in this report is derived from West Virginia's 2022 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other states' financial, demographic, and economic information, go to Data-Z.org.

West Virginia's Financial Breakdown

- West Virginia had $13.3 billion available to pay $12.9 billion worth of bills.
- The outcome was a $491.5 million surplus, which breaks down to $1,000 per taxpayer.
- West Virginia experienced a downward trend in its financial position but still had enough money to pay its bills.

The State's Assets Exceeded Its Bills

Total Assets	$33,608,827,000
Minus: Capital Assets	-$14,740,902,000
Restricted Assets	-$5,522,516,000
Assets Available to Pay Bills	$13,345,409,000
Minus: Total Bills*	$12,853,931,000
Money available to pay bills	$491,478,000
Each taxpayer's share of this surplus	$1,000

*Breakdown of Total Bills

Bonds	$6,327,966,000
Other Liabilities	$6,676,079,000
Minus: Debt Related to Capital Assets	-$2,720,103,000
Unfunded Pension Benefits	$2,479,912,000
Unfunded Retiree Health Care Benefits	$90,077,000
Total Bills	$12,853,931,000

Grade:

B

Bottom line: West Virginia had more than enough money to pay its outstanding bills and received a "B" grade for its finances. According to Truth in Accounting's grading scale, any government with a Taxpayer Surplus between $1 and $9,999 is given a "B" grade.

The Truth

Money Available to Pay Bills

$3.2 billion

Taxpayer Surplus™

$1,500

Financial Grade

B

Ranking

18 out of 50

Wisconsin Improved through Tax Revenues

Financial State of Wisconsin

Wisconsin's financial condition improved in 2022. Based upon the state's latest audited financial report for fiscal year 2022, it had a Taxpayer Surplus™ of $1,500, earning it a "B" grade from Truth in Accounting.

Wisconsin had more than enough resources, $3.2 billion, to pay all its bills. Like many states, Wisconsin's economic condition improved due to federal funding for COVID relief and increased tax collections attributed to taxpayers' pent-up tourism and purchasing demands. However, these increases may be transitory as federal COVID funds dissipate and tax collections return to more stabilized levels. Additional market declines after the state's fiscal year-end most likely caused decreases in the value of pension systems' assets, which could cause an increase in its unfunded pension promises.

Even though Wisconsin was in good fiscal health at the end of its 2022 fiscal year, uncertainty surrounding the full economic recovery post-COVID makes it impossible to determine how much will be needed to maintain government services and benefits in the coming years. With such uncertainty, it is good that the state retains funds available to pay bills.

The data included in this report is derived from Wisconsin's 2022 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other states' financial, demographic, and economic information, go to Data-Z.org.

Wisconsin's Financial Breakdown

- Wisconsin had $25.9 billion available to pay $22.6 billion worth of bills.
- The outcome was a $3.2 billion surplus, which breaks down to $1,500 per taxpayer.
- Wisconsin sales and use taxes rose 9.5%, while corporate income taxes surged 15.6%. Both were well ahead of budgeted levels. The state's retirement system appeared to be overfunded by $2.6 billion, but maintaining an excess amount is advisable because the value of the system's investments can fluctuate dramatically.

The State's Assets Exceeded Its Bills

Total Assets		$76,423,356,000
Minus:	Capital Assets	-$34,547,282,000
	Restricted Assets	-$16,009,055,000
Assets Available to Pay Bills		$25,867,019,000
Minus:	Total Bills*	$22,637,156,000
Money available to pay bills		$3,229,863,000
Each taxpayer's share of this surplus		$1,500

*Breakdown of Total Bills

Bonds		$12,522,400,000
Other Liabilities		$18,862,756,000
Minus:	Debt Related to Capital Assets	-$7,468,923,000
Overfunded Pension Benefits		-$2,610,777,000
Unfunded Retiree Health Care Benefits		$1,331,700,000
Total Bills		$22,637,156,000

Grade:

B

Bottom line: Wisconsin had more than enough money to pay its outstanding bills and received a "B" grade for its finances. According to Truth in Accounting's grading scale, any government with a Taxpayer Surplus between $1 and $9,999 is given a "B" grade.

Truth in Accounting is a 501(c)(3) nonprofit committed to educating and empowering you with understandable, reliable, and transparent government financial information so you can be a knowledgeable participant in your government and its budget process.

