
LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25

Annual Comprehensive Financial Report

Fiscal Year Ended June 30, 2022



LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25

BUCKEYE, ARIZONA

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Issued by:
Business Services Department

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25

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INTRODUCTORY SECTION

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December 22, 2022

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 annual comprehensive financial report of the Liberty Elementary School District No. 25 (District) for the fiscal year ended June 30, 2022.

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, 2022 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, 2022, 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 4,050 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 seven schools: Liberty Elementary School with a student enrollment of 585 students, Estrella Mountain Elementary School with a student enrollment of 536 students; Rainbow Valley School with a student enrollment of 588 students; Westar Elementary School with a student enrollment of 723 students; Freedom Elementary School with a student enrollment of 615 students; Las Brisas Academy, with a student enrollment of 590 students; and Blue Horizons Elementary School, with a student enrollment of 413. 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 one National Board Certified (NBC) teacher. 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 has 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.

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.

Freedom Elementary recently updated their signature program to Communication Arts. The program focus will supplement the district curriculum with opportunities to further integrate communications-focused authentic learning tasks or experiences. Students will communicate their thoughts and ideas via various platforms used to publish and broadcast their work. Their projects would have public performance components. Students will engage in social discourse; base claims on credible evidence; listen and respond; communicate ideas clearly and articulately; publish writing in various formats with real life purposes; utilize social media appropriately and effectively; and present publicly.

Las Brisas Academy provides performing arts and dual-language immersion programs. The program integrates core content standards with performing and visual arts standards to engage students both artistically and cognitively, and to develop a lifelong appreciation of the arts. Additionally, the dual-language program immerses K-4 students in English and Spanish to develop bilingual fluency.

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.

Rainbow Valley provides a leadership and character 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.

Westar Elementary is a Science, Technology, Engineering, and Math (STEM) school. Westar participates in STEM Pro LIVE! sessions which allow students to video call STEM professionals to discuss real live STEM applications. They have a one-to-one technology to student ratio in grades six through eight. Additionally, Westar has science clubs and participates in MakerSpace events, Coding, and Robotics Club.

Blue Horizons' Elementary signature program is Career Exploration. Students set high expectation goals for mastering core subject content and connecting their learning as they explore grade-level careers pathways. In the process, students build on soft skills such as critical thinking, creativity, communication and collaboration. Students build on their soft skills and achieve their goals by researching, designing, creating, and challenging solutions, culminating by presenting their final work to authentic audiences, including other students, teachers, parents, and community members.

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, cheer, cross country, 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 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., and Fry's Food and Drug Stores. Inc. 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 9,224 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 4.34 million. Maricopa County has a very wide range of economic sectors supporting its substantial growth. Maricopa County has enjoyed an unemployment rate that was somewhat lower than the Arizona rates, and close to 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 \$374.6 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 30 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

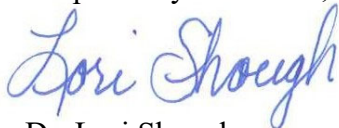
Awards. The Association of School Business Officials (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its annual comprehensive financial report for the fiscal year ended June 30, 2021. This was the 27th consecutive year that the District has received this prestigious award. In addition, the Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its annual comprehensive financial report for the fiscal year ended June 30, 2021. In order to be awarded these certificates, the District published an easily readable and efficiently organized annual comprehensive 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 annual comprehensive 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, 2022 certificates.

Acknowledgments. The preparation of the annual comprehensive 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



Beth Strickler
Executive Director of Finance



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

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

Liberty Elementary School District 25

**for its Annual Comprehensive Financial Report
for the Fiscal Year Ended June 30, 2021.**

The district report meets the criteria established for
ASBO International's Certificate of Excellence in Financial Reporting.



A handwritten signature in black ink, reading 'William A. Sutter'.

William A. Sutter
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

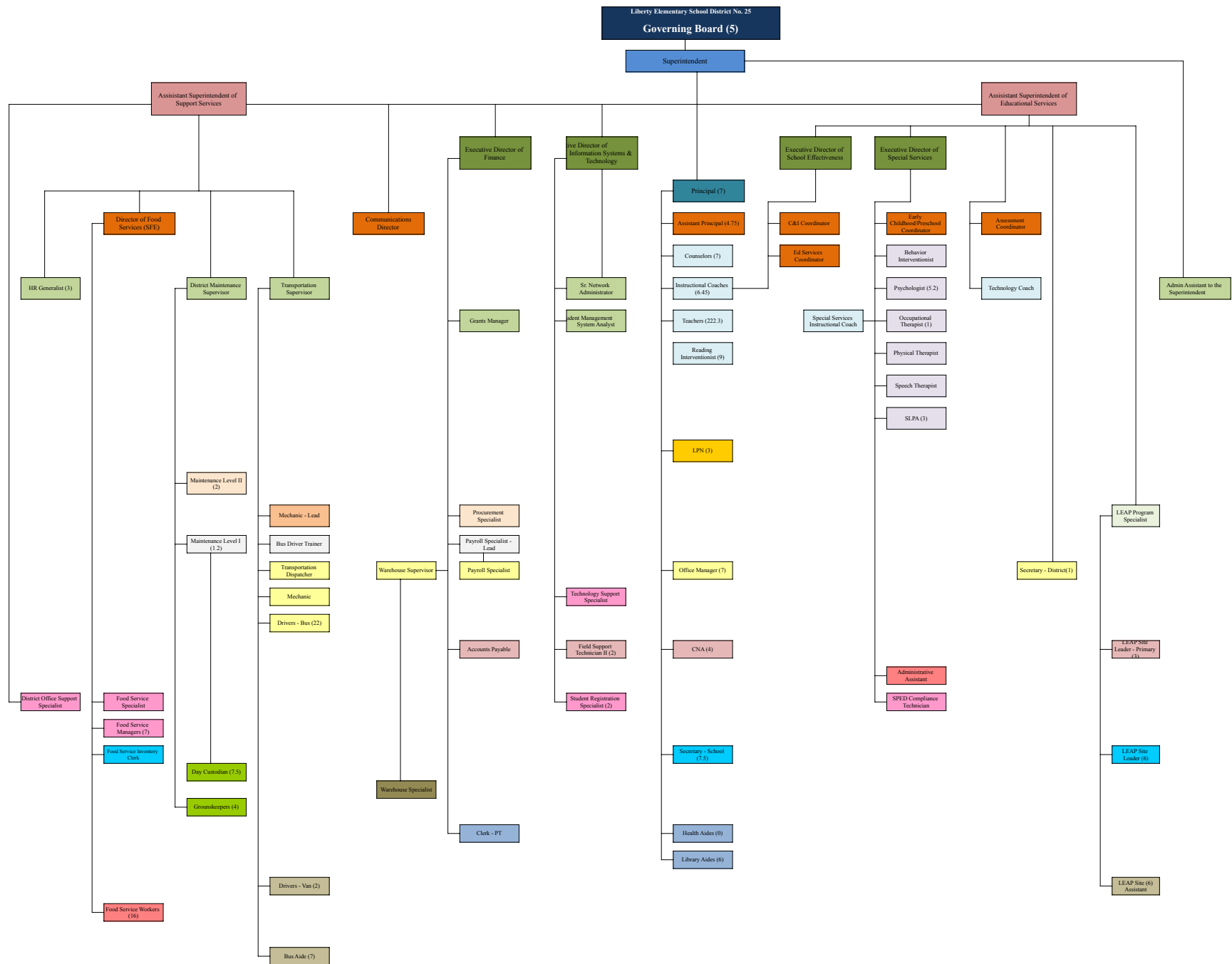
**Liberty Elementary School District No. 25
Arizona**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morill

Executive Director/CEO



**LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
LIST OF PRINCIPAL OFFICIALS**

GOVERNING BOARD

Mark Aguire
President

Paul Bixler
Member

Michael Todd
Member

Paul Jensen
Member

Bryan Parks
Member

ADMINISTRATIVE STAFF

Dr. Lori Shough, Superintendent

Natasha Camp, Assistant Superintendent of Educational Services

Jason Nuttall, Assistant Superintendent of Support Services

Kay Hamrick, Executive Director of Special Services

John Moreno, Executive Director of Information Systems & Technology

Beth Strickler, Executive Director of Finance

Holly Weiner, Principal Liberty Elementary School

Lynzee Booras, Principal Estrella Mountain Elementary School

Ryann Cagle, Principal Rainbow Valley Elementary School

Dave Bogart, Principal Westar Elementary School

Toni Reynolds, Principal Freedom Elementary School

Sara Schaefer, Principal Las Brisas Academy

FINANCIAL SECTION

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Independent Auditor's Report

Governing Board
Liberty Elementary School District No. 25

Report on Audit of Financial Statements

Opinions

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, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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, 2022, 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.

