
LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25

Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2019



LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25

BUCKEYE, ARIZONA

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Issued by:
Business Services Department

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25

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INTRODUCTORY SECTION

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December 18, 2019

Citizens and Governing Board
Liberty Elementary School District No. 25
19871 West Fremont Road
Buckeye, Arizona 85326

State law mandates that school districts required to undergo an annual single audit publish a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America and audited in accordance with auditing standards generally accepted in the United States by a certified public accounting firm licensed in the State of Arizona. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the Liberty Elementary School District No. 25 (District) for the fiscal year ended June 30, 2019.

This report consists of management's representations concerning the finances of the District. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the District has established a comprehensive internal control framework that is designed both to protect the District's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with accounting principles generally accepted in the United States of America. Because the cost of internal controls should not outweigh their benefits, the District's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free of material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The District's financial statements have been audited by Heinfeld, Meech & Co., P.C., a certified public accounting firm. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2019 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District's financial statements for the fiscal year ended June 30, 2019, are fairly presented in conformity with accounting principles generally accepted in the United States of America. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the District was part of a broader, federally mandated Single Audit as required by the provisions of the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited District's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in a separately issued Single Audit Reporting Package.

Accounting principles generally accepted in the United States of America require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the report of the independent auditors.

PROFILE OF THE DISTRICT

The District is one of 58 public school districts located in Maricopa County, Arizona. It provides a program of public education from preschool through grade eight, with an estimated current enrollment of 3,692 students.

The District's Governing Board is organized under Section 15-321 of the Arizona Revised Statutes (A.R.S.). Management of the District is independent of other state or local governments. The County Treasurer collects taxes for the District, but exercises no control over its expenditures/expenses.

The membership of the Governing Board consists of five members elected by the public. Under existing statutes, the Governing Board's duties and powers include, but are not limited to, the acquisition, maintenance and disposition of school property; the development and adoption of a school program; and the establishment, organization and operation of schools. The Board also has broad financial responsibilities, including the approval of the annual budget, and the establishment of a system of accounting and budgetary controls.

The financial reporting entity consists of a primary government and its component units. A component unit is a legally separate entity that must be included in the reporting entity in conformity with generally accepted accounting principles. The District is a primary government because it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. Furthermore, there are no component units combined with the District for financial statement presentation purposes, and the District is not included in any other governmental reporting entity. Consequently, the District's financial statements include only the funds of those organizational entities for which its elected governing board is financially accountable. The District's major operations include education, student transportation, construction and maintenance of District facilities, and food services.

The District was organized in the late 1800's and encompasses 260 square miles in the west-central section of Maricopa County. Liberty Elementary School District No. 25 is comprised of six schools: Liberty Elementary School with a student enrollment of 615 students, Estrella Mountain Elementary School with a student enrollment of 574 students, Rainbow Valley School with a student enrollment of 590 students, Westar Elementary School with a student enrollment of 700 students, Freedom Elementary School with a student enrollment of 661 students, and Las Brisas Academy, with a student enrollment of 552 students. The District is located 25 miles west of downtown Phoenix, Arizona and includes portions of the City of Goodyear, the City of Buckeye, the City of Avondale and specific Maricopa County unorganized areas.

Currently, the District has six National Board Certified (NBC) teachers. The National Board certification process is a multi-year endeavor that requires teachers to take several courses, submit numerous teaching videos which they have analyzed and reflected upon, and pass rigorous tests. NBC teachers provide excellence in teaching and leading. We continue to encourage our teachers to engage in the National Board Certification process and provide support for this.

Each of our schools have a specific signature program. Estrella Mountain Elementary School is an International Baccalaureate World School authorized to provide the Primary Years Program (PYP) and the Middle Years Program (MYP). The International Baccalaureate (IB) aims to develop inquiring, knowledgeable, and caring young people who help to create a better and more peaceful world through intercultural understanding and respect. Additionally, Estrella Mountain offers Spanish as a second language for all students. Estrella Mountain Elementary School was awarded the A+ School of Excellence. The A+ School of Excellence Program is a comprehensive school assessment program that celebrates outstanding schools and brings to light the positive stories and successes happening in public schools every day.

Freedom and Westar Elementary are Science, Technology, Engineering, and Math (STEM) schools. Freedom has a partnership with Arizona State University to support the implementation of our Engineering Curriculum and Inquiry Based Teaching. Freedom has Chief Science officers which plan events and engagement for our students in the STEM areas. Westar participates in STEM Pro LIVE! Sessions which allows students to video call STEM professionals to discuss real live STEM application. Both schools have a one to one technology to student ratio in grades six through eight. Additionally, both schools have science clubs and participate in MakerSpace events, Coding, and Robotics Club.

Rainbow Valley provides a leadership program. Leadership skill building is a focus on the campus. Since its induction, students and staff have been invited to speak at several major events in support of building future leaders including a visit to the Arizona Department of Education and the Arizona School Boards Association where they presented about the leadership program. Student activism and involvement in the community has grown since the inception of the program.

Liberty Elementary School provides an Agriculture Science experience for students. The school has developed a curriculum around agriculture science with a community garden and small animal sciences. Partnerships with Arizona Farm Bureau and University of Arizona support the development of unique integrated project-based curriculum focused on agriculture sciences. A partnership with Buckeye Union High School provides support in bridging elementary and high school.

All schools in the Liberty Elementary School District received an “A”, “B”, or “C” letter grade with the overall District rating of a “B”. Additionally, all schools actively participate in Science Olympiad, a competitive Science club where students compete against other schools, Westside Impact Science Fair, Spelling Bee Competitions, and the annual Math Challenge.

The District continues to provide Art, Music and PE for all grade levels on all campuses. The Save the Music program is still used and piano labs are a regular part of Music class. Competitive sports are offered as extra-curricular activities in grades 6th through 8th and include: boys and girls basketball, baseball, softball, soccer, and volleyball. Each school has an active National Junior Honor Society and Student Council. Most schools have an active Parent Organization and all sites have a Parent Council which provides feedback and support to the principal.

As part of the LEA improvement process, the District has a new teacher mentoring program. The program goals include nurturing best practices to improve instruction and teacher retention. The program has seen an increase in the number of returning teachers. Additionally, the District has assigned an Instructional Coach to each campus to provide curricular and instructional support to all teachers.

The annual expenditure budget serves as the foundation for the District’s financial planning and control. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual expenditure budget approved by the District’s Governing Board.

The expenditure budget is prepared by fund for all Governmental Funds, and includes function and object code detail for the General Fund and some Special Revenue and Capital Projects Funds. The legal level of budgetary control (that is, the level at which expenditures cannot exceed the appropriated amount) is established at the individual fund level for all funds. Funds that are not required to legally adopt a budget may have over-expenditures of budgeted funds. The budget for these funds is simply an estimate and does not prevent the District from exceeding the budget as long as the necessary revenue is earned. The District is not required to prepare an annual budget of revenue, therefore a deficit budgeted fund balance may be presented. However, this does not affect the District’s ability to expend monies.

FACTORS AFFECTING FINANCIAL CONDITION

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the District operates.

Local Economy. The Phoenix metropolitan area and the rest of Maricopa County were one of the fastest growing regional markets in the United States in the late 1990’s and early 2000’s. This growth was stimulated by a combination of warm climate, a substantial well educated labor pool, a wide range of support industries, and a governmental climate that is supportive of economic growth and investment. As the economy rebounds, growth is anticipated based on these factors.

A few of the major non-governmental employers represented in the Phoenix metropolitan area include Wal-Mart Stores, Inc., Banner Health Systems, Wells Fargo Company, Intel Corp., Fry's Food and Drug Stores, Inc., and Honor Health. In addition, the metropolitan area provides excellent educational and training opportunities through seven community colleges, four private colleges and graduate schools, and one state university.

Maricopa County is located in the south-central portion of Arizona and encompasses an area of approximately 9,226 square miles. Its boundaries encompass the cities of Phoenix, Scottsdale, Mesa, Tempe, Glendale, Chandler, and such towns as Gilbert, Paradise Valley and Buckeye. Maricopa County is currently the nation's fourth largest county in terms of population size and the 14th in land area. Current population is projected at 4.3 million. Maricopa County has a very wide range of economic sectors supporting its substantial growth. Maricopa County has, for some time, enjoyed an unemployment rate that was somewhat lower than the national average.

Service is the largest employment sector in the County, partly fueled by the tourism industry. The County has excellent accommodations, diverse cultural and recreational activities, and a favorable climate attracting millions to the area annually. Wholesale and retail trade is the second largest employment category. Manufacturing consisting primarily of high technology companies is the third largest employer. Other factors providing for economic growth include major expansions of the international airport serving the area, a favorable business climate and the presence of a well-developed and expanding transportation infrastructure.

The economy of the District is a mixture of farming, commercial enterprises, light manufacturing and ginning. Agriculture has been the mainstay of the area for many years; however, residential property remains the single largest category of assessed valuation. The net full cash assessed value for the current year is \$322.7 million which is up from the prior year primarily as a result of the economic recovery. The average age of the District's school buildings is 28 years.

Long-term Financial Planning. Long term growth projections indicate significant enrollment increases as communities are developed within the District's boundaries. Additionally, annual modification of the District open enrollment policy continues to increase enrollment. The District explores all practical and legal sources of monetary income and guides the expenditure of funds to achieve the greatest education return. The District strives to maintain, within budget limits, a level of per-student expenditures needed to provide a world class education and fosters high-quality schools. The District utilizes budgetary practices which ensure full allowable budget balance carry forward. Additional conservative fiscal practices of setting aside monies in the form of prepaid items and building capital reserves have been established to strengthen fiscal stability.

AWARDS AND ACKNOWLEDGMENTS

Awards. The Association of School Business Officials (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal year ended June 30, 2018. This was the 24th consecutive year that the District has received this prestigious award. In addition, the Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal year ended June 30, 2018. In order to be awarded these certificates, the District published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both accounting principles generally accepted in the United States of America and applicable legal requirements.

These certificates are valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the programs' requirements and we are submitting it to ASBO and GFOA to determine its eligibility for the fiscal year ended June 30, 2019 certificates.

Acknowledgments. The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated service of the entire staff of the business services department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report.

In closing, without the leadership and support of the Governing Board of the District, preparation of this report would not have been possible.

Respectfully submitted,



Dr. Lori Shough
Superintendent



Kelley Baysinger
Executive Director of Finance



**The Certificate of Excellence in Financial Reporting
is presented to**

Liberty Elementary School District No. 25

**for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2018.**

The CAFR meets the criteria established for
ASBO International's Certificate of Excellence.



A handwritten signature in black ink, reading 'Tom Wohlleber'.

Tom Wohlleber, CSRM
President

A handwritten signature in black ink, reading 'David J. Lewis'.

David J. Lewis
Executive Director



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

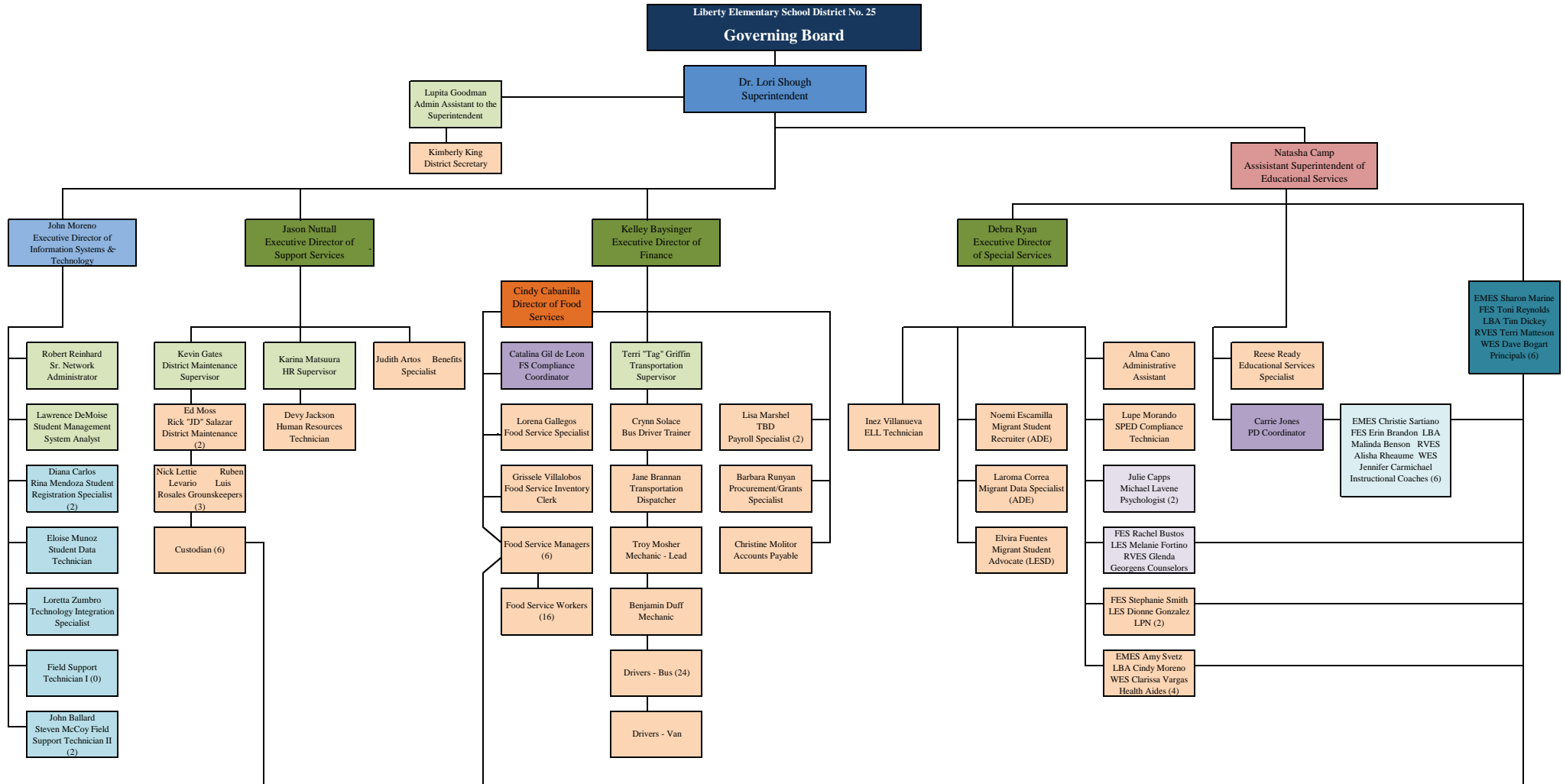
**Liberty Elementary School
District No. 25, Arizona**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2018

Christopher P. Morill

Executive Director/CEO



LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
LIST OF PRINCIPAL OFFICIALS

GOVERNING BOARD

Paul Jensen
President

Mark Aguire
Member

Jeffrey Turbitt
Member

Yolanda Lopez-Bearden
Member

Kathy McNamara
Member

ADMINISTRATIVE STAFF

Dr. Lori Shough, Superintendent

Natasha Camp, Assistant Superintendent of Educational Services

Debra Ryan, Executive Director of Special Services

Jason Nuttall, Executive Director of Support Services

John Moreno, Executive Director of Technology Services

Kelley Baysinger, Executive Director of Finance

Jennifer Gray, Principal Liberty Elementary School

Sharon Marine, Principal Estrella Mountain Elementary School

Dr. Terri Matteson, Principal Rainbow Valley Elementary School

Dave Bogart, Principal Westar Elementary School

Toni Reynolds, Principal Freedom Elementary School

Timothy Dickey, Principal Las Brisas Academy

FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Governing Board
Liberty Elementary School District No. 25

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Liberty Elementary School District No. 25 (District), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Liberty Elementary School District No. 25, as of June 30, 2019, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, budgetary comparison information, net pension liability information, and other postemployment benefit plan information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The Introductory Section, Combining and Individual Fund Financial Statements and Schedules, and Statistical Section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Combining and Individual Fund Financial Statements and Schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Combining and Individual Fund Financial Statements and Schedules information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The Introductory Section and Statistical Section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2019, on our consideration of Liberty Elementary School District No. 25's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Liberty Elementary School District No. 25's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Liberty Elementary School District No. 25's internal control over financial reporting and compliance.

Heinfeld Meech & Co. PC

Heinfeld, Meech & Co., P.C.
Phoenix, Arizona
December 18, 2019

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
(Required Supplementary Information)

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**LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2019**

As management of the Liberty Elementary School District No. 25 (District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2019. The management's discussion and analysis is presented as required supplementary information to supplement the basic financial statements. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

FINANCIAL HIGHLIGHTS

- The District's total net position of governmental activities increased \$3.1 million which represents a 16 percent increase from the prior fiscal year as a result of the retirement of long-term debt, and the decrease in the District's net pension liability.
- General revenues accounted for \$26.4 million in revenue, or 81 percent of all current fiscal year revenues. Program specific revenue in the form of charges for services and grants and contributions accounted for \$6.0 million or 19 percent of total current fiscal year revenues.
- The District had approximately \$29.2 million in expenses related to governmental activities, an increase of eight percent from the prior fiscal year primarily due to an increase in instruction expenses as a result of increases in teacher salaries.
- Among major funds, the General Fund had \$22.8 million in current fiscal year revenues, which primarily consisted of state aid and property taxes, and \$24.1 million in expenditures. The General Fund's fund balance increase from \$5.7 million at the prior fiscal year end to \$6.1 million at the end of the current fiscal year was primarily due to an increase in unrestricted state aid revenue due to increases in per-pupil funding and enrollment.

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business. The accrual basis of accounting is used for the government-wide financial statements.

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2019

OVERVIEW OF FINANCIAL STATEMENTS

The statement of net position presents information on all of the District's assets, liabilities, and deferred inflows/outflows of resources with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused compensated absences).

The government-wide financial statements outline functions of the District that are principally supported by property taxes and intergovernmental revenues. The governmental activities of the District include instruction, support services, operation and maintenance of plant services, student transportation services, operation of non-instructional services, and interest on long-term debt.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into two categories: governmental funds and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements use the modified accrual basis of accounting and focus on near-term inflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2019

OVERVIEW OF FINANCIAL STATEMENTS

Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General, Classroom Site, and Debt Service Funds, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements and schedules.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the District. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. Due to their custodial nature, the fiduciary funds do not have a measurement focus.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found immediately following the basic financial statements.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's budget process and pension plan. The District adopts an annual expenditure budget for all governmental funds. A schedule of revenues, expenditures and changes in fund balances – budget and actual has been provided for the General Fund and major Special Revenue Fund as required supplementary information. Schedules for the pension and other postemployment benefit plans have been provided as required supplementary information.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows exceeded liabilities and deferred inflows by \$22.9 million at the current fiscal year end.

The largest portion of the District's net position reflects its investment in capital assets (e.g., land and improvements, buildings and improvements, vehicles, furniture and equipment and construction in progress), less any related outstanding debt used to acquire those assets. The District uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related outstanding debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. In addition, a portion of the District's net position represents resources that are subject to external restrictions on how they may be used.

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2019

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following table presents a summary of the District's net position for the fiscal years ended June 30, 2019 and June 30, 2018.

	As of June 30, 2019	As of June 30, 2018
Current and other assets	\$ 11,950,175	\$ 10,567,640
Capital assets, net	48,538,445	48,443,390
Total assets	<u>60,488,620</u>	<u>59,011,030</u>
Deferred outflows	<u>4,634,286</u>	<u>2,908,260</u>
Current and other liabilities	1,907,300	1,778,718
Long-term liabilities	37,422,345	39,332,255
Total liabilities	<u>39,329,645</u>	<u>41,110,973</u>
Deferred inflows	<u>2,888,918</u>	<u>2,402,985</u>
Net position:		
Net investment in capital assets	31,553,422	30,083,026
Restricted	2,246,534	2,158,400
Unrestricted	(10,895,613)	(13,836,094)
Total net position	<u>\$ 22,904,343</u>	<u>\$ 18,405,332</u>

At the end of the current fiscal year the District reported positive balances in two categories of net position. Unrestricted net position, which is normally used to meet the District's mission, reported a deficit of \$10.9 million. The deficit is due to the District's proportionate share of the state pension plan's unfunded liability. The same situation held true for the prior fiscal year.