The Truth

Truth in Accounting

Money Available to Pay Bills
$4.9 billion

Taxpayer Surplus™
$24,600

Financial Grade
A

Ranking
3 out of 50

Wyoming Ranked No. 3

Financial State of Wyoming

Wyoming's financial condition improved in 2022. Based upon the state's latest audited financial report for fiscal year 2022, it had a Taxpayer Surplus™ of $24,600, earning it an "A" grade from Truth in Accounting.

Wyoming had more than enough resources, $4.9 billion, to pay all its bills. Like many states, Wyoming's economic condition improved due to federal funding for COVID relief and increased tax collections attributed to taxpayers' pent-up tourism and purchasing demands. However, these increases may be transitory as federal COVID funds dissipate and tax collections return to more stabilized levels. Additional market declines after the state's fiscal year-end most likely caused decreases in the value of pension systems' assets, which could cause an increase in its unfunded pension promises.

Even though Wyoming was in good fiscal health at the end of its 2022 fiscal year, uncertainty surrounding the full economic recovery post-COVID makes it impossible to determine how much will be needed to maintain government services and benefits in the coming years. With such uncertainty, it is good that the state retains funds available to pay bills.

The data included in this report is derived from Wyoming's 2022 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other states' financial, demographic, and economic information, go to Data-Z.org.

October 2023
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Daniels College of Business
UNIVERSITY OF DENVER
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Wyoming's Financial Breakdown

- Wyoming had $17.9 billion available to pay $13 billion worth of bills.
- The outcome was a $4.9 billion surplus, which breaks down to $24,600 per taxpayer.
- For the fourteenth year, Wyoming received an "A" grade for financial condition.

The State's Assets Exceeded Its Bills

Total Assets	$44,029,774,000
Minus: Capital Assets	-$8,650,138,000
Restricted Assets	-$17,501,829,000
Assets Available to Pay Bills	$17,877,807,000
Minus: Total Bills*	$12,960,231,000
Money available to pay bills	$4,917,576,000
Each taxpayer's share of this surplus	$24,600

*Breakdown of Total Bills

Bonds	$8,110,000
Other Liabilities	$11,951,984,000
Minus: Debt Related to Capital Assets	-$304,472,000
Unfunded Pension Benefits	$495,833,000
Unfunded Retiree Health Care Benefits	$808,776,000
Total Bills	$12,960,231,000

Grade:

A

Bottom line: Wyoming had more than enough money to pay its outstanding bills and received an "A" grade for its finances. According to Truth in Accounting's grading scale, any government with a Taxpayer Surplus greater than $10,000 is given an "A" grade.

Truth in Accounting is a 501(c)(3) nonprofit committed to educating and empowering you with understandable, reliable, and transparent government financial information so you can be a knowledgeable participant in your government and its budget process.

Taxpayer Surplus (Burden)

Ranking	State	Reported Assets* (in Billions)	Less: Capital Assets	Less: Assets Restricted By Law or Contract	Assets Available to Pay Bills	Less: Bills	Money Available (Needed) to Pay Bills	Each Taxpayer's Financial Surplus (Burden)
1	Alaska	$115.9	($13.0)	($65.8)	$37.1	($16.3)	**$20.9**	**$80,000**
24	Arizona	$65.2	($32.8)	($13.1)	$19.3	($20.6)	**($1.3)**	**($600)**
21	Arkansas	$36.6	($18.8)	($7.6)	$10.2	($9.7)	**$0.4**	**$500**
42	California	$535.6	($197.2)	($87.4)	$250.9	($491.5)	**($240.6)**	**($18,600)**
19	Colorado	$65.5	($26.2)	($8.8)	$30.6	($27.4)	**$3.2**	**$1,500**
49	Connecticut	$58.3	($23.7)	($11.8)	$22.9	($91.5)	**($68.6)**	**($50,700)**
44	Delaware	$20.4	($10.6)	($2.7)	$7.2	($14.0)	**($6.9)**	**($18,900)**
17	Florida	$274.7	($130.9)	($45.5)	$98.2	($79.9)	**$18.4**	**$2,500**
23	Georgia	$110.3	($45.2)	($18.2)	$46.9	($46.9)	**($0.0)**	**($5)**
46	Hawaii	$35.5	($18.8)	($5.5)	$11.2	($22.6)	**($11.4)**	**($23,100)**
7	Idaho	$27.7	($9.9)	($7.6)	$10.2	($5.8)	**$4.4**	**$7,400**
48	Illinois	$111.5	($42.8)	($16.9)	$51.8	($227.2)	**($175.4)**	**($41,600)**
16	Indiana	$81.8	($31.2)	($14.2)	$36.3	($30.3)	**$6.0**	**$2,800**
11	Iowa	$40.4	($17.6)	($8.1)	$14.7	($9.3)	**$5.3**	**$5,000**
31	Kansas	$38.0	($19.5)	($8.9)	$9.5	($13.6)	**($4.1)**	**($4,300)**
45	Kentucky	$66.8	($37.2)	($8.6)	$21.0	($48.1)	**($27.1)**	**($20,700)**
43	Louisiana	$72.4	($34.3)	($10.7)	$27.4	($50.2)	**($22.8)**	**($18,900)**
29	Maine	$20.9	($6.9)	($2.9)	$11.1	($13.1)	**($1.9)**	**($3,700)**
37	Maryland	$87.4	($44.1)	($8.3)	$35.1	($60.3)	**($25.3)**	**($11,400)**
47	Massachusetts	$117.2	($57.6)	($8.6)	$51.1	($124.3)	**($73.2)**	**($26,700)**
38	Michigan	$100.2	($30.4)	($22.5)	$47.4	($88.0)	**($40.7)**	**($12,100)**
14	Minnesota	$91.8	($31.6)	($20.1)	$40.2	($31.3)	**$8.9**	**$4,300**
33	Mississippi	$42.8	($22.8)	($8.7)	$11.4	($17.2)	**($5.9)**	**($7,900)**
25	Missouri	$70.7	($40.5)	($8.6)	$21.6	($22.9)	**($1.3)**	**($700)**
13	Montana	$23.1	($8.5)	($5.2)	$9.4	($7.8)	**$1.7**	**$4,300**
6	Nebraska	$33.3	($13.4)	($9.0)	$10.9	($5.5)	**$5.3**	**$8,200**