Basis for Opinions

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. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of Liberty Elementary School District No. 25 and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Change in Accounting Principle

As described in Note 1, the District implemented the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*, for the year ended June 30, 2022, which represents a change in accounting principle. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for one year beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements. In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

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, and net pension liability information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary 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 Combining and Individual Fund Financial Statements and Schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates 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.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Introductory Section and Statistical Section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on other work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2022, 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.
Scottsdale, Arizona
December 22, 2022

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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, 2022**

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, 2022. 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 \$12.4 million which represents a 37 percent increase from the prior fiscal year, primarily due to receiving \$10.1 million in new school facility state funding to finance the construction of the Blue Horizons campus.
- General revenues accounted for \$38.2 million in revenue, or 68 percent of all current fiscal year revenues. Program specific revenue in the form of charges for services and grants and contributions accounted for \$18.2 million or 32 percent of total current fiscal year revenues.
- The District had approximately \$44.0 million in expenses related to governmental activities, an increase of 22 percent from the prior fiscal year primarily due to a large increase in enrollment and the return of normal operational levels, post-pandemic.
- Among major funds, the General Fund had \$29.7 million in current fiscal year revenues, which primarily consisted of state aid and property taxes, and \$29.0 million in expenditures. The General Fund's fund balance increased from \$7.4 million at the prior fiscal year end to \$8.4 million at the end of the current fiscal year primarily due to increases in state aid and property tax revenue.

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, 2022

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 are reported as governmental 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, 2022

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, Debt Service, Bond Building, and New School Facilities 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.

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 as required supplementary information. Schedules for the pension plan 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 \$46.3 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, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following table presents a summary of the District's net position for the fiscal years ended June 30, 2022 and June 30, 2021.

	As of June 30, 2022	As of June 30, 2021
Current and other assets	\$ 33,803,996	\$ 31,993,759
Capital assets, net	87,479,373	73,291,274
Total assets	<u>121,283,369</u>	<u>105,285,033</u>
Deferred outflows	<u>6,276,680</u>	<u>6,318,117</u>
Current and other liabilities	3,893,734	5,198,544
Long-term liabilities	70,285,821	72,479,096
Total liabilities	<u>74,179,555</u>	<u>77,677,640</u>
Deferred inflows	<u>7,098,300</u>	<u>72,664</u>
Net position:		
Net investment in capital assets	50,821,915	41,777,074
Restricted	5,347,235	3,310,133
Unrestricted	(9,886,956)	(11,234,361)
Total net position	<u>\$ 46,282,194</u>	<u>\$ 33,852,846</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 \$9.9 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 \$17.9 million in capital assets primarily due to the construction of a new school and reconstruction of an existing school.
- The principal retirement of \$2.1 million of general obligation bonds.
- The issuance of \$5.6 million in school improvement bonds.
- The decrease of \$6.3 million in the pension liability.

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2022

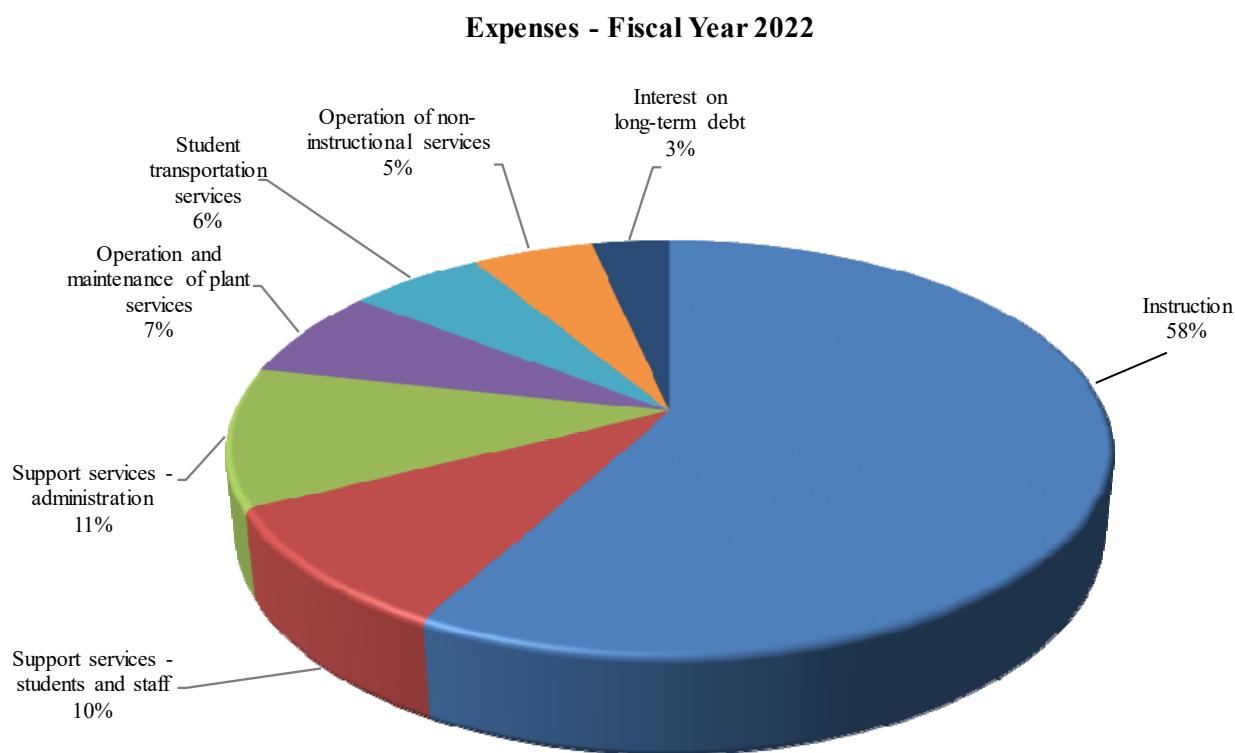
GOVERNMENT-WIDE FINANCIAL ANALYSIS

Changes in net position. The District's total revenues for the current fiscal year were \$56.4 million. The total cost of all programs and services was \$44.0 million. The following table presents a summary of the changes in net position for the fiscal years ended June 30, 2022 and June 30, 2021.

	Fiscal Year Ended June 30, 2022	Fiscal Year Ended June 30, 2021
Revenues:		
Program revenues:		
Charges for services	\$ 919,007	\$ 358,671
Operating grants and contributions	6,109,462	4,915,019
Capital grants and contributions	11,182,629	10,633,522
General revenues:		
Property taxes	12,205,690	10,185,107
Investment income	129,178	245,689
Unrestricted county aid	1,906,757	1,635,543
Unrestricted state aid	23,738,784	18,642,571
Unrestricted federal aid	217,792	167,532
Total revenues	<u>56,409,299</u>	<u>46,783,654</u>
Expenses:		
Instruction	25,474,660	20,883,041
Support services - students and staff	4,264,625	3,694,750
Support services - administration	4,741,320	3,994,215
Operation and maintenance of plant services	3,096,202	2,889,326
Student transportation services	2,582,809	1,880,931
Operation of non-instructional services	2,331,015	1,679,458
Interest on long-term debt	1,489,320	1,172,350
Total expenses	<u>43,979,951</u>	<u>36,194,071</u>
Changes in net position	<u>12,429,348</u>	<u>10,589,583</u>
Net position, beginning,	<u>33,852,846</u>	<u>23,263,263</u>
Net position, ending	<u><u>\$ 46,282,194</u></u>	<u><u>\$ 33,852,846</u></u>

**LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2022**

GOVERNMENT-WIDE FINANCIAL ANALYSIS



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

- Unrestricted state aid increased \$5.1 million as a result of increased funding received from the state legislature.
- Instruction expense increased \$4.6 million due to furnishing of the new school and teacher salary increases.