The District's financial position is the product of several financial transactions including the net results of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets. The following are significant current year transactions that had an impact on the Statement of Net Position.

- The addition of \$1.9 million in capital assets primarily due to school renovations funded through the Building Renewal Grant.
- The principal retirement of \$1.2 million of general obligation bonds.
- The increase of \$1.7 million in deferred outflows primarily related to pension plan deferrals.

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2019

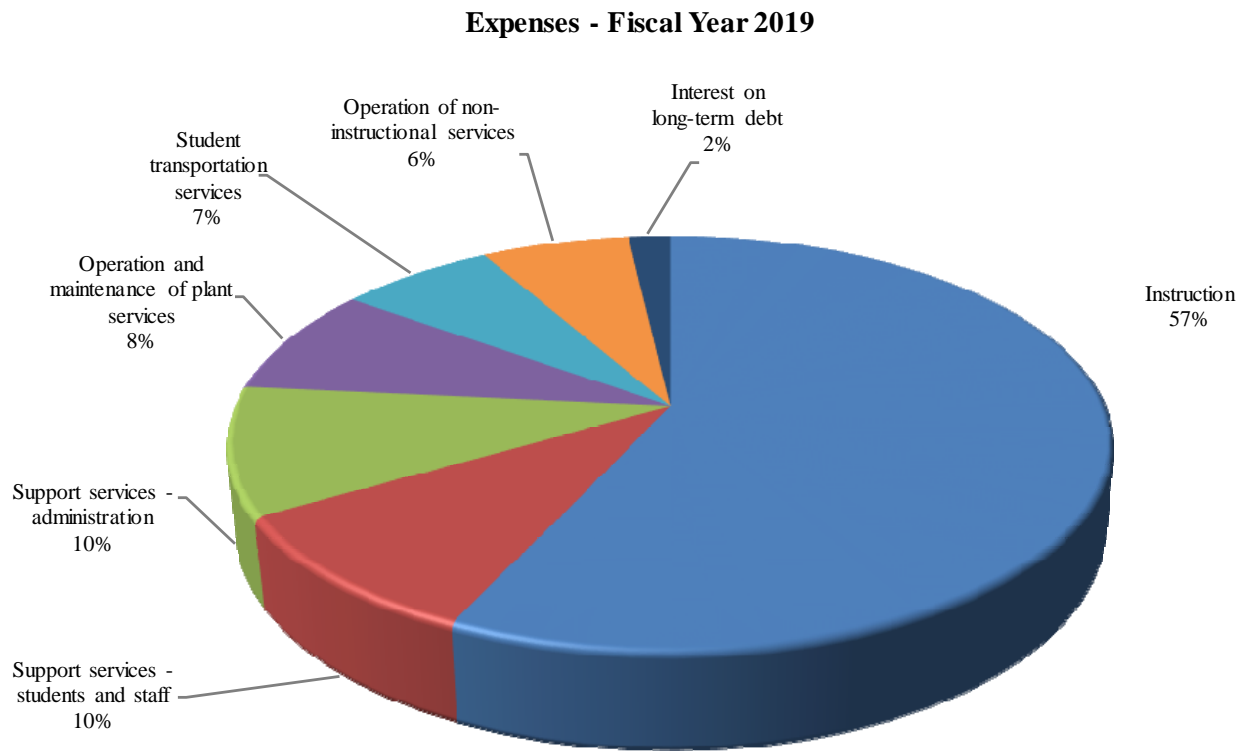
GOVERNMENT-WIDE FINANCIAL ANALYSIS

Changes in net position. The District's total revenues for the current fiscal year were \$32.4 million. The total cost of all programs and services was \$29.2 million. The following table presents a summary of the changes in net position for the fiscal years ended June 30, 2019 and June 30, 2018.

	Fiscal Year Ended June 30, 2019	Fiscal Year Ended June 30, 2018
Revenues:		
Program revenues:		
Charges for services	\$ 1,156,009	\$ 1,129,484
Operating grants and contributions	2,844,459	2,321,562
Capital grants and contributions	1,989,364	1,634,345
General revenues:		
Property taxes	7,389,858	7,144,929
Investment income	121,198	73,511
Unrestricted county aid	1,505,412	1,390,933
Unrestricted state aid	17,278,217	14,817,130
Unrestricted federal aid	86,238	124,079
Total revenues	<u>32,370,755</u>	<u>28,635,973</u>
Expenses:		
Instruction	16,642,530	14,991,968
Support services - students and staff	2,850,566	2,442,600
Support services - administration	2,886,701	2,869,447
Operation and maintenance of plant services	2,470,401	2,367,450
Student transportation services	1,981,666	1,999,609
Operation of non-instructional services	1,885,046	1,869,766
Interest on long-term debt	525,336	564,722
Total expenses	<u>29,242,246</u>	<u>27,105,562</u>
Changes in net position	3,128,509	1,530,411
Net position, beginning	18,405,332	
Prior period reclassification	1,370,502	
Net position, beginning, as restated	<u>19,775,834</u>	<u>16,874,921</u>
Net position, ending	<u><u>\$ 22,904,343</u></u>	<u><u>\$ 18,405,332</u></u>

**LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2019**

GOVERNMENT-WIDE FINANCIAL ANALYSIS



The following are significant current year transactions that have had an impact on the change in net position.

- Unrestricted state aid revenue increased \$2.5 million due to increases in per-pupil funding and enrollment.
- An increase of \$1.7 million in instruction expense due to an increase in teacher salaries.

The following table presents the cost of the District's major functional activities. The table also shows each function's net cost (total cost less charges for services generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden that was placed on the State and District's taxpayers by each of these functions.

**LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2019**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

	Year Ended June 30, 2019		Year Ended June 30, 2018	
	Total Expenses	Net (Expense)/ Revenue	Total Expenses	Net (Expense)/ Revenue
Instruction	\$ 16,642,530	\$ (13,170,252)	\$ 14,991,968	\$ (12,627,306)
Support services - students and staff	2,850,566	(2,463,325)	2,442,600	(2,237,985)
Support services - administration	2,886,701	(2,700,695)	2,869,447	(2,858,975)
Operation and maintenance of plant services	2,470,401	(2,401,435)	2,367,450	(1,739,440)
Student transportation services	1,981,666	(1,981,666)	1,999,609	(1,913,954)
Operation of non-instructional services	1,885,046	(9,705)	1,869,766	(77,789)
Interest on long-term debt	525,336	(525,336)	564,722	(564,722)
Total	<u>\$ 29,242,246</u>	<u>\$ (23,252,414)</u>	<u>\$ 27,105,562</u>	<u>\$ (22,020,171)</u>

- The cost of all governmental activities this year was \$29.2 million.
- Federal and State governments and charges for services subsidized certain programs with grants and contributions and other local revenues of \$6.0 million.
- Net cost of governmental activities of \$23.3 million was financed by general revenues, which are made up of primarily property taxes of \$7.4 million and federal, state and county aid of \$18.9 million. Investment earnings accounted for \$121,198 of funding.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

The financial performance of the District as a whole is reflected in its governmental funds. As the District completed the year, its governmental funds reported a combined fund balance of \$8.1 million, an increase of \$557,277 due primarily to an increase in state aid revenue and Building Renewal Grant revenue exceeding expenditures by \$455,855.

**LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2019**

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The General Fund comprises 75 percent of the total fund balance. Approximately \$4.6 million, or nearly 75 percent of the General Fund's fund balance is unassigned.

The General Fund is the principal operating fund of the District. The fund balance increased \$395,631 in the General Fund to \$6.1 million as of fiscal year end. General Fund revenues increased \$960,961 primarily due to an increase in state aid revenue. General Fund expenditures increased \$3.7 million due to the prepayment of health insurance and an increase in teacher salaries.

The fund balance in the Classroom Site Fund increased \$41,401 to \$447,982 at year end, which was not significant.

The fund balance in the Debt Service Fund increased \$63,163 to \$111,649 at year end, which was not significant.

BUDGETARY HIGHLIGHTS

Over the course of the year, the District revised the General Fund annual expenditure budget for changes in enrollment. The difference between the original budget and the final amended budget was an \$852,506 increase or four percent.

Significant variances for the final budget and actual revenues resulted from the District not being required by the State of Arizona to prepare a revenue budget. A schedule showing the original and final budget amounts compared to the District's actual financial activity for the General Fund is provided in this report as required supplementary information. The significant variance is summarized as follows:

- The unfavorable variance of \$237,635 in instruction expenditures was a result of the prepayment of health insurance premiums.

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2019

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. At year end, the District had invested \$70.4 million in capital assets, including school buildings, athletic facilities, buses and other vehicles, computers, and other equipment. This amount represents a net increase prior to depreciation of \$1.8 million from the prior fiscal year, primarily due to renovation of school buildings. Total depreciation expense for the year was \$1.8 million.

The following schedule presents a summary of capital asset balances for the fiscal years ended June 30, 2019 and June 30, 2018.

	As of June 30, 2019	As of June 30, 2018
Capital assets - non-depreciable	\$ 6,110,533	\$ 6,599,084
Capital assets - depreciable, net	42,427,912	41,844,306
Total	<u>\$ 48,538,445</u>	<u>\$ 48,443,390</u>

The estimated cost to complete current construction projects is \$92,306.

Additional information on the District's capital assets can be found in Note 7.

Debt Administration. At year-end, the District had \$17.3 million in long-term debt outstanding, \$1.2 million due within one year. Long-term debt decreased by \$1.6 million primarily due to the retirement of general obligation bonds.

The District's general obligation bonds are subject to two limits; the Constitutional debt limit (total debt limit) on all general obligation bonds (up to 15 percent of the total net full cash assessed valuation) and the statutory debt limit on Class B bonds (the greater of 10 percent of the net full cash assessed valuation or \$1,500 per student). The current total debt limitation for the District is \$48.4 million and the Class B debt limit is \$32.3 million, which are more than the District's total outstanding general obligation and Class B debt, respectively.

Additional information on the District's long-term debt can be found in Notes 9 and 10.

**LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2019**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

Many factors were considered by the District's administration during the process of developing the fiscal year 2019-20 budget. Among them:

- Fiscal year 2018-19 budget balance carry forward (estimated \$1.4 million).
- District student population (estimated 3,900).

Also considered in the development of the budget is the local economy and inflation of the surrounding area.

Budgeted expenditures in the General Fund increased three percent to \$24.5 million in fiscal year 2019-20, due to increases in per pupil funding and enrollment. State aid and property taxes are expected to be the primary funding sources. No new programs were added to the 2019-20 budget.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the resources it receives. If you have questions about this report or need additional information, contact the Business Services Department, Liberty Elementary School District No. 25, 19871 West Fremont Road, Buckeye, Arizona 85326.

BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
STATEMENT OF NET POSITION
JUNE 30, 2019

	Governmental Activities
<u>ASSETS</u>	
Current assets:	
Cash and investments	\$ 4,746,953
Property taxes receivable	505,098
Due from governmental entities	5,095,361
Prepaid items	1,551,972
Total current assets	<u>11,899,384</u>
Noncurrent assets:	
Net other postemployment benefit assets	50,791
Capital assets not being depreciated	6,110,533
Capital assets, net of accumulated depreciation	42,427,912
Total noncurrent assets	<u>48,589,236</u>
Total assets	<u>60,488,620</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Deferred charge on refunding	276,544
Pension and other postemployment benefit plan items	4,357,742
Total deferred outflows of resources	<u>4,634,286</u>
<u>LIABILITIES</u>	
Current liabilities:	
Accounts payable	250,765
Construction contracts payable	80,000
Credit line payable	445,000
Accrued payroll and employee benefits	833,960
Compensated absences payable	97,100
Accrued interest payable	282,837
Unearned revenues	14,738
Bonds payable	1,215,000
Total current liabilities	<u>3,219,400</u>
Noncurrent liabilities:	
Non-current portion of long-term obligations	36,110,245
Total noncurrent liabilities	<u>36,110,245</u>
Total liabilities	<u>39,329,645</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>	
Pension and other postemployment benefit items	<u>2,888,918</u>
<u>NET POSITION</u>	
Net investment in capital assets	31,553,422
Restricted	2,246,534
Unrestricted	(10,895,613)
Total net position	<u>\$ 22,904,343</u>

The notes to the basic financial statements are an integral part of this statement.

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2019

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 16,642,530	\$ 356,656	\$ 1,126,258	\$ 1,989,364	\$ (13,170,252)
Support services - students and staff	2,850,566		387,241		(2,463,325)
Support services - administration	2,886,701		186,006		(2,700,695)
Operation and maintenance of plant services	2,470,401	68,966			(2,401,435)
Student transportation services	1,981,666				(1,981,666)
Operation of non-instructional services	1,885,046	730,387	1,144,954		(9,705)
Interest on long-term debt	525,336				(525,336)
Total governmental activities	<u>\$ 29,242,246</u>	<u>\$ 1,156,009</u>	<u>\$ 2,844,459</u>	<u>\$ 1,989,364</u>	<u>(23,252,414)</u>

General revenues:

Taxes:

Property taxes, levied for general purposes	5,447,161
Property taxes, levied for debt service	1,811,520
Property taxes, levied for capital outlay	131,177
Investment income	121,198
Unrestricted county aid	1,505,412
Unrestricted state aid	17,278,217
Unrestricted federal aid	86,238
Total general revenues	<u>26,380,923</u>

Changes in net position 3,128,509

Net position, beginning of year, as restated 19,775,834

Net position, end of year \$ 22,904,343

The notes to the basic financial statements are an integral part of this statement.

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FUND FINANCIAL STATEMENTS

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2019

	<u>General</u>	<u>Classroom Site</u>	<u>Debt Service</u>
<u>ASSETS</u>			
Cash and investments	\$ 570,945	\$ 933,310	\$ 1,597,812
Property taxes receivable	470,423		34,675
Due from governmental entities	4,369,422	268,727	
Due from other funds	289,869		
Prepaid items	1,551,972		
Total assets	<u><u>\$ 7,252,631</u></u>	<u><u>\$ 1,202,037</u></u>	<u><u>\$ 1,632,487</u></u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES</u>			
<u>AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 218,766	\$	\$
Construction contracts payable			
Credit line payable	445,000		
Due to other funds			
Accrued payroll and employee benefits	47,987	754,055	
Unearned revenues			
Bonds payable			1,215,000
Bond interest payable			282,837
Total liabilities	<u>711,753</u>	<u>754,055</u>	<u>1,497,837</u>
Deferred inflows of resources:			
Unavailable revenues - property taxes	431,672		23,001
Unavailable revenues - intergovernmental			
Total deferred inflows of resources	<u>431,672</u>	<u></u>	<u>23,001</u>
Fund balances (deficits):			
Nonspendable	1,551,972		
Restricted		447,982	111,649
Unassigned	4,557,234		
Total fund balances	<u>6,109,206</u>	<u>447,982</u>	<u>111,649</u>
Total liabilities, deferred inflows of resources			
and fund balances	<u><u>\$ 7,252,631</u></u>	<u><u>\$ 1,202,037</u></u>	<u><u>\$ 1,632,487</u></u>

The notes to the basic financial statements are an integral part of this statement.

Non-Major Governmental Funds	Total Governmental Funds
\$ 1,644,886	\$ 4,746,953
	505,098
457,212	5,095,361
	289,869
	1,551,972
<u>\$ 2,102,098</u>	<u>\$ 12,189,253</u>

\$ 31,999	\$ 250,765
80,000	80,000
	445,000
289,869	289,869
31,918	833,960
14,738	14,738
	1,215,000
	282,837
<u>448,524</u>	<u>3,412,169</u>

	454,673
178,402	178,402
<u>178,402</u>	<u>633,075</u>

	1,551,972
1,663,902	2,223,533
(188,730)	4,368,504
<u>1,475,172</u>	<u>8,144,009</u>

<u>\$ 2,102,098</u>	<u>\$ 12,189,253</u>
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LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2019

Total governmental fund balances	\$	8,144,009
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Amounts reported for *governmental activities* in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Governmental capital assets	\$ 70,353,150	
Less accumulated depreciation	<u>(21,814,705)</u>	48,538,445

Some receivables are not available to pay for current period expenditures and, therefore, are reported as unavailable revenues in the funds.

Property taxes	454,673	
Intergovernmental	<u>178,402</u>	633,075

Deferred items related to the net cost of issuance of bonds are amortized over the life of the associated bond issue in the government-wide statements but not reported in the funds.	276,544
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Deferred outflows and inflows of resources related to pensions/OPEB are applicable to future periods and, therefore, are not reported in the funds.

Deferred outflows of resources related to pensions/OPEB	4,357,742	
Deferred inflows of resources related to pensions/OPEB	<u>(2,888,918)</u>	1,468,824

The Net OPEB asset is not a current financial resource and, therefore, is not reported in the funds.	50,791
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Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

Compensated absences payable	(160,812)	
Unamortized premium on long-term debt	(841,567)	
Net OPEB liability	(74,629)	
Net pension liability	(19,925,337)	
Bonds payable	<u>(15,205,000)</u>	<u>(36,207,343)</u>

Net position of governmental activities	\$	<u>22,904,343</u>
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The notes to the basic financial statements are an integral part of this statement.

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2019

	<u>General</u>	<u>Classroom Site</u>	<u>Debt Service</u>
Revenues:			
Other local	\$ 1,940,537	\$ 18,308	\$ 20,029
Property taxes	5,543,234		1,824,627
State aid and grants	15,173,617	1,612,365	
Federal aid, grants and reimbursements	175,434		
Total revenues	<u>22,832,822</u>	<u>1,630,673</u>	<u>1,844,656</u>
Expenditures:			
Current -			
Instruction	14,299,783	1,564,610	
Support services - students and staff	2,633,705	24,662	
Support services - administration	2,858,943		
Operation and maintenance of plant services	2,445,416		
Student transportation services	1,724,859		
Operation of non-instructional services	44,404		
Capital outlay	59,374		
Debt service -			
Principal retirement			1,215,000
Interest and fiscal charges			567,725
Total expenditures	<u>24,066,484</u>	<u>1,589,272</u>	<u>1,782,725</u>
Excess (deficiency) of revenues over expenditures	<u>(1,233,662)</u>	<u>41,401</u>	<u>61,931</u>
Other financing sources (uses):			
Transfer in	63,407		1,232
Transfer out			
Proceeds from sale of capital assets	14,562		
Total other financing sources (uses)	<u>77,969</u>		<u>1,232</u>
Changes in fund balances	<u>(1,155,693)</u>	<u>41,401</u>	<u>63,163</u>
Fund balances, beginning of year, as restated	5,713,575	406,581	48,486
Increase (decrease) in reserve for prepaid items	1,551,324		
Fund balances, end of year	<u>\$ 6,109,206</u>	<u>\$ 447,982</u>	<u>\$ 111,649</u>

The notes to the basic financial statements are an integral part of this statement.

Non-Major Governmental Funds	Total Governmental Funds
\$ 1,016,490	\$ 2,995,364
131,177	7,499,038
2,802,678	19,588,660
2,416,656	2,592,090
<u>6,367,001</u>	<u>32,675,152</u>
1,004,393	16,868,786
402,638	3,061,005
92,834	2,951,777
2,711	2,448,127
4,745	1,729,604
1,831,394	1,875,798
2,906,565	2,965,939
	1,215,000
	567,725
<u>6,245,280</u>	<u>33,683,761</u>
<u>121,721</u>	<u>(1,008,609)</u>
	64,639
(64,639)	(64,639)
	14,562
<u>(64,639)</u>	<u>14,562</u>
<u>57,082</u>	<u>(994,047)</u>
1,418,090	7,586,732
	1,551,324
<u>\$ 1,475,172</u>	<u>\$ 8,144,009</u>

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2019

Changes in fund balances - total governmental funds **\$ (994,047)**

Amounts reported for *governmental activities* in the Statement of Activities are different because:

Governmental funds report the portion of capital outlay for capitalized assets as expenditures. However, in the Statement of Activities, the costs of those assets are allocated over their estimated useful lives as depreciation expense.

Expenditures for capitalized assets	\$ 1,868,777	
Less current year depreciation	<u>(1,766,973)</u>	101,804

Some revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.

