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New Mexico Hiding Almost 100 Percent of Retirement Debt

CHICAGO — Truth in Accounting (TIA), a Chicago-based think tank that analyzes government financial reporting, released a new report titled, [*The Financial State of New Mexico*](#). TIA researchers found that New Mexico did not report 99 percent — or \$7.5 billion worth — of its retirement debt on the state's balance sheet.

TIA researchers also discovered that New Mexico only reported \$58.57 million in retirement and health care benefits yet owes approximately \$7.5 billion. Because the state government uses outdated accounting methods, a vast majority of liabilities are excluded from its financial reporting.

When TIA researchers included the \$7.5 billion of hidden debt, they discovered that New Mexico:

- owes \$12.5 billion in bills;
- has \$7 billion available to pay bills; and
- needs \$5.5 billion to pay bills.

If New Mexico's \$5.5 billion of debt were divided amongst its taxpayers, each taxpayer's personal share would be \$9,700.

"Last year, New Mexico received our Tortoise Award for being the last state to submit its financial data," said Sheila Weinberg, founder and CEO of Truth in Accounting. "Although New Mexico released its data in a more timely manner this year, releasing the report 407 days after its fiscal year end is still not acceptable. New Mexico citizen's deserve truthful and transparent data that acknowledges the state's true debt."

Data from the study was derived from New Mexico's June 30, 2014 audited *Comprehensive Annual Financial Report* and retirement plans' actuarial reports.

Founded in 2002, Truth in Accounting is 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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