



Our mission is to educate and empower citizens with understandable, reliable, and transparent government financial information.

Recommendations for Topics in the State of the Union Address

In anticipation of the President's State of the Union Address on January 20th, Truth in Accounting (TIA) has compiled a list of topics that would be beneficial to citizens for President Obama to address in his speech. TIA is a Chicago-based nonprofit that seeks to educate and empower citizens with timely, truthful, and transparent government accounting information. At a time when our national debt is at an all-time high and continues to rise, we hope the President will acknowledge our country's true fiscal condition. Government financial information that is both timely and accurate should be made available to citizens and with the State of the Union Address, President Obama has the opportunity to set the standard for the 114th Congress.

Here are four specific items we hope the President will discuss:

1. **The real federal debt amount**

Currently, the United States government's financial reports list our debt as \$18 trillion dollars. However, unlike private sector companies, the federal government does not include all of its liabilities, and when those are included, **our debt increases to \$80 trillion dollars.**

2. **Highlight the Federal Government's Net Worth**

Unfortunately, this is unlikely, as the federal government's financial report was not published until after the Address last year. To make knowledgeable discussions about the government's finances the President, Congress, and taxpayers need timely financial information. We encourage the President to request this information prior to the State of the Union Address for 2016.

3. **Underscore the Financial Problems of State and Local Governments**

Warren Buffett, chairman of Berkshire Hathaway Inc., discussed the financial conditions of local and state governments in his 2014 address to stockholders. In his address, he stated:

"Local and state financial problems are accelerating, in large part because public entities promised pensions they couldn't afford. Citizens and public officials typically under-appreciated the gigantic financial tapeworm that was born when promises were made

that conflicted with a willingness to fund them. Unfortunately, pension mathematics today remains a mystery to most Americans."

We hope the President will encourage the states to use truthful and transparent information to demystify their budget and financial reporting.

4. Provide an assessment of the probable cost involved with federal insurance operations:

We understand the federal government has many explicit and implicit insurance programs including property and casualty insurance. Historically, the federal government provides aid and assistance to people in the United States and throughout the world when national disasters or acts of terrorism occur. During the financial meltdown, the federal government became the backer of last resort, bailing out the big financial institutions.

The federal government's insurance operations include:

- Retirement security insurance, Social Security;
- Retirement health care insurance, Medicare;
- Flood insurance;
- Federal Deposit Insurance Corporation (FDIC);
- The Pension Benefit Guaranty Corporation (PBGC); and
- Securities Investor Protection Corporation (SIPC).

We strongly urge the federal government to give timely, truthful, and transparent financial information to the citizens of the United States. For too long the government has held its citizens and big businesses to different accounting standards and it's time for the government to hold itself to higher standards. Transparency is the cornerstone of our country's system of checks and balances and our country's true debt should be the cornerstone of the President's State of the Union Address.

Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read "Sheila Weinberg". The signature is fluid and cursive, with the first name being the most prominent.

Sheila Weinberg

CEO and Founder
Truth in Accounting