Property taxes	(109,180)	
Intergovernmental	<u>(209,779)</u>	(318,959)

Repayments of long-term debt principal are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.		1,215,000
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Governmental funds report pension/OPEB contributions as expenditures. However, they are reported as deferred outflows of resources in the Statement of Net Position. The change in the net pension/OPEB liability, adjusted for deferred items, is reported as pension/OPEB expense in the Statement of Activities.

Current year pension/OPEB contributions	1,828,468	
Pension/OPEB expense	<u>(258,707)</u>	1,569,761

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Prepaid items	1,551,324	
Deferred charges on issuance of debt	(27,655)	
Loss on disposal of assets	(6,749)	
Amortization of deferred bond items	70,044	
Compensated absences	<u>(32,014)</u>	<u>1,554,950</u>

Changes in net position in governmental activities **\$ 3,128,509**

The notes to the basic financial statements are an integral part of this statement.

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
STATEMENT OF ASSETS AND LIABILITIES
FIDUCIARY FUNDS
JUNE 30, 2019

	<u>Agency</u>
<u>ASSETS</u>	
Cash and investments	\$ 185,519
Total assets	<u>\$ 185,519</u>
<u>LIABILITIES</u>	
Accounts payable	\$ 4,066
Deposits held for others	132,023
Due to student groups	49,430
Total liabilities	<u>\$ 185,519</u>

The notes to the basic financial statements are an integral part of this statement.

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Liberty Elementary School District No. 25 (District) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The more significant of the District's accounting policies are described below.

A. Reporting Entity

The Governing Board is organized under Section 15-321 of the Arizona Revised Statutes (A.R.S.). Management of the District is independent of other state or local governments. The County Treasurer collects taxes for the District, but exercises no control over its expenditures/expenses.

The membership of the Governing Board consists of five members elected by the public. Under existing statutes, the Governing Board's duties and powers include, but are not limited to, the acquisition, maintenance and disposition of school property; the development and adoption of a school program; and the establishment, organization and operation of schools.

The Board also has broad financial responsibilities, including the approval of the annual budget, and the establishment of a system of accounting and budgetary controls.

The financial reporting entity consists of a primary government and its component units. A component unit is a legally separate entity that must be included in the reporting entity in conformity with generally accepted accounting principles. The District is a primary government because it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. Furthermore, there are no component units combined with the District for financial statement presentation purposes, and the District is not included in any other governmental reporting entity. Consequently, the District's financial statements include only the funds of those organizational entities for which its elected governing board is financially accountable. The District's major operations include education, student transportation, construction and maintenance of District facilities food services.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) present financial information about the District as a whole. The reported information includes all of the nonfiduciary activities of the District. For the most part, the effect of internal activity has been removed from these statements. These statements are to distinguish between the governmental and business-type activities of the District. Governmental activities normally are supported by taxes and intergovernmental revenues, and are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The District does not have any business-type activities.

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes, unrestricted federal, state and county aid, and other items not included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-Wide Financial Statements – The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the grantor or provider have been met. As a general rule, the effect of internal activity has been eliminated from the government-wide financial statements; however, the effects of interfund services provided and used between functions are reported as expenses and program revenues at amounts approximating their external exchange value.

Fund Financial Statements – Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. As permitted by generally accepted accounting principles the District applies the “early recognition” option for debt service payments. Property tax resources are provided in the Debt Service Fund during the current year for the payment of debt service principal and interest due early in the following year (less than one month). Therefore, the expenditures and related liabilities have been recognized in the current period.

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Property taxes, state and county aid, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Food services and miscellaneous revenues are not susceptible to accrual because generally they are not measurable until received in cash. Grants and similar awards are recognized as revenue as soon as all eligibility requirements imposed by the grantor or provider have been met. Unearned revenues arise when resources are received by the District before it has legal claim to them, as when grant monies are received prior to meeting all eligibility requirements imposed by the provider.

Delinquent property taxes and other receivables that will not be collected within the available period have been reported as unavailable revenues on the governmental fund financial statements.

The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

The District reports the following major governmental funds:

General Fund – The General Fund is the District's primary operating fund. It accounts for all resources used to finance District maintenance and operation except those required to be accounted for in other funds. The General Fund includes the District's Maintenance and Operation Fund as well as certain activities budgeted in separate funds in accordance with A.R.S. These funds are maintained as separate funds for budgetary purposes but do not meet the criteria for separate reporting in the financial statements.

Classroom Site Fund – The Classroom Site Fund accounts for the financial activity for the portion of state sales tax collections and permanent state school fund earnings as approved by the voters in 2000.

Debt Service Fund – The Debt Service Fund accounts for the accumulation of resources for, and the payment of, long-term debt principal, interest and related costs.

Additionally, the District reports the following fund type:

Fiduciary Funds – The Fiduciary Funds are Agency Funds which account for resources held by the District on behalf of others. This fund type includes the Student Activities Fund, which accounts for monies raised by students to finance student clubs and organizations held by the District as an agent. In addition, funds that account for employee withholdings before the monies are remitted to the appropriate entities are included in the Agency Funds.

The agency funds are custodial in nature and do not have a measurement focus and are reported using the accrual basis of accounting. The agency funds are reported by fund type.

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

D. Cash and Investments

A.R.S. require the District to deposit all cash with the County Treasurer, except as discussed below. Cash with the County Treasurer is pooled for investment purposes, except for cash of the Debt Service and Bond Building Funds that may be invested separately. Interest earned from investments purchased with pooled monies is allocated to each of the District's funds based on their average balances. As required by statute, interest earnings of the Bond Building Fund are recorded initially in that fund, but then transferred to the Debt Service Fund. All investments are stated at fair value.

Statute authorizes the District to separately invest monies of the Bond Building and Debt Service Funds in the State Treasurer's investment pools; obligations issued and guaranteed by the United States or any of its agencies or instrumentalities; specified state and local government bonds and notes; and interest bearing savings accounts or certificates of deposit.

Statute authorizes the District to deposit monies of the Auxiliary Operations and Student Activities Funds in bank accounts. Monies in these funds may also be invested. In addition, statute authorizes the District to maintain various bank accounts such as clearing accounts to temporarily deposit receipts before they are transmitted to the County Treasurer; revolving accounts to pay minor disbursements; and withholdings accounts for taxes and employee insurance programs. Some of these bank accounts may be interest bearing.

Statute does not include any requirements for credit risk, concentration of credit risk, interest rate risk, or foreign currency risk. Arizona statute requires a pooled collateral program for public deposits and a Statewide Collateral Pool Administrator (Administrator) in the State Treasurer's Office. The purpose of the pooled collateral program is to ensure that governmental entities' public deposits placed in participating depositories are secured with collateral of 102 percent of the public deposits, less any applicable deposit insurance. An eligible depository may not retain or accept any public deposit unless it has deposited the required collateral with a qualified escrow agent or the Administrator. The Administrator manages the pooled collateral program, including reporting on each depository's compliance with the program.

E. Investment Income

Investment income is composed of interest, dividends, and net changes in the fair value of applicable investments. Investment income is included in other local revenue in the governmental fund financial statements.

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

F. Receivables and Payables

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.” Interfund balances between governmental funds are eliminated on the Statement of Net Position.

All receivables, including property taxes receivable, are shown net of an allowance for uncollectibles.

G. Property Tax Calendar

The County Treasurer is responsible for collecting property taxes for all governmental entities within the county. The county levies real and personal property taxes on or before the third Monday in August that become due and payable in two equal installments. The first installment is due on the first day of October and becomes delinquent after the first business day of November. The second installment is due on the first day of March of the next year and becomes delinquent after the first business day of May.

Pursuant to A.R.S., a lien against assessed real and personal property attaches on the first day of January preceding assessment and levy; however according to case law, an enforceable legal claim to the asset does not arise.

H. Prepaid items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. Prepaid items are recorded as expenses when consumed in the government-wide financial statements and as expenditures when purchased in the fund financial statements.

I. Capital Assets

Capital assets, which include land and improvements; buildings and improvements; vehicles, furniture, equipment; and construction in progress, are reported in the government-wide financial statements.

Capital assets are defined by the District as assets with an initial, individual cost in excess of \$5,000 and an estimated useful life of more than one year. Capital assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Land improvements	5 - 50 years
Buildings and improvements	7 - 50 years
Vehicles, furniture and equipment	5 - 30 years

J. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position may report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position may report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

K. Compensated Absences

The District's employee vacation and sick leave policies generally provide for granting vacation and sick leave with pay in varying amounts. Only benefits considered vested are recognized in the financial statements. The liability for vacation and sick leave is reported in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee leave, resignations and retirements. Generally, resources from the General Fund are used to pay for compensated absences.

L. Pensions and Other Postemployment Benefits

For purposes of measuring the net pension and other postemployment benefit (OPEB) assets and liabilities, related deferred outflows of resources and deferred inflows of resources, and related expenses, information about the pension and OPEB plans' fiduciary net position and additions to/deductions from the plans' fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

M. Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities on the statement of net position. Bond premiums and discounts are amortized over the life of the bonds using the straight-line method. Deferred amounts on refunding result from the difference between the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

N. Interfund Activity

Flows of cash from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers between governmental funds are eliminated in the Statement of Activities. Interfund transfers in the fund financial statements are reported as other financing sources/uses in governmental funds.

O. Net Position Flow Assumption

In the government-wide financial statements the District applies restricted resources first when outlays are incurred for purposes for which either restricted or unrestricted amounts are available.

P. Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 2 – FUND BALANCE CLASSIFICATIONS

Fund balances of the governmental funds are reported separately within classifications based on a hierarchy of the constraints placed on the use of those resources. The classifications are based on the relative strength of the constraints that control how the specific amounts can be spent. The classifications are nonspendable, restricted, and unrestricted, which includes committed, assigned, and unassigned fund balance classifications.

Nonspendable. The nonspendable fund balance classification includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact.

Restricted. Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions or enabling legislation.

Committed. The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action of the Governing Board. Those committed amounts cannot be used for any other purpose unless the Governing Board removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. The District does not have a formal policy or procedures for the utilization of committed fund balance, accordingly, no committed fund balance amounts are reported.

Assigned. Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by the Governing Board or a management official delegated that authority by the formal Governing Board action. The District does not have a formal policy for the utilization of assigned fund balance, accordingly, no assigned fund balance amounts are reported.

Unassigned. Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The District applies restricted resources first when outlays are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 2 – FUND BALANCE CLASSIFICATIONS

The table below provides detail of the major components of the District's fund balance classifications at year end. Voter approved initiatives include monies restricted in the Classroom Site and Instructional Improvement Funds.

	General Fund	Classroom Site Fund	Debt Service Fund	Non-Major Governmental Funds
Fund Balances:				
Nonspendable:				
Prepaid items	\$ 1,551,972	\$	\$	\$
Restricted:				
Debt service			111,649	
Capital projects				108,331
Voter approved initiatives		447,982		262,739
Food service				405,386
Civic center				561,884
Community school				188,811
Extracurricular activities				130,595
Other purposes				6,156
Unassigned	4,557,234			(188,730)
Total fund balances	<u>\$ 6,109,206</u>	<u>\$ 447,982</u>	<u>\$ 111,649</u>	<u>\$ 1,475,172</u>

NOTE 3 – RESTRICTED NET POSITION

The table below provides detail of the major components of the District's restricted net position at year end.

	Governmental Activities
Restricted Net Position:	
Debt service	\$ 134,650
Capital projects	108,331
Voter approved initiatives	710,721
Food service	405,386
Civic center	561,884
Community school	188,811
Extracurricular activities	130,595
Other purposes	6,156
Total	<u>\$ 2,246,534</u>

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 4 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Individual Deficit Fund Balance – At year end, the following individual non-major governmental funds reported deficits in fund balance.

	<u>Deficit</u>
Non-Major Governmental Funds:	
Title I Grants Fund	\$ 157,983
Professional Development and Technology Grants Fund	7,584
Limited English and Immigrant Students Fund	735
Special Education Grants Fund	12,100
Building Renewal Grant Fund	10,328

The deficits arose because of pending grant reimbursements. Additional revenues received in fiscal year 2019-20 are expected to eliminate the deficits.

Excess Expenditures Over Budget – At year end, the District had expenditures in funds that exceeded the budgets, however this does not constitute a violation of any legal provisions.

NOTE 5 – CASH AND INVESTMENTS

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of bank failure the District's deposits may not be returned to the District. The District does not have a deposit policy for custodial credit risk. At year end, the carrying amount of the District's deposits was \$151,284 and the bank balance was \$209,818.

Fair Value Measurements. The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset.

- Level 1 inputs are quoted prices in active markets for identical assets
- Level 2 inputs are significant other observable inputs
- Level 3 inputs are significant unobservable inputs

The County Treasurer's pool is an external investment pool with no regulatory oversight. The pool is not required to register (and is not registered) with the Securities and Exchange Commission. The fair value of each participant's position in the County Treasurer investment pool approximates the value of the participant's shares in the pool and the participants' shares are not identified with specific investments. Participants in the pool are not required to categorize the value of shares in accordance with the fair value hierarchy.

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 5 – CASH AND INVESTMENTS

At year end, the District's investments consisted of the following:

	<u>Average Maturities</u>	<u>Fair Value</u>
County Treasurer's investment pool	318 days	\$ 4,781,188
Total		<u>\$ 4,781,188</u>

Interest Rate Risk. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk. The District has no investment policy that would further limit its investment choices. As of year end, the District's investment in the County Treasurer's investment pool did not receive a credit quality rating from a national rating agency.

Custodial Credit Risk - Investments. The District's investment in the County Treasurer's investment pool represents a proportionate interest in the pool's portfolio; however the District's portion is not identified with specific investments and is not subject to custodial credit risk.

NOTE 6 – RECEIVABLES

Receivable balances, net of allowance for uncollectibles, have been disaggregated by type and presented separately in the financial statements with the exception of due from governmental entities. Due from governmental entities, net of allowance for uncollectibles, as of year end for the District's individual major funds and non-major governmental funds in the aggregate, were as follows:

	<u>General Fund</u>	<u>Classroom Site Fund</u>	<u>Non-Major Governmental Funds</u>
Due from other governmental entities:			
Due from federal government	\$ 26,609	\$	\$ 212,738
Due from state government	4,342,813	268,727	244,474
Net due from governmental entities	<u>\$ 4,369,422</u>	<u>\$ 268,727</u>	<u>\$ 457,212</u>

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 7 – CAPITAL ASSETS

A summary of capital asset activity for the current fiscal year follows:

Governmental Activities	Beginning Balance	Increase	Decrease	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 6,100,034	\$		\$ 6,100,034
Construction in progress	499,050	1,559,371	2,047,922	10,499
Total capital assets, not being depreciated	6,599,084	1,559,371	2,047,922	6,110,533
Capital assets, being depreciated:				
Land improvements	3,481,713	776,879		4,258,592
Buildings and improvements	52,334,746	1,323,317		53,658,063
Vehicles, furniture and equipment	6,179,103	257,132	110,273	6,325,962
Total capital assets being depreciated	61,995,562	2,357,328	110,273	64,242,617
Less accumulated depreciation for:				
Land improvements	(1,851,782)	(101,055)		(1,952,837)
Buildings and improvements	(14,582,496)	(1,264,348)		(15,846,844)
Vehicles, furniture and equipment	(3,716,978)	(401,570)	(103,524)	(4,015,024)
Total accumulated depreciation	(20,151,256)	(1,766,973)	(103,524)	(21,814,705)
Total capital assets, being depreciated, net	41,844,306	590,355	6,749	42,427,912
Governmental activities capital assets, net	\$ 48,443,390	\$ 2,149,726	\$ 2,054,671	\$ 48,538,445

Depreciation expense was charged to governmental functions as follows:

Instruction	\$ 1,441,688
Support services – students and staff	4,111
Support services – administration	65,719
Operation and maintenance of plant services	38,962
Student transportation services	187,756
Operation of non-instructional services	28,737
Total depreciation expense – governmental activities	<u>\$ 1,766,973</u>

Construction Commitments – At year end, the District had contractual commitments related to a HVAC replacement. At year end, the District had spent \$10,499 on the project and had estimated remaining contractual commitments of \$92,306. The project is being funded by the Building Renewal Grant Fund.

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 8 – SHORT TERM DEBT – REVOLVING LINE OF CREDIT

The District has a revolving line of credit to provide cash flow during the year to mitigate the impact of timing differences of expenditures and the receipt of state aid and property tax revenues. At year end, the District had \$2.6 million in unused line of credit. General Fund revenues will be used to repay the line of credit. Short-term debt activity for the current fiscal year was as follows:

	Beginning Balance	Issued	Redeemed	Ending Balance
Revolving line of credit	\$ 56,000	\$ 2,016,000	\$ 1,627,000	\$ 445,000

NOTE 9 – GENERAL OBLIGATION BONDS PAYABLE

Bonds payable at year end consisted of the following outstanding general obligation bonds. Of the total amount originally authorized, all has been issued. The bonds are both callable and noncallable with interest payable semiannually. Property taxes from the Debt Service Fund are used to pay bonded debt.

Purpose	Original Amount Issued	Interest Rates	Remaining Maturities	Outstanding Principal June 30, 2019	Due Within One Year
Governmental activities:					
School Improvement Bonds, Project of 2004, Series C (2010)	\$ 3,390,000	4.0-5.0%	7/1/19-20	\$ 385,000	\$ 190,000
School Improvement Bonds, Project of 2013, Series A	12,525,000	2.0-4.0%	7/1/19-34	10,560,000	500,000
School Improvement Bonds, Project of 2013, Series B	2,475,000	3.00%	7/1/19-23	1,575,000	25,000
Refunding Bonds, Series 2016	4,455,000	3.0-4.0%	7/1/19-27	3,900,000	500,000
Total				<u>\$ 16,420,000</u>	<u>\$ 1,215,000</u>

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 9 – GENERAL OBLIGATION BONDS PAYABLE

Annual debt service requirements to maturity on general obligation bonds at year end are summarized as follows:

Year ending June 30:	Governmental Activities	
	Principal	Interest
2020	\$ 1,215,000	\$ 548,050
2021	1,295,000	512,700
2022	1,295,000	476,912
2023	1,410,000	439,100
2024	870,000	407,013
2025-29	4,920,000	1,512,250
2030-34	4,560,000	546,550
2035	855,000	14,962
Total	<u>\$ 16,420,000</u>	<u>\$ 4,457,537</u>

In prior years, the District defeased certain general obligation and other bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the defeased bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District's financial statements. At year end, \$1.9 million of defeased bonds are still outstanding.

NOTE 10 – CHANGES IN LONG-TERM LIABILITIES

Long-term liability activity for the current fiscal year was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
General obligation bonds	\$ 17,970,000	\$	\$ 1,550,000	\$ 16,420,000	\$ 1,215,000
Premium	911,611		70,044	841,567	
Total bonds payable	<u>18,881,611</u>		<u>1,620,044</u>	<u>17,261,567</u>	<u>1,215,000</u>
Net OPEB liability	47,013	27,616		74,629	
Net pension liability	20,274,833		349,496	19,925,337	
Compensated absences payable	128,798	211,809	179,795	160,812	97,100
Governmental activity long-term liabilities	<u>\$ 39,332,255</u>	<u>\$ 239,425</u>	<u>\$ 2,149,335</u>	<u>\$ 37,422,345</u>	<u>\$ 1,312,100</u>

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 11 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Due to/from other funds:

At year end, several non-major governmental funds had negative cash balances in the Treasurer's pooled cash account. Negative cash on deposit with the County Treasurer was reduced by interfund borrowing with the General Fund. All interfund balances are expected to be paid within one year.

Interfund transfers:

	Transfers in		
	General	Debt	
	Fund	Service	Total
Transfers out		Fund	
Non-Major Governmental Funds	\$ 63,407	\$ 1,232	\$ 64,639
Total	\$ 63,407	\$ 1,232	\$ 64,639

Transfers between funds were (1) used to move federal grant funds restricted for indirect costs and (2) move investment income earned in the Bond Building Fund that is required by statute to be expended in the Debt Service Fund.

