

## **Delaware Lags in Fiscal Health**

*By John Stapleford, CRI Board Chair*

The 2018 ranking of states by fiscal condition has been issued by the Mercatus Center. The analysis is based upon FY16 financial reports.

Delaware ranks 44<sup>th</sup> among the states for fiscal health.

Delaware has between 1.34 and 1.98 times the cash needed to cover short-term obligations. Revenues only cover 96 percent of expenses, with a worsening net position of  $-\$377$  per capita. In the long run, Delaware has a net asset ratio of  $-0.15$ .

Long-term liabilities are higher than the national average in per capita terms at  $\$7,537$  per capita, but slightly lower than the national average when measured as a percentage of total assets. Total unfunded pension liabilities that are guaranteed to be paid are  $\$13.75$  billion, or 30 percent of state personal income. OPEB is only 4% funded and equals  $\$7.73$  billion, or 17 percent of state personal income.

*Full Report:*

*<https://www.mercatus.org/system/files/norcross-fiscal-rankings-2018-mercatus-research-v1.pdf>*