



VIRGINIA EARNS 'C' GRADE FOR ITS FINANCES

September 2018
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THE FINANCIAL STATE OF VIRGINIA

A new analysis of the latest available audited financial reports found Virginia has a Taxpayer Burden™ of \$1,900, earning it a "C" grade based on Truth in Accounting's grading scale.

Financial decisions made by the commonwealth's elected officials have left Virginia with a \$5.4 billion shortfall, which equates to \$1,900 for every taxpayer. Most of the commonwealth's overall debt comes from retirement liabilities that have accumulated over many years. Of the \$33.5 billion in retirement benefits promised, the commonwealth has not funded \$6.9 billion in pension and \$2.9 billion in retiree health care benefits.

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

Here's the truth:



VIRGINIA

FINANCIAL BREAKDOWN

FAST FACTS

- + Virginia has \$35.8 billion available in assets to pay \$41.2 billion worth of bills.
- + The outcome is a \$5.4 billion shortfall and a \$1,900 Taxpayer Burden.
- + Despite reporting all of its pension debt, the commonwealth continues to hide \$936.9 million of its retiree health care debt.
- + Virginia's reported net position is inflated by \$1.5 billion, largely because the commonwealth defers recognizing losses incurred when the net pension liability increases.

THE COMMONWEALTH'S BILLS EXCEED ITS ASSETS

Assets	\$105,755,374,000
<i>Minus:</i> Capital assets	-\$53,224,288,000
Restricted assets	-\$16,725,683,000
Assets available to pay bills	\$35,805,403,000
<i>Minus:</i> Bills	-\$41,175,434,000
Money needed to pay bills	-\$5,370,031,000
Each taxpayer's share of this debt	-\$1,900

BILLS THE COMMONWEALTH HAS ACCUMULATED

Bonds	\$27,085,160,000
Other liabilities	\$20,763,438,000
<i>Minus:</i> Debt related to capital assets	-\$16,439,411,000
Unfunded pension benefits	\$6,892,038,000
Unfunded retiree health care	\$2,874,209,000
Bills	\$41,175,434,000

GRADE: C

Bottom line: Virginia's Taxpayer Burden is less than \$5,000, so it has received a "C" for its finances from Truth in Accounting. While better off than many other states, Virginia still owes more than it owns.

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.