NOTE 12 – CONTINGENT LIABILITIES

Compliance – Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures/expenses that may be disallowed by the grantor cannot be determined at this time, although the District expects such amounts, if any, to be immaterial.

Lawsuits – The District is a party to a number of various types of lawsuits, many of which normally occur in governmental operations. The ultimate outcome of the actions is not determinable, however, District management believes that the outcome of these proceedings, either individually or in the aggregate, will not have a materially adverse effect on the accompanying financial statements.

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 13 – PRIOR PERIOD RECLASSIFICATION

The July 1, 2018, government-wide net position and the fund balance of the General Fund does not agree to the prior year financial statements due to the reclassification of cash reported in the Agency Fund in the prior fiscal year.

	Statement of Activities	Governmental Funds General Fund
Net position/fund balance, June 30, 2018, as previously reported	\$ 18,405,332	\$ 4,343,073
Reclassification of cash	<u>1,370,502</u>	<u>1,370,502</u>
Net position/fund balance, July 1, 2018, as restated	<u>\$ 19,775,834</u>	<u>\$ 5,713,575</u>

NOTE 14 – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District was unable to obtain general property and liability insurance at a cost it considered to be economically justifiable. Therefore, the District joined the Arizona School Risk Retention Trust, Inc. (ASRRT). ASRRT is a public entity risk pool currently operating as a common risk management and insurance program for school districts and community colleges in the State. The District pays an annual premium to ASRRT for its general insurance coverage. The agreement provides that ASRRT will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of specified amounts.

The District joined the Arizona School Alliance for Workers' Compensation, Inc. (Alliance) together with other school districts in the state for risks of loss related to workers' compensation claims. The Alliance is a public entity risk pool currently operating as a common risk management and insurance program for school districts in the State. The District pays quarterly premiums to the Alliance for its employee workers' compensation coverage. The agreement provides that the Alliance will be self-sustaining through members' premiums and will reinsure through commercial companies for claims in excess of specified amounts for each insured event.

The District continues to carry commercial insurance for employee health, dental and vision insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 15 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

Plan Description. District employees participate in the Arizona State Retirement System (ASRS). The ASRS administers a cost-sharing multiple-employer defined benefit pension plan, a cost-sharing multiple-employer defined benefit health insurance premium benefit (OPEB) plan, and a cost-sharing multiple-employer defined benefit long-term disability (OPEB) plan. The Arizona State Retirement System Board governs the ASRS according to the provisions of A.R.S. Title 38, Chapter 5, Articles 2 and 2.1. ASRS is a component unit of the State of Arizona. The ASRS issues a publicly available financial report that includes its financial statements and required supplementary information. The report is available on the ASRS website at www.azasrs.gov.

Aggregate Amounts. At June 30, 2019, the District reported the following aggregate amounts related to pensions and OPEB for all plans to which it contributes:

	Pension	OPEB
Net assets	\$	\$ (50,791)
Net liability	19,925,337	74,629
Deferred outflows of resources	4,140,322	217,420
Deferred inflows of resources	2,733,275	155,643
Expense	181,287	77,420
Contributions	1,732,396	96,072

Benefits Provided. The ASRS provides retirement, health insurance premium supplement, long-term disability, and survivor benefits. State statute establishes benefit terms. Retirement benefits are calculated on the basis of age, average monthly compensation, and service credit as follows:

	Retirement Initial Membership Date:	
	Before July 1, 2011	On or After July 1, 2011
Years of service and age required to receive benefit	Sum of years and age equals 80 10 years, age 62 5 years, age 50* Any years, age 65	30 years, age 55 25 years, age 60 10 years, age 62 5 years, age 50* Any years, age 65
Final average salary is based on	Highest 36 months of last 120 months	Highest 60 months of last 120 months
Benefit percent per year of service	2.1% to 2.3%	2.1% to 2.3%

*With actuarially reduced benefits

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 15 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

Retirement benefits for members who joined the ASRS prior to September 13, 2013, are subject to automatic cost-of-living adjustments based on excess investment earnings. Members with a membership date on or after September 13, 2013, are not eligible for cost-of-living adjustments. Survivor benefits are payable upon a member's death. For retired members, the survivor benefit is determined by the retirement benefit option chosen. For all other members, the beneficiary is entitled to the member's account balance that includes the member's contributions and employer's contributions, plus interest earned.

Retired and disabled members, with at least five years of credited service, are eligible to receive health insurance premium benefits. The benefits are payable only with respect to allowable health insurance premiums for which the member is responsible. For members with 10 or more years of service, benefits range from \$100 per month to \$260 per month depending on the age of the member and dependents. For members with five to nine years of service, the benefits are the same dollar amounts as above multiplied by a vesting fraction based on completed years of service.

Active members are eligible for a long-term disability benefit in the event they become unable to perform their work. The monthly benefit is equal to two-thirds of their monthly earnings. Members receiving benefits continue to earn service credit up to their normal retirement dates. Members with long-term disability commencement dates after June 30, 1999 are limited to 30 years of service or the service on record as of the effective disability date, if their service is greater than 30 years.

Contributions. In accordance with state statutes, annual actuarial valuations determine active member and employer contribution requirements. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. For the current fiscal year, active ASRS members were required by statute to contribute at the actuarially determined rate of 11.80 percent (11.64 percent for retirement and 0.16 percent for long-term disability) of the members' annual covered payroll, and the District was required by statute to contribute at the actuarially determined rate of 11.80 percent (11.18 percent for retirement, 0.46 percent for health insurance premium benefit, and 0.16 percent for long-term disability) of the active members' annual covered payroll. The District's contributions for the year ended June 30, 2019 were as follows:

	<u>Contributions</u>
Pension	\$ 1,732,396
Health Insurance Premium	71,279
Long-Term Disability	24,793

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 15 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

Employers are also required to pay an Alternate Contribution Rate (ACR), for retired members who return to work in positions that would typically be filled by an employee who contributes to ASRS. The District was required by statute to contribute at the actuarially determined rate of 10.53 percent (10.41 for retirement, 0.06 percent for health insurance premium benefit, and 0.06 percent for long-term disability). ACR contributions are included in employer contributions presented above.

The District's pension and OPEB contributions are paid by the same funds as the employee's salary, with the largest component coming from the General Fund.

Pension and OPEB Assets/Liability. The net pension and OPEB assets/liability were measured as of June 30, 2018. The total liability used to calculate the net asset or net liability was determined using update procedures to roll forward the total liability from an actuarial valuation as of June 30, 2017, to the measurement date of June 30, 2018. The total liability as of June 30, 2018 reflects changes in actuarial assumptions based on the results of an actuarial experience study for the five-year period ended June 30, 2016, including decreasing the discount rate from 8.0 percent to 7.5 percent, changing the projected salary increases from 3-6.75 percent to 2.7-7.2 percent, decreasing the inflation rate from 3 percent to 2.3 percent, and changing the mortality rates. The District's proportion of the net assets/liability was based on the District's actual contributions to the applicable plan relative to the total of all participating employers' contributions to the plan for the year ended June 30, 2018.

At June 30, 2019, the District reported the following amounts for its proportionate share of the ASRS plans net assets/liability. In addition, at June 30, 2018, the District's percentage proportion for each plan and the related change from its proportion measured as of June 30, 2017 was:

	Net (Assets) Liability	District % Proportion	Increase (Decrease)
Pension	\$ 19,925,337	0.143	0.013
Health Insurance Premium	(50,791)	0.141	0.011
Long-Term Disability	74,629	0.143	0.013

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 15 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

Pension/OPEB Expense and Deferred Outflows/Inflows of Resources. The District has deferred outflows and inflows of resources related to the net pension and OPEB assets/liabilities. Certain changes in the net pension and OPEB assets/liability are recognized as pension and OPEB expense over a period of time rather than the year of occurrence. For the year ended June 30, 2019, the District recognized pension and OPEB expense as follows:

	Expense
Pension	\$ 181,287
Health Insurance Premium	50,488
Long-Term Disability	26,932

The District reported deferred outflows of resources and deferred inflows of resources related to pensions and OPEB from the following sources:

	Deferred Outflows of Resources		
	Pension	Health Insurance Premium	Long-Term Disability
Differences between expected and actual experience	\$ 548,927	\$	\$ 1,909
Changes of assumptions or other inputs	527,261	97,950	16,164
Changes in proportion and differences between contributions and proportionate share of contributions	1,331,738	565	4,760
Contributions subsequent to the measurement date	1,732,396	71,279	24,793
Total	<u>\$ 4,140,322</u>	<u>\$ 169,794</u>	<u>\$ 47,626</u>

	Deferred Inflows of Resources		
	Pension	Health Insurance Premium	Long-Term Disability
Differences between expected and actual experience	\$ 109,845	\$ 46,878	\$
Changes of assumptions or other inputs	1,766,655		
Net difference between projected and actual earnings on pension investments	479,157	101,462	7,229
Changes in proportion and differences between contributions and proportionate share of contributions	377,618	69	5
Total	<u>\$ 2,733,275</u>	<u>\$ 148,409</u>	<u>\$ 7,234</u>

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 15 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

The amounts of deferred outflows of resources resulting from contributions subsequent to the measurement date as reported in the table above will be recognized as an adjustment of the net pension and OPEB assets/liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be recognized in pension and OPEB expense as follows:

Year Ending June 30:	Pension	Health Insurance Premium	Long-Term Disability
2020	\$ 494,386	\$ (19,560)	\$ 880
2021	121,994	(19,561)	880
2022	(726,846)	(19,561)	880
2023	(214,883)	2,057	2,816
2024		6,731	3,171
Thereafter			6,972

Actuarial Assumptions. The significant actuarial assumptions used to measure the total pension and OPEB liability are as follows:

	Pension	OPEB
Actuarial valuation date	June 30, 2017	June 30, 2017
Actuarial roll forward date	June 30, 2018	June 30, 2018
Actuarial cost method	Entry age normal	Entry age normal
Investment rate of return	7.5%	7.5%
Projected salary increases	2.7-7.2%	Not applicable
Inflation	2.3%	2.3%
Permanent base increases	Included	Not applicable
Mortality rates	2017 SRA Scale U-MP	Health Ins: 2017 SRA Scale U-MP, LTD: 2012 GLDT
Healthcare cost trend rate	Not applicable	Not applicable

The actuarial assumptions used in the June 30, 2017 valuation were based on the results of an actuarial experience study for the five-year period ended June 30, 2016. The purpose of the experience study was to review actual experience in relation to the actuarial assumptions in effect. The ASRS Board adopted the experience study recommended changes which were applied to the June 30, 2017, actuarial valuation.

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 15 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

The long-term expected rate of return on ASRS plan investments was determined to be 7.5 percent using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, excluding any expected inflation.

On June 29, 2018, the ASRS Board approved updated strategic asset allocation targets, to be effective July 2018. The target allocation and best estimates of geometric real rates of return for each major asset class for all ASRS plans are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Equity	50%	5.50%
Fixed income	30	3.83
Real estate	20	5.85
Total	<u>100%</u>	

Discount Rate. The discount rate used to measure the ASRS total pension and OPEB liability was 7.5 percent, which was a decrease of 0.5 from the discount rate used as of June 30, 2017. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the ASRS Board's funding policy, which establishes the contractually required rate under Arizona statute. Based on those assumptions, the plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on investments was applied to all periods of projected benefit payments to determine the total pension and OPEB liability.

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 15 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

Sensitivity of the Proportionate Share of the Net Pension and OPEB Asset/Liability to Changes in the Discount Rate. The following presents the District's proportionate share of the net pension and OPEB assets/liability calculated using the discount rate of 7.5 percent, as well as what the proportionate share of the net pension and OPEB asset/liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	Proportionate share of the net (assets) liability		
	Current		
	1% Decrease	Discount Rate	1% Increase
Rate	6.5%	7.5%	8.5%
Pension	\$ 28,404,026	\$ 19,925,337	\$ 12,841,529
Health Insurance Premium	179,964	(50,791)	(247,348)
Long-Term Disability	84,576	74,629	64,978

Pension and OPEB Plan Fiduciary Net Position. Detailed information about the pension and OPEB plan's fiduciary net position is available in the separately issued ASRS financial report. The report is available on the ASRS website at www.azasrs.gov.

NOTE 16 – SUBSEQUENT EVENT

On November 5, 2019, the District received authorization from voters to issue \$49.8 million in school improvement bonds.

REQUIRED SUPPLEMENTARY INFORMATION

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL
YEAR ENDED JUNE 30, 2019

	Budgeted Amounts		Non-GAAP Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Other local	\$	\$	\$ 1,469,684	\$ 1,469,684
Property taxes			5,543,234	5,543,234
State aid and grants			15,173,617	15,173,617
Total revenues			<u>22,186,535</u>	<u>22,186,535</u>
Expenditures:				
Current -				
Instruction	13,303,616	13,874,122	14,111,757	(237,635)
Support services - students and staff	2,538,084	2,548,084	2,576,382	(28,298)
Support services - administration	2,693,675	2,838,675	2,796,848	41,827
Operation and maintenance of plant services	2,494,856	2,594,856	2,407,613	187,243
Student transportation services	1,803,491	1,830,491	1,746,555	83,936
Operation of non-instructional services	42,000	42,000	43,146	(1,146)
Total expenditures	<u>22,875,722</u>	<u>23,728,228</u>	<u>23,682,301</u>	<u>45,927</u>
Changes in fund balances	<u>(22,875,722)</u>	<u>(23,728,228)</u>	<u>(1,495,766)</u>	<u>22,232,462</u>
Fund balances, beginning of year, as restated			3,766,491	3,766,491
Increase (decrease) in reserve for prepaid items			2,130,752	2,130,752
Fund balances (deficits), end of year	<u>\$ (22,875,722)</u>	<u>\$ (23,728,228)</u>	<u>\$ 4,401,477</u>	<u>\$ 28,129,705</u>

See accompanying notes to this schedule.

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
CLASSROOM SITE
YEAR ENDED JUNE 30, 2019

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Other local	\$	\$	\$ 18,308	\$ 18,308
State aid and grants			1,612,365	1,612,365
Total revenues			<u>1,630,673</u>	<u>1,630,673</u>
Expenditures:				
Current -				
Instruction	1,813,133	1,900,371	1,564,610	335,761
Support services - students and staff	38,045	38,045	24,662	13,383
Total expenditures	<u>1,851,178</u>	<u>1,938,416</u>	<u>1,589,272</u>	<u>349,144</u>
Changes in fund balances	<u>(1,851,178)</u>	<u>(1,938,416)</u>	<u>41,401</u>	<u>1,979,817</u>
Fund balances, beginning of year			406,581	406,581
Fund balances (deficits), end of year	<u>\$ (1,851,178)</u>	<u>\$ (1,938,416)</u>	<u>\$ 447,982</u>	<u>\$ 2,386,398</u>

See accompanying notes to this schedule.

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
ARIZONA STATE RETIREMENT SYSTEM
LAST FIVE FISCAL YEARS

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Measurement date	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
District's proportion of the net pension (assets) liability	0.14%	0.13%	0.13%	0.14%	0.15%
District's proportionate share of the net pension (assets) liability	\$ 19,925,337	\$ 20,274,833	\$ 21,772,601	\$ 22,339,640	\$ 21,845,582
District's covered payroll	\$ 13,721,037	\$ 12,694,518	\$ 12,689,272	\$ 13,208,871	\$ 13,313,775
District's proportionate share of the net pension (assets) liability as a percentage of its covered payroll	145.22%	159.71%	171.58%	169.13%	164.08%
Plan fiduciary net position as a percentage of the total pension liability	73.40%	69.92%	67.06%	68.35%	69.49%

SCHEDULE OF PENSION CONTRIBUTIONS
ARIZONA STATE RETIREMENT SYSTEM
LAST FIVE FISCAL YEARS

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 1,732,396	\$ 1,495,593	\$ 1,368,469	\$ 1,376,786	\$ 1,438,446
Contributions in relation to the actuarially determined contribution	<u>1,732,396</u>	<u>1,495,593</u>	<u>1,368,469</u>	<u>1,376,786</u>	<u>1,438,446</u>
Contribution deficiency (excess)	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
District's covered payroll	\$ 15,495,492	\$ 13,721,037	\$ 12,694,518	\$ 12,689,272	\$ 13,208,871
Contributions as a percentage of covered payroll	11.18%	10.90%	10.78%	10.85%	10.89%

NOTE: The pension and OPEB schedules in the required supplementary information are intended to show information for ten years, and additional information will be displayed as it becomes available.

See accompanying notes to this schedule.

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
ARIZONA STATE RETIREMENT SYSTEM - HEALTH INSURANCE PREMIUM
LAST TWO FISCAL YEARS

	<u>2019</u>	<u>2018</u>
Measurement date	June 30, 2018	June 30, 2017
District's proportion of the net OPEB (assets) liability	0.14%	0.13%
District's proportionate share of the net OPEB (assets) liability	\$ (50,791)	\$ (70,658)
District's covered payroll	\$ 13,721,037	\$ 12,694,518
District's proportionate share of the net OPEB (assets) liability as a percentage of its covered payroll	(0.37)%	(0.56)%
Plan fiduciary net position as a percentage of the total OPEB liability	102.20%	103.57%

SCHEDULE OF OPEB CONTRIBUTIONS
ARIZONA STATE RETIREMENT SYSTEM - HEALTH INSURANCE PREMIUM
LAST TWO FISCAL YEARS

	<u>2019</u>	<u>2018</u>
Actuarially determined contribution	\$ 71,279	\$ 60,372
Contributions in relation to the actuarially determined contribution	<u>71,279</u>	<u>60,372</u>
Contribution deficiency (excess)	<u><u>\$</u></u>	<u><u>\$</u></u>
District's covered payroll	\$ 15,495,492	\$ 13,721,037
Contributions as a percentage of covered payroll	0.46%	0.44%

NOTE: The pension and OPEB schedules in the required supplementary information are intended to show information for ten years, and additional information will be displayed as it becomes available.

See accompanying notes to this schedule.

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
ARIZONA STATE RETIREMENT SYSTEM - LONG-TERM DISABILITY
LAST TWO FISCAL YEARS

	<u>2019</u>	<u>2018</u>
Measurement date	June 30, 2018	June 30, 2017
District's proportion of the net OPEB (assets) liability	0.14%	0.13%
District's proportionate share of the net OPEB (assets) liability	\$ 74,629	\$ 47,013
District's covered payroll	\$ 13,721,037	\$ 12,694,518
District's proportionate share of the net OPEB (assets) liability as a percentage of its covered payroll	0.54%	0.37%
Plan fiduciary net position as a percentage of the total OPEB liability	77.83%	84.44%

SCHEDULE OF OPEB CONTRIBUTIONS
ARIZONA STATE RETIREMENT SYSTEM - LONG-TERM DISABILITY
LAST TWO FISCAL YEARS

	<u>2019</u>	<u>2018</u>
Actuarially determined contribution	\$ 24,793	\$ 21,954
Contributions in relation to the actuarially determined contribution	<u>24,793</u>	<u>21,954</u>
Contribution deficiency (excess)	<u>\$</u>	<u>\$</u>
District's covered payroll	\$ 15,495,492	\$ 13,721,037
Contributions as a percentage of covered payroll	0.16%	0.16%

NOTE: The pension and OPEB schedules in the required supplementary information are intended to show information for ten years, and additional information will be displayed as it becomes available.

See accompanying notes to this schedule.

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2019

NOTE 1 – BUDGETARY BASIS OF ACCOUNTING

The District budget is prepared on a basis consistent with accounting principles generally accepted in the United States of America, except for the following items.

- Certain activities reported in the General Fund are budgeted in separate funds in accordance with Arizona Revised Statutes.
- Prepaid items are budgeted in the year prepaid.

The following schedule reconciles expenditures and fund balances at the end of year.

	<u>Total Expenditures</u>	<u>Fund Balances End of Year</u>
Statement of Revenues, Expenditures and Changes in		
Fund Balances – Governmental Funds	\$ 24,066,484	\$ 6,109,206
Activity budgeted as special revenue funds	(618,061)	(1,707,729)
Current-year prepaid items	579,428	
Prior-year prepaid items	(345,550)	
Schedule of Revenues, Expenditures and Changes in Fund		
Balances – Budget and Actual – General Fund	<u>\$ 23,682,301</u>	<u>\$ 4,401,477</u>

NOTE 2 – PENSION AND OPEB PLAN SCHEDULES

Actuarial Assumptions for Valuations Performed. The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated, which is the most recent actuarial valuation. The actuarial assumptions used are disclosed in the notes to the financial statements.