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, 2022**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

	Year Ended June 30, 2022		Year Ended June 30, 2021	
	Total	Net (Expense)/	Total	Net (Expense)/
	Expenses	Revenue	Expenses	Revenue
Instruction	\$ 25,474,660	\$ (12,636,219)	\$ 20,883,041	\$ (8,275,319)
Support services - students and staff	4,264,625	(3,560,888)	3,694,750	(3,295,472)
Support services - administration	4,741,320	(4,616,417)	3,994,215	(3,627,691)
Operation and maintenance of plant services	3,096,202	(2,468,021)	2,889,326	(2,046,382)
Student transportation services	2,582,809	(2,573,975)	1,880,931	(1,842,499)
Operation of non-instructional services	2,331,015	1,575,987	1,679,458	(27,146)
Interest on long-term debt	1,489,320	(1,489,320)	1,172,350	(1,172,350)
Total	<u>\$ 43,979,951</u>	<u>\$ (25,768,853)</u>	<u>\$ 36,194,071</u>	<u>\$ (20,286,859)</u>

- The cost of all governmental activities this year was \$44.0 million.
- Federal and State governments and charges for services subsidized certain programs with grants and contributions and other local revenues of \$18.2 million.
- Net cost of governmental activities of \$25.8 million was financed by general revenues, which are made up of primarily property taxes of \$12.2 million and state and county aid of \$25.6 million.

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 \$15.9 million, an increase of \$1.9 million due primarily to increased revenues received because of the increase in average daily membership, and an increase in the state funding level.

**LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2022**

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The General Fund comprises 53 percent of the total fund balance. Approximately \$6.7 million, or nearly 79 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 \$1.0 million in the General Fund to \$8.4 million as of fiscal year end primarily due to an increase in state aid due to increased funding received from the state legislature. General Fund revenues increased \$5.7 million primarily due to an increase in state aid and grants, and property tax revenue. General fund expenditures increased \$5.1 million primarily due to expenses related to growth in student count.

The fund balance in the Debt Service Fund decreased \$45,076 to \$220,558 at year end.

The fund balance in the Bond Building Fund decreased \$1.0 million to \$12.8 million at year end primarily due to the net effect of the issuance of school improvement bonds, and capital outlay expenditures due to the renovation of existing schools.

The fund balance in the New School Facilities Fund increased \$47,092 to a deficit fund balance of \$10.0 million at year end.

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 a \$2.7 million increase or 10 percent due to an increase in average daily membership.

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 variances are summarized as follows:

- The favorable variance of \$1.7 million in instruction expenditures was a result of reserve capacity for growth positions and maintenance of budget balance carryforward.
- The favorable variance of \$633,482 in operation and maintenance of plant services expenditures was primarily a result of the district not prepaying for annual custodial services with change of vendors and maintenance of budget balance carryforward.
- The favorable variance of \$419,226 in support services – students and staff expenditures was a result of lessened utilization of contracted services due to hiring of qualified staff.

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2022

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. At year end, the District had invested \$110.6 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 \$11.9 million from the prior fiscal year, primarily due to renovations to their school and furnishing the new school. Total depreciation expense for the year was \$2.0 million.

The following schedule presents a summary of capital asset balances for the fiscal years ended June 30, 2022 and June 30, 2021.

	As of June 30, 2022	As of June 30, 2021
Capital assets - non-depreciable	\$ 6,687,664	\$ 33,477,443
Capital assets - depreciable, net	80,791,709	39,813,831
Total	<u>\$ 87,479,373</u>	<u>\$ 73,291,274</u>

The estimated cost to complete current year construction projects is \$1.7 million.

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

Debt Administration. At year-end, the District had \$49.7 million in long-term debt outstanding, \$2.5 million due within one year. Long-term debt increased by \$4.1 million primarily due to issuance of a school improvement bond.

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 \$73.4 million and the Class B debt limit is \$48.9 million, which are more than the District's total outstanding general obligation and Class B debt including cash on hand to retire bonded indebtedness, 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, 2022**

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 2022-23 budget. Among them:

- Fiscal year 2021-22 budget balance carry forward (estimated \$1.9 million).
- District student population (estimated 4,290).

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 eight percent to \$32.8 million in fiscal year 2022-23, due to an increase in expected average daily membership. State aid and property taxes are expected to be the primary funding sources. No new programs were added to the 2022-23 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, 2022

	Governmental Activities
<u>ASSETS</u>	
Current assets:	
Cash and investments	\$ 15,536,835
Property taxes receivable	196,049
Due from governmental entities	15,646,438
Prepaid items	1,739,024
Inventory	43,121
Leases receivable	642,529
Total current assets	<u>33,803,996</u>
Noncurrent assets:	
Capital assets not being depreciated	6,687,664
Capital assets, net of accumulated depreciation	<u>80,791,709</u>
Total noncurrent assets	<u>87,479,373</u>
Total assets	<u><u>121,283,369</u></u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Deferred charge on refunding	193,579
Pension plan items	<u>6,083,101</u>
Total deferred outflows of resources	<u><u>6,276,680</u></u>
<u>LIABILITIES</u>	
Current liabilities:	
Accounts payable	984,242
Construction contracts payable	447,951
Accrued payroll and employee benefits	1,454,052
Compensated absences payable	126,829
Accrued interest payable	968,797
Unearned revenues	38,692
Bonds payable	<u>2,500,000</u>
Total current liabilities	<u><u>6,520,563</u></u>
Noncurrent liabilities:	
Non-current portion of long-term obligations	<u>67,658,992</u>
Total noncurrent liabilities	<u><u>67,658,992</u></u>
Total liabilities	<u><u>74,179,555</u></u>
<u>DEFERRED INFLOWS OF RESOURCES</u>	
Pension plan items	6,463,172
Leases	<u>635,128</u>
Total deferred inflows of resources	<u><u>7,098,300</u></u>
<u>NET POSITION</u>	
Net investment in capital assets	50,821,915
Restricted for:	
Instruction	1,601,039
Food service	1,528,314
Non-instructional purposes	767,813
Debt service	251,552
Capital outlay	1,198,517
Unrestricted	<u>(9,886,956)</u>
Total net position	<u><u>\$ 46,282,194</u></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, 2022

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental activities:					
Instruction	\$ 25,474,660	\$ 53,526	\$ 2,144,320	\$ 10,640,595	\$ (12,636,219)
Support services - students and staff	4,264,625		703,737		(3,560,888)
Support services - administration	4,741,320		124,903		(4,616,417)
Operation and maintenance of plant services	3,096,202	86,147		542,034	(2,468,021)
Student transportation services	2,582,809		8,834		(2,573,975)
Operation of non-instructional services	2,331,015	779,334	3,127,668		1,575,987
Interest on long-term debt	1,489,320				(1,489,320)
Total governmental activities	<u>\$ 43,979,951</u>	<u>\$ 919,007</u>	<u>\$ 6,109,462</u>	<u>\$ 11,182,629</u>	<u>(25,768,853)</u>

General revenues:

Taxes:

Property taxes, levied for general purposes	7,076,128
Property taxes, levied for debt service	4,138,328
Property taxes, levied for capital outlay	991,234
Investment income	129,178
Unrestricted county aid	1,906,757
Unrestricted state aid	23,738,784
Unrestricted federal aid	217,792

Total general revenues

38,198,201

Changes in net position

12,429,348

Net position, beginning of year

33,852,846

Net position, end of year

\$ 46,282,194

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, 2022

	<u>General</u>	<u>Debt Service</u>	<u>Bond Building</u>
<u>ASSETS</u>			
Cash and investments	\$ 2,634,912	\$ 3,656,735	\$ 3,200,517
Property taxes receivable	132,435	63,614	
Due from governmental entities	4,284,269		
Due from other funds	718,430		10,073,008
Prepaid items	1,739,024		
Inventory	21,030		
Leases receivable			
Total assets	<u><u>\$ 9,530,100</u></u>	<u><u>\$ 3,720,349</u></u>	<u><u>\$ 13,273,525</u></u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES</u>			
<u>AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 830,084	\$	\$
Construction contracts payable			447,951
Due to other funds			
Accrued payroll and employee benefits	97,691		
Unearned revenues			
Bonds payable		2,500,000	
Bond interest payable		968,797	
Total liabilities	<u><u>927,775</u></u>	<u><u>3,468,797</u></u>	<u><u>447,951</u></u>
Deferred inflows of resources:			
Unavailable revenues - property taxes	76,121	30,994	
Unavailable revenues - intergovernmental	87,845		
Leases			
Total deferred inflows of resources	<u><u>163,966</u></u>	<u><u>30,994</u></u>	
Fund balances (deficits):			
Nonspendable	1,760,054		
Restricted		220,558	12,825,574
Unassigned	6,678,305		
Total fund balances	<u><u>8,438,359</u></u>	<u><u>220,558</u></u>	<u><u>12,825,574</u></u>
Total liabilities, deferred inflows of resources			
and fund balances	<u><u>\$ 9,530,100</u></u>	<u><u>\$ 3,720,349</u></u>	<u><u>\$ 13,273,525</u></u>

