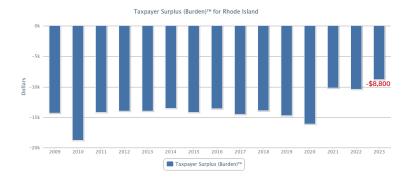
## **Financial State of Rhode Island**

## Money Needed \$4 billion \$8,800 Truth in Accounting

Rhode Island, 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 \$304.4 million. However, Rhode Island still needed \$4 billion to pay all its bills.

Rhode Island's financial outlook improved, with total revenues exceeding expenses. The state reported a \$218.5 million increase in education funding, driven by \$95.6 million from the American Rescue Plan, \$58.5 million for school construction, and \$39.8 million for local education aid. Additionally, the state's net pension liability decreased by \$155 million because of improved investment returns, while federal assistance grew by \$282.5 million.

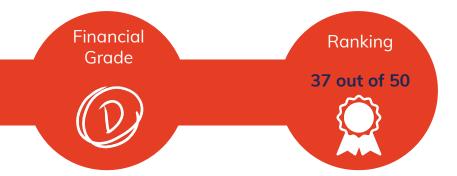


However, unfunded pensions and other post-retirement benefits continued to impair Rhode Island's ability to pay its bills. As outlined in the comprehensive 2024 Financial State of the States report, inflation, market volatility, and other economic factors could further impact the state's financial situation. Based upon the state's latest audited financial report for the fiscal year 2023, Rhode Island had a Taxpayer Burden™ of \$8,800, earning it a "D" grade from Truth in Accounting.

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The data included in this report is derived from Rhode Island'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.

## **Rhode Island's Financial Facts**



- Rhode Island had \$8.6 billion available to pay \$12.6 billion worth of bills.
- The outcome was a \$4 billion shortfall, which breaks down to a burden of \$8,800 per taxpayer.
- Rhode Island's net pension liability decreased by \$155 million due in part to improved investment returns.

The State's Bills Exceeded Its Assets		
Total Assets	\$20,796,050,000	
Minus: Capital Assets	-\$8,007,271,000	
Restricted Assets	-\$4,143,433,000	
Assets Available to Pay Bills	\$8,645,346,000	
Minus: Total Bills*	\$12,596,315,000	
Money needed to pay bills	\$3,950,969,000	
Each taxpayer's share of this burden	\$8,800	

*Breakdown of Total Bills		
Bonds	\$5,656,489,000	
Other Liabilities	\$4,755,195,000	
Minus: Debt Related to Capital Assets	-\$1,366,695,000	
Unfunded Pension Benefits	\$3,247,030,000	
Unfunded Retiree Health Care Benefits	\$304,296,000	
Total Bills	\$12,596,315,000	

## Grade:

Bottom line: Rhode Island would need \$8,800 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.

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