



TENNESSEE RANKS NO. 6 FOR ITS FISCAL HEALTH

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THE FINANCIAL STATE OF TENNESSEE

A new analysis of the latest available audited financial reports found Tennessee has a Taxpayer Surplus™ of \$2,800, earning it a “B” grade from Truth in Accounting. Tennessee has reported a Taxpayer Surplus since 2012.

Unlike most states, Tennessee’s state government has enough resources available to pay all of its bills, including public employees’ retirement benefits. This means that Tennessee’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 Tennessee taxpayer.

Tennessee 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:



TENNESSEE FINANCIAL BREAKDOWN

FAST FACTS

- Tennessee has \$19.9 billion available to pay \$14.1 billion worth of bills.
- The outcome is a \$5.8 billion surplus, which breaks down to \$2,800 per taxpayer.
- Tennessee has maintained a Taxpayer Surplus for the last seven years.

THE STATE’S ASSETS EXCEED ITS BILLS

Total assets	\$60,733,886,000
<i>Minus:</i> Capital assets	-\$35,985,909,000
Restricted assets	-\$4,883,547,000
Assets available to pay bills	\$19,864,430,000
<i>Minus:</i> Total bills	-\$14,052,564,000
Money available (needed) to pay future bills	\$5,811,866,000
Each taxpayer’s share of surplus	\$2,800

BILLS THE STATE HAS ACCUMULATED

Bonds	\$8,580,715,000
Other liabilities	\$4,131,735,000
<i>Minus:</i> Debt related to capital assets	-\$2,420,520,000
Unfunded pension benefits	\$1,768,864,000
Unfunded retiree health care benefits	\$1,991,770,000
Total bills	\$14,052,564,000

GRADE: B

Bottom line: Tennessee 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.