Factors that Affect Trends. The actuarial assumptions used in the June 30, 2017, valuation were based on the results of an actuarial experience study for the five-year period ended June 30, 2016. The purpose of the experience study was to review actual experience in relation to the actuarial assumptions in effect. The ASRS Board adopted the experience study recommended changes which were applied to the June 30, 2017, actuarial valuation.

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**COMBINING AND INDIVIDUAL
FUND FINANCIAL STATEMENTS
AND SCHEDULES**

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GOVERNMENTAL FUNDS

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
COMBINING BALANCE SHEET - ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
JUNE 30, 2019

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
<u>ASSETS</u>			
Cash and investments	\$ 1,536,557	\$ 108,329	\$ 1,644,886
Due from governmental entities	277,080	180,132	457,212
Total assets	<u><u>\$ 1,813,637</u></u>	<u><u>\$ 288,461</u></u>	<u><u>\$ 2,102,098</u></u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 27,285	\$ 4,714	\$ 31,999
Construction contracts payable		80,000	80,000
Due to other funds	184,125	105,744	289,869
Accrued payroll and employee benefits	31,918		31,918
Unearned revenues	14,738		14,738
Total liabilities	<u>258,066</u>	<u>190,458</u>	<u>448,524</u>
Deferred inflows of resources:			
Unavailable revenues - intergovernmental	<u>178,402</u>		<u>178,402</u>
Fund balances (deficits):			
Restricted	1,555,571	108,331	1,663,902
Unassigned	<u>(178,402)</u>	<u>(10,328)</u>	<u>(188,730)</u>
Total fund balances	<u>1,377,169</u>	<u>98,003</u>	<u>1,475,172</u>
Total liabilities, deferred inflows of resources and fund balances	<u><u>\$ 1,813,637</u></u>	<u><u>\$ 288,461</u></u>	<u><u>\$ 2,102,098</u></u>

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
YEAR ENDED JUNE 30, 2019

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
Revenues:			
Other local	\$ 960,636	\$ 55,854	\$ 1,016,490
Property taxes		131,177	131,177
State aid and grants	151,537	2,651,141	2,802,678
Federal aid, grants and reimbursements	<u>2,416,656</u>		<u>2,416,656</u>
Total revenues	<u>3,528,829</u>	<u>2,838,172</u>	<u>6,367,001</u>
Expenditures:			
Current -			
Instruction	1,004,393		1,004,393
Support services - students and staff	402,638		402,638
Support services - administration	92,834		92,834
Operation and maintenance of plant services	2,711		2,711
Student transportation services	4,745		4,745
Operation of non-instructional services	1,831,394		1,831,394
Capital outlay	<u>83,810</u>	<u>2,822,755</u>	<u>2,906,565</u>
Total expenditures	<u>3,422,525</u>	<u>2,822,755</u>	<u>6,245,280</u>
Excess (deficiency) of revenues over expenditures	<u>106,304</u>	<u>15,417</u>	<u>121,721</u>
Other financing sources (uses):			
Transfer out	<u>(63,407)</u>	<u>(1,232)</u>	<u>(64,639)</u>
Total other financing sources (uses)	<u>(63,407)</u>	<u>(1,232)</u>	<u>(64,639)</u>
Changes in fund balances	<u>42,897</u>	<u>14,185</u>	<u>57,082</u>
Fund balances, beginning of year	1,334,272	83,818	1,418,090
Fund balances, end of year	<u><u>\$ 1,377,169</u></u>	<u><u>\$ 98,003</u></u>	<u><u>\$ 1,475,172</u></u>

SPECIAL REVENUE FUNDS

Instructional Improvement - to account for the activity of monies received from gaming revenue.

Title I Grants - to account for financial assistance received for the purpose of improving the teaching and learning of children failing, or most at-risk of failing, to meet challenging state academic standards.

Professional Development and Technology Grants - to account for financial assistance received to increase student academic achievement through improving teacher quality.

Title IV Grants - to account for financial assistance received for chemical abuse awareness programs and expanding projects that benefit educational and health needs of the communities.

Limited English and Immigrant Students - to account for financial assistance received for educational services and costs for limited English and immigrant children.

Special Education Grants - to account for supplemental financial assistance received to provide a free, appropriate public education to disabled children.

Medicaid Reimbursement - to account for reimbursements related to specific health services provided to eligible students.

E-Rate - to account for financial assistance received for broadband internet and telecommunication costs.

Gifted - to account for financial assistance received for programs for gifted students.

Other State Projects – to account for financial assistance received for other state projects.

School Plant - to account for proceeds from the sale or lease of school property.

Food Service - to account for the financial activity of school activities that have as their purpose the preparation and serving of regular and incidental meals and snacks in connection with school functions.

Civic Center - to account for monies received from the rental of school facilities for civic activities.

Community School - to account for activity related to academic and skill development for all citizens.

Auxiliary Operations - to account for activity arising from bookstore, athletic and miscellaneous District related operations.

Extracurricular Activities Fees Tax Credit - to account for activity related to monies collected in support of extracurricular activities to be taken as a tax credit by the tax payer in accordance with A.R.S. §43-1089.01.

Gifts and Donations - to account for activity related to gifts, donations, bequests and private grants made to the District.

Fingerprint - to account for activity of fingerprinting employees as mandated by the State.

Insurance Proceeds - to account for the monies received from insurance claims.

Textbooks - to account for monies received from students to replace or repair lost or damaged textbooks.

Litigation Recovery - to account for monies received for and derived from litigation.

Indirect Costs - to account for monies received from federal projects for administrative costs.

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2019

	Instructional Improvement	Title I Grants	Professional Development and Technology Grants
<u>ASSETS</u>			
Cash and investments	\$ 198,397	\$	\$
Due from governmental entities	64,342	157,983	18,712
Total assets	<u>\$ 262,739</u>	<u>\$ 157,983</u>	<u>\$ 18,712</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$	\$ 6,760	\$
Due to other funds		138,134	18,712
Accrued payroll and employee benefits		13,089	
Unearned revenues			
Total liabilities		<u>157,983</u>	<u>18,712</u>
Deferred inflows of resources:			
Unavailable revenues - intergovernmental		<u>157,983</u>	<u>7,584</u>
Fund balances (deficits):			
Restricted	262,739		
Unassigned		(157,983)	(7,584)
Total fund balances	<u>262,739</u>	<u>(157,983)</u>	<u>(7,584)</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 262,739</u>	<u>\$ 157,983</u>	<u>\$ 18,712</u>

<u>Title IV Grants</u>	<u>Limited English and Immigrant Students</u>	<u>Special Education Grants</u>	<u>Other State Projects</u>	<u>Food Service</u>	<u>Civic Center</u>
\$	\$	\$	\$	\$	\$
14,444	735	12,100	14,738	416,642	561,884
<u>14,444</u>	<u>735</u>	<u>12,100</u>	<u>14,738</u>	<u>8,764</u>	<u>561,884</u>
<u>\$ 14,444</u>	<u>\$ 735</u>	<u>\$ 12,100</u>	<u>\$ 14,738</u>	<u>\$ 425,406</u>	<u>\$ 561,884</u>
\$	\$	\$	\$	\$	\$
14,444	735	12,100		17,391	
				2,629	
<u>14,444</u>	<u>735</u>	<u>12,100</u>	<u>14,738</u>	<u>20,020</u>	
			<u>14,738</u>		
	<u>735</u>	<u>12,100</u>			
	<u>(735)</u>	<u>(12,100)</u>		405,386	561,884
	<u>(735)</u>	<u>(12,100)</u>		<u>405,386</u>	<u>561,884</u>
<u>\$ 14,444</u>	<u>\$ 735</u>	<u>\$ 12,100</u>	<u>\$ 14,738</u>	<u>\$ 425,406</u>	<u>\$ 561,884</u>

(Continued)

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2019

	Community School	Extracurricular Activities Fees Tax Credit	Fingerprint
<u>ASSETS</u>			
Cash and investments	\$ 206,719	\$ 132,021	\$ 324
Due from governmental entities			
Total assets	<u>\$ 206,719</u>	<u>\$ 132,021</u>	<u>\$ 324</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 1,708	\$ 1,426	\$
Due to other funds			
Accrued payroll and employee benefits	16,200		
Unearned revenues			
Total liabilities	<u>17,908</u>	<u>1,426</u>	
Deferred inflows of resources:			
Unavailable revenues - intergovernmental			
Fund balances (deficits):			
Restricted	188,811	130,595	324
Unassigned			
Total fund balances	<u>188,811</u>	<u>130,595</u>	<u>324</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 206,719</u>	<u>\$ 132,021</u>	<u>\$ 324</u>

<u>Textbooks</u>	<u>Litigation Recovery</u>	<u>Totals</u>
\$ 5,323	\$ 509	\$ 1,536,557
		277,080
<u>\$ 5,323</u>	<u>\$ 509</u>	<u>\$ 1,813,637</u>
\$	\$	\$ 27,285
		184,125
		31,918
		14,738
<u></u>	<u></u>	<u>258,066</u>
		<u>178,402</u>
5,323	509	1,555,571
<u>5,323</u>	<u>509</u>	<u>(178,402)</u>
		<u>1,377,169</u>
<u>\$ 5,323</u>	<u>\$ 509</u>	<u>\$ 1,813,637</u>

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2019

	Instructional Improvement	Title I Grants	Professional Development and Technology Grants
Revenues:			
Other local	\$ 6,889	\$	\$
State aid and grants	144,616		
Federal aid, grants and reimbursements		569,920	79,895
Total revenues	<u>151,505</u>	<u>569,920</u>	<u>79,895</u>
Expenditures:			
Current -			
Instruction	49,815	357,015	27,000
Support services - students and staff	28,477	233,777	57,879
Support services - administration		89,419	
Operation and maintenance of plant services			
Student transportation services		2,072	
Operation of non-instructional services		5,035	
Capital outlay		19,117	
Total expenditures	<u>78,292</u>	<u>706,435</u>	<u>84,879</u>
Excess (deficiency) of revenues over expenditures	<u>73,213</u>	<u>(136,515)</u>	<u>(4,984)</u>
Other financing sources (uses):			
Transfer out		(21,468)	(2,600)
Total other financing sources (uses)		<u>(21,468)</u>	<u>(2,600)</u>
Changes in fund balances	<u>73,213</u>	<u>(157,983)</u>	<u>(7,584)</u>
Fund balances, beginning of year	189,526		
Fund balances (deficits), end of year	<u>\$ 262,739</u>	<u>\$ (157,983)</u>	<u>\$ (7,584)</u>

<u>Title IV Grants</u>	<u>Limited English and Immigrant Students</u>	<u>Special Education Grants</u>	<u>Gifted</u>	<u>Other State Projects</u>	<u>Food Service</u>
\$	\$	\$	\$	\$	\$
			3,921	3,000	427,019
14,444	49,045	546,348			1,157,004
14,444	49,045	546,348	3,921	3,000	1,584,023
	19,071	468,399		535	
14,000	29,188	33,398	3,921		
		40,391		2,465	1,511,648
14,000	48,259	542,188	3,921	3,000	12,050
					1,523,698
444	786	4,160			60,325
(444)	(1,521)	(16,260)			(21,114)
(444)	(1,521)	(16,260)			(21,114)
	(735)	(12,100)			39,211
					366,175
\$	\$	\$	\$	\$	\$
	(735)	(12,100)			405,386

(Continued)

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2019

	Civic Center	Community School	Extracurricular Activities Fees Tax Credit
Revenues:			
Other local	\$ 77,552	\$ 320,908	\$ 126,967
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues	<u>77,552</u>	<u>320,908</u>	<u>126,967</u>
Expenditures:			
Current -			
Instruction	1,266		81,292
Support services - students and staff			1,383
Support services - administration			
Operation and maintenance of plant services	2,711		
Student transportation services		2,673	
Operation of non-instructional services		314,711	
Capital outlay	3,773	1,784	4,230
Total expenditures	<u>7,750</u>	<u>319,168</u>	<u>86,905</u>
Excess (deficiency) of revenues over expenditures	<u>69,802</u>	<u>1,740</u>	<u>40,062</u>
Other financing sources (uses):			
Transfer out			
Total other financing sources (uses)			
Changes in fund balances	<u>69,802</u>	<u>1,740</u>	<u>40,062</u>
Fund balances, beginning of year	492,082	187,071	90,533
Fund balances, end of year	<u>\$ 561,884</u>	<u>\$ 188,811</u>	<u>\$ 130,595</u>

<u>Fingerprint</u>	<u>Textbooks</u>	<u>Litigation Recovery</u>	<u>Totals</u>
\$ 498	\$ 677	\$ 126	\$ 960,636
			151,537
			2,416,656
<u>498</u>	<u>677</u>	<u>126</u>	<u>3,528,829</u>
			1,004,393
	615		402,638
3,415			92,834
			2,711
			4,745
			1,831,394
			83,810
<u>3,415</u>	<u>615</u>		<u>3,422,525</u>
<u>(2,917)</u>	<u>62</u>	<u>126</u>	<u>106,304</u>
			(63,407)
			<u>(63,407)</u>
<u>(2,917)</u>	<u>62</u>	<u>126</u>	<u>42,897</u>
3,241	5,261	383	1,334,272
<u>\$ 324</u>	<u>\$ 5,323</u>	<u>\$ 509</u>	<u>\$ 1,377,169</u>

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2019

	Instructional Improvement		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 6,889	\$ 6,889
State aid and grants		144,616	144,616
Federal aid, grants and reimbursements			
Total revenues		<u>151,505</u>	<u>151,505</u>
Expenditures:			
Current -			
Instruction	100,000	49,815	50,185
Support services - students and staff		28,477	(28,477)
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>100,000</u>	<u>78,292</u>	<u>21,708</u>
Excess (deficiency) of revenues over expenditures	<u>(100,000)</u>	<u>73,213</u>	<u>173,213</u>
Other financing sources (uses):			
Transfer in			
Transfer out			
Proceeds from sale of capital assets			
Total other financing sources (uses)			
Changes in fund balances	<u>(100,000)</u>	<u>73,213</u>	<u>173,213</u>
Fund balances, beginning of year		189,526	189,526
Fund balances (deficits), end of year	<u>\$ (100,000)</u>	<u>\$ 262,739</u>	<u>\$ 362,739</u>

Title I Grants			Professional Development and Technology Grants		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	569,920	569,920		79,895	79,895
	569,920	569,920		79,895	79,895
766,144	357,015	409,129		27,000	(27,000)
	233,777	(233,777)	97,998	57,879	40,119
	89,419	(89,419)			
	2,072	(2,072)			
	5,035	(5,035)			
	19,117	(19,117)			
766,144	706,435	59,709	97,998	84,879	13,119
(766,144)	(136,515)	629,629	(97,998)	(4,984)	93,014
	(21,468)	(21,468)		(2,600)	(2,600)
	(21,468)	(21,468)		(2,600)	(2,600)
(766,144)	(157,983)	608,161	(97,998)	(7,584)	90,414
\$ (766,144)	\$ (157,983)	\$ 608,161	\$ (97,998)	\$ (7,584)	\$ 90,414

(Continued)

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2019

	Title IV Grants		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		14,444	14,444
Total revenues		<u>14,444</u>	<u>14,444</u>
Expenditures:			
Current -			
Instruction			
Support services - students and staff	24,859	14,000	10,859
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>24,859</u>	<u>14,000</u>	<u>10,859</u>
Excess (deficiency) of revenues over expenditures	<u>(24,859)</u>	<u>444</u>	<u>25,303</u>
Other financing sources (uses):			
Transfer in			
Transfer out		(444)	(444)
Proceeds from sale of capital assets			
Total other financing sources (uses)		<u>(444)</u>	<u>(444)</u>
Changes in fund balances	<u>(24,859)</u>		<u>24,859</u>
Fund balances, beginning of year			
Fund balances (deficits), end of year	<u>\$ (24,859)</u>	<u>\$</u>	<u>\$ 24,859</u>

Limited English and Immigrant Students			Special Education Grants		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	49,045	49,045		546,348	546,348
	49,045	49,045		546,348	546,348
37,596	19,071	(19,071)	633,422	468,399	165,023
	29,188	8,408		33,398	(33,398)
				40,391	(40,391)
37,596	48,259	(10,663)	633,422	542,188	91,234
(37,596)	786	38,382	(633,422)	4,160	637,582
	(1,521)	(1,521)		(16,260)	(16,260)
	(1,521)	(1,521)		(16,260)	(16,260)
(37,596)	(735)	36,861	(633,422)	(12,100)	621,322
\$ (37,596)	\$ (735)	\$ 36,861	\$ (633,422)	\$ (12,100)	\$ 621,322

(Continued)

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2019

	Medicaid Reimbursement		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 113	\$ 113
State aid and grants			
Federal aid, grants and reimbursements		86,238	86,238
Total revenues		<u>86,351</u>	<u>86,351</u>
Expenditures:			
Current -			
Instruction			
Support services - students and staff	316,500	19,443	297,057
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay		5,302	(5,302)
Total expenditures	<u>316,500</u>	<u>24,745</u>	<u>291,755</u>
Excess (deficiency) of revenues over expenditures	<u>(316,500)</u>	<u>61,606</u>	<u>378,106</u>
Other financing sources (uses):			
Transfer in			
Transfer out			
Proceeds from sale of capital assets			
Total other financing sources (uses)			
Changes in fund balances	<u>(316,500)</u>	<u>61,606</u>	<u>378,106</u>
Fund balances, beginning of year		421,204	421,204
Fund balances (deficits), end of year	<u>\$ (316,500)</u>	<u>\$ 482,810</u>	<u>\$ 799,310</u>

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2019

	Other State Projects		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants		3,000	3,000
Federal aid, grants and reimbursements			
Total revenues		<u>3,000</u>	<u>3,000</u>
Expenditures:			
Current -			
Instruction		535	(535)
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay	<u>3,000</u>	<u>2,465</u>	<u>535</u>
Total expenditures	<u>3,000</u>	<u>3,000</u>	
Excess (deficiency) of revenues over expenditures	<u>(3,000)</u>		<u>3,000</u>
Other financing sources (uses):			
Transfer in			
Transfer out			
Proceeds from sale of capital assets			
Total other financing sources (uses)			
Changes in fund balances	<u>(3,000)</u>		<u>3,000</u>
Fund balances, beginning of year			
Fund balances (deficits), end of year	<u>\$ (3,000)</u>	<u>\$</u>	<u>\$ 3,000</u>

School Plant			Food Service		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 11,026	\$ 11,026	\$	\$ 427,019	\$ 427,019
				1,157,004	1,157,004
	11,026	11,026		1,584,023	1,584,023
			1,594,804	1,511,648	83,156
				12,050	(12,050)
			1,594,804	1,523,698	71,106
	11,026	11,026	(1,594,804)	60,325	1,655,129
				(21,114)	(21,114)
	14,562	14,562		(21,114)	(21,114)
	14,562	14,562			
	25,588	25,588	(1,594,804)	39,211	1,634,015
	1,485	1,485		366,175	366,175
\$	\$ 27,073	\$ 27,073	\$ (1,594,804)	\$ 405,386	\$ 2,000,190

(Continued)

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2019

	Civic Center		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 77,552	\$ 77,552
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		<u>77,552</u>	<u>77,552</u>
Expenditures:			
Current -			
Instruction		1,266	(1,266)
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services		2,711	(2,711)
Student transportation services			
Operation of non-instructional services			
Capital outlay	300,000	3,773	296,227
Total expenditures	<u>300,000</u>	<u>7,750</u>	<u>292,250</u>
Excess (deficiency) of revenues over expenditures	<u>(300,000)</u>	<u>69,802</u>	<u>369,802</u>
Other financing sources (uses):			
Transfer in			
Transfer out			
Proceeds from sale of capital assets			
Total other financing sources (uses)			
Changes in fund balances	<u>(300,000)</u>	<u>69,802</u>	<u>369,802</u>
Fund balances, beginning of year		492,082	492,082
Fund balances (deficits), end of year	<u>\$ (300,000)</u>	<u>\$ 561,884</u>	<u>\$ 861,884</u>