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

New School Facilities	Non-Major Governmental Funds	Total Governmental Funds
\$	\$ 6,044,671	\$ 15,536,835
		196,049
10,073,008	1,289,161	15,646,438
		10,791,438
		1,739,024
	22,091	43,121
	642,529	642,529
<u>\$ 10,073,008</u>	<u>\$ 7,998,452</u>	<u>\$ 44,595,434</u>

\$	\$ 154,158	\$ 984,242
		447,951
10,073,008	718,430	10,791,438
	1,356,361	1,454,052
	38,692	38,692
		2,500,000
		968,797
<u>10,073,008</u>	<u>2,267,641</u>	<u>17,185,172</u>

		107,115
10,073,008	608,107	10,768,960
	635,128	635,128
<u>10,073,008</u>	<u>1,243,235</u>	<u>11,511,203</u>

	22,091	1,782,145
	5,073,592	18,119,724
(10,073,008)	(608,107)	(4,002,810)
<u>(10,073,008)</u>	<u>4,487,576</u>	<u>15,899,059</u>

<u>\$ 10,073,008</u>	<u>\$ 7,998,452</u>	<u>\$ 44,595,434</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, 2022

Total governmental fund balances	\$ 15,899,059
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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	\$ 110,645,590	
Less accumulated depreciation/amortization	<u>(23,166,217)</u>	87,479,373

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

Property taxes	107,115	
Intergovernmental	<u>10,768,960</u>	10,876,075

Deferred items related to the refunding of bonds are amortized over the life of the associated bond issue in the government-wide statements but not reported in the funds.	193,579
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Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.

Deferred outflows of resources related to pensions	6,083,101	
Deferred inflows of resources related to pensions	<u>(6,463,172)</u>	(380,071)

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

Compensated absences payable	(210,049)	
Net pension liability	(20,399,161)	
Bonds payable	<u>(47,176,611)</u>	<u>(67,785,821)</u>

Net position of governmental activities	<u>\$ 46,282,194</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, 2022

	<u>General</u>	<u>Debt Service</u>	<u>Bond Building</u>
Revenues:			
Other local	\$ 2,285,905	\$ 1,464	\$ 94,271
Property taxes	7,138,411	4,135,585	
State aid and grants	19,725,767		
Federal aid, grants and reimbursements	532,257		
Total revenues	<u>29,682,340</u>	<u>4,137,049</u>	<u>94,271</u>
Expenditures:			
Current -			
Instruction	16,145,968		
Support services - students and staff	3,311,875		
Support services - administration	3,947,380		
Operation and maintenance of plant services	2,831,584		
Student transportation services	1,756,645		
Operation of non-instructional services	41,889		
Capital outlay	960,109		7,354,582
Debt service -			
Principal retirement		2,500,000	
Interest and fiscal charges		1,776,396	
Bond issuance costs			170,752
Total expenditures	<u>28,995,450</u>	<u>4,276,396</u>	<u>7,525,334</u>
Excess (deficiency) of revenues over expenditures	<u>686,890</u>	<u>(139,347)</u>	<u>(7,431,063)</u>
Other financing sources (uses):			
Transfer in	292,320	94,271	
Transfer out			(94,271)
Issuance of school improvement bonds			5,570,000
Premium on sale of bonds			954,332
Proceeds from sale of capital assets	11,424		
Total other financing sources (uses)	<u>303,744</u>	<u>94,271</u>	<u>6,430,061</u>
Changes in fund balances	<u>990,634</u>	<u>(45,076)</u>	<u>(1,001,002)</u>
Fund balances (deficits), beginning of year	7,426,702	265,634	13,826,576
Increase (decrease) in reserve for prepaid items	27,175		
Increase (decrease) in reserve for inventory	(6,152)		
Fund balances (deficits), end of year	<u>\$ 8,438,359</u>	<u>\$ 220,558</u>	<u>\$ 12,825,574</u>

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

New School Facilities	Non-Major Governmental Funds	Total Governmental Funds
\$	\$ 793,046	\$ 3,174,686
	991,234	12,265,230
10,167,027	4,522,894	34,415,688
	5,847,994	6,380,251
<u>10,167,027</u>	<u>12,155,168</u>	<u>56,235,855</u>
	4,217,215	20,363,183
	841,647	4,153,522
	131,706	4,079,086
	7,146	2,838,730
	25,236	1,781,881
	2,136,866	2,178,755
10,119,935	2,612,541	21,047,167
		2,500,000
		1,776,396
		170,752
<u>10,119,935</u>	<u>9,972,357</u>	<u>60,889,472</u>
<u>47,092</u>	<u>2,182,811</u>	<u>(4,653,617)</u>
		386,591
	(292,320)	(386,591)
		5,570,000
		954,332
		11,424
<u></u>	<u>(292,320)</u>	<u>6,535,756</u>
<u>47,092</u>	<u>1,890,491</u>	<u>1,882,139</u>
(10,120,100)	2,587,348	13,986,160
		27,175
	9,737	3,585
<u>\$ (10,073,008)</u>	<u>\$ 4,487,576</u>	<u>\$ 15,899,059</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, 2022

Changes in fund balances - total governmental funds **\$ 1,882,139**

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 and reported as depreciation expense.

Expenditures for capitalized assets	\$ 17,789,361	
Less current year depreciation	<u>(2,027,092)</u>	15,762,269

Issuance of long-term debt provides current financial resources to governmental funds, but the issuance increases long-term liabilities in the Statement of Net Position.	(6,524,332)
---	-------------

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

Property taxes	(59,540)	
Intergovernmental	<u>221,560</u>	162,020

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.	2,500,000
--	-----------

Governmental funds report pension contributions as expenditures. However, they are reported as deferred outflows of resources in the Statement of Net Position. The change in the net pension liability, adjusted for deferred items, is reported as pension expense in the Statement of Activities.

Current year pension contributions	2,395,604	
Pension expense	<u>(2,521,412)</u>	(125,808)

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	27,175	
Inventory	3,585	
Deferred bond items on issuance of refunding debt	(27,655)	
Loss on disposal of assets	(1,574,170)	
Amortization of deferred bond items	314,731	
Compensated absences	<u>29,394</u>	<u>(1,226,940)</u>

Changes in net position in governmental activities **\$ 12,429,348**

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, 2022

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.

During the year ended June 30, 2022, the District implemented the provisions of GASB Statement No. 87, *Leases*. This Statement increases the usefulness of the financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases. The statement establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The District's analysis of contracts and agreements in effect at the beginning of the year resulted in no changes to beginning balances reported in the financial statements due to the implementation of this standard.

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.

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 or fiduciary activities.

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.

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.

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

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.

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.

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

Bond Building Fund – The Bond Building Fund accounts 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.

New School Facilities Fund – The New School Facilities Fund accounts for monies received from the School Facilities Board to be used for constructing new school facilities and purchasing land for new school sites.

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 federal depository insurance.

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

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.

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

H. Inventory

All inventories are valued at cost using average cost. Inventories consist of expendable supplies held for consumption. Inventories are recorded as expenditures when purchased on the fund financial statements.

The United States Department of Agriculture (USDA) commodity portion of the food services inventory consists of food donated by the USDA. It is valued at estimated market prices paid by the USDA.

I. 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.

J. 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.

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

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

K. 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 assets 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 assets that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

L. 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.

M. Leases

As lessor, the District recognizes lease receivables with an initial, individual value of \$50,000 or more. If there is no stated rate in the lease contract (or if the stated rate is not the rate the District charges the lessee) and the implicit rate cannot be determined, the District uses its own estimated incremental borrowing rate as the discount rate to measure lease receivables. The District's estimated incremental borrowing rate is calculated.

N. Pensions

For purposes of measuring the net pension liability, related deferred outflows of resources and deferred inflows of resources, and pension expense, information about the pension plan's fiduciary net position and additions to/deductions from the plan's 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, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

O. 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.

P. 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.

Q. 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.

R. 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, 2022

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.

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 2 – FUND BALANCE CLASSIFICATIONS

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.

