



VERMONT RANKS NO. 41 FOR FISCAL HEALTH

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truthinaccounting.org

THE FINANCIAL STATE OF VERMONT

A new analysis of the latest available audited financial reports found Vermont has a Taxpayer Burden™ of \$20,100, earning it an "F" grade based on Truth in Accounting's grading scale.

Vermont's elected officials have made repeated financial decisions that have left the state with a debt burden of \$4.7 billion, according to the analysis. That burden equates to \$20,100 for every state taxpayer. Vermont's financial problems stem mostly from unfunded retirement obligations that have accumulated over many years. Of the \$8.6 billion in retirement benefits promised, the state has not funded \$2.2 billion in pension and \$3 billion in retiree health care benefits.

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

Here's the truth:

41

Rank

**\$4.7
billion**

Money needed to
pay bills

-\$20,100

Taxpayer
Burden

F

Financial grade

VERMONT FINANCIAL BREAKDOWN

FAST FACTS

- + Vermont has \$3.6 billion available in assets to pay \$8.3 billion worth of bills.
- + The outcome is a \$4.7 billion shortfall and a \$20,100 Taxpayer Burden.
- + The state is hiding \$191.3 million of pension debt and \$1.8 billion of retiree health care debt from its balance sheet.
- + Vermont's reported net position is inflated by \$500.8 million, largely because the state defers recognizing losses incurred when the net pension liability increases.

THE STATE'S BILLS EXCEED ITS ASSETS

Assets	\$9,279,463,000
<i>Minus:</i> Capital assets	-\$3,739,980,000
Restricted assets	-\$1,889,772,000
Assets available to pay bills	\$3,649,711,000
<i>Minus:</i> Bills	-\$8,340,544,000
Money needed to pay bills	-\$4,690,833,000
Each taxpayer's share of this debt	-\$20,100

BILLS THE STATE HAS ACCUMULATED

Bonds	\$3,182,762,000
Other liabilities	\$1,018,780,000
<i>Minus:</i> Debt related to capital assets	-\$1,014,562,000
Unfunded pension benefits	\$2,162,740,000
Unfunded retiree health care	\$2,990,824,000
Bills	\$8,340,544,000

GRADE: F

Bottom line: Vermont would need more than \$20,000 from each of its taxpayers to pay all of its bills, so it has received an "F" for its finances from Truth in Accounting.

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.