



NEW YORK RANKS NO. 42 FOR FISCAL HEALTH

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THE FINANCIAL STATE OF NEW YORK

A new analysis of the latest available audited financial reports found New York has a Taxpayer Burden™ of \$21,500, earning it an "F" grade based on Truth in Accounting's grading scale.

Financial decisions made by the state's elected officials over the years have left New York with a \$143 billion shortfall, which equates to \$21,500 for every taxpayer. Much of the state's overall debt comes from constitutionally protected pension benefits and retiree health care costs. Of the \$245.2 billion in retirement benefits promised, the state has not funded \$15.5 billion in pension and \$110.7 billion in retiree health care benefits.

New York's financial condition is not only alarming but also misleading as government officials have failed to disclose significant amounts of retirement debt on the state's balance sheet. Residents and taxpayers have been presented with an unreliable and inaccurate accounting of the state government's finances.

Here's the truth:

42

Rank

**\$143
billion**

Money needed to
pay bills

-\$21,500

Taxpayer
Burden

F

Financial grade

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

NEW YORK FINANCIAL BREAKDOWN

FAST FACTS

- + New York has \$135 billion available in assets to pay \$277.9 billion worth of bills.
- + The outcome is a \$143 billion shortfall and a \$21,500 Taxpayer Burden.
- + Despite reporting all of its pension debt, the state continues to hide \$69.7 billion of its retiree health care debt.
- + New York's reported net position is inflated by \$11.5 billion, largely because the state defers recognizing losses incurred when the net pension liability increases.

THE STATE'S BILLS EXCEED ITS ASSETS

| | |
|---|--------------------|
| Assets | \$354,386,000,000 |
| <i>Minus:</i> Capital assets | -\$195,576,000,000 |
| Restricted assets | -\$23,853,000,000 |
| Assets available to pay bills | \$134,957,000,000 |
| <i>Minus:</i> Bills | -\$277,923,371,000 |
| Money needed to pay bills | -\$142,966,371,000 |
| Each taxpayer's share of this debt | -\$21,500 |

BILLS THE STATE HAS ACCUMULATED

| | |
|---|--------------------------|
| Bonds | \$102,972,000,000 |
| Other liabilities | \$138,838,000,000 |
| <i>Minus:</i> Debt related to capital assets | -\$90,012,000,000 |
| Unfunded pension benefits | \$15,473,929,000 |
| Unfunded retiree health care | \$110,651,442,000 |
| Bills | \$277,923,371,000 |

GRADE: F

Bottom line: New York would need more than \$20,000 from each of its taxpayers to pay all of its bills, so it has received an "F" for its finances from Truth in Accounting.

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.