



NEW YORK RECEIVES 'F' GRADE FOR ITS FISCAL HEALTH

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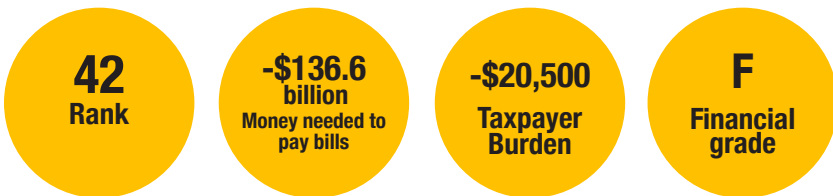
THE FINANCIAL STATE OF NEW YORK

A new analysis of the latest available audited financial reports found New York has a Taxpayer Burden™ of \$20,500, earning it an “F” grade from Truth in Accounting. New York is one of nine states to receive an “F” grade for its financial condition.

New York’s elected officials have made repeated financial decisions that have left the state with a debt burden of \$136.6 billion. That burden equates to \$20,500 for every state taxpayer. New York’s financial problems stem mostly from unfunded retirement obligations that have accumulated over the years. Of the \$252.6 billion in retirement benefits promised, the state has not funded \$10 billion in pension and \$110.6 billion in retiree health care benefits.

New York is not completely transparent with its taxpayers. The state’s balance sheet excludes \$64.9 billion of other post-employment benefit liabilities. While this analysis includes these liabilities, a new accounting standard (GASB 75) that New York will implement next fiscal year will require the state to recognize these liabilities.

THE TRUTH:



NEW YORK FINANCIAL BREAKDOWN

FAST FACTS

- New York has \$140 billion available to pay \$276.6 billion worth of bills.
- The outcome is a \$136.6 billion shortfall, which breaks down to a burden of \$20,500 per taxpayer.
- New York’s reported net position is inflated by \$6.7 billion, largely because the state defers recognizing losses incurred when the net pension liability increases.

THE STATE’S BILLS EXCEED ITS ASSETS

| | |
|--|--------------------|
| Total assets | \$365,904,000,000 |
| <i>Minus:</i> Capital assets | -\$201,728,000,000 |
| Restricted assets | -\$24,163,000,000 |
| Assets available to pay bills | \$140,013,000,000 |
| <i>Minus:</i> Total bills | -\$276,593,174,000 |
| Money available (needed) to pay future bills | -\$136,580,174,000 |
| Each taxpayer’s share of this debt | -\$20,500 |

BILLS THE STATE HAS ACCUMULATED

| | |
|--|-------------------|
| Bonds | \$106,011,000,000 |
| Other liabilities | \$142,439,000,000 |
| <i>Minus:</i> Debt related to capital assets | -\$92,467,000,000 |
| Unfunded pension benefits | \$9,977,951,000 |
| Unfunded retiree health care benefits | \$110,632,223,000 |
| Total bills | \$276,593,174,000 |

GRADE: F

Bottom line: New York would need \$20,500 from each of its taxpayers to pay all of its bills, so it has received an “F” for its finances. According to Truth in Accounting’s grading scale, any government with a Taxpayer Burden greater than \$20,000 receives an “F.”

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