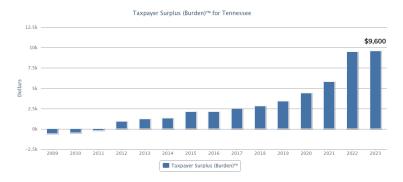
## **Financial State of Tennessee**

## Money Available \$24.1 billion \$9,600 Truth in Accounting

Tennessee, 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 \$3.2 billion. This means the state had a Taxpayer Surplus™ of \$9,600, earning it a "B" grade.

Tennessee had more than enough resources, \$24.1 billion, to pay all its bills, which was a \$3.2 billion improvement. While its reported revenues exceeded expenses, this gain was partially offset by an increase in the state's net pension liability. The investments in the state's closed pension plans did not perform as well in the markets as hoped and changes were made to the economic and demographic assumptions used to estimate future benefit payments.

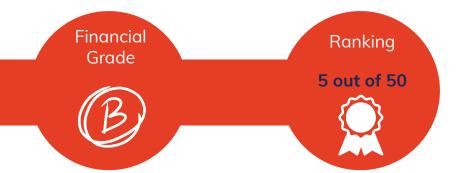


Although Tennessee ended its 2023 fiscal year in strong financial health, as outlined in the comprehensive 2024 Financial State of the States report, market fluctuations in pension values, coupled with uncertainty around inflation and employment, make it challenging to predict the future resources needed to sustain government services and benefits. In light of these uncertainties, it's reassuring that the state has retained funds to cover its financial obligations.

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The data included in this report is derived from Tennessee'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.

## Tennessee's Financial Facts



- Tennessee had \$43.9 billion available to pay \$19.8 billion worth of bills.
- The outcome was a \$24.1 billion surplus, which breaks down to \$9,600 per taxpayer.
- Tennessee's finances improved by \$3.2 billion, even though net pension liabilities rose because of underperforming investments.

The State's Assets Exceeded Its Bills		
Total Assets	\$93,329,772,000	
Minus: Capital Assets	-\$42,254,909,000	
Restricted Assets	-\$7,164,738,000	
Assets Available to Pay Bills	\$43,910,125,000	
Minus: Total Bills*	\$19,826,242,000	
Money available to pay bills	\$24,083,883,000	
Each taxpayer's share of this surplus	\$9,600	

*Breakdown of Total Bills		
Bonds	\$8,599,587,000	
Other Liabilities	\$11,797,808,000	
Minus: Debt Related to Capital Assets	-\$2,777,612,000	
Unfunded Pension Benefits	\$1,096,749,000	
Unfunded Retiree Health Care Benefits	\$1,109,710,000	
Total Bills	\$19,826,242,000	

## Grade:

Bottom line: Tennessee 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.

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