



No. **64**

Baltimore Ranks No. 64 for Fiscal Health

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The Financial State of Baltimore

A new analysis of the latest available audited financial report found Baltimore has a Taxpayer Burden™ of \$14,600, earning it a "D" grade based on Truth in Accounting's grading scale.

Baltimore's elected officials have made repeated financial decisions that have left the city with a debt burden of \$3.2 billion, according to the analysis. That equates to a \$14,600 burden for every city taxpayer.

Baltimore's financial problems stem mostly from unfunded retirement obligations that have accumulated over many years. Of the \$7.5 billion in retirement benefits promised, the city has not funded \$1.9 billion in pension and \$885.1 million in retiree health care benefits.

Here's the truth:

\$3.2
billion
Money needed
to pay bills

-\$14,600
Taxpayer
Burden

D
Financial grade

Data included in this report is derived from the city of Baltimore 2017 audited Comprehensive Annual Financial Report and retirement plans' reports.

BALTIMORE

FINANCIAL BREAKDOWN

FAST FACTS

- + Baltimore has \$2.2 billion available in assets to pay \$5.4 billion worth of bills.
- + The outcome is a \$3.2 billion shortfall and a \$14,600 Taxpayer Burden.
- + Baltimore's reported net position is overstated by \$626.5 million, largely because the city delays recognizing losses incurred when the net pension liability increases.

THE CITY'S BILLS EXCEED ITS ASSETS

Assets	\$11,501,916,000
Minus: Capital assets	-\$8,713,606,000
Restricted assets	-\$586,677,000
Assets available to pay bills	\$2,201,633,000
Minus: Bills	-\$5,419,176,000
Money needed to pay bills	-\$3,217,543,000
Each taxpayer's share of this debt	-\$14,600

BILLS THE CITY HAS ACCUMULATED

Bonds	\$3,450,161,000
Other liabilities	\$1,978,653,000
Minus: Debt related to capital assets	-\$2,777,397,000
Unfunded pension benefits	\$1,882,659,000
Unfunded retiree health care	\$885,100,000
Bills	\$5,419,176,000

GRADE: D

Bottom line: Baltimore does not have enough money to pay its bills, so it has received a "D" for its finances from Truth in Accounting. A "D" grade is given to cities with a Taxpayer Burden between \$5,000 and \$20,000.