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	Debt Service Fund	Bond Building Fund	New School Facilities Fund	Non-Major Governmental Funds
Fund Balances:					
Nonspendable:					
Inventory	\$ 21,030	\$	\$	\$	\$ 22,091
Prepaid items	1,739,024				
Restricted:					
Debt service		220,558			
Capital projects					1,198,517
Bond building projects			12,825,574		
Voter approved initiatives					1,220,284
State projects					109,808
Food service					1,506,223
Civic center					562,587
Community school					204,440
Extracurricular activities					220,791
Student activities					49,140
Other purposes					1,802
Unassigned	6,678,305			(10,073,008)	(608,107)
Total fund balances	<u>\$ 8,438,359</u>	<u>\$ 220,558</u>	<u>\$ 12,825,574</u>	<u>\$ (10,073,008)</u>	<u>\$ 4,487,576</u>

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 3 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

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

	<u>Deficit</u>
Major Fund:	
New School Facilities	\$ 10,073,008
Non-Major Governmental Funds:	
Title I Grants	20,757
Professional Development and	
Technology Grants	2,051
Title IV Grants	310
Limited English and Immigrant Students	15,929
Special Education Grants	32,173
Other Federal Projects	536,887

The deficits arose because of pending grant reimbursements. Additional revenues received in fiscal year 2022-23 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 4 – 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 \$196,716 and the bank balance was \$209,763.

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, 2022

NOTE 4 – 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	623 days	\$ 15,340,119

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 5 – 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>New School Facilities Fund</u>	<u>Non-Major Governmental Funds</u>
Due from other governmental entities:			
Due from federal government	\$ 197,349	\$	\$ 822,016
Due from state government	<u>4,086,920</u>	<u>10,073,008</u>	<u>467,145</u>
Net due from governmental entities	<u><u>4,284,269</u></u>	<u><u>10,073,008</u></u>	<u><u>\$ 1,289,161</u></u>

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 6 – LEASES RECEIVABLE

The District leases land to telecommunications providers under the provisions of a contract classified as a lease. The related receivables under the lease agreements have been recorded at the present value of their future minimum lease payments as of the inception date. Lease revenue of \$36,032 and related interest revenue of \$1,509 are recorded as other local revenue in the Civic Center Fund, a non-major governmental fund.

Future minimum lease payments to be received under the lease agreements at year end are summarized as follows:

Year ending June 30:		
	2023	\$ 31,530
	2024	32,181
	2025	32,844
	2026	33,525
	2027	34,402
	2028-32	187,699
	2033-37	212,144
	2038-40	94,665
Total		<u>\$ 658,990</u>

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	\$ 491,186	\$	\$ 6,591,220
Construction in progress	27,377,409	16,017,540	43,298,505	96,444
Total capital assets, not being depreciated	<u>33,477,443</u>	<u>16,508,726</u>	<u>43,298,505</u>	<u>6,687,664</u>
Capital assets, being depreciated:				
Land improvements	4,258,592	377,441	750,590	3,885,443
Buildings and improvements	53,685,972	43,716,316	4,278,297	93,123,991
Vehicles, furniture and equipment	7,282,553	485,383	819,444	6,948,492
Total capital assets being depreciated	<u>65,227,117</u>	<u>44,579,140</u>	<u>5,848,331</u>	<u>103,957,926</u>
Less accumulated depreciation for:				
Land improvements	(2,215,552)	(194,836)	(591,243)	(1,819,145)
Buildings and improvements	(18,537,386)	(1,446,495)	(2,924,491)	(17,059,390)
Vehicles, furniture and equipment	(4,660,348)	(385,761)	(758,427)	(4,287,682)
Total accumulated depreciation	<u>(25,413,286)</u>	<u>(2,027,092)</u>	<u>(4,274,161)</u>	<u>(23,166,217)</u>
Total capital assets, being depreciated, net	<u>39,813,831</u>	<u>42,552,048</u>	<u>1,574,170</u>	<u>80,791,709</u>
Governmental activities capital assets, net	<u>\$ 73,291,274</u>	<u>\$ 59,060,774</u>	<u>\$ 44,872,675</u>	<u>\$ 87,479,373</u>

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 7 – CAPITAL ASSETS

Depreciation expense was charged to governmental functions as follows:

Instruction	\$ 1,677,699
Support services – students and staff	1,984
Support services – administration	81,261
Operation and maintenance of plant services	56,321
Student transportation services	179,631
Operation of non-instructional services	30,196
Total depreciation expense – governmental activities	<u>\$ 2,027,092</u>

Construction Commitments – At year end, the District had contractual commitments related to the construction of additional classrooms at Las Brisas Elementary School. At year end the District had spent \$80,225 on the project and had estimated remaining contractual commitments of \$1.7 million. The project is being funded with bond proceeds.

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 \$3.0 million in unused line of credit

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

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, \$12,610,000 remains unissued. The bonds are both callable and noncallable with interest payable semiannually. Property taxes from the Debt Service Fund are used to pay bonded debt. The District's legal debt limit is \$73.4 million and the available margin is \$24.5 million.

Purpose	Original Amount Issued	Interest Rates	Remaining Maturities	Outstanding Principal June 30, 2022	Due Within One Year
Governmental activities:					
General obligation bonds:					
School Improvement Bonds, Project of 2013, Series A	\$ 12,525,000	2.5-4.0%	7/1/22-34	\$ 8,980,000	\$ 560,000
School Improvement Bonds, Project of 2013, Series B	2,475,000	3.0%	7/1/22-31	1,450,000	125,000
Refunding Bonds, Series 2016	4,455,000	3.0-4.0%	7/1/22-29	2,185,000	725,000
School Improvement Bonds, Project of 2019, Series A (2020)	20,465,000	4.0-5.0%	7/1/22-39	19,665,000	850,000
School Improvement Bonds, Project of 2019, Series B (2021)	6,890,000	3.0-4.0%	7/1/23-40	6,890,000	
School Improvement Bonds, Project of 2019, Series C (2021)	5,570,000	2.0-5.0%	7/1/22-41	5,570,000	240,000
Total				<u>\$ 44,740,000</u>	<u>\$ 2,500,000</u>

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

		Governmental Activities	
Year ending June 30:		Principal	Interest
	2023	\$ 2,500,000	\$ 1,841,972
	2024	2,595,000	1,693,138
	2025	2,235,000	1,590,225
	2026	2,245,000	1,490,625
	2027	2,285,000	1,393,200
	2028-32	12,845,000	5,325,675
	2033-37	12,365,000	2,574,062
	2038-42	7,670,000	491,600
Total		<u>\$ 44,740,000</u>	<u>\$ 16,400,497</u>

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

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	\$ 41,265,000	\$ 5,570,000	\$ 2,095,000	\$ 44,740,000	\$ 2,500,000
Premium	4,297,010	954,332	314,731	4,936,611	
Total bonds payable	45,562,010	6,524,332	2,409,731	49,676,611	2,500,000
Net pension liability	26,677,643		6,278,482	20,399,161	
Compensated absences payable	239,443	277,417	306,811	210,049	126,829
Governmental activity long-term liabilities	<u>\$ 72,479,096</u>	<u>\$ 6,801,749</u>	<u>\$ 8,995,024</u>	<u>\$ 70,285,821</u>	<u>\$ 2,626,829</u>

NOTE 11 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

At year end, interfund balances were as follows:

Due to/from other funds:

	General Fund	Bond Building Fund	Total Due to Other Funds
New School Facilities Fund	\$	\$ 10,073,008	\$ 10,073,008
Non-Major Governmental Funds	718,430		718,430
Total Due from Other Funds	<u>\$ 718,430</u>	<u>\$ 10,073,008</u>	<u>\$ 10,791,438</u>

At year end, several funds had negative cash balances in the Treasurer's pooled cash accounts. Negative cash on deposit with the County Treasurer was reduced by interfund borrowing with other funds. All interfund balances are expected to be paid within one year.

Interfund transfers:

	Transfers in		
	General Fund	Debt Service Fund	Total
Transfers out			
Bond Building Fund	\$	\$ 94,271	\$ 94,271
Non-Major Governmental Funds	292,320		292,320
Total	<u>\$ 292,320</u>	<u>\$ 94,271</u>	<u>\$ 386,591</u>

Transfers between funds were used to (1) 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.

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

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.

NOTE 13 – 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's employees have health and accident insurance coverage with the Arizona School Board Association Insurance Trust (ASBAIT). ASBAIT 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 a monthly premium to ASBAIT for employees' health and accident insurance coverage. The agreement provides that ASBAIT 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 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, 2022

NOTE 14 – PENSIONS

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.

