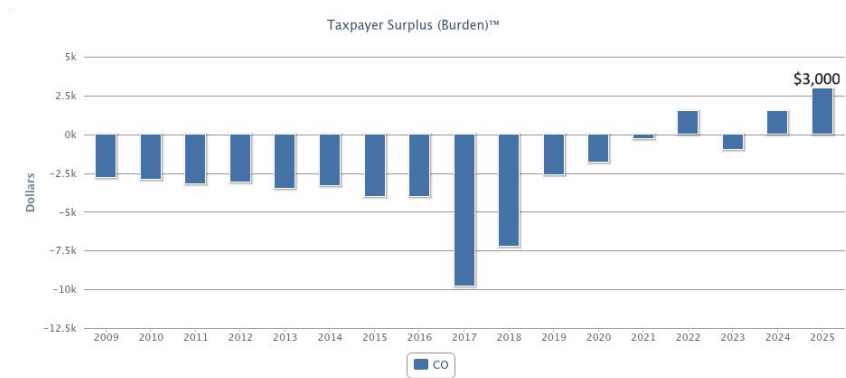


COLORADO'S FINANCIAL BREAKDOWN

Money Available to Pay Bills	\$7.1 billion	Ranking (Out of 50)	20
Taxpayer Surplus™	\$3,000	Financial Grade	B

In 2025, Colorado's financial situation improved. It ended the year with \$7.1 billion more than it needed to pay its bills. That means the state had a Taxpayer Surplus™ of \$3,000 and earned a “B” grade from Truth in Accounting.

Colorado's financial condition improved, with revenues exceeding expenses, although spending grew at more than twice the rate of revenues. Colorado Public Employees' Retirement Association's State and School Divisions also improved in 2025, due to a 14.1 percent investment return. Strong market performance increased pension asset values, helping the plans make progress toward covering promised benefits and reducing net pension liabilities. However, significant funding gaps remain, with funded ratios of approximately 73 percent and 67 percent, respectively.



Colorado received approximately \$23.5 billion in federal grants, which represented 40 percent of its revenue. The federal government mandates that entities receiving significant federal funds undergo a Single Audit. These audits are intended to be the taxpayers' first line of defense against potential fraud and abuse. Colorado's 2025 audit reported \$24.1 billion in accounting adjustments after the books were officially closed, including approximately \$17 billion related to unemployment insurance estimates. The state also experienced recurring weaknesses in financial reporting, technology and cybersecurity, and federal grant compliance. For example, the Department of Public Health and Environment failed to submit required federal transparency reports for approximately \$15.2 million in funding.

The data in this report is derived from Colorado's audited 2025 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](#).

COLORADO'S FINANCIAL FACTS

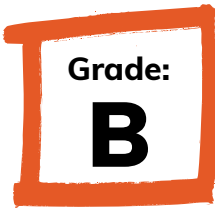
FACT #1: Colorado had \$32.1 billion available to pay \$25.1 billion worth of bills.	FACT #2: The outcome was a \$7.1 billion surplus, which breaks down to \$3,000 per taxpayer.
FACT #3: Colorado received 40 percent of its revenue from federal grants and was required to undergo a Single Audit, which identified potential fraud and abuse.	

THE STATE'S ASSETS EXCEEDED ITS BILLS

\$71,465,870,000	→	Total Assets
- \$28,977,003,000	→	Minus: Capital Assets
- \$10,359,247,000	→	Minus: Restricted Assets
= \$32,129,620,000	→	Assets Available to Pay Bills
- \$25,063,820,000	→	Minus: Total Bills*
= \$7,065,800,000	→	Money Available to Pay Bills
/ Divide by the estimated number of taxpayers		
= \$3,000	→	Each Taxpayer's Share of This Surplus

*BREAKDOWN OF TOTAL BILLS

\$5,444,665,000	→	Bonds
+ \$19,918,017,000	→	Other Liabilities
- \$11,434,457,000	→	Minus: Debt Related to Capital Assets
+ \$9,267,648,000	→	Unfunded Pension Benefits
+ \$1,867,947,000	→	Unfunded Retiree Health Care Benefits
= \$25,063,820,000	→	Total Bills



Bottom line:
Colorado had more than enough money to pay its outstanding bills and received a “B” grade for its finances. According to Truth in Accounting's grading scale, any government with a Taxpayer Surplus between \$1 and \$9,999 is given a “B” grade.