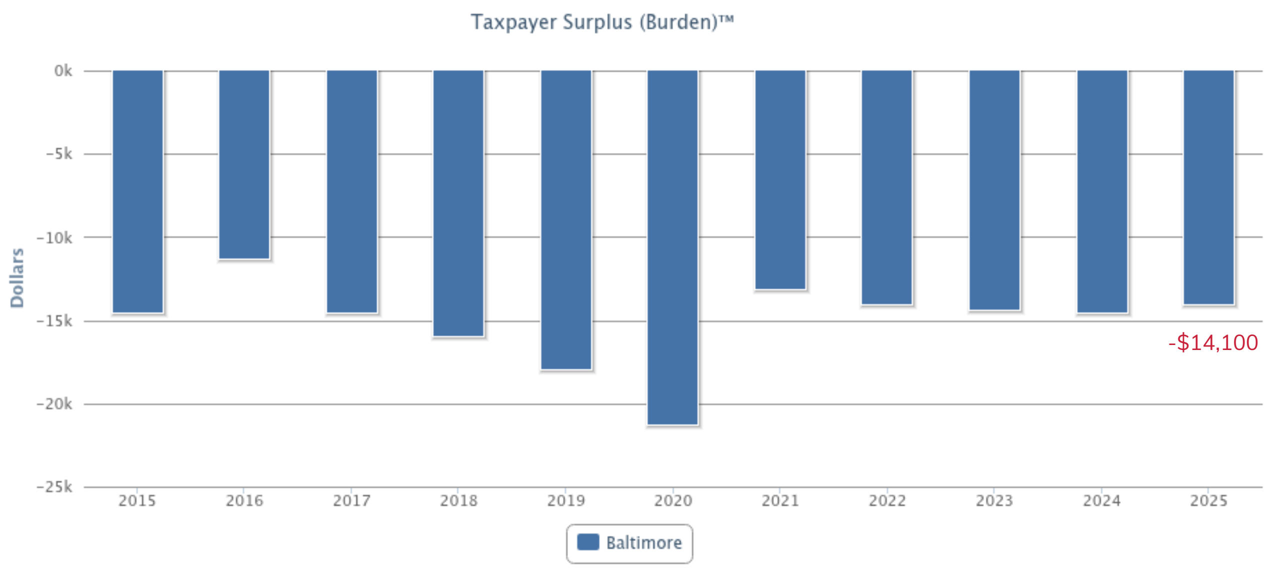
Financial State of Baltimore

Money Needed to Pay Bills	**$3 billion**
Taxpayer Burden™	**$14,100**
Grade	**D**

The city of Baltimore had a $3 billion gap between available resources and obligations, resulting in a Taxpayer Burden™ of about $14,100 per taxpayer and a “D” grade from Truth in Accounting.



While Baltimore’s revenues exceeded expenses, expense growth (11.51%) was more than twice revenue growth (5.47%). Even with the city making the actuaries’ recommended contributions and generally favorable investment performance, fire and police pension debt continued to grow as employees earn additional benefits and existing pension liabilities accrued interest. As a result, about 65 cents per dollar of promised benefits are funded. The city’s retiree health care liability declined in some years as strong investment returns and benefit term reductions offset cost growth.

Each year, the federal government mandates that entities receiving significant federal funds undergo a Single Audit. This examination ensures the proper use of funds, compliance with laws and regulations, and the maintenance of reliable financial records. Baltimore’s Single Audit identified pervasive control weaknesses including delayed cash reconciliations, inaccurate cash and grant reporting, unreliable utility billing, capital asset records, cybersecurity vulnerabilities, and debt covenant noncompliance. These weaknesses resulted in significant post-year-end adjustments, reflecting fragmented oversight and weak internal controls and processes.

The data in this report comes from Baltimore’s audited 2025 Annual Comprehensive Financial Report and its retirement systems’ reports. To explore prior years or compare financial, demographic, and economic data across other states and cities, visit Data-Z.org.

Baltimore's Financial Facts

FACT #1:
Baltimore had $3.6 billion available to pay $6.6 billion worth of bills.

FACT #2:
The outcome was a $3 billion shortfall, which breaks down to a burden of $14,100 per taxpayer.

FACT #3:
Expense growth outpaced revenue growth, while the police and fire pension system was only about 65 percent funded.

The City's Bills Exceeded Its Assets

Total Assets		$16,302,770,000
Minus:	Capital Assets	-$11,283,592,000
	Restricted Assets	-$1,387,631,000
Assets Available to Pay Bills		$3,631,547,000
Minus:	Total Bills*	-$6,592,597,000
Money Needed to Pay Bills		$2,961,050,000
Each Taxpayer's Share of this Burden		$14,100

*Breakdown of Total Bills

Bonds		$4,261,022,000
Other Liabilities		$4,046,738,000
Minus:	Debt Related to Capital Assets	-$3,421,700,000
Unfunded Pension Benefits		$1,849,358,000
Overfunded Retiree Health Care Benefits		-$142,821,000
Total Bills		$6,592,597,000

Grade:
D

Bottom line:
Baltimore, MD would need $14,100 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.