



THE TRUTH

Money Needed to Pay Bills

-\$127.8 million

Taxpayer Burden™

-\$1,400

Financial Grade

C

Ranking

25 out of 75

Toledo Earned 'C' Grade For Fiscal Health



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Financial State of Toledo, OH

Despite receiving support from COVID relief grants and other federal programs, Toledo remained in bad fiscal shape during the onset of the pandemic. Based upon the city's fiscal year 2020 audited financial report, Toledo had a Taxpayer Burden™ of \$1,400, earning it a "C" grade from Truth in Accounting.

Toledo's elected officials have repeatedly made financial decisions that left the city with a debt burden of \$127.8 million. That burden came to \$1,400 for every city taxpayer. Toledo's financial problems stem mostly from unfunded retirement obligations that have accumulated over the years. The city had set aside only 77 cents for every dollar of promised pension benefits and 77 cents for every dollar of promised retiree health care benefits.

Toledo did not have enough money set aside to weather the pandemic and the city has been in poor fiscal shape for years. Like all other cities, Toledo received federal assistance from the CARES Act and other COVID-19 related grants which came with stipulations on how the money could be spent. Also, the city has not been properly funding its pension and retiree health care promises which places a burden on future taxpayers.

The data included in this report is derived from the city of Toledo's 2020 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other city financial, demographic, and economic information go to Data-Z.org.

Toledo's Financial Breakdown

Fast Facts

- Toledo had \$592.2 million available to pay \$719.9 million worth of bills.
- The outcome was a \$127.8 million shortfall, which breaks down to a burden of \$1,400 per taxpayer.
- Toledo's overall financial condition improved by \$156 million mostly because of changes in retiree health care benefits and an influx of federal aid.

THE CITY'S BILLS EXCEEDED ITS ASSETS

| | |
|---------------------------------------|------------------|
| Total assets | \$2,607,625,000 |
| Minus: Capital assets | -\$1,830,780,000 |
| Restricted assets | -\$184,695,000 |
| Assets available to pay bills | \$592,150,000 |
| Minus: Total bills | -\$719,911,000 |
| Money available (needed) to pay bills | -\$127,761,000 |
| Each taxpayer's share of this burden | -\$1,400 |

BILLS THE CITY ACCUMULATED

| | |
|---------------------------------------|----------------|
| Bonds | \$558,552,000 |
| Other liabilities | \$704,583,000 |
| Minus: Debt related to capital assets | -\$917,773,000 |
| Unfunded pension benefits | \$343,522,000 |
| Unfunded retiree health care benefits | \$31,027,000 |
| Total bills | \$719,911,000 |

Grade:

C

Bottom line: Toledo would need \$1,400 from each of its taxpayers to pay all of its bills, so it has received a "C" for its finances. According to Truth in Accounting's grading scale, any government with a Taxpayer Burden between \$0 and \$4,900 receives a "C" grade.

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