Taxpayer Surplus (Burden)

		(in Billions)						
Ranking	State	Reported Assets*	Less: Capital Assets	Less: Assets Restricted By Law or Contract	Assets Available to Pay Bills	Less: Bills	Money Available (Needed) to Pay Bills	Each Taxpayer's Financial Surplus (Burden)
27	New Hampshire	$12.9	($5.7)	($2.9)	$4.4	($5.9)	**($1.6)**	**($2,800)**
50	New Jersey	$133.5	($62.4)	($22.5)	$48.7	($227.9)	**($179.2)**	**($53,600)**
34	New Mexico	$71.4	($11.0)	($46.2)	$14.3	($19.5)	**($5.2)**	**($8,500)**
39	New York	$507.7	($229.7)	($39.4)	$238.6	($320.9)	**($82.4)**	**($12,100)**
15	North Carolina	$161.4	($87.4)	($13.5)	$60.5	($47.4)	**$13.2**	**$3,900**
2	North Dakota	$41.3	($7.8)	($10.1)	$23.4	($10.5)	**$12.8**	**$47,400**
22	Ohio	$143.0	($48.0)	($24.6)	$70.4	($69.6)	**$0.8**	**$200**
10	Oklahoma	$53.2	($23.4)	($12.3)	$17.6	($11.9)	**$5.7**	**$5,200**
8	Oregon	$75.0	($24.2)	($13.7)	$37.1	($26.4)	**$10.7**	**$7,300**
36	Pennsylvania	$129.8	($54.9)	($14.0)	$60.9	($112.2)	**($51.3)**	**($11,300)**
35	Rhode Island	$19.3	($7.7)	($3.5)	$8.1	($12.4)	**($4.3)**	**($10,400)**
40	South Carolina	$81.1	($33.8)	($17.4)	$29.9	($52.9)	**($23.0)**	**($14,000)**
9	South Dakota	$15.8	($6.3)	($3.6)	$6.0	($3.9)	**$2.1**	**$6,900**
5	Tennessee	$85.2	($40.8)	($6.8)	$37.5	($16.6)	**$20.9**	**$9,500**
30	Texas	$478.2	($179.1)	($151.6)	$147.6	($186.0)	**($38.4)**	**($4,300)**
4	Utah	$68.0	($34.4)	($14.4)	$19.2	($6.1)	**$13.2**	**$12,700**
41	Vermont	$12.7	($4.3)	($2.4)	$6.0	($9.8)	**($3.8)**	**($15,400)**
12	Virginia	$165.8	($65.2)	($27.6)	$72.9	($58.6)	**$14.3**	**$4,800**
28	Washington	$127.6	($51.2)	($13.5)	$62.9	($72.2)	**($9.2)**	**($3,200)**
20	West Virginia	$33.6	($14.7)	($5.5)	$13.3	($12.9)	**$0.5**	**$1,000**
18	Wisconsin	$76.4	($34.5)	($16.0)	$25.9	($22.6)	**$3.2**	**$1,500**
3	Wyoming	$44.0	($8.7)	($17.5)	$17.9	($13.0)	**$4.9**	**$24,600**

