

Baltimore

The Truth



Money Needed to Pay Bills
\$2.9 billion



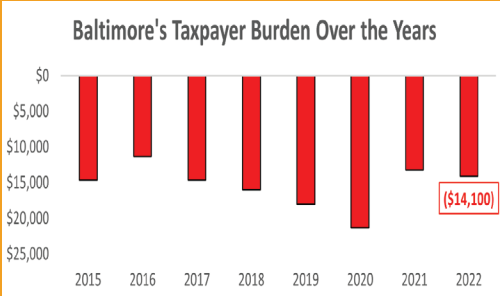
Taxpayer Burden™
\$14,100



Financial Grade
D



Ranking
67 out of 75



Financial State of Baltimore

Baltimore's financial condition continued to worsen by \$102.7 million, with a Taxpayer Burden™ of \$14,100, earning it a “D” grade from Truth in Accounting.

According to the city's 2022 financial report, the city continued to spend federal COVID-19 relief funds, and as the U.S. economy reopened, the city took in additional tax revenue. Such economic gains were offset by increases in the city's pension liability. Over the past few years, investment market values have swung dramatically. In 2022, this volatility negatively impacted the city's pension investments and its financial condition, which demonstrates the risk to taxpayers when their city offers defined pension benefits to its employees.

Baltimore had set aside only 72 cents for every dollar of promised pension benefits and only 88 cents for every dollar of promised retiree health care benefits.

It is important to note that continued market fluctuations, changing investment values, decreased COVID relief funds, and a stabilizing economy that may slow tax collections, could worsen Baltimore's financial health further. City officials should try to reduce the Taxpayer Burden by following the recommendations in our 2024 Financial State of the Cities report which would bring greater transparency and accountability to city finances.

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Daniels College of Business
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The data included in this report is derived from Baltimore's 2022 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other cities' financial, demographic, and economic information, go to Data-Z.org.

Baltimore's Financial Breakdown

Fast Facts

- Baltimore had \$4 billion available to pay \$6.9 billion worth of bills.
- The outcome was a \$2.9 billion shortfall, an increase of \$102.7 million from the prior year, and a burden of \$14,100 per taxpayer.
- While Baltimore received \$773 million in COVID-related grants and had a 9.6% increase in income taxes, its unfunded pension benefits increased significantly due to weak returns on its investments.

The City's Bills Exceeded Its Assets

Total Assets	\$15,943,716,000
Minus: Capital Assets	-\$11,016,171,000
Restricted Assets	-\$932,256,000
Assets Available to Pay Bills	\$3,995,289,000
Minus: Total Bills*	\$6,882,813,000
Money needed to pay bills	\$2,887,524,000
Each taxpayer's share of this burden	\$14,100

*Breakdown of Total Bills

Bonds	\$4,555,050,000
Other Liabilities	\$3,900,811,000
Minus: Debt Related to Capital Assets	-\$3,640,318,000
Unfunded Pension Benefits	\$1,947,121,000
Unfunded Retiree Health Care Benefits	\$120,149,000
Total Bills	\$6,882,813,000

Grade:

D

Bottom line: Baltimore 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.

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