The ASRS OPEB plans are not further disclosed because of their relative insignificance to the District's financial statements.

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	

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.

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 14 – PENSIONS

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 12.41 percent (12.22 percent for retirement and 0.19 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 12.41 percent (12.01 percent for retirement, 0.21 percent for health insurance premium benefit, and 0.19 percent for long-term disability) of the active members' annual covered payroll. The District's contributions to the pension plan for the year ended June 30, 2022 were \$2,395,604.

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 10.22 percent (10.13 for retirement and 0.09 percent for long-term disability). ACR contributions are included in employer contributions presented above.

The District's pension plan contributions are paid by the same funds as the employee's salary, with the largest components coming from the General, Classroom Site, Special Education Grants, Food Service, Title I Grants, and Other Federal Projects Funds.

Pension Liability. The net pension liability was measured as of June 30, 2021. The total liability used to calculate the net liability was determined using update procedures to roll forward the total liability from an actuarial valuation as of June 30, 2020, to the measurement date of June 30, 2021. The District's proportion of the net 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, 2021. The total liabilities as of June 30, 2021, reflect changes in actuarial assumptions based on the results of an actuarial experience study for the 5-year period ended June 30, 2020, including decreasing the discount rate from 7.5 percent to 7.0 percent and changing the projected salary increases from 2.7-7.2 percent to 2.9-8.4 percent.

At June 30, 2022, the District reported the following amounts for its proportionate share of the pension plan net liability. In addition, at June 30, 2021, the District's percentage proportion for the plan and the related change from its proportion measured as of June 30, 2020 was:

Net Liability	District % Proportion	Increase (Decrease)
\$ 20,399,161	0.155	0.001

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 14 – PENSIONS

Pension Expense and Deferred Outflows/Inflows of Resources. The District has deferred outflows and inflows of resources related to the net pension liability. Certain changes in the net pension liability are recognized as pension expense over a period of time rather than the year of occurrence. The District's pension expense for the year ended June 30, 2022 was \$2,521,412.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 310,966	\$
Changes of assumptions or other inputs	2,655,114	
Net difference between projected and actual earnings on pension investments		6,463,172
Changes in proportion and differences between contributions and proportionate share of contributions	721,417	
Contributions subsequent to the measurement date	2,395,604	
Total	<u>\$ 6,083,101</u>	<u>\$ 6,463,172</u>

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 liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30:		
2023	\$	742,381
2024		134,000
2025		(1,424,798)
2026		(2,227,258)

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 14 – PENSIONS

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

Actuarial valuation date	June 30, 2020
Actuarial roll forward date	June 30, 2021
Actuarial cost method	Entry age normal
Investment rate of return	7.0%
Inflation	2.3%
Projected salary increases	2.9-8.4%
Permanent base increases	Included
Mortality rates	2017 SRA Scale U-MP

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the five-year period ended June 30, 2020. 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, 2020, actuarial valuation.

The long-term expected rate of return on ASRS plan investments was determined to be 7.0 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.

The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Geometric Real Rate of Return
Equity	50%	4.90%
Credit	20	5.20
Interest rate sensitive bonds	10	0.70
Real estate	20	5.70
Total	<u>100%</u>	

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 14 – PENSIONS

Discount Rate. The discount rate used to measure the total pension liability was 7.0 percent. The discount rate was lowered in the roll forward for the year June 30, 2021 from 7.5 percent, which was used for the actuarial assumptions at the valuation date. 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 plan's 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 liability.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.0 percent, as well as what the proportionate share of the net pension 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:

	1% Decrease	Current Discount Rate	1% Increase
Rate	6.0%	7.0%	8.0%
Net liability	\$ 32,086,171	\$ 20,399,161	\$ 10,655,428

Pension Plan Fiduciary Net Position. Detailed information about the pension 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 15 – SUBSEQUENT EVENT

On October 27, 2022, the District issued School Improvement Bonds, Project of 2019, Series D (2022) in the amount of \$9.1 million, maturing on July 1, 2042, with coupon rates ranging 4.0-5.0 percent. The purpose of the bonds is to finance the construction and renovation of school facilities.

REQUIRED SUPPLEMENTARY INFORMATION

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LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL
YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Non-GAAP	Variance with
	Original	Final	Actual	Final Budget
				Positive
				(Negative)
Revenues:				
Other local	\$	\$	\$ 1,742,312	\$ 1,742,312
Property taxes			7,138,411	7,138,411
State aid and grants			19,725,767	19,725,767
Total revenues			<u>28,606,490</u>	<u>28,606,490</u>
Expenditures:				
Current -				
Instruction	15,928,276	17,525,473	15,800,447	1,725,026
Support services - students and staff	3,332,592	3,697,895	3,278,669	419,226
Support services - administration	3,673,457	3,992,994	3,840,005	152,989
Operation and maintenance of plant services	2,909,915	3,161,326	2,527,844	633,482
Student transportation services	1,708,895	1,903,001	1,739,372	163,629
Operation of non-instructional services	42,000	42,000	41,889	111
Total expenditures	<u>27,595,135</u>	<u>30,322,689</u>	<u>27,228,226</u>	<u>3,094,463</u>
Changes in fund balances	<u>(27,595,135)</u>	<u>(30,322,689)</u>	<u>1,378,264</u>	<u>31,700,953</u>
Fund balances, beginning of year			3,962,378	3,962,378
Increase (decrease) in reserve for prepaid items			469,298	469,298
Increase (decrease) in reserve for inventory			(6,152)	(6,152)
Fund balances (deficits), end of year	<u>\$ (27,595,135)</u>	<u>\$ (30,322,689)</u>	<u>\$ 5,803,788</u>	<u>\$ 36,126,477</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 EIGHT FISCAL YEARS

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Measurement date	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
District's proportion of the net pension (assets) liability	0.16%	0.15%	0.14%	0.14%
District's proportionate share of the net pension (assets) liability	\$ 20,399,161	\$ 26,677,643	\$ 20,562,249	\$ 19,925,337
District's covered payroll	\$ 17,426,558	\$ 16,773,852	\$ 15,495,492	\$ 13,721,037
District's proportionate share of the net pension (assets) liability as a percentage of its covered payroll	117.06%	159.04%	132.70%	145.22%
Plan fiduciary net position as a percentage of the total pension liability	78.58%	69.33%	73.24%	73.40%

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

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Actuarially determined contribution	\$ 2,395,604	\$ 2,030,194	\$ 1,920,606	\$ 1,732,396
Contributions in relation to the actuarially determined contribution	<u>2,395,604</u>	<u>2,030,194</u>	<u>1,920,606</u>	<u>1,732,396</u>
Contribution deficiency (excess)	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
District's covered payroll	\$ 19,946,744	\$ 17,426,558	\$ 16,773,852	\$ 15,495,492
Contributions as a percentage of covered payroll	12.01%	11.65%	11.45%	11.18%

NOTE: The pension 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.

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
0.13%	0.13%	0.14%	0.15%
\$ 20,274,833	\$ 21,772,601	\$ 22,339,640	\$ 21,845,582
\$ 12,694,518	\$ 12,689,272	\$ 13,208,871	\$ 13,313,775
159.71%	171.58%	169.13%	164.08%
69.92%	67.06%	68.35%	69.49%

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 1,495,593	\$ 1,368,469	\$ 1,376,786	\$ 1,438,446
<u>1,495,593</u>	<u>1,368,469</u>	<u>1,376,786</u>	<u>1,438,446</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
\$ 13,721,037	\$ 12,694,518	\$ 12,689,272	\$ 13,208,871
10.90%	10.78%	10.85%	10.89%

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2022

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.
- Employee insurance expenditures are budgeted in the year the employee insurance account is funded.
- Unemployment insurance.

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	\$ 28,995,450	\$ 8,438,359
Activity budgeted as special revenue funds	(1,500,814)	(2,314,454)
Current-year prepaid items	442,123	
Prior-year prepaid items	(712,816)	
Employee insurance account	<u>4,283</u>	<u>(320,117)</u>
Schedule of Revenues, Expenditures and Changes in		
Fund Balances – Budget and Actual – General Fund	<u>\$ 27,228,226</u>	<u>\$ 5,803,788</u>

NOTE 2 – PENSION 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, 2020, valuation were based on the results of an actuarial experience study for the five-year period ended June 30, 2020. 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, 2020, actuarial valuation. The total liabilities as of June 30, 2021, reflect changes in actuarial assumptions based on the results of an actuarial experience, including decreasing the discount rate from 7.5 percent to 7.0 percent and changing the projected salary increases from 2.7-7.2 percent to 2.9-8.4 percent.

