



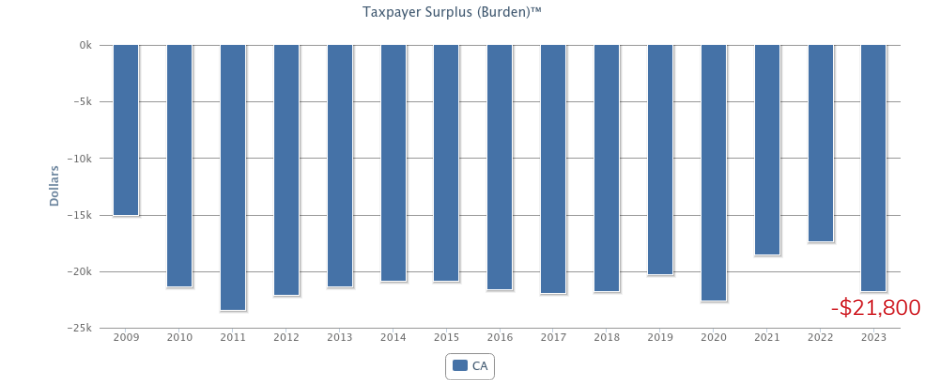


California's Financial Breakdown

Money Needed to Pay Bills	\$294.1 billion	
Taxpayer Burden	\$21,800	
Ranking (Out of 50)	46	
Financial Grade	F	

As of August 25, 2025, California had not released its fiscal year 2024 annual financial report. Based upon the state's last audited financial report for the fiscal year 2023, it had a Taxpayer Burden of \$21,800, earning it an "F" grade from Truth in Accounting. At that time, California needed \$294.1 billion to pay its bills.

It is now more than 400 days past the state's fiscal year ending June 30, 2024 and California has not issued its financial report. Timely financial reporting is critical for transparency, accountability, and informed decision-making. If a corporation delayed its financials this long, it could face serious consequences such as regulatory penalties, stock exchange delisting, and loss of investor confidence. Unfortunately, states are not subject to the same enforcement, but such delays undermine public trust and limit effective oversight.



Temporary pandemic-related programs increased California's federal funding since 2020, helping cover its bills. As these programs end and national fiscal pressures rise, federal grants and contributions may return to 2019 levels adjusted for inflation. Since California has not issued its latest financial report, the full impact is unclear. However, based on the limited information available, California could lose \$37.8 billion, nearly 8 percent of estimated expenses for its primary government, which may strain its ability to maintain services and balance the budget.

The data in this report is derived from California's audited 2023 Annual Comprehensive Financial Report and its retirement systems' reports. To explore prior years or compare financial, demographic, and economic data across other states and cities, visit Data-Z.org.

California's Financial Facts

- FACT #1:**
California had \$246.8 billion available to pay \$540.9 billion worth of bills.
- FACT #2:**
The outcome was a a \$294.1 billion shortfall, which breaks down to a burden of \$21,800 per taxpayer.
- FACT #3:**
California may lose \$37.8 billion in federal funding (8 percent of expenses) if allocations return to 2019 levels, adjusted only for inflation.

The State's Bills Exceeded Its Assets	
Total Assets	\$577,323,717,000
Minus: Capital Assets	-\$217,852,626,000
Restricted Assets	-\$112,639,641,000
Assets Available to Pay Bills	\$246,831,450,000
Minus: Total Bills*	-\$540,936,861,000
Money Needed to Pay Bills	\$294,105,411,000
Each Taxpayer's Share of this Burden	\$21,800

*Breakdown of Total Bills	
Bonds	\$140,770,979,000
Other Liabilities	\$244,913,576,000
Minus: Debt Related to Capital Assets	-\$68,469,699,000
Unfunded Pension Benefits	\$114,602,428,000
Unfunded Retiree Health Care Benefits	\$109,119,577,000
Total Bills	\$540,936,861,000

Grade:
F

Bottom line:
California would need \$21,800 from each of its taxpayers to pay all of its outstanding bills and received an "F" grade for its finances. According to Truth in Accounting's grading scale, any government with a Taxpayer Burden greater than \$20,000 is given an "F" 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.