



Truth in Accounting

SOUTH DAKOTA'S FINANCES IN GOOD SHAPE

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THE FINANCIAL STATE OF SOUTH DAKOTA

A new analysis of the latest available audited financial reports found South Dakota has a Taxpayer Surplus™ of \$2,800, earning it a “B” grade from Truth in Accounting. South Dakota’s pension plan appears to be overfunded by \$821,000. Maintaining a surplus is advisable because the value of pension plan assets can fluctuate dramatically.

Unlike most states, South Dakota’s state government has enough resources available to pay all of its bills, including public employees’ retirement benefits. This means that South Dakota’s elected officials have truly balanced their budgets. When broken down, the amount available to pay future bills results in a surplus of \$2,800 for each South Dakota taxpayer.

South Dakota and other states have become more transparent over the last few years, thanks to the Generally Accepted Accounting Principles (GAAP) set by the Governmental Accounting Standards Board (GASB), which now require governments to disclose pension (GASB 68) and other post-employment (GASB 75) benefits on their balance sheets.

THE TRUTH:



SOUTH DAKOTA FINANCIAL BREAKDOWN

FAST FACTS

- South Dakota has \$3.2 billion available to pay \$2.4 billion worth of bills.
- The outcome is a \$846.9 million surplus, which breaks down to \$2,800 per taxpayer.
- South Dakota’s pension plan appears to be overfunded by \$821,000, but maintaining a surplus is advisable because the value of pension plan assets can fluctuate dramatically.

THE STATE’S ASSETS EXCEED ITS BILLS

Total assets	\$11,856,439,000
<i>Minus:</i> Capital assets	-\$5,561,482,000
Restricted assets	-\$3,083,555,000
Assets available to pay bills	\$3,211,402,000
<i>Minus:</i> Total bills	-\$2,364,475,000
Money available (needed) to pay future bills	\$846,927,000
Each taxpayer’s share of surplus	\$2,800

BILLS THE STATE HAS ACCUMULATED

Bonds	\$2,166,408,000
Other liabilities	\$887,180,000
<i>Minus:</i> Debt related to capital assets	-\$688,292,000
Overfunded pension benefits	-\$821,000
Unfunded retiree health care benefits	\$0
Total bills	\$2,364,475,000

GRADE: B

Bottom line: South Dakota has more than 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 a 501(c)(3) committed to educating and empowering citizens with understandable, reliable and transparent government financial information. To be knowledgeable participants in their government, citizens need truthful and transparent financial information.