Community School			Auxiliary Operations		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 320,908	\$ 320,908	\$	\$ 331,860	\$ 331,860
	320,908	320,908		331,860	331,860
			375,000	300,595	74,405
				15,511	(15,511)
	2,673	(2,673)			
385,000	314,711	70,289			
	1,784	(1,784)			
385,000	319,168	65,832	375,000	316,106	58,894
(385,000)	1,740	386,740	(375,000)	15,754	390,754
(385,000)	1,740	386,740	(375,000)	15,754	390,754
	187,071	187,071		108,738	108,738
\$ (385,000)	\$ 188,811	\$ 573,811	\$ (375,000)	\$ 124,492	\$ 499,492

(Continued)

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2019

	Extracurricular Activities Fees Tax Credit		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 126,967	\$ 126,967
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		<u>126,967</u>	<u>126,967</u>
Expenditures:			
Current -			
Instruction	120,000	81,292	38,708
Support services - students and staff		1,383	(1,383)
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay		4,230	(4,230)
Total expenditures	<u>120,000</u>	<u>86,905</u>	<u>33,095</u>
Excess (deficiency) of revenues over expenditures	<u>(120,000)</u>	<u>40,062</u>	<u>160,062</u>
Other financing sources (uses):			
Transfer in			
Transfer out			
Proceeds from sale of capital assets			
Total other financing sources (uses)			
Changes in fund balances	<u>(120,000)</u>	<u>40,062</u>	<u>160,062</u>
Fund balances, beginning of year		90,533	90,533
Fund balances (deficits), end of year	<u>\$ (120,000)</u>	<u>\$ 130,595</u>	<u>\$ 250,595</u>

Gifts and Donations			Fingerprint		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 104,091	\$ 104,091	\$	\$ 498	\$ 498
	104,091	104,091		498	498
125,000	24,431 55,880 692	(24,431) 69,120 (692)	6,000	3,415	2,585
	1,258 17,116	(1,258) (17,116)			
125,000	99,377	25,623	6,000	3,415	2,585
(125,000)	4,714	129,714	(6,000)	(2,917)	3,083
(125,000)	4,714	129,714	(6,000)	(2,917)	3,083
	318,692	318,692		3,241	3,241
\$ (125,000)	\$ 323,406	\$ 448,406	\$ (6,000)	\$ 324	\$ 6,324

(Continued)

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2019

	Insurance Proceeds		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 14,925	\$ 14,925
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		14,925	14,925
Expenditures:			
Current -			
Instruction			
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services	60,000	42,086	17,914
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	60,000	42,086	17,914
Excess (deficiency) of revenues over expenditures	(60,000)	(27,161)	32,839
Other financing sources (uses):			
Transfer in			
Transfer out			
Proceeds from sale of capital assets			
Total other financing sources (uses)			
Changes in fund balances	(60,000)	(27,161)	32,839
Fund balances, beginning of year		40,339	40,339
Fund balances (deficits), end of year	\$ (60,000)	\$ 13,178	\$ 73,178

Textbooks			Litigation Recovery		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 677	\$ 677	\$	\$ 126	\$ 126
	677	677		126	126
5,000	615	4,385	25,000		25,000
5,000	615	4,385	25,000		25,000
(5,000)	62	5,062	(25,000)	126	25,126
(5,000)	62	5,062	(25,000)	126	25,126
	5,261	5,261		383	383
\$ (5,000)	\$ 5,323	\$ 10,323	\$ (25,000)	\$ 509	\$ 25,509

(Continued)

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2019

	Indirect Costs		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 294	\$ 294
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		294	294
Expenditures:			
Current -			
Instruction			
Support services - students and staff			
Support services - administration	230,000	59,234	170,766
Operation and maintenance of plant services		19,688	(19,688)
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	230,000	78,922	151,078
Excess (deficiency) of revenues over expenditures	(230,000)	(78,628)	151,372
Other financing sources (uses):			
Transfer in		63,407	63,407
Transfer out			
Proceeds from sale of capital assets			
Total other financing sources (uses)		63,407	63,407
Changes in fund balances	(230,000)	(15,221)	214,779
Fund balances, beginning of year		212,691	212,691
Fund balances (deficits), end of year	\$ (230,000)	\$ 197,470	\$ 427,470

Totals		
Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 1,431,489	\$ 1,431,489
	151,537	151,537
	2,592,090	2,592,090
	4,175,116	4,175,116
2,019,566	1,329,419	690,147
609,614	477,961	131,653
236,000	181,929	54,071
60,000	70,696	(10,696)
	4,745	(4,745)
1,979,804	1,832,652	147,152
643,000	143,184	499,816
5,547,984	4,040,586	1,507,398
(5,547,984)	134,530	5,682,514
	63,407	63,407
	(63,407)	(63,407)
	14,562	14,562
	14,562	14,562
(5,547,984)	149,092	5,697,076
	2,935,806	2,935,806
\$ (5,547,984)	\$ 3,084,898	\$ 8,632,882

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DEBT SERVICE FUND

Debt Service - to account for the accumulation of resources for, and the payment of, long-term debt principal, interest and related costs.

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2019

	Debt Service		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 20,029	\$ 20,029
Property taxes		1,824,627	1,824,627
Total revenues		<u>1,844,656</u>	<u>1,844,656</u>
Expenditures:			
Debt service -			
Principal retirement	1,215,000	1,215,000	
Interest and fiscal charges	848,513	567,725	280,788
Total expenditures	<u>2,063,513</u>	<u>1,782,725</u>	<u>280,788</u>
Excess (deficiency) of revenues over expenditures	<u>(2,063,513)</u>	<u>61,931</u>	<u>2,125,444</u>
Other financing sources (uses):			
Transfer in		1,232	1,232
Total other financing sources (uses)		<u>1,232</u>	<u>1,232</u>
Changes in fund balances	<u>(2,063,513)</u>	<u>63,163</u>	<u>2,126,676</u>
Fund balances, beginning of year		48,486	48,486
Fund balances (deficits), end of year	<u>\$ (2,063,513)</u>	<u>\$ 111,649</u>	<u>\$ 2,175,162</u>

CAPITAL PROJECTS FUNDS

Unrestricted Capital Outlay - to account for transactions relating to the acquisition of capital items.

Adjacent Ways - to account for monies received to finance improvements of public ways adjacent to school property.

Bond Building - to account for proceeds from District bond issues that are expended on the acquisition or lease of sites; construction or renovation of school buildings; supplying school buildings with furniture, equipment, and technology; improving school grounds; or purchasing pupil transportation vehicles.

Gifts and Donations - Capital - to account for gifts and donations to be expended for capital acquisitions.

Emergency Deficiencies Correction - to account for monies received from the School Facilities Board to correct emergency deficiencies.

Building Renewal Grant - to account for building renewal grant monies requested from the School Facilities Board that are used for infrastructure or for major upgrades, repairs, or renovations to areas, systems, or buildings that will maintain or extend their useful life.

New School Facilities - to account for monies received from the School Facilities Board to be used for constructing new school facilities and purchasing land for new school sites.

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
COMBINING BALANCE SHEET - ALL CAPITAL PROJECTS FUNDS
JUNE 30, 2019

	<u>Unrestricted Capital Outlay</u>	<u>Adjacent Ways</u>	<u>Building Renewal Grant</u>
<u>ASSETS</u>			
Cash and investments	\$	\$ 107,259	\$
Due from governmental entities	100,132		80,000
Total assets	<u>\$ 100,132</u>	<u>\$ 107,259</u>	<u>\$ 80,000</u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 4,714	\$	\$
Construction contracts payable			80,000
Due to other funds	95,416		10,328
Total liabilities	<u>100,130</u>		<u>90,328</u>
Fund balances (deficits):			
Restricted	2	107,259	
Unassigned			(10,328)
Total fund balances	<u>2</u>	<u>107,259</u>	<u>(10,328)</u>
Total liabilities and fund balances	<u>\$ 100,132</u>	<u>\$ 107,259</u>	<u>\$ 80,000</u>

New School Facilities	Totals
\$ 1,070	\$ 108,329
	180,132
<u>\$ 1,070</u>	<u>\$ 288,461</u>

\$	\$ 4,714
	80,000
	105,744
	<u>190,458</u>

1,070	108,331
	(10,328)
<u>1,070</u>	<u>98,003</u>
<u>\$ 1,070</u>	<u>\$ 288,461</u>

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
ALL CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2019

	Unrestricted Capital Outlay	Adjacent Ways	Bond Building
Revenues:			
Other local	\$ 52,470	\$ 2,152	\$ 1,232
Property taxes	131,081	96	
State aid and grants	347,619		
Total revenues	<u>531,170</u>	<u>2,248</u>	<u>1,232</u>
Expenditures:			
Capital outlay	751,890		217,048
Total expenditures	<u>751,890</u>		<u>217,048</u>
Excess (deficiency) of revenues over expenditures	<u>(220,720)</u>	<u>2,248</u>	<u>(215,816)</u>
Other financing sources (uses):			
Transfer out			(1,232)
Total other financing sources (uses)			<u>(1,232)</u>
Changes in fund balances	<u>(220,720)</u>	<u>2,248</u>	<u>(217,048)</u>
Fund balances (deficits), beginning of year	220,722	105,011	217,048
Fund balances (deficits), end of year	<u>\$ 2</u>	<u>\$ 107,259</u>	<u>\$</u>

Gifts and Donations - Capital	Emergency Deficiencies Correction	Building Renewal Grant	New School Facilities	Totals
\$	\$	\$	\$	\$ 55,854
	287,739	2,015,783		131,177
	287,739	2,015,783		2,651,141
				2,838,172
6,150	287,739	1,559,928		2,822,755
6,150	287,739	1,559,928		2,822,755
(6,150)		455,855		15,417
				(1,232)
				(1,232)
(6,150)		455,855		14,185
6,150		(466,183)	1,070	83,818
\$	\$	\$ (10,328)	\$ 1,070	\$ 98,003

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2019

	Unrestricted Capital Outlay		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 52,470	\$ 52,470
Property taxes		131,081	131,081
State aid and grants		347,619	347,619
Total revenues		<u>531,170</u>	<u>531,170</u>
Expenditures:			
Capital outlay	751,890	751,890	
Total expenditures	<u>751,890</u>	<u>751,890</u>	
Excess (deficiency) of revenues over expenditures	<u>(751,890)</u>	<u>(220,720)</u>	<u>531,170</u>
Other financing sources (uses):			
Transfer out			
Total other financing sources (uses)			
Changes in fund balances	<u>(751,890)</u>	<u>(220,720)</u>	<u>531,170</u>
Fund balances (deficits), beginning of year		220,722	220,722
Fund balances (deficits), end of year	<u>\$ (751,890)</u>	<u>\$ 2</u>	<u>\$ 751,892</u>

Adjacent Ways			Bond Building		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 2,152 96	\$ 2,152 96	\$	\$ 1,232	\$ 1,232
	2,248	2,248		1,232	1,232
100,000		100,000	225,271	217,048	8,223
100,000		100,000	225,271	217,048	8,223
(100,000)	2,248	102,248	(225,271)	(215,816)	9,455
				(1,232)	(1,232)
				(1,232)	(1,232)
(100,000)	2,248	102,248	(225,271)	(217,048)	8,223
	105,011	105,011		217,048	217,048
\$ (100,000)	\$ 107,259	\$ 207,259	\$ (225,271)	\$	\$ 225,271

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LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2019

	Gifts and Donations - Capital		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
Property taxes			
State aid and grants			
Total revenues			
Expenditures:			
Capital outlay	6,150	6,150	
Total expenditures	6,150	6,150	
Excess (deficiency) of revenues over expenditures	(6,150)	(6,150)	
Other financing sources (uses):			
Transfer out			
Total other financing sources (uses)			
Changes in fund balances	(6,150)	(6,150)	
Fund balances (deficits), beginning of year		6,150	6,150
Fund balances (deficits), end of year	\$ (6,150)	\$	\$ 6,150

Emergency Deficiencies Correction			Building Renewal Grant		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	287,739	287,739		2,015,783	2,015,783
	287,739	287,739		2,015,783	2,015,783
300,000	287,739	12,261	1,995,764	1,559,928	435,836
300,000	287,739	12,261	1,995,764	1,559,928	435,836
(300,000)		300,000	(1,995,764)	455,855	2,451,619
(300,000)		300,000	(1,995,764)	455,855	2,451,619
				(466,183)	(466,183)
\$ (300,000)	\$	\$ 300,000	\$ (1,995,764)	\$ (10,328)	\$ 1,985,436

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LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2019

	New School Facilities		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
Property taxes			
State aid and grants			
Total revenues			
Expenditures:			
Capital outlay			
Total expenditures			
Excess (deficiency) of revenues over expenditures			
Other financing sources (uses):			
Transfer out			
Total other financing sources (uses)			
Changes in fund balances			
Fund balances (deficits), beginning of year		1,070	1,070
Fund balances (deficits), end of year	\$	\$ 1,070	\$ 1,070

Totals		
Budget	Actual	Variance - Positive (Negative)
\$	\$ 55,854	\$ 55,854
	131,177	131,177
	2,651,141	2,651,141
	2,838,172	2,838,172
3,379,075	2,822,755	556,320
3,379,075	2,822,755	556,320
(3,379,075)	15,417	3,394,492
	(1,232)	(1,232)
	(1,232)	(1,232)
(3,379,075)	14,185	3,393,260
	83,818	83,818
\$ (3,379,075)	\$ 98,003	\$ 3,477,078

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AGENCY FUNDS

Student Activities - to account for monies raised by students to finance student clubs and organizations but held by the District as an agent.

Employee Withholding - to account for voluntary deductions temporarily held by the District as an agent.

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
COMBINING STATEMENT OF ASSETS AND LIABILITIES
AGENCY FUNDS
JUNE 30, 2019

	<u>Student Activities</u>	<u>Employee Withholding</u>	<u>Totals</u>
<u>ASSETS</u>			
Cash and investments	\$ 53,496	\$ 132,023	\$ 185,519
Total assets	<u>\$ 53,496</u>	<u>\$ 132,023</u>	<u>\$ 185,519</u>
<u>LIABILITIES</u>			
Accounts payable	\$ 4,066	\$	\$ 4,066
Deposits held for others		132,023	132,023
Due to student groups	49,430		49,430
Total liabilities	<u>\$ 53,496</u>	<u>\$ 132,023</u>	<u>\$ 185,519</u>

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
YEAR ENDED JUNE 30, 2019

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
<u>STUDENT ACTIVITIES FUND</u>				
<u>Assets</u>				
Cash and investments	\$ 50,905	\$ 55,838	\$ 53,247	\$ 53,496
Total assets	\$ 50,905	\$ 55,838	\$ 53,247	\$ 53,496
<u>Liabilities</u>				
Accounts payable	\$	\$ 4,066	\$	\$ 4,066
Due to student groups	50,905	55,838	57,313	49,430
Total liabilities	\$ 50,905	\$ 59,904	\$ 57,313	\$ 53,496
<u>EMPLOYEE WITHHOLDING FUND</u>				
<u>Assets</u>				
Cash and investments	\$ 13,524	\$ 2,298,558	\$ 2,180,059	\$ 132,023
Total assets	\$ 13,524	\$ 2,298,558	\$ 2,180,059	\$ 132,023
<u>Liabilities</u>				
Deposits held for others	\$ 13,524	\$ 2,298,558	\$ 2,180,059	\$ 132,023
Total liabilities	\$ 13,524	\$ 2,298,558	\$ 2,180,059	\$ 132,023
<u>TOTAL AGENCY FUNDS</u>				
<u>Assets</u>				
Cash and investments	\$ 64,429	\$ 2,354,396	\$ 2,233,306	\$ 185,519
Total assets	\$ 64,429	\$ 2,354,396	\$ 2,233,306	\$ 185,519
<u>Liabilities</u>				
Accounts payable	\$	\$ 4,066	\$	\$ 4,066
Deposits held for others	13,524	2,298,558	2,180,059	132,023
Due to student groups	50,905	55,838	57,313	49,430
Total liabilities	\$ 64,429	\$ 2,358,462	\$ 2,237,372	\$ 185,519

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STATISTICAL SECTION

The statistical section presents financial statement trends as well as detailed financial and operational information not available elsewhere in the report. The statistical section is intended to enhance the reader's understanding of the information presented in the financial statements, notes to the financial statements, and other supplementary information presented in this report. The statistical section is comprised of the five categories of statistical information presented below.

Financial Trends

These schedules contain information on financial trends to help the reader understand how the District's financial position and financial activities have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the factors affecting the District's ability to generate revenue.

Debt Capacity

These schedules present information to help the reader evaluate the District's current levels of outstanding debt as well as assess the District's ability to make debt payments and/or issue additional debt in the future.

Demographic and Economic Information

These schedules present various demographic and economic indicators to help the reader understand the environment in which the District's financial activities take place and to help make comparisons with other school districts.

Operating Information

These schedules contain information about the District's operations and various resources to help the reader draw conclusions as to how the District's financial information relates to the services provided by the District.

Note: For locally assessed property (i.e., excluding mines, utilities, etc.) Proposition 117, approved by voters in 2012, amended the Arizona Constitution to require that all property taxes after fiscal year 2014-15 be based upon property values limited to 5 percent in annual growth. The aggregate assessed value of all taxable properties within a taxing jurisdiction (i.e., after applying assessment ratios based on the use of a property), including property values with a growth limit, is currently referred to as net limited assessed value and formerly as primary assessed value. In accordance with Proposition 117, this value is used for all taxing purposes beginning fiscal year 2015-16. Aggregate assessed value without a growth limit is currently referred to as net full cash assessed value and formerly as secondary assessed value. This remains the value utilized for determining debt capacity limits.

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LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Net Position:					
Net investment in capital assets	\$ 31,553,422	\$ 30,083,026	\$ 29,406,670	\$ 29,153,698	\$ 28,563,571
Restricted	2,246,534	2,158,400	2,459,346	2,673,769	3,259,355
Unrestricted	(10,895,613)	(13,836,094)	(14,994,467)	(17,189,897)	(17,450,800)
Total net position	<u>\$ 22,904,343</u>	<u>\$ 18,405,332</u>	<u>\$ 16,871,549</u>	<u>\$ 14,637,570</u>	<u>\$ 14,372,126</u>
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Net Position:					
Net investment in capital assets	\$ 28,840,906	\$ 29,250,754	\$ 29,397,312	\$ 29,118,437	\$ 28,758,453
Restricted	3,433,081	3,188,755	3,772,475	3,921,391	2,857,488
Unrestricted	3,853,082	4,065,345	4,183,721	5,375,515	5,033,376
Total net position	<u>\$ 36,127,069</u>	<u>\$ 36,504,854</u>	<u>\$ 37,353,508</u>	<u>\$ 38,415,343</u>	<u>\$ 36,649,317</u>

Source: The source of this information is the District's financial records.

Note: The District implemented the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 68, as amended by GASB Statement No. 71 in fiscal year 2015.

