

VERMONT FINANCES SLIGHTLY IMPROVED

April 2017
truthinaccounting.org

THE FINANCIAL STATE OF VERMONT

Repeated decisions by state officials have left the state with a staggering debt burden of \$4 billion, according to Truth in Accounting's (TIA) analysis of the most recent financial filings. That burden equates to \$17,100 for every Vermont taxpayer.

These statistics are troubling, but what's more troubling is that state government officials continue to obscure large amounts of retirement debt on their balance sheets, despite new rules to increase financial transparency. This skewed financial data gives state residents a false impression of their state's overall financial health.

Here's the truth:

\$4
billion
money needed
to pay bills

-\$17,100
taxpayer
burden™

D
Vermont's
financial grade

Data included in this report is derived from the state of Vermont's 2016 audited Comprehensive Annual Financial Report and retirement plans' actuarial reports.

VERMONT FINANCIAL BREAKDOWN

FAST FACTS

- + Vermont has \$3.8 billion available in assets to pay \$7.8 billion worth of bills.
- + The outcome: A \$4 billion shortfall and a \$17,100 taxpayer burden™.
- + Despite reporting most of its pension debt, the state continues to hide most of its retiree health care debt. The state's total hidden debt amounts to \$1.6 billion.

THE STATE'S BILLS EXCEED ITS ASSETS

Assets	\$9,180,094,485
<i>Minus:</i> Capital assets	-\$3,566,793,826
Restricted assets	-\$1,792,070,042
Assets available to pay bills	\$3,821,230,617
<i>Minus:</i> Bills	-\$7,776,745,345
Money needed to pay bills	-\$3,955,514,728
Each taxpayer's share of this debt	-\$17,100

BILLS THE STATE HAS ACCUMULATED

Bonds	\$3,267,448,809
Other liabilities	\$1,090,845,685
<i>Minus:</i> Debt related to capital assets	-\$971,873,149
Unfunded pension benefits	\$1,971,462,000
Unfunded retiree health care	\$2,418,862,000
Bills	\$7,776,745,345

GRADE: D

Bottom line: Vermont does not have enough money to pay its bills, so it has received a "D" for its finances from Truth in Accounting. A "D" grade is given to states with a taxpayer burden™ between \$5,000 & \$20,000. Because of Vermont's balanced budget requirement, their taxpayer burden should be \$0.

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.