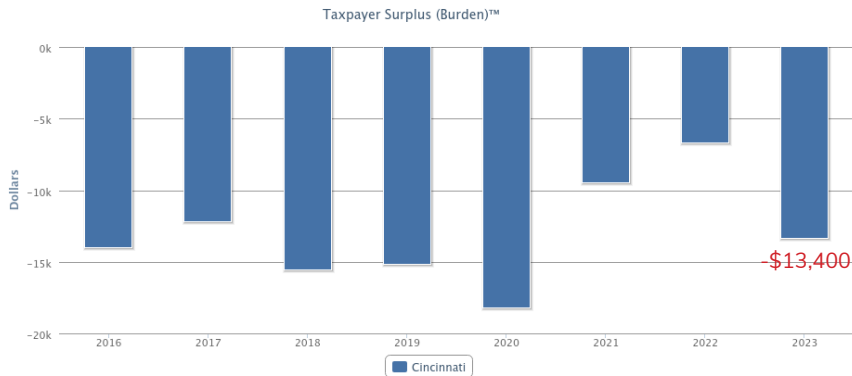




\$1.6 billion
MONEY NEEDED TO PAY BILLS

\$13,400
TAXPAYER BURDEN™

Cincinnati's financial condition worsened. Based on our analysis of its audited financial report for fiscal year 2023, its financial hole deepened with a need for \$1.6 billion to cover its bills. This created a Taxpayer Burden™ of \$13,400, earning the city a “D” grade from Truth in Accounting and solidifying its status as a Sinkhole City.



Cincinnati's financial obligations grew significantly, primarily due to the doubling of the Cincinnati Retirement System's pension debt. This increase resulted largely from a reduction in the discount rate from 7.2% to 6.9%, which is used to estimate the current value of future benefit payments. While this raised the estimated liability, it likely provides a more realistic projection of the funds needed to meet pension obligations, highlighting the uncertainties surrounding these estimations.

The Department of Police budget increased by \$2 million, driven by higher spending on Police Visibility Overtime to address the surge in violent crime. Additionally, greater-than-expected officer attrition resulted in larger lump sum payments. As pension liabilities and public safety expenses rise, Cincinnati faces the challenge of balancing these financial pressures with sustainable revenue strategies to maintain fiscal stability while continuing to provide essential services.

The data included in this report is derived from Cincinnati's 2023 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare prior years and other states' and cities' financial, demographic, and economic information, go to Data-Z.org.

D
FINANCIAL GRADE

66 out of 75
RANKING

FINANCIAL FACTS

- Cincinnati had \$1.1 billion available to pay \$2.7 billion worth of bills.
- The outcome was a \$1.6 billion shortfall, which breaks down to a burden of \$13,400 per taxpayer.
- Cincinnati's pension debt doubled to \$1.9 billion, and the police budget increased by \$2 million due to overtime and attrition.

The City's Bills Exceeded Its Assets

Total Assets	\$4,629,472,000
Minus: Capital Assets	-\$2,737,517,000
Restricted Assets	-\$818,045,000
Assets Available to Pay Bills	\$1,073,910,000
Minus: Total Bills*	-\$2,658,422,000
Money needed to pay bills	\$1,584,512,000
Each taxpayer's share of this burden	\$13,400

*Breakdown of Total Bills

Bonds	\$1,146,125,000
Other Liabilities	\$702,805,000
Minus: Debt Related to Capital Assets	-\$986,061,000
Unfunded Pension Benefits	\$1,914,011,000
Unfunded Retiree Health Care Benefits	(\$118,458,000)
Total Bills	\$2,658,422,000

Grade:	Bottom line:
D	Cincinnati would need \$13,400 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.

Truth in Accounting is a 501(c)(3) nonprofit committed to educating and empowering you with understandable, reliable, and transparent government financial information so you can be a knowledgeable participant in your government and its budget process.