All States	$4,984.8	($2,049.1)	($940.1)	$1,995.6	($2,934.2)	$938.6

Accumulated Bills

State	State Bonds	Other Liabilities	Less: Debt Related to Capital Assets	Unfunded Pension Benefits Due	Unfunded Retirees' Health Care Benefits Due	Total Bills
	(in Billions)					
Alabama	$11.3	$9.2	$7.0	$10.7	$2.8	**$27.0**
Alaska	$5.0	$10.9	$1.9	$4.3	($1.9)	**$16.3**
Arizona	$6.7	$14.2	$6.8	$5.1	$1.4	**$20.6**
Arkansas	$3.6	$5.2	$3.1	$2.4	$1.6	**$9.7**
California	$131.5	$212.4	$59.3	$84.3	$122.6	**$491.5**
Colorado	$4.9	$23.5	$11.0	$8.4	$1.5	**$27.4**
Connecticut	$34.9	$12.1	$13.3	$40.6	$17.1	**$91.5**
Delaware	$4.0	$4.6	$4.7	$1.7	$8.5	**$14.0**
Florida	$23.4	$47.6	$13.4	$11.7	$10.6	**$79.9**
Georgia	$17.5	$24.8	$11.9	$12.4	$4.1	**$46.9**
Hawaii	$12.9	$5.6	$12.5	$9.0	$7.6	**$22.6**
Idaho	$2.1	$4.2	$1.5	$1.0	($0.0)	**$5.8**
Illinois	$42.4	$35.4	$18.2	$146.3	$21.4	**$227.2**
Indiana	$8.7	$16.6	$5.4	$10.2	$0.2	**$30.3**
Iowa	$5.7	$5.3	$1.9	($0.1)	$0.5	**$9.3**
Kansas	$4.8	$6.1	$4.7	$7.3	$0.1	**$13.6**
Kentucky	$9.2	$11.2	$5.3	$29.9	$3.1	**$48.1**
Louisiana	$13.3	$23.3	$6.5	$10.2	$9.9	**$50.2**
Maine	$5.6	$4.1	$1.8	$2.4	$2.7	**$13.1**
Maryland	$26.2	$14.6	$13.3	$19.4	$13.4	**$60.3**
Massachusetts	$50.5	$34.2	$19.4	$43.2	$15.8	**$124.3**
Michigan	$19.0	$21.8	$6.3	$45.5	$8.1	**$88.0**
Minnesota	$16.9	$16.2	$7.3	$4.3	$1.2	**$31.3**
Mississippi	$6.0	$7.0	$2.9	$6.8	$0.2	**$17.2**
Missouri	$4.2	$9.8	$4.2	$10.0	$3.1	**$22.9**
Montana	$0.2	$5.3	$0.6	$2.7	$0.2	**$7.8**

Accumulated Bills

State	State Bonds	Other Liabilities	Less: Debt Related to Capital Assets	Unfunded Pension Benefits Due	Unfunded Retirees' Health Care Benefits Due	Total Bills
	(in Billions)					
Nebraska	$1.3	$5.4	$1.1	$0.0	$0.0	**$5.5**
Nevada	$3.7	$8.0	$2.2	$1.8	$1.5	**$12.8**
New Hampshire	$1.4	$2.8	$1.7	$1.2	$2.2	**$5.9**
New Jersey	$61.1	$29.1	$38.9	$84.4	$92.1	**$227.9**
New Mexico	$6.7	$7.9	$2.4	$6.3	$0.9	**$19.5**
New York	$126.8	$216.6	$115.0	($0.0)	$92.5	**$320.9**
North Carolina	$13.9	$26.7	$12.5	$7.1	$12.2	**$47.4**
North Dakota	$2.9	$6.7	$0.7	$1.5	$0.0	**$10.5**
Ohio	$29.7	$46.8	$12.1	$6.4	($1.2)	**$69.6**
Oklahoma	$8.4	$6.9	$6.8	$3.0	$0.4	**$11.9**
Oregon	$14.6	$14.0	$7.5	$5.3	($0.1)	**$26.4**
Pennsylvania	$38.9	$35.6	$17.6	$34.9	$20.6	**$112.2**
Rhode Island	$5.6	$4.8	$1.7	$3.4	$0.3	**$12.4**
South Carolina	$13.1	$17.9	$9.1	$14.9	$16.1	**$52.9**
South Dakota	$2.3	$2.3	$0.7	($0.0)	$0.0	**$3.9**
Tennessee	$8.7	$10.2	$2.7	($0.7)	$1.1	**$16.6**
Texas	$60.6	$67.1	$54.6	$53.6	$59.3	**$186.0**
Utah	$7.3	$6.4	$7.0	($0.5)	($0.0)	**$6.1**
Vermont	$2.7	$2.5	$1.1	$3.1	$2.7	**$9.8**
Virginia	$33.3	$41.4	$23.4	$5.6	$1.7	**$58.6**
Washington	$28.2	$39.7	$25.1	$21.0	$8.4	**$72.2**
West Virginia	$6.3	$6.7	$2.7	$2.5	$0.1	**$12.9**
Wisconsin	$12.5	$18.9	$7.5	($2.6)	$1.3	**$22.6**
Wyoming	$0.0	$12.0	$0.3	$0.5	$0.8	**$13.0**
All States	**$966.8**	**$1,215.2**	**$598.7**	**$782.4**	**$568.5**	**$2,934.2**

