



NEBRASKA RANKS NO. 8 FOR ITS FISCAL HEALTH

September 2018
truthinaccounting.org

THE FINANCIAL STATE OF NEBRASKA

A new analysis of the latest available audited financial reports found Nebraska had a Taxpayer Surplus™ of \$1,800, earning it a "B" grade based on Truth in Accounting's grading scale.

Unlike most states, Nebraska's state government has enough resources available to pay all of its bills, including public employees' retirement benefits. When broken down, the amount available to pay future bills results in a surplus of \$1,800 for each Nebraska taxpayer.

Although Nebraska has enough money to pay all of its bills, it is still not completely transparent with taxpayers. Nearly \$56 million in pension liabilities have been excluded from the state's balance sheet because outdated pension valuations were used to prepare the financial statements. The state's financial report also received a qualified opinion because the auditors found some financial data was not presented in accordance with generally accepted accounting principles.

Here's the truth:

8

Rank

**\$1.2
billion**

Money available to
pay future bills

\$1,800

Taxpayer
Surplus

B

Financial grade

Data included in this report is derived from the state of Nebraska's 2017 audited Comprehensive Annual Financial Report and retirement plans' actuarial reports.

NEBRASKA

FINANCIAL BREAKDOWN

FAST FACTS

- + Nebraska has \$4.3 billion available in assets to pay \$3.1 billion worth of bills.
- + The outcome is a \$1.2 billion surplus, which breaks down to \$1,800 per taxpayer.
- + The state excludes \$55.8 million of pension liabilities from its balance sheet.
- + Nebraska's reported net position is inflated by \$160.7 million, largely because the state defers recognizing losses incurred when the net pension liability increases.

THE STATE'S ASSETS EXCEED ITS BILLS

Assets	\$22,404,518,000
<i>Minus:</i> Capital assets	-\$11,967,251,000
Restricted assets	-\$6,100,879,000
Assets available to pay bills	\$4,336,388,000
<i>Minus:</i> Bills	-\$3,130,656,000
Money available to pay bills	\$1,205,732,000
Each taxpayer's share of surplus	\$1,800

BILLS THE STATE HAS ACCUMULATED

Bonds	\$931,748,000
Other liabilities	\$2,482,259,000
<i>Minus:</i> Debt related to capital assets	-\$743,261,000
Unfunded pension benefits	\$459,910,000
Unfunded retiree health care	\$0
Bills	\$3,130,656,000

GRADE: B

Bottom line: Nebraska has enough money to pay its bills, so it has received a "B" for its finances from Truth in Accounting. A "B" grade is given to states with a Taxpayer Surplus between \$100 and \$10,000.

Truth in Accounting is committed to educating and empowering citizens with understandable, reliable, and transparent government financial information. To be knowledgeable participants in their government and its budget process, citizens need truthful and transparent financial information.