

Money Available
\$5 billion



Taxpayer Surplus™
\$1,900



Financial Grade



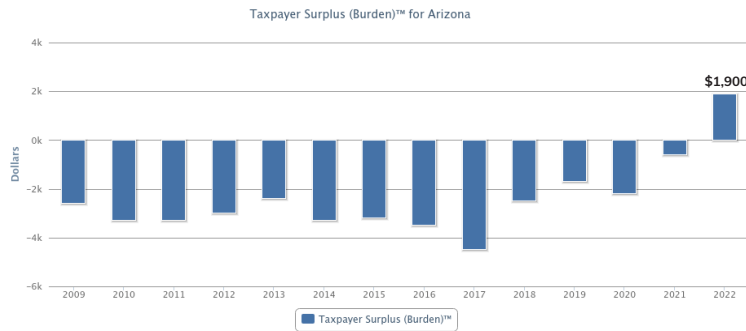
Ranking

20 out of 50



As of August 31 2024, Arizona had not released its fiscal year 2023 annual financial report. This is the third year in a row Arizona has been tardy. Based upon the state's last audited financial report for the fiscal year 2022, it had a Taxpayer Burden of \$1,900, earning it a "B" grade from Truth in Accounting. At that time, Arizona needed \$5 billion to pay its bills. Unfunded pensions and other employee retirement obligations continued to plague the state in 2022, and we expect the same occurred in 2023.

Based upon the state's outdated data, in 2022, the state had only set aside 75 cents for every dollar of promised pension benefits and 38 cents for every dollar of promised retiree health care benefits. Predicting Arizona's current economic condition is difficult due to many factors. Stock market returns may have boosted the value of retirement systems' investments on paper, yet inflationary pressures have concurrently driven up expenses. Despite previously high employment figures, recent reports indicate a slowdown in job growth.



Delaying financial reporting for three consecutive years is, at best, negligent and could even be considered reckless. The Government Finance Officers Association standard for timeliness is 180 days after the fiscal year-end. Truth in Accounting believes governments should release their financial reports within 100 days of the fiscal year-end. Without the 2023 financial report, citizens and elected officials are missing crucial information needed to make informed decisions regarding budgets, future legislative actions, and tax collection.

- Arizona had \$24.9 billion available to pay \$19.9 billion worth of bills.
- The outcome was a \$5 billion surplus, which breaks down to \$1,900 per taxpayer.
- Arizona's outdated data reveals inadequate pension and retiree healthcare funding.

The State's Assets Exceeded Its Bills

Total Assets	\$73,721,511,000
Minus: Capital Assets	-\$34,366,392,000
Restricted Assets	-\$14,460,561,000
Assets Available to Pay Bills	\$24,894,558,000
Minus: Total Bills*	\$19,890,263,000
Money available to pay bills	\$5,004,295,000
Each taxpayer's share of this surplus	\$1,900

*Breakdown of Total Bills

Bonds	\$5,994,026,000
Other Liabilities	\$15,937,970,000
Minus: Debt Related to Capital Assets	-\$7,499,958,000
Unfunded Pension Benefits	\$4,434,878,000
Unfunded Retiree Health Care Benefits	\$1,023,347,000
Total Bills	\$19,890,263,000

Grade:

B

Bottom line: Arizona had more than enough money to pay its outstanding bills and received a "B" grade for its finances. According to Truth in Accounting's grading scale, any government with a Taxpayer Surplus between \$1 and \$9,999 is given a "B" grade.