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Expenses					
Instruction	\$ 16,642,530	\$ 14,991,968	\$ 14,078,456	\$ 13,684,751	\$ 15,459,914
Support services - students and staff	2,850,566	2,442,600	2,338,204	2,340,161	2,629,217
Support services - administration	2,886,701	2,869,447	2,592,285	2,502,584	2,477,730
Operation and maintenance of plant services	2,470,401	2,367,450	2,306,808	2,131,655	2,035,983
Student transportation services	1,981,666	1,999,609	1,585,990	1,617,307	1,609,244
Operation of non-instructional services	1,885,046	1,869,766	1,816,234	1,657,404	1,462,727
Interest on long-term debt	525,336	564,722	565,558	665,594	618,213
Total expenses	<u>29,242,246</u>	<u>27,105,562</u>	<u>25,283,535</u>	<u>24,599,456</u>	<u>26,293,028</u>
Program Revenues					
Charges for services:					
Instruction	356,656	345,685	166,468	211,301	173,938
Operation of non-instructional services	730,387	698,144	611,757	586,253	620,953
Other activities	68,966	85,655	44,832	68,129	63,652
Operating grants and contributions	2,844,459	2,321,562	2,738,604	2,296,530	2,233,679
Capital grants and contributions	1,989,364	1,634,345	816,878	264,713	900,000
Total program revenues	<u>5,989,832</u>	<u>5,085,391</u>	<u>4,378,539</u>	<u>3,426,926</u>	<u>3,992,222</u>
Net (Expense)/Revenue	<u>\$ (23,252,414)</u>	<u>\$ (22,020,171)</u>	<u>\$ (20,904,996)</u>	<u>\$ (21,172,530)</u>	<u>\$ (22,300,806)</u>

(Continued)

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Expenses					
Instruction	\$ 14,404,498	\$ 13,073,980	\$ 13,596,940	\$ 14,004,716	\$ 16,157,704
Support services - students and staff	2,611,092	2,446,468	2,307,311	3,355,221	3,635,574
Support services - administration	2,351,699	2,013,750	2,217,880	2,233,380	2,505,005
Operation and maintenance of plant services	2,204,599	1,910,020	1,943,648	1,870,887	1,963,396
Student transportation services	1,448,404	1,319,489	1,355,226	1,462,092	1,407,089
Operation of non-instructional services	1,471,056	1,364,627	1,647,565	1,468,807	1,360,355
Interest on long-term debt	361,891	389,262	419,633	454,568	417,715
Total expenses	<u>24,853,239</u>	<u>22,517,596</u>	<u>23,488,203</u>	<u>24,849,671</u>	<u>27,446,838</u>
Program Revenues					
Charges for services:					
Instruction	327,917	150,815	231,121	525,672	122,766
Operation of non-instructional services	595,648	577,067	582,378	514,466	531,586
Other activities	67,416	37,958	75,885	60,119	69,737
Operating grants and contributions	2,464,646	2,095,230	1,852,494	2,723,515	2,478,869
Capital grants and contributions	4,422	4,422	11,445	36,884	52,372
Total program revenues	<u>3,455,627</u>	<u>2,865,492</u>	<u>2,753,323</u>	<u>3,860,656</u>	<u>3,255,330</u>
Net (Expense)/Revenue	<u>\$ (21,397,612)</u>	<u>\$ (19,652,104)</u>	<u>\$ (20,734,880)</u>	<u>\$ (20,989,015)</u>	<u>\$ (24,191,508)</u>

Source: The source of this information is the District's financial records.

(Concluded)

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
GENERAL REVENUES AND TOTAL CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Net (Expense)/Revenue	\$ (23,252,414)	\$ (22,020,171)	\$ (20,904,996)	\$ (21,172,530)	\$ (22,300,806)
General Revenues:					
Taxes:					
Property taxes, levied for general purposes	5,447,161	5,157,365	4,568,024	5,443,493	5,200,342
Property taxes, levied for debt service	1,811,520	1,987,564	2,046,136	1,832,253	1,809,762
Property taxes, levied for capital outlay	131,177		288,019	5,855	556,914
Investment income	121,198	73,511	47,944	36,774	54,862
Unrestricted county aid	1,505,412	1,390,933	1,328,983	1,196,593	1,327,338
Unrestricted state aid	17,278,217	14,817,130	14,809,819	12,741,901	14,111,398
Unrestricted federal aid	86,238	124,079	50,050	181,105	190,393
Total general revenues	<u>26,380,923</u>	<u>23,550,582</u>	<u>23,138,975</u>	<u>21,437,974</u>	<u>23,251,009</u>
Changes in Net Position	<u>\$ 3,128,509</u>	<u>\$ 1,530,411</u>	<u>\$ 2,233,979</u>	<u>\$ 265,444</u>	<u>\$ 950,203</u>

(Continued)

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
GENERAL REVENUES AND TOTAL CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Net (Expense)/Revenue	\$ (21,397,612)	\$ (19,652,104)	\$ (20,734,880)	\$ (20,989,015)	\$ (24,191,508)
General Revenues:					
Taxes:					
Property taxes, levied for general purposes	3,587,182	4,510,532	4,127,074	6,655,706	6,449,469
Property taxes, levied for debt service	1,139,311	1,117,231	991,448	1,212,458	1,548,531
Property taxes, levied for capital outlay	252,695		278,630	26,020	227,228
Investment income	17,409	29,722	43,382	83,996	64,097
Unrestricted county aid	1,305,396	1,107,370	1,269,037	1,298,095	1,295,020
Unrestricted state aid	14,572,046	11,890,131	12,813,371	13,086,471	13,466,127
Unrestricted federal aid	145,788	148,464	150,103	392,295	1,846,677
Total general revenues	<u>21,019,827</u>	<u>18,803,450</u>	<u>19,673,045</u>	<u>22,755,041</u>	<u>24,897,149</u>
Changes in Net Position	<u>\$ (377,785)</u>	<u>\$ (848,654)</u>	<u>\$ (1,061,835)</u>	<u>\$ 1,766,026</u>	<u>\$ 705,641</u>

Source: The source of this information is the District's financial records.

(Concluded)

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
General Fund:					
Nondisposable	\$ 1,551,972	\$ 648	\$ 579,228	\$	\$ 188,411
Unassigned	4,557,234	4,342,425	4,125,298	3,758,292	3,332,181
Total General Fund	<u>\$ 6,109,206</u>	<u>\$ 4,343,073</u>	<u>\$ 4,704,526</u>	<u>\$ 3,758,292</u>	<u>\$ 3,520,592</u>
All Other Governmental Funds:					
Nondisposable	\$	\$	\$ 29,322	\$	\$
Restricted	2,223,533	2,339,340	4,301,266	2,865,023	4,337,493
Unassigned	(188,730)	(466,183)	(18,450)	(59,360)	(716)
Total all other governmental funds	<u>\$ 2,034,803</u>	<u>\$ 1,873,157</u>	<u>\$ 4,312,138</u>	<u>\$ 2,805,663</u>	<u>\$ 4,336,777</u>

(Continued)

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
General Fund:					
Nonspendable	\$	\$	\$	\$ 2,160	\$
Restricted				29,665	
Assigned				45,061	
Unassigned	2,486,099	2,702,598	3,021,786	3,704,382	
Reserved					269,421
Unreserved					1,199,432
Total General Fund	<u>\$ 2,486,099</u>	<u>\$ 2,702,598</u>	<u>\$ 3,021,786</u>	<u>\$ 3,781,268</u>	<u>\$ 1,468,853</u>
All Other Governmental Funds:					
Restricted	\$ 3,399,302	\$ 3,145,608	\$ 6,086,381	\$ 6,539,550	\$
Reserved					59,782
Unreserved, reported in:					
Special revenue funds					1,566,136
Capital projects funds					6,403,109
Debt service fund					153,098
Total all other governmental funds	<u>\$ 3,399,302</u>	<u>\$ 3,145,608</u>	<u>\$ 6,086,381</u>	<u>\$ 6,539,550</u>	<u>\$ 8,182,125</u>

Source: The source of this information is the District's financial records.

Note: The provisions of the Governmental Accounting Standards Board (GASB) Statement No. 54 were adopted in fiscal year 2011. The standard replaces the previous reserved and unreserved fund balance categories with the following five fund balance classifications: nonspendable, restricted, committed, assigned, and unassigned fund balance.

(Concluded)

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
GOVERNMENTAL FUNDS REVENUES
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Federal sources:					
Federal grants	\$ 1,435,086	\$ 1,625,803	\$ 1,247,220	\$ 1,194,039	\$ 1,229,560
National School Lunch Program	1,157,004	1,093,833	1,160,726	1,138,354	1,002,165
Total federal sources	<u>2,592,090</u>	<u>2,719,636</u>	<u>2,407,946</u>	<u>2,332,393</u>	<u>2,231,725</u>
State sources:					
State equalization assistance	15,380,789	13,081,504	13,432,713	11,414,115	12,866,392
State grants	6,921	8,781	102,676	94,964	104,753
School Facilities Board	2,303,522	1,020,285	777,926	81,170	
Other revenues	1,897,428	1,735,626	1,377,106	1,327,786	1,245,006
Total state sources	<u>19,588,660</u>	<u>15,846,196</u>	<u>15,690,421</u>	<u>12,918,035</u>	<u>14,216,151</u>
Local sources:					
Property taxes	7,499,038	7,200,398	6,877,415	7,511,374	7,529,571
County aid	1,505,412	1,390,933	1,328,983	1,196,593	1,327,338
Food service sales	422,862	366,048	346,714	295,541	300,046
Investment income	121,198	73,511	47,944	36,774	54,862
Other revenues	945,892	845,377	601,235	744,603	646,091
Total local sources	<u>10,494,402</u>	<u>9,876,267</u>	<u>9,202,291</u>	<u>9,784,885</u>	<u>9,857,908</u>
Total revenues	<u><u>\$ 32,675,152</u></u>	<u><u>\$ 28,442,099</u></u>	<u><u>\$ 27,300,658</u></u>	<u><u>\$ 25,035,313</u></u>	<u><u>\$ 26,305,784</u></u>

(Continued)

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
GOVERNMENTAL FUNDS REVENUES
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Federal sources:					
Federal grants	\$ 1,143,409	\$ 1,074,355	\$ 1,043,838	\$ 1,426,876	\$ 3,246,180
State Fiscal Stabilization (ARRA)				152,614	1,846,677
Education Jobs			10,070	656,179	
National School Lunch Program	1,024,363	906,669	893,875	792,364	824,100
Total federal sources	<u>2,167,772</u>	<u>1,981,024</u>	<u>1,947,783</u>	<u>3,028,033</u>	<u>5,916,957</u>
State sources:					
State equalization assistance	13,166,249	10,896,498	11,670,279	12,210,421	13,829,829
State grants	155,933	186,395	86,453	124,661	229,406
School Facilities Board		7,399	162,128		
Other revenues	1,405,797	986,234	980,964	906,562	1,010,291
Total state sources	<u>14,727,979</u>	<u>12,076,526</u>	<u>12,899,824</u>	<u>13,241,644</u>	<u>15,069,526</u>
Local sources:					
Property taxes	5,022,991	5,575,310	5,586,547	7,994,632	7,920,166
County aid	1,305,396	1,107,370	1,269,037	1,298,095	1,295,020
Food service sales	308,722	311,076	293,202	291,928	296,397
Investment income	17,409	29,722	43,382	83,996	64,097
Other revenues	968,988	535,461	601,932	808,329	497,668
Total local sources	<u>7,623,506</u>	<u>7,558,939</u>	<u>7,794,100</u>	<u>10,476,980</u>	<u>10,073,348</u>
Total revenues	<u>\$ 24,519,257</u>	<u>\$ 21,616,489</u>	<u>\$ 22,641,707</u>	<u>\$ 26,746,657</u>	<u>\$ 31,059,831</u>

Source: The source of this information is the District's financial records.

(Concluded)

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Expenditures:					
Current -					
Instruction	\$ 16,868,786	\$ 13,834,842	\$ 12,745,790	\$ 12,443,802	\$ 13,043,241
Support services - students and staff	3,061,005	2,544,897	2,286,364	2,277,933	2,530,307
Support services - administration	2,951,777	2,737,255	2,599,046	2,405,585	2,336,249
Operation and maintenance of plant services	2,448,127	2,022,768	2,436,514	2,091,671	1,966,489
Student transportation services	1,729,604	1,558,099	1,494,453	1,455,681	1,378,478
Operation of non-instructional services	1,875,798	1,835,670	1,843,259	1,639,233	1,421,955
Capital outlay	2,965,939	3,895,456	2,518,973	1,863,911	12,481,139
Debt service -					
Interest and fiscal charges	567,725	607,111	607,947	683,858	636,477
Principal retirement	1,215,000	1,613,694	1,636,116	1,278,642	1,371,268
Bond issuance costs			199,578		246,894
Total expenditures	<u><u>\$ 33,683,761</u></u>	<u><u>\$ 30,649,792</u></u>	<u><u>\$ 28,368,040</u></u>	<u><u>\$ 26,140,316</u></u>	<u><u>\$ 37,412,497</u></u>
Expenditures for capitalized assets	\$ 1,868,777	\$ 2,525,588	\$ 1,704,193	\$ 1,577,733	\$ 11,406,220
Debt service as a percentage of noncapital expenditures	6%	8%	8%	8%	8%

(Continued)

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Expenditures:					
Current -					
Instruction	\$ 13,080,571	\$ 11,950,937	\$ 12,758,132	\$ 12,725,673	\$ 14,685,416
Support services - students and staff	2,568,727	2,405,877	2,274,461	3,242,541	3,547,805
Support services - administration	2,246,926	1,899,897	2,115,782	2,082,565	2,213,209
Operation and maintenance of plant services	2,169,928	1,885,058	1,916,071	1,602,674	2,087,050
Student transportation services	1,308,717	1,171,444	1,216,462	1,214,837	1,268,183
Operation of non-instructional services	1,457,022	1,348,469	1,463,603	1,241,916	1,324,822
Capital outlay	269,382	3,227,430	808,161	2,235,466	1,140,095
Debt service -					
Interest and fiscal charges	361,891	389,262	419,633	454,568	393,971
Principal retirement	1,018,898	900,458	879,893	949,534	1,393,199
Bond issuance costs					68,705
Total expenditures	<u>\$ 24,482,062</u>	<u>\$ 25,178,832</u>	<u>\$ 23,852,198</u>	<u>\$ 25,749,774</u>	<u>\$ 28,122,455</u>
Expenditures for capitalized assets	\$ 52,621	\$ 3,092,507	\$ 700,745	\$ 1,424,826	\$ 230,365
Debt service as a percentage of noncapital expenditures	6%	6%	6%	6%	6%

Source: The source of this information is the District's financial records.

(Concluded)

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
OTHER FINANCING SOURCES AND USES AND NET CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Excess (deficiency) of revenues over expenditures	\$ (1,008,609)	\$ (2,207,693)	\$ (1,067,382)	\$ (1,105,003)	\$ (11,106,713)
Other financing sources (uses):					
General obligation bonds issued			2,475,000		12,525,000
Premium on sale of bonds			722,957		365,270
Transfers in	64,639	46,036	303,896	109,685	240,194
Transfers out	(64,639)	(46,036)	(303,896)	(109,685)	(240,194)
Refunding bonds issued			4,455,000		
Payment to refunded bond escrow agent			(4,779,509)		
Insurance recoveries		15,161	38,093		
Proceeds from sale of capital assets	14,562				
Total other financing sources (uses)	<u>14,562</u>	<u>15,161</u>	<u>2,911,541</u>		<u>12,890,270</u>
Changes in fund balances	<u>\$ (994,047)</u>	<u>\$ (2,192,532)</u>	<u>\$ 1,844,159</u>	<u>\$ (1,105,003)</u>	<u>\$ 1,783,557</u>
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Excess (deficiency) of revenues over expenditures	\$ 37,195	\$ (3,562,343)	\$ (1,210,491)	\$ 996,883	\$ 2,937,376
Other financing sources (uses):					
General obligation bonds issued					3,390,000
Premium on sale of bonds					44,961
Capital lease agreements		302,382			
Transfers in	67,895	129,779	51,532	100,671	46,894
Transfers out	(67,895)	(129,779)	(51,532)	(100,671)	(46,894)
Total other financing sources (uses)		<u>302,382</u>			<u>3,434,961</u>
Changes in fund balances	<u>\$ 37,195</u>	<u>\$ (3,259,961)</u>	<u>\$ (1,210,491)</u>	<u>\$ 996,883</u>	<u>\$ 6,372,337</u>

Source: The source of this information is the District's financial records.

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
NET LIMITED ASSESSED VALUE AND FULL CASH VALUE OF TAXABLE PROPERTY BY CLASS
LAST TEN FISCAL YEARS

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Commercial, Industrial, Utilities and Mining	\$ 30,357,815	\$ 28,258,807	\$ 27,174,893	\$ 26,973,496	\$ 25,621,205
Agricultural and Vacant	33,261,562	35,730,684	32,286,547	34,925,496	35,104,120
Residential (Owner Occupied)	134,062,575	118,844,833	104,946,888	94,053,403	86,634,043
Residential (Rental)	44,395,936	42,770,142	41,647,402	40,562,967	34,209,353
Railroad, Private Cars and Airlines	733,029	751,761	683,677	719,103	755,119
Certain Government Property Improvements	90,621	86,306	82,196		
Total	<u>\$ 242,901,538</u>	<u>\$ 226,442,533</u>	<u>\$ 206,821,603</u>	<u>\$ 197,234,465</u>	<u>\$ 182,323,840</u>
Gross Full Cash Value	\$ 3,280,137,487	\$ 3,046,163,521	\$ 2,613,599,435	\$ 2,287,258,202	\$ 1,897,740,811
Ratio of Net Limited Assessed Value to Gross Full Cash Value	7%	7%	8%	9%	10%
Total Direct Rate	3.54	3.72	3.79	4.28	4.50

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Commercial, Industrial, Utilities and Mining	\$ 24,778,956	\$ 25,160,981	\$ 25,135,960	\$ 23,499,405	\$ 28,154,934
Agricultural and Vacant	40,142,791	46,429,446	57,410,628	102,615,681	109,069,747
Residential (Owner Occupied)	79,833,152	93,611,137	100,982,339	122,434,140	148,510,088
Residential (Rental)	25,565,807	12,167,975	11,271,010	11,476,093	12,315,719
Railroad, Private Cars and Airlines	644,443	616,341	526,487	523,279	524,715
Total	<u>\$ 170,965,149</u>	<u>\$ 177,985,880</u>	<u>\$ 195,326,424</u>	<u>\$ 260,548,598</u>	<u>\$ 298,575,203</u>
Gross Full Cash Value	\$ 1,651,731,663	\$ 1,700,703,026	\$ 1,851,483,082	\$ 2,687,111,831	\$ 3,428,239,276
Ratio of Net Limited Assessed Value to Gross Full Cash Value	10%	10%	11%	10%	9%
Total Direct Rate	3.46	3.54	3.20	3.30	2.47

Source: The source of this information is the State and County Abstract of the Assessment Roll, Arizona Department of Revenue.

Note: On November 6, 2012, voters approved Proposition 117, and amendment to the Arizona Constitution. Beginning with Tax Year 2015 (Fiscal Year 2016), both primary and secondary taxes are levied against the net limited assessed value. Primary taxes are used for general District operations. Secondary taxes are used to service District bonded debt requirements and other voter-approved overrides.

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
NET FULL CASH ASSESSED VALUE OF TAXABLE PROPERTY BY CLASS
LAST TEN FISCAL YEARS

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Commercial, Industrial, Utilities and Mining	\$ 34,237,900	\$ 31,441,840	\$ 28,851,789	\$ 27,381,765	\$ 25,757,638
Agricultural and Vacant	61,173,906	65,225,621	50,379,599	44,866,664	37,510,025
Residential (Owner Occupied)	170,818,944	151,030,248	129,065,870	114,320,834	94,200,096
Residential (Rental)	55,541,788	53,528,126	50,440,099	48,358,725	37,144,643
Railroad, Private Cars and Airlines	878,794	871,533	729,776	732,164	761,747
Certain Government Property Improvements	123,503	119,442	108,730.00	-	-
Total	<u>\$ 322,774,835</u>	<u>\$ 302,216,810</u>	<u>\$ 259,575,863</u>	<u>\$ 235,660,152</u>	<u>\$ 195,374,149</u>
Gross Full Cash Value	\$ 3,280,137,487	\$ 3,046,163,521	\$ 2,613,599,435	\$ 2,287,258,202	\$ 1,897,740,811
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	10%	10%	10%	10%	10%
Estimated Net Full Cash Value	\$ 2,764,343,740	\$ 2,568,526,897	\$ 2,218,822,904	\$ 1,980,560,737	\$ 1,618,695,731
Total Direct Rate	3.54	3.72	3.79	4.28	4.50

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Commercial, Industrial, Utilities and Mining	\$ 24,818,644	\$ 25,188,844	\$ 25,290,926	\$ 24,890,490	\$ 30,640,973
Agricultural and Vacant	41,737,178	47,906,892	59,017,604	121,432,487	168,559,638
Residential (Owner Occupied)	80,015,764	93,842,229	101,142,268	123,435,812	158,705,573
Residential (Rental)	25,694,442	12,207,904	11,312,386	11,877,500	13,508,158
Railroad, Private Cars and Airlines	650,155	627,233	583,523	619,115	613,242
Total	<u>\$ 172,916,183</u>	<u>\$ 179,773,102</u>	<u>\$ 197,346,707</u>	<u>\$ 282,255,404</u>	<u>\$ 372,027,584</u>
Gross Full Cash Value	\$ 1,651,731,663	\$ 1,700,703,026	\$ 1,851,483,082	\$ 2,687,111,831	\$ 3,428,239,276
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	10%	11%	11%	11%	11%
Estimated Net Full Cash Value	\$ 1,388,100,174	\$ 1,430,189,455	\$ 1,560,989,289	\$ 2,135,565,173	\$ 2,808,084,749
Total Direct Rate	3.46	3.54	3.20	3.30	2.47

Source: The source of this information is the State and County Abstract of the Assessment Roll, Arizona Department of Revenue.