**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, 2022

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
<u>ASSETS</u>			
Cash and investments	\$ 5,167,908	\$ 876,763	\$ 6,044,671
Due from governmental entities	898,327	390,834	1,289,161
Inventory	22,091		22,091
Leases receivable	642,529		642,529
Total assets	<u><u>\$ 6,730,855</u></u>	<u><u>\$ 1,267,597</u></u>	<u><u>\$ 7,998,452</u></u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 85,978	\$ 68,180	\$ 154,158
Due to other funds	717,530	900	718,430
Accrued payroll and employee benefits	1,356,361		1,356,361
Unearned revenues	38,692		38,692
Total liabilities	<u>2,198,561</u>	<u>69,080</u>	<u>2,267,641</u>
Deferred inflows of resources:			
Unavailable revenues - intergovernmental	608,107		608,107
Leases	635,128		635,128
Total deferred inflows of resources	<u>1,243,235</u>		<u>1,243,235</u>
Fund balances (deficits):			
Nonspendable	22,091		22,091
Restricted	3,875,075	1,198,517	5,073,592
Unassigned	(608,107)		(608,107)
Total fund balances	<u>3,289,059</u>	<u>1,198,517</u>	<u>4,487,576</u>
Total liabilities, deferred inflows of resources and fund balances	<u><u>\$ 6,730,855</u></u>	<u><u>\$ 1,267,597</u></u>	<u><u>\$ 7,998,452</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, 2022

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
Revenues:			
Other local	\$ 626,194	\$ 166,852	\$ 793,046
Property taxes		991,234	991,234
State aid and grants	3,177,437	1,345,457	4,522,894
Federal aid, grants and reimbursements	5,847,994		5,847,994
Total revenues	<u>9,651,625</u>	<u>2,503,543</u>	<u>12,155,168</u>
Expenditures:			
Current -			
Instruction	4,217,215		4,217,215
Support services - students and staff	841,647		841,647
Support services - administration	131,706		131,706
Operation and maintenance of plant services	7,146		7,146
Student transportation services	25,236		25,236
Operation of non-instructional services	2,136,866		2,136,866
Capital outlay	347,397	2,265,144	2,612,541
Total expenditures	<u>7,707,213</u>	<u>2,265,144</u>	<u>9,972,357</u>
Excess (deficiency) of revenues over expenditures	<u>1,944,412</u>	<u>238,399</u>	<u>2,182,811</u>
Other financing sources (uses):			
Transfer out	(292,320)		(292,320)
Total other financing sources (uses)	<u>(292,320)</u>		<u>(292,320)</u>
Changes in fund balances	<u>1,652,092</u>	<u>238,399</u>	<u>1,890,491</u>
Fund balances, beginning of year	1,627,230	960,118	2,587,348
Increase (decrease) in reserve for inventory	9,737		9,737
Fund balances, end of year	<u>\$ 3,289,059</u>	<u>\$ 1,198,517</u>	<u>\$ 4,487,576</u>

SPECIAL REVENUE FUNDS

Classroom Site - to account 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.

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.

Other Federal Projects - to account for financial assistance received for other supplemental federal projects.

Results-based Funding - to account for financial assistance received for academic performance results in accordance with A.R.S. §15-249.08.

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.

Student Activities - to account for monies raised by students to finance student clubs and organizations.

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2022

	<u>Classroom Site</u>	<u>Instructional Improvement</u>	<u>Title I Grants</u>
<u>ASSETS</u>			
Cash and investments	\$ 2,122,881	\$ 286,487	\$
Due from governmental entities		76,311	74,517
Inventory			
Leases receivable			
Total assets	<u>\$ 2,122,881</u>	<u>\$ 362,798</u>	<u>\$ 74,517</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$	\$	\$ 3,362
Due to other funds			68,307
Accrued payroll and employee benefits	1,265,395		2,848
Unearned revenues			
Total liabilities	<u>1,265,395</u>		<u>74,517</u>
Deferred inflows of resources:			
Unavailable revenues - intergovernmental			20,757
Leases			
Total deferred inflows of resources			<u>20,757</u>
Fund balances (deficits):			
Nonspendable			
Restricted	857,486	362,798	
Unassigned			(20,757)
Total fund balances	<u>857,486</u>	<u>362,798</u>	<u>(20,757)</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,122,881</u>	<u>\$ 362,798</u>	<u>\$ 74,517</u>

Professional Development and Technology Grants	Title IV Grants	Limited English and Immigrant Students	Special Education Grants	Other Federal Projects	Results-based Funding
\$ 6,114	\$ 5,581	\$ 28,203	\$ 94,742	\$ 596,038	\$ 109,808
<u>\$ 6,114</u>	<u>\$ 5,581</u>	<u>\$ 28,203</u>	<u>\$ 94,742</u>	<u>\$ 596,038</u>	<u>\$ 109,808</u>
\$ 6,114	\$ 5,581	\$ 28,203	\$ 93,201 1,541	\$ 5,009 516,124 74,785 120	\$
<u>6,114</u>	<u>5,581</u>	<u>28,203</u>	<u>94,742</u>	<u>596,038</u>	
2,051	310	15,929	32,173	536,887	
<u>2,051</u>	<u>310</u>	<u>15,929</u>	<u>32,173</u>	<u>536,887</u>	
(2,051)	(310)	(15,929)	(32,173)	(536,887)	109,808
<u>(2,051)</u>	<u>(310)</u>	<u>(15,929)</u>	<u>(32,173)</u>	<u>(536,887)</u>	<u>109,808</u>
<u>\$ 6,114</u>	<u>\$ 5,581</u>	<u>\$ 28,203</u>	<u>\$ 94,742</u>	<u>\$ 596,038</u>	<u>\$ 109,808</u>

(Continued)

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2022

	Other State Projects	Food Service	Civic Center
<u>ASSETS</u>			
Cash and investments	\$ 15,007	\$ 1,592,018	\$ 555,186
Due from governmental entities		16,821	
Inventory		22,091	
Leases receivable			642,529
Total assets	<u>\$ 15,007</u>	<u>\$ 1,630,930</u>	<u>\$ 1,197,715</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$	\$ 74,086	\$
Due to other funds			
Accrued payroll and employee benefits		4,965	
Unearned revenues	15,007	23,565	
Total liabilities	<u>15,007</u>	<u>102,616</u>	
Deferred inflows of resources:			
Unavailable revenues - intergovernmental			
Leases			635,128
Total deferred inflows of resources			<u>635,128</u>
Fund balances (deficits):			
Nonspendable		22,091	
Restricted		1,506,223	562,587
Unassigned			
Total fund balances		<u>1,528,314</u>	<u>562,587</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 15,007</u>	<u>\$ 1,630,930</u>	<u>\$ 1,197,715</u>

<u>Community School</u>	<u>Extracurricular Activities Fees Tax Credit</u>	<u>Textbooks</u>	<u>Litigation Recovery</u>	<u>Student Activities</u>	<u>Totals</u>
\$ 212,739	\$ 220,791	\$ 1,016	\$ 786	\$ 51,189	\$ 5,167,908
					898,327
					22,091
					642,529
<u>\$ 212,739</u>	<u>\$ 220,791</u>	<u>\$ 1,016</u>	<u>\$ 786</u>	<u>\$ 51,189</u>	<u>\$ 6,730,855</u>
\$ 1,472	\$	\$	\$	\$ 2,049	\$ 85,978
6,827					717,530
					1,356,361
					38,692
<u>8,299</u>				<u>2,049</u>	<u>2,198,561</u>
					608,107
					635,128
					<u>1,243,235</u>
204,440	220,791	1,016	786	49,140	22,091
					3,875,075
					(608,107)
<u>204,440</u>	<u>220,791</u>	<u>1,016</u>	<u>786</u>	<u>49,140</u>	<u>3,289,059</u>
<u>\$ 212,739</u>	<u>\$ 220,791</u>	<u>\$ 1,016</u>	<u>\$ 786</u>	<u>\$ 51,189</u>	<u>\$ 6,730,855</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, 2022