Retirement Liabilities

State	Unfunded Pension Benefits Due	Unfunded Retirees' Health Care Benefits Due	Total Unfunded Retirement Benefits Due
	(in Billions)		
Alabama	$10.7	$2.8	**$13.5**
Alaska	$4.3	($1.9)	**$2.4**
Arizona	$5.1	$1.4	**$6.5**
Arkansas	$2.4	$1.6	**$4.0**
California	$84.3	$122.6	**$207.0**
Colorado	$8.4	$1.5	**$9.9**
Connecticut	$40.6	$17.1	**$57.7**
Delaware	$1.7	$8.5	**$10.2**
Florida	$11.7	$10.6	**$22.3**
Georgia	$12.4	$4.1	**$16.6**
Hawaii	$9.0	$7.6	**$16.6**
Idaho	$1.0	($0.0)	**$1.0**
Illinois	$146.3	$21.4	**$167.7**
Indiana	$10.2	$0.2	**$10.4**
Iowa	($0.1)	$0.5	**$0.3**
Kansas	$7.3	$0.1	**$7.4**
Kentucky	$29.9	$3.1	**$33.0**
Louisiana	$10.2	$9.9	**$20.2**
Maine	$2.4	$2.7	**$5.2**
Maryland	$19.4	$13.4	**$32.8**
Massachusetts	$43.2	$15.8	**$59.0**
Michigan	$45.5	$8.1	**$53.5**
Minnesota	$4.3	$1.2	**$5.5**
Mississippi	$6.8	$0.2	**$7.0**
Missouri	$10.0	$3.1	**$13.0**
Montana	$2.7	$0.2	**$2.9**

Retirement Liabilities

State	Unfunded Pension Benefits Due (in Billions)	Unfunded Retirees' Health Care Benefits Due (in Billions)	Total Unfunded Retirement Benefits Due (in Billions)
Nebraska	($0.0)	$0.0	**$0.0**
Nevada	$1.8	$1.5	**$3.3**
New Hampshire	$1.2	$2.2	**$3.4**
New Jersey	$84.4	$92.1	**$176.5**
New Mexico	$6.3	$0.9	**$7.2**
New York	($0.0)	$92.5	**$92.4**
North Carolina	$7.1	$12.2	**$19.3**
North Dakota	$1.5	$0.0	**$1.6**
Ohio	$6.4	($1.2)	**$5.2**
Oklahoma	$3.0	$0.4	**$3.4**
Oregon	$5.3	($0.1)	**$5.3**
Pennsylvania	$34.9	$20.6	**$55.4**
Rhode Island	$3.4	$0.3	**$3.7**
South Carolina	$14.9	$16.1	**$31.0**
South Dakota	($0.0)	$0.0	**$0.0**
Tennessee	($0.7)	$1.1	**$0.4**
Texas	$53.6	$59.3	**$112.9**
Utah	($0.5)	($0.0)	**($0.5)**
Vermont	$3.1	$2.7	**$5.7**
Virginia	$5.6	$1.7	**$7.3**
Washington	$21.0	$8.4	**$29.4**
West Virginia	$2.5	$0.1	**$2.6**
Wisconsin	($2.6)	$1.3	**($1.3)**
Wyoming	$0.5	$0.8	**$1.3**
All States	$782.4	$568.5	**$1,350.9**

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