

02

RANKING

# NORTH DAKOTA



# North Dakota

Truth in Accounting estimates **\$28,400** in  
**Taxpayer Surplus** for 2014.



ND has **\$14 Billion** in available  
 assets to pay off **\$6 Billion** in bills.

**Taxpayer Surplus** has **increased** by  
**\$6,100** from 2013 to 2014.



# THE FINANCIAL STATE OF NORTH DAKOTA

## The State's Assets Exceed Its Bills

Assets	\$23,399,393,000
<i>Minus: Capital Assets</i>	\$3,755,132,000
<i>Restricted Assets</i>	\$5,990,909,000
Assets Available to Pay Bills	\$13,653,352,000
<i>Minus: Bills</i>	\$5,576,539,000
Money Available to Pay Future Bills	\$8,076,813,000
<b>Each Taxpayer's Share of Surplus</b>	<b>\$28,400</b>

North Dakota has \$23.4 billion in assets, but most of these assets are not available to pay state bills.

The \$3.8 billion of capital assets, such as roads, buildings, and land should not be sold to pay bills. The use of \$6 billion of the assets is restricted by law or contract.

That leaves \$13.7 billion of state's assets available to pay \$5.6 billion of bills as they come due.

North Dakota's elected officials seem to promise only the amount of benefits they can afford to pay.

**Each Taxpayer's Share of the Financial Surplus is \$28,400**



Truth in Accounting is committed to educating and empowering citizens with understandable, reliable and transparent government financial information.

We call on governments to truthfully balance their budgets by including all real and certain expenses when incurred not when paid.

To be knowledgeable participants in their government and its budget process, citizens need to be provided with truthful and transparent financial information.

[www.TruthInAccounting.org](http://www.TruthInAccounting.org)

[www.StateDataLab.org](http://www.StateDataLab.org)

## The Bills North Dakota Has Accumulated

Bonds	\$1,403,189,000
Other Liabilities	\$4,236,621,000
<i>Minus: Debt Related to Capital Assets</i>	\$408,473,000
Unfunded Pension Benefits	\$301,970,000
Unfunded Retirees' Health Care Benefits	\$43,232,000
<b>Bills</b>	<b>\$5,576,539,000</b>

The state has accumulated bonds of \$1.4 billion and other liabilities of \$4.2 billion. The calculation of assets available to pay bills does not include capital assets, so \$408.5 million of related debt is removed from the calculation of State bills.

Unfunded employees' retirement benefits represent 6% of state bills. These unfunded liabilities have accumulated because state employees have been promised \$302 million of pension benefits and \$43.2 million of retirees' health care benefits. Unlike most states, North Dakota has the assets needed to pay these liabilities.

North Dakota's elected officials seem to promise only the amount of benefits they can afford to pay.

## Not All Retirement Liabilities Are Clearly Disclosed



A detailed study of North Dakota's actuaries' schedules found retirement benefits totaling \$345.2 million have been promised, but not funded. A review of the state's balance sheet determined only \$872,000 of these liabilities are reported. This means the state does not report \$344.3 million of retirement liabilities on its balance sheet.

Data is derived from the state of North Dakota's June 30, 2014 audited Comprehensive Annual Financial Report and retirement plans' actuarial reports.

Number of taxpayers is based on an estimation of the state's population with a federal tax liability.