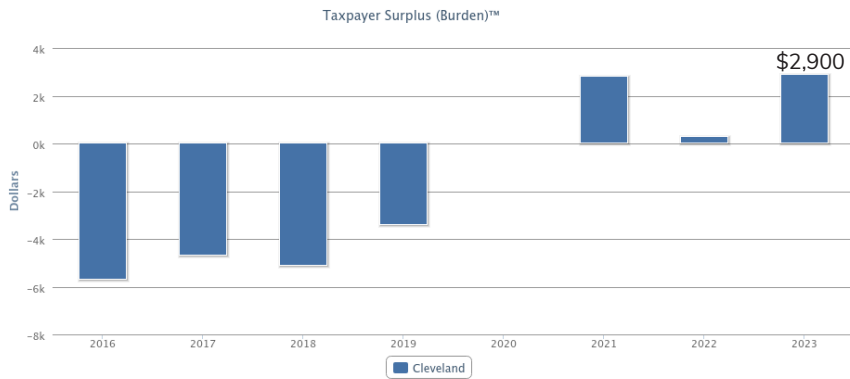




 **\$400.9 million**
MONEY AVAILABLE TO PAY FUTURE BILLS

 **\$2,900**
TAXPAYER SURPLUS™

Cleveland's financial condition continued to improve according to our analysis of its audited financial report for fiscal year 2023, solidifying its status as a Sunshine City. The city earned a "B" grade from Truth in Accounting, with \$400.9 million available to cover future bills and a Taxpayer Surplus™ of \$2,900.



Cleveland's financial condition improved by \$366.4 million, driven by reported revenues exceeding expenses by \$323 million. This growth stemmed from strong investment earnings resulting from higher market returns and a reduction in the city's share of Ohio's pension system debt. Unrealized losses from 2022 transitioned into gains in 2023, but this highlights the risks to the city and its taxpayers due to investment market volatility, emphasizing the need for cautious financial planning moving forward.

Income tax revenue rose by \$19.9 million, driven by increased collections due a lower unemployment rate. Other taxes grew by \$6.3 million (15.8%) due to the recovery of sports, entertainment, and hotel revenues as pandemic restrictions eased. This economic strength highlights Cleveland's resilience, which will be needed to manage its bills, including \$1.1 billion in unfunded pension liabilities.

 **B**
FINANCIAL GRADE

 **5 out of 75**
RANKING

FINANCIAL FACTS

- Cleveland had \$2.7 billion available to pay \$2.3 billion worth of bills.
- The outcome was a \$400.9 million surplus, which breaks down to \$2,900 per taxpayer.
- Cleveland's financial condition improved by \$366.4 million, driven by strong investment earnings and higher tax revenues, despite pension liabilities.

The City's Assets Exceeded Its Bills

Total Assets	\$7,364,341,000
Minus: Capital Assets	-\$4,214,910,000
Restricted Assets	-\$450,800,000
Assets Available to Pay Bills	\$2,698,631,000
Minus: Total Bills*	-\$2,297,760,000
Money available to pay future bills	\$400,871,000
Each taxpayer's share of this surplus	\$2,900

*Breakdown of Total Bills

Bonds	\$1,835,933,000
Other Liabilities	\$903,648,000
Minus: Debt Related to Capital Assets	-\$1,581,954,000
Unfunded Pension Benefits	\$1,107,697,000
Unfunded Retiree Health Care Benefits	\$32,436,000
Total Bills	\$2,297,760,000

Grade:	Bottom line:
B	Cleveland had more than enough money to pay its outstanding bills and received a "B" grade. A "B" grade is given to governments with a Taxpayer Surplus between \$1 and \$9,999.