Note: On November 6, 2012, voters approved Proposition 117, an amendment to the Arizona Constitution. Beginning with Tax Year 2015 (Fiscal Year 2016), both primary and secondary taxes are levied against the net limited assessed value. The net full cash assessed value is used for determining the District's bonding capacity and as the ceiling for net limited assessed value.

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
PROPERTY TAX ASSESSMENT RATIOS
LAST TEN FISCAL YEARS

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Commercial, Industrial, Utilities and Mining	18 %	18 %	18 %	19 %	19 %
Agricultural and Vacant	15	15	15	16	16
Residential (Owner Occupied)	10	10	10	10	10
Residential (Rental)	10	10	10	10	10
Railroad, Private Cars and Airlines	14	15	14	15	16

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Commercial, Industrial, Utilities and Mining	20 %	20 %	20 %	21 %	22 %
Agricultural and Vacant	16	16	16	16	16
Residential (Owner Occupied)	10	10	10	10	10
Residential (Rental)	10	10	10	10	10
Railroad, Private Cars and Airlines	15	15	15	17	18

Source: The source of this information is the State and County Abstract of the Assessment Roll, Arizona Department of Revenue.

Note: Additional classes of property exist, but do not amount to a significant portion of the District's total valuation, therefore they are not included on this schedule.

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Overlapping Rates									District Direct Rates		
	State		Community	Flood	Central				Buckeye Union			
	Equalization	County	College	Control	Arizona	City of	City of	Town of	High School	Primary	Secondary	Total
			District	District	Water	Avondale	Goodyear	Buckeye	District No. 201			
2019	0.47	1.40	1.38	0.18	0.14	1.76	1.74	1.80	3.27	2.01	1.53	3.54
2018	0.49	1.40	1.41	0.18	0.14	1.60	1.73	1.80	3.34	2.07	1.66	3.73
2017	0.50	1.40	1.47	0.18	0.14	1.70	1.86	1.80	3.22	2.00	1.80	3.80
2016	0.51	1.36	1.49	0.16	0.14	1.75	1.87	1.80	3.34	2.55	1.72	4.27
2015	0.51	1.32	1.52	0.14	0.14	1.75	1.87	1.80	3.51	2.80	1.70	4.50
2014	0.51	1.28	1.53	0.14	0.14	1.81	1.90	1.80	3.66	1.91	1.55	3.46
2013	0.47	1.24	1.38	0.18	0.10	1.33	1.78	1.80	3.42	2.07	1.47	3.54
2012	0.43	1.24	1.21	0.18	0.10	1.33	1.60	1.61	3.07	1.87	1.33	3.20
2011	0.36	1.05	0.97	0.15	0.10	1.11	1.42	1.19	2.80	1.96	1.34	3.30
2010	0.33	0.99	0.88	0.14	0.10	1.11	1.60	0.89	2.60	1.49	0.98	2.47

Source: The source of this information is the Property Tax Rates and Assessed Values, Arizona Tax Research Foundation.

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
PRINCIPAL PROPERTY TAXPAYERS
CURRENT FISCAL YEAR AND FISCAL YEAR NINE YEARS PRIOR

Taxpayer	2019			2010		
	Net Limited Assessed Valuation	Percentage of District's Net Limited Assessed Valuation		Net Full Cash Assessed Valuation	Percentage of District's Net Full Cash Assessed Valuation	
Arizona Public Service Company	\$ 9,966,771	4.10	%	\$ 12,594,725	3.40	%
NNP III EMR 4 LLC	4,150,018	1.71				
NNP III - Estrella Mountain Ranch LLC	4,036,889	1.66		13,876,258	3.70	
NNP III EMR 3 LLC	1,988,946	0.82		9,883,681	2.70	
Southwest Gas Corporation (T&D)	1,834,995	0.76				
Nevada Holding Co LP	1,546,859	0.64		4,730,400	1.30	
Huhtamaki Inc	1,435,840	0.59				
Transwestern Pipeline Company LLC	1,372,511	0.57				
Kinder Morgan	1,283,532	0.53				
HE Capital KR LLC	1,252,523	0.52		6,566,360	1.80	
Standard Pacific of Arizona Inc.				3,740,008	1.00	
U.S. Development Land LLC				3,274,170	0.90	
Taylor Woodrow/Arizona Inc.				3,133,004	0.80	
BT Airport Road LLC				3,120,000	0.80	
DMB White Tank LLC				3,042,311	0.80	
Total	<u>\$ 28,868,884</u>	<u>11.89</u>	<u>%</u>	<u>\$ 63,960,917</u>	<u>17.20</u>	<u>%</u>

Source: The source of this information is the County Assessor's records.

Note: On November 6, 2012, voters approved Proposition 117, an amendment to the Arizona Constitution. Beginning with Tax Year 2015 (Fiscal Year 2016), both primary and secondary taxes are levied against the net limited assessed value.

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Fiscal Years	Collected to the End of the Current Fiscal Year	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2019	\$ 8,645,533	\$ 8,139,963	94.15 %	\$	\$ 8,139,963	94.15 %
2018	8,443,843	7,859,966	93.09	579,413	8,439,379	99.95
2017	7,842,047	6,723,526	85.74	1,115,159	7,838,685	99.96
2016	8,391,896	8,178,369	97.46	209,744	8,388,113	99.95
2015	8,397,021	7,987,636	95.12	404,915	8,392,551	99.95
2014	5,921,716	5,499,209	92.87	420,098	5,919,307	99.96
2013	6,328,989	5,909,754	93.38	418,192	6,327,946	99.98
2012	6,234,106	5,814,865	93.28	338,635	6,153,500	98.71
2011	8,998,440	7,400,298	82.24	1,595,753	8,996,051	99.97
2010	8,878,697	7,882,240	88.78	711,275	8,593,515	96.79

Source: The source of this information is the Maricopa County Treasurer's records.

Notes: 1) Amounts collected are on a cash basis.

2) Unsecured personal property taxes are not included in this schedule because the dates of the monthly rolls vary each year. On the average, 90% of unsecured property taxes are collected within 90 days after the due date.

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	General Obligation Bonds						Total Outstanding Debt				
	Less: Amounts Restricted		Percentage of Estimated	Per	Capital	Percentage of Estimated	Per	Percentage of Personal			
	for Principal	Total							Actual Value	Capita	Leases
	General Obligation Bonds										
2019	\$ 17,261,567	\$ 134,650	\$ 17,126,917	0.52 %	\$ 634	\$	\$ 17,261,567	0.53 %	\$ 639	8.21 %	
2018	18,881,611	84,594	18,797,017	0.62	557		18,881,611	0.62	559	9.62	
2017	20,526,655	233,656	20,292,999	0.78	817	63,694	20,590,349	0.79	829	11.12	
2016	18,583,742	128,183	18,455,559	0.81	602	124,810	18,708,552	0.82	610	10.12	
2015	19,917,006	184,922	19,732,084	1.04	798	183,452	20,100,458	1.06	813	11.93	
2014	7,845,000	98,748	7,746,252	0.47	387	239,720	8,084,720	0.49	404	5.22	
2013	8,595,000	99,104	8,495,896	0.50	425	458,618	9,053,618	0.53	453	6.14	
2012	9,330,000	97,277	9,232,723	0.50	462	306,694	9,636,694	0.52	482	6.75	
2011	10,140,000	193,527	9,946,473	0.37	497	451,587	10,591,587	0.39	530	7.45	
2010	11,265,000	1,125,000	10,140,000	0.30	507	591,121	11,856,121	0.35	593	8.06	

Source: The source of this information is the District's financial records.

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
JUNE 30, 2019

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable to School District	Estimated Amount Applicable to School District
Overlapping:			
Maricopa County Community College District	\$ 380,740,000	0.57 %	\$ 2,170,218
Maricopa County Special Health Care District	112,000,000	0.57	638,400
Estrella Mountain Ranch Community Facilities District	12,615,000	100.00	12,615,000
Sundance Community Facilities District	18,850,000	21.13	3,983,005
Verrado District No. 1 Community Facilities District	34,290,000	1.67	572,643
City of Goodyear	97,065,000	16.89	16,394,279
Buckeye Union High School District No. 201	77,930,000	31.69	24,696,017
Western Maricopa Education Center No. 402	126,600,000	1.56	1,974,960
Subtotal, Overlapping Debt			<u>63,044,522</u>
Direct:			
Liberty Elementary School District No. 25			<u>17,261,567</u>
Total Direct and Overlapping Debt			<u><u>\$ 80,306,089</u></u>

DIRECT AND OVERLAPPING GENERAL BONDED DEBT RATIOS

Net Direct General Obligation Bonded Debt		
As a Percentage of Net Limited Assessed Valuation	7.05 %	
Net Direct and Overlapping General Bonded Debt		
Per Capita	\$ 2,967	
As a Percentage of Net Limited Assessed Valuation	33.01 %	
As a Percentage of Gross Full Cash Value	2.44 %	

Source: The source of this information is the District's records and the State and County Abstract of the Assessment Roll, Arizona Department of Revenue and the applicable governmental unit.

- Notes:** 1. Estimated percentage of debt outstanding applicable to the District is calculated based on a portion of the District's net limited assessed valuation as a percentage of the net limited assessed valuation of the overlapping jurisdiction.
2. Outstanding debt as of June 30, 2018 is presented for the overlapping governments as this is the most recent available information.

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

Class B Bond Legal Debt Margin Calculation for Fiscal Year 2019:

Net full cash assessed valuation	\$ 322,774,835
Debt limit (10% of assessed value)	32,277,484
Debt applicable to limit	<u>16,420,000</u>
Legal debt margin	<u><u>\$ 15,857,484</u></u>

Total Legal Debt Margin Calculation for Fiscal Year 2019:

Net full cash assessed valuation	\$ 322,774,835
Debt limit (15% of assessed value)	48,416,225
Debt applicable to limit	<u>16,420,000</u>
Legal debt margin	<u><u>\$ 31,996,225</u></u>

	Fiscal Year Ended June 30				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Debt Limit	\$ 48,416,225	\$ 45,332,522	\$ 38,936,379	\$ 35,349,023	\$ 29,306,122
Total net debt applicable to limit	<u>16,420,000</u>	<u>17,970,000</u>	<u>19,545,000</u>	<u>18,255,000</u>	<u>19,570,000</u>
Legal debt margin	<u><u>\$ 31,996,225</u></u>	<u><u>\$ 27,362,522</u></u>	<u><u>\$ 19,391,379</u></u>	<u><u>\$ 17,094,023</u></u>	<u><u>\$ 9,736,122</u></u>
Total net debt applicable to the limit as a percentage of debt limit	34%	40%	50%	52%	67%
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Debt Limit	\$ 25,937,427	\$ 26,965,965	\$ 29,602,006	\$ 42,338,311	\$ 55,804,138
Total net debt applicable to limit	<u>7,845,000</u>	<u>8,595,000</u>	<u>9,330,000</u>	<u>10,140,000</u>	<u>11,265,000</u>
Legal debt margin	<u><u>\$ 18,092,427</u></u>	<u><u>\$ 18,370,965</u></u>	<u><u>\$ 20,272,006</u></u>	<u><u>\$ 32,198,311</u></u>	<u><u>\$ 44,539,138</u></u>
Total net debt applicable to the limit as a percentage of debt limit	30%	32%	32%	24%	20%

Source: The source of this information is the District's financial records.

Notes: 1) The District's general obligation bonds are subject to two limits; the Constitutional debt limit (total debt limit) on all general obligation bonds and the statutory debt limit on Class B bonds outstanding. The calculations of the debt margins are presented in detail for the current fiscal year only.

2) Prior to FY17, net bond premium was restricted by amount and not subject to the statutory debt limit. Beginning with FY17, any additional net premium used for capital projects, bond counsel, printing and preparation of offering documents, a financial advisor, paying agent costs or to pay down debt is counted against both debt limits with the exception of amounts of premium deposited into the Debt Service Fund or a refunding escrow to pay interest payments.

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
COUNTY-WIDE DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS

Year	Population		Personal Income (thousands)		Per Capita Income	Unemployment Rate	Estimated District Population
2018	4,294,460	\$	210,370,180	\$	47,694	4.1 %	27,019
2017	4,307,033		196,286,191		45,573	4.2	33,751
2016	4,137,076		185,111,698		43,628	4.5	24,826
2015	4,076,438		184,784,917		42,092	5.5	30,660
2014	4,087,191		168,483,421		41,222	5.9	24,728
2013	3,944,859		154,926,697		26,888	6.7	20,000
2012	3,824,053		147,374,500		38,539	9.1	20,000
2011	3,843,370		142,864,275		37,352	8.4	20,000
2010	3,817,117		142,091,618		35,319	9.1	20,000
2009	4,023,331		147,122,078		37,168	8.3	20,000

Sources: The source of the "Personal Income" and "Per Capita" information is the Bureau of Economic Analysis. The source of the "Population" and "Unemployment Rate" information from 2009 through 2010 is the University of Arizona, Eller College of Management, Economic and Business Research Center. For 2011 through 2016, the source of the information is the Arizona Office of Employment and Population Statistics. For 2018 the source of the "Population" is the Bureau of Economic Analysis and the "Unemployment Rate" is the Arizona Office of Employment and Population Statistics

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
PRINCIPAL EMPLOYERS
CURRENT FISCAL YEAR AND FISCAL YEAR NINE YEARS PRIOR

Employer	2019		2010	
	Employees	Percentage of Total Employment	Employees	Percentage of Total Employment
Banner Health	45,894	2.23 %	27,431	1.43 %
State of Arizona	37,040	1.80	52,420	2.73
Walmart Stores	33,619	1.63	31,280	1.63
Fry's Food Stores	20,165	0.98		
Wells Fargo	16,300	0.79	14,000	0.73
University of Arizona	15,967	0.78		
Amazon.com	15,000	0.73		
Arizona State University	14,889	0.72	12,043	0.63
City of Phoenix	14,821	0.72	16,375	0.85
Maricopa County	13,595	0.66	12,996	0.68
Apollo Group Inc.			12,299	0.64
Raytheon Co.			11,500	0.60
Honeywell			10,145	0.53
Total	<u>227,290</u>	<u>11.04 %</u>	<u>200,489</u>	<u>10.45 %</u>
Total employment	<u>2,060,000</u>		<u>1,923,600</u>	

Source: The source of this information is the 2018 Maricopa Association of Governments Employer Database and the 2010 Business Journal Book of Lists.

Note: The principal employer data is presented for the Phoenix metropolitan area.

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE
LAST TEN FISCAL YEARS

	Full-time Equivalent Employees as of June 30				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Supervisory					
Consultants/supervisors of instruction	4	4	4	3	3
Principals	6	6	6	6	5
Assistant principals					1
Total supervisory	<u>10</u>	<u>10</u>	<u>10</u>	<u>9</u>	<u>9</u>
Instruction					
Teachers	200	195	167	170	182
Other professionals (instructional)	25	24	26	29	34
Total instruction	<u>225</u>	<u>219</u>	<u>193</u>	<u>199</u>	<u>216</u>
Student Services					
Librarians	4	2	2	1	3
Total student services	<u>4</u>	<u>2</u>	<u>2</u>	<u>1</u>	<u>3</u>
Support and Administration					
Service workers	75	66	62	64	56
Other classified	35	37	49	47	45
Total support and administration	<u>110</u>	<u>103</u>	<u>111</u>	<u>111</u>	<u>101</u>
Total	<u><u>349</u></u>	<u><u>334</u></u>	<u><u>316</u></u>	<u><u>320</u></u>	<u><u>329</u></u>

(Continued)

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE
LAST TEN FISCAL YEARS

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Supervisory					
Consultants/supervisors of instruction	3	1	1	1	1
Principals	5	5	5	5	5
Assistant principals	1	1	1	1	1
Total supervisory	<u>9</u>	<u>7</u>	<u>7</u>	<u>7</u>	<u>7</u>
Instruction					
Teachers	187	187	185	194	224
Other professionals (instructional)	49	44	57	52	63
Total instruction	<u>236</u>	<u>231</u>	<u>242</u>	<u>246</u>	<u>287</u>
Student Services					
Librarians	3	3		5	5
Total student services	<u>3</u>	<u>3</u>		<u>5</u>	<u>5</u>
Support and Administration					
Service workers	55	48	51	52	58
Other classified	38	42	64	53	55
Total support and administration	<u>93</u>	<u>90</u>	<u>115</u>	<u>105</u>	<u>113</u>
Total	<u><u>341</u></u>	<u><u>331</u></u>	<u><u>364</u></u>	<u><u>363</u></u>	<u><u>412</u></u>

Source: The source of this information is District personnel records.

(Concluded)

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
OPERATING STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Average Daily Membership	Operating Expenditures	Cost per Pupil	Percentage Change	Expenses	Cost per Pupil	Percentage Change	Teaching Staff	Pupil- Teacher Ratio	Percentage of Free/Reduced Students
2019	3,443	\$ 28,935,097	\$ 8,404	12.97 %	\$ 29,242,246	\$ 8,493	3.34 %	225	15.3	44.0 %
2018	3,298	24,533,531	7,439	3.71	27,105,562	8,219	6.07	219	15.1	46.8
2017	3,263	23,405,426	7,173	4.35	25,283,535	7,749	2.25	193	16.9	48.8
2016	3,246	22,313,905	6,874	(4.72)	24,599,456	7,578	(9.41)	199	16.3	50.0
2015	3,143	22,676,719	7,215	(1.94)	26,293,028	8,366	4.45	216	14.6	47.7
2014	3,103	22,831,891	7,358	8.69	24,853,239	8,009	8.56	236	13.1	49.0
2013	3,052	20,661,682	6,770	(2.89)	22,517,596	7,378	(2.03)	231	13.2	48.4
2012	3,119	21,744,511	6,972	5.06	23,488,203	7,531	0.98	242	12.9	53.4
2011	3,332	22,110,206	6,636	(7.57)	24,849,671	7,458	(4.90)	246	13.5	48.8
2010	3,500	25,126,485	7,179	3.79	27,446,838	7,842	1.97	287	12.2	47.0

Source: The source of this information is the District's financial records.

Note: Operating expenditures are total expenditures less debt service and capital outlay.

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
CAPITAL ASSETS INFORMATION
LAST TEN FISCAL YEARS

	Fiscal Year Ended June 30									
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
<u>Schools</u>										
Elementary										
Buildings	38	38	38	38	33	33	32	32	32	32
Square feet	433,474	433,474	433,474	433,474	370,963	370,963	360,304	360,304	360,304	360,304
Capacity	4,602	4,602	4,602	4,602	3,926	3,926	3,851	3,851	3,851	3,851
Enrollment	3,692	3,483	3,486	3,442	3,362	3,357	3,309	3,284	3,628	3,684
<u>Administrative</u>										
Buildings	1	1	1	1	1	1	1	1	1	1
Square feet	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
<u>Athletics</u>										
Soccer fields	5	5	3	2	1	1	1	1	1	1
Baseball/softball	11	11	11	11	10	10	10	10	10	10
Playgrounds	14	14	14	14	12	12	12	12	12	12

Source: The source of this information is the District's facilities records.

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