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Contact: Katherine Oxenreiter
press@truthinaccounting.org
koxenreiter@truthinaccounting.org

Truth in Accounting Releases New Study on the Financial Condition of 10 Michigan Cities

More government transparency needed: Nine out of ten cities do not have the assets needed to pay their bills.

Chicago— Today, Truth in Accounting (TIA) released the Michigan Study, an in-depth report revealing the true financial conditions of 10 local governments.

The study reveals that the majority of Michigan’s local governments are in a financial hole and do not have the money needed to pay all of their bills. This means taxpayers in the future will need to pay the city’s accumulated debt that exceeds current funds. Most of this debt relates to unfunded pension and other retirement benefits that are not included on the governments' balance sheets.

TIA researchers discovered that although Detroit announced last week it is out of bankruptcy, the city still faces billions of dollars in unfunded retirement benefits. Why? Government leaders continue to use misleading accounting practices, which do not report liabilities on the city's most recently released balance sheet.

“Current accounting practices allow for government financials that are neither accurate nor transparent,” said Sheila Weinberg, CEO and founder of TIA. “Citizens deserve to know the truth about their city’s financial condition, and without this knowledge they cannot make informed decisions. Truth in Accounting will continue to reveal the truth until the accounting practices used by our government leaders are improved to reveal economic reality.”

Detroit is one of 10 Michigan cities included in an in-depth study released today by Truth in Accounting.

The Michigan cities in the study include: [Battle Creek](#), [Detroit](#), [Flint](#), [Grand Rapids](#), [Holland](#), [Jackson](#), [Kalamazoo](#), [Midland](#), [Lansing](#), and [Saginaw](#).

TIA’s Director of Research, Bill Bergman, presented these findings at [an economic forum](#) at The University of Michigan-Flint on Friday, December 12th.

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

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