What is Adams School District hiding?

Once these hidden debts are counted Adams School District's balance sheet doesn't look so great. In fact, Adams School District is sinking in debt. One of the reasons the district is in this precarious financial position is the monkey business used to report finances and hide the colossal gorilla in the room, $762 million of retirement debt. If this is included, the district has a $721 million shortfall, which represents compensation and other costs that have been pushed into the future.

Adams School District's bills exceed its assets

$1.5 million of Adams School District's retirement debt is reported on its balance sheet; $762 million in debt is hidden.
Adams school district has $727 million in assets, but most of these assets are not available to pay district bills.

The $545 million of capital assets, such as roads, buildings, and land should not be sold to pay bills. The use of $31 million of the assets is restricted by law or contract.

That leaves $151 million of district’s assets available to pay $872 million of bills as they come due.

The $721 million shortfall represents compensation and other costs incurred in prior years that should have been paid in those prior years. Instead these costs have been shifted to future taxpayers.

Each Taxpayer’s Share of This Financial Burden is $9,560.

A detailed study of Adam actuaries’ schedules found retirement benefits totaling $763 million have been promised, but not funded. A review of the district’s balance sheet determined only 1.5 million of these liabilities are reported. This means the district does not report $762 million of retirement liabilities on its balance sheet.

Data is derived from the Adams County of Denver’s December 31, 2013 audited Comprehensive Annual Financial Report and retirement plans’ actuarial reports.

*Number of taxpayers is based on an estimation of the district’s population with a federal tax liability.

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