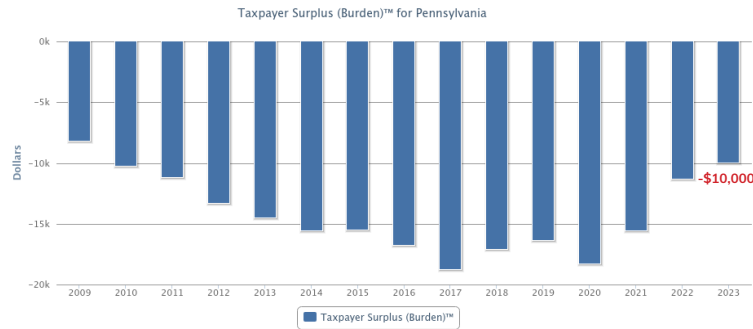


Pennsylvania, like most other states, improved its financial condition in 2023. This is a positive development, and Truth in Accounting applauds the state's commitment to improving its fiscal solvency. The state increased its money available to pay bills by \$1.4 billion. However, Pennsylvania still needed \$50 billion to pay all its bills.

Pennsylvania's \$10 billion of excess of revenues over expenses were largely offset by a \$7.26 billion rise in its net pension liability due in part to 12.2 percent unrealized losses in State Employees Retirement System investments. The good news is that estimated unfunded retiree healthcare benefits fell by \$3.2 billion.



However, unfunded pensions and other post-retirement benefits continued to impair Pennsylvania's ability to pay its bills. As outlined in the comprehensive 2024 Financial State of the States report, inflation, market volatility, and other economic factors could further impact the state's financial situation. Based upon the state's latest audited financial report for the fiscal year 2023, Pennsylvania had a Taxpayer Burden™ of \$10,000, earning it a "D" grade from Truth in Accounting.

- Pennsylvania had \$62.1 billion available to pay \$112.1 billion worth of bills.
- The outcome was a \$50 billion shortfall, which breaks down to a burden of \$10,000 per taxpayer.
- Pennsylvania's revenues in excess of expenses were largely offset by its rising net pension liability.

The State's Bills Exceeded Its Assets

Total Assets	\$134,513,942,000
Minus: Capital Assets	-\$56,386,369,000
Restricted Assets	-\$16,033,719,000
Assets Available to Pay Bills	\$62,093,854,000
Minus: Total Bills*	\$112,051,653,000
Money needed to pay bills	\$49,957,799,000
Each taxpayer's share of this burden	\$10,000

*Breakdown of Total Bills

Bonds	\$39,212,413,000
Other Liabilities	\$29,986,543,000
Minus: Debt Related to Capital Assets	-\$17,926,273,000
Unfunded Pension Benefits	\$43,455,273,000
Unfunded Retiree Health Care Benefits	\$17,323,697,000
Total Bills	\$112,051,653,000

Grade:	Bottom line: Pennsylvania would need \$10,000 from each of its taxpayers to pay all of its outstanding bills and received a "D" grade for its finances. According to Truth in Accounting's grading scale, any government with a Taxpayer Burden between \$5,000 and \$20,000 is given a "D" grade.
D	

The data included in this report is derived from Pennsylvania's 2023 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other states' and cities' financial, demographic, and economic information, go to Data-Z.org.

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