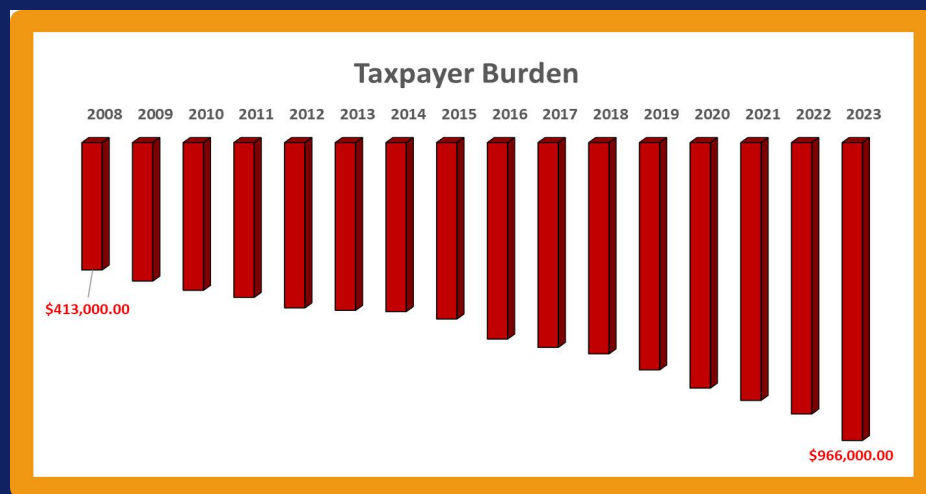




2024 Financial State of the Union



The Truth

Money Needed to Pay Bills

\$153.9 Trillion

Taxpayer Burden™

\$966,000

Financial Grade

F

Federal Government's Financial Condition Worsened by \$7.9 Trillion

Truth in Accounting's review of the latest available audited Financial Report of the U.S. Government found its overall financial condition worsened by \$7.9 trillion in 2023. Elected officials continue to make financial decisions that have left the federal government with a debt burden of \$153.9 trillion, which equates to a \$966,000 burden for every federal taxpayer and earns the federal government an "F" grade.

The Treasury Department only included a fraction, \$247 billion, of the Social Security and Medicare liabilities on the federal balance sheet because, unknown to most people, according to government documents, recipients do not have the right to any benefits beyond the benefits to be paid next month, and laws to reduce or stop future benefits can be passed at any time.

Accurate accounting dictates that liabilities should be recorded when it is likely that future payments will be made and when those amounts can be reasonably estimated. Truth in Accounting believes the government will likely fulfill its commitments to provide Social Security and Medicare benefits, and the programs' trustees provide an estimated amount of these benefits. Therefore, in addition to federal assets and liabilities reported by the Treasury on the federal balance sheet, Truth in Accounting's assessment of the government's financial condition includes liabilities for promised but not funded Medicare and Social Security benefits totaling \$66.2 trillion and \$50.3 trillion, respectively.

The U.S. Government's debt and deficits have become astronomical and seemingly impossible to control. Nontransparent flawed budgeting and accounting techniques currently produce inaccurate dollar amounts, making the federal government's finances difficult, if not impossible, to manage. The first step in managing the nation's finances should be presenting accurate and transparent figures through full accrual budgeting and accounting that includes the costs and growth in the liabilities related to the two programs our seniors rely on the most, Social Security and Medicare. Then Congress, the President and the American people would have the financial information they need to make knowledgeable tax and spending decisions.

March 2024

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 UNIVERSITY OF DENVER
 School of Accountancy

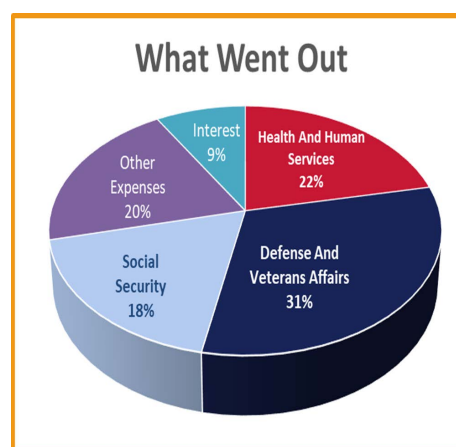
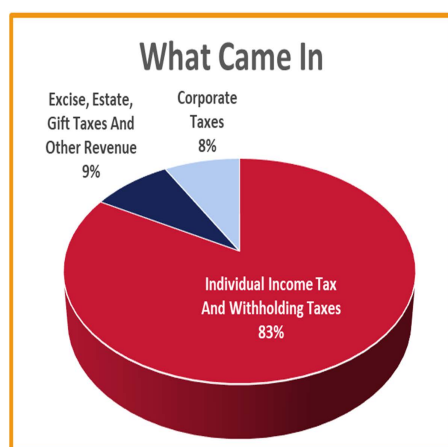
United States Government Financial Breakdown

Fast Facts

- The Federal Government had \$5.4 trillion of assets available to pay \$159.3 trillion of liabilities, including promised but unfunded Social Security and Medicare benefits.
- The outcome was a \$153.9 trillion shortfall and a burden of \$966,000 per taxpayer.
- Despite reporting a budget deficit of \$1.7 trillion, the government's financial condition worsened by \$7.9 trillion.

What the Federal Government Has	
Assets	\$5.4 trillion
What the Federal Government Owes	
Medicare Benefits	\$66.2 trillion
Social Security Promises	\$50.3 trillion
Publicly Held Debt	\$26.3 trillion
Military & Civilian Retirement Benefits	\$14.3 trillion
Other Liabilities	\$2.2 trillion
Total Debt	\$159.3 trillion
Where the Federal Government Stands	
Net Position	-\$153.9 trillion*

*This includes assets reported by the government in the Financial Report of the U.S. Government but not all land and other assets.



The Outcome	
Total Revenue	\$4.5 trillion
Total Expenses	\$7.9 trillion
Reported Net Operating Cost (revenue minus Expense)	-\$3.4 trillion
Other changes in Net Position, including increases in Social Security and Medicare Liabilities	-\$4.5 trillion
Decline in Net Position	\$7.9 trillion

Data included in this report is derived from the Financial Report of the U.S. Government for the fiscal year ending September 30, 2023.

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