Only $2.5 of Denver County School District’s retirement debt is reported on its balance sheet; $651 million in debt is hidden.

Once these hidden debts are counted Denver school district’s balance sheet doesn’t look so great. In fact, Denver County is sinking in debt. One of the reasons the county is in this precarious financial position is the monkey business used to report finances and hide the colossal gorilla in the room, $651 million of retirement debt. If this debt is included, the district has a $1.6 billion shortfall, which represents compensation and other costs that have been pushed into the future.

DENVER COUNTY SCHOOL DISTRICT’S BILLS EXCEED ITS ASSETS

$910 Million Assets

$2.5 Billion Bills
Denver County school district has $1.9 billion in assets, but most of these assets are not available to pay county bills.

The $811 million of capital assets, such as roads, buildings, and land should not be sold to pay bills. The use of $212 million of the assets is restricted by law or contract.

That leaves $910 million of district’s assets available to pay $2.5 billion of bills as they come due.

The $1.6 billion 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 $7,467.

Data is derived from the County of Denver’s June 30, 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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