	<u>Classroom Site</u>	<u>Instructional Improvement</u>	<u>Title I Grants</u>
Revenues:			
Other local	\$ 1,634	\$ 2,882	\$
State aid and grants	2,910,470	211,279	
Federal aid, grants and reimbursements			435,071
Total revenues	<u>2,912,104</u>	<u>214,161</u>	<u>435,071</u>
Expenditures:			
Current -			
Instruction	2,323,099	99,607	293,774
Support services - students and staff	59,402	40,178	112,057
Support services - administration			450
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>2,382,501</u>	<u>139,785</u>	<u>406,281</u>
Excess (deficiency) of revenues over expenditures	<u>529,603</u>	<u>74,376</u>	<u>28,790</u>
Other financing sources (uses):			
Transfer out			(20,904)
Total other financing sources (uses)			<u>(20,904)</u>
Changes in fund balances	<u>529,603</u>	<u>74,376</u>	<u>7,886</u>
Fund balances (deficits), beginning of year	327,883	288,422	(28,643)
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	<u>\$ 857,486</u>	<u>\$ 362,798</u>	<u>\$ (20,757)</u>

Professional Development and Technology Grants	Title IV Grants	Limited English and Immigrant Students	Special Education Grants	Other Federal Projects	Results-based Funding
\$	\$	\$	\$	\$	\$
					875
97,337	26,506	33,865	687,855	1,580,906	
97,337	26,506	33,865	687,855	1,580,906	875
42,975		10,014	572,241	757,567	9,191
32,489	26,285	27,840	112,722	375,557	304
442		790		130,024	
				9,315	
				148,905	
				296,580	
75,906	26,285	38,644	684,963	1,717,948	9,495
21,431	221	(4,779)	2,892	(137,042)	(8,620)
(4,071)	(65)	(2,051)	(35,065)	(30,164)	
(4,071)	(65)	(2,051)	(35,065)	(30,164)	
17,360	156	(6,830)	(32,173)	(167,206)	(8,620)
(19,411)	(466)	(9,099)		(369,681)	118,428
\$ (2,051)	\$ (310)	\$ (15,929)	\$ (32,173)	\$ (536,887)	\$ 109,808

(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, 2022

	Other State Projects	Food Service	Civic Center
Revenues:			
Other local	\$	\$ 74,076	\$ 97,983
State aid and grants	54,813		
Federal aid, grants and reimbursements		2,986,454	
Total revenues	<u>54,813</u>	<u>3,060,530</u>	<u>97,983</u>
Expenditures:			
Current -			
Instruction			
Support services - students and staff	54,813		
Support services - administration			
Operation and maintenance of plant services			7,146
Student transportation services			2,389
Operation of non-instructional services		1,837,237	
Capital outlay		41,951	
Total expenditures	<u>54,813</u>	<u>1,879,188</u>	<u>9,535</u>
Excess (deficiency) of revenues over expenditures		<u>1,181,342</u>	<u>88,448</u>
Other financing sources (uses):			
Transfer out		(200,000)	
Total other financing sources (uses)		<u>(200,000)</u>	
Changes in fund balances		<u>981,342</u>	<u>88,448</u>
Fund balances (deficits), beginning of year		537,235	474,139
Increase (decrease) in reserve for inventory		9,737	
Fund balances, end of year	<u>\$</u>	<u>\$ 1,528,314</u>	<u>\$ 562,587</u>

Community School	Extracurricular Activities Fees Tax Credit	Textbooks	Litigation Recovery	Student Activities	Totals
\$ 343,573	\$ 76,973	\$ 257	\$ 9	\$ 28,807	\$ 626,194
					3,177,437
					5,847,994
<u>343,573</u>	<u>76,973</u>	<u>257</u>	<u>9</u>	<u>28,807</u>	<u>9,651,625</u>
	74,650			34,097	4,217,215
					841,647
					131,706
					7,146
4,307				9,225	25,236
150,724					2,136,866
	6,129			2,737	347,397
<u>155,031</u>	<u>80,779</u>			<u>46,059</u>	<u>7,707,213</u>
<u>188,542</u>	<u>(3,806)</u>	<u>257</u>	<u>9</u>	<u>(17,252)</u>	<u>1,944,412</u>
					(292,320)
					(292,320)
<u>188,542</u>	<u>(3,806)</u>	<u>257</u>	<u>9</u>	<u>(17,252)</u>	<u>1,652,092</u>
15,898	224,597	759	777	66,392	1,627,230
					9,737
<u>\$ 204,440</u>	<u>\$ 220,791</u>	<u>\$ 1,016</u>	<u>\$ 786</u>	<u>\$ 49,140</u>	<u>\$ 3,289,059</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, 2022

	Classroom Site		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 1,634	\$ 1,634
State aid and grants		2,910,470	2,910,470
Federal aid, grants and reimbursements			
Total revenues		<u>2,912,104</u>	<u>2,912,104</u>
Expenditures:			
Current -			
Instruction	3,058,624	2,323,099	735,525
Support services - students and staff	99,200	59,402	39,798
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>3,157,824</u>	<u>2,382,501</u>	<u>775,323</u>
Excess (deficiency) of revenues over expenditures	<u>(3,157,824)</u>	<u>529,603</u>	<u>3,687,427</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>(3,157,824)</u>	<u>529,603</u>	<u>3,687,427</u>
Fund balances (deficits), beginning of year		327,883	327,883
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	<u>\$ (3,157,824)</u>	<u>\$ 857,486</u>	<u>\$ 4,015,310</u>

Instructional Improvement			Title I Grants		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 2,882 211,279	\$ 2,882 211,279	\$	\$	\$
				435,071	435,071
	214,161	214,161		435,071	435,071
250,000	99,607 40,178	150,393 (40,178)	477,533	293,774 112,057 450	183,759 (112,057) (450)
250,000	139,785	110,215	477,533	406,281	71,252
(250,000)	74,376	324,376	(477,533)	28,790	506,323
				(20,904)	(20,904)
				(20,904)	(20,904)
(250,000)	74,376	324,376	(477,533)	7,886	485,419
	288,422	288,422		(28,643)	(28,643)
\$ (250,000)	\$ 362,798	\$ 612,798	\$ (477,533)	\$ (20,757)	\$ 456,776

(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, 2022

	Professional Development and Technology Grants		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		97,337	97,337
Total revenues		<u>97,337</u>	<u>97,337</u>
Expenditures:			
Current -			
Instruction	98,040	42,975	55,065
Support services - students and staff		32,489	(32,489)
Support services - administration		442	(442)
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>98,040</u>	<u>75,906</u>	<u>22,134</u>
Excess (deficiency) of revenues over expenditures	<u>(98,040)</u>	<u>21,431</u>	<u>119,471</u>
Other financing sources (uses):			
Transfer in			
Transfer out		(4,071)	(4,071)
Proceeds from sale of capital assets			
Total other financing sources (uses)		<u>(4,071)</u>	<u>(4,071)</u>
Changes in fund balances	<u>(98,040)</u>	<u>17,360</u>	<u>115,400</u>
Fund balances (deficits), beginning of year		(19,411)	(19,411)
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	<u>\$ (98,040)</u>	<u>\$ (2,051)</u>	<u>\$ 95,989</u>

Title IV Grants			Limited English and Immigrant Students		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	26,506	26,506		33,865	33,865
	26,506	26,506		33,865	33,865
26,363	26,285	78	61,755	10,014 27,840 790	(10,014) 33,915 (790)
26,363	26,285	78	61,755	38,644	23,111
(26,363)	221	26,584	(61,755)	(4,779)	56,976
	(65)	(65)		(2,051)	(2,051)
	(65)	(65)		(2,051)	(2,051)
(26,363)	156	26,519	(61,755)	(6,830)	54,925
	(466)	(466)		(9,099)	(9,099)
\$ (26,363)	\$ (310)	\$ 26,053	\$ (61,755)	\$ (15,929)	\$ 45,826

(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, 2022

	Special Education Grants		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		687,855	687,855
Total revenues		<u>687,855</u>	<u>687,855</u>
Expenditures:			
Current -			
Instruction	885,531	572,241	313,290
Support services - students and staff		112,722	(112,722)
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>885,531</u>	<u>684,963</u>	<u>200,568</u>
Excess (deficiency) of revenues over expenditures	<u>(885,531)</u>	<u>2,892</u>	<u>888,423</u>
Other financing sources (uses):			
Transfer in			
Transfer out		(35,065)	(35,065)
Proceeds from sale of capital assets			
Total other financing sources (uses)		<u>(35,065)</u>	<u>(35,065)</u>
Changes in fund balances	<u>(885,531)</u>	<u>(32,173)</u>	<u>853,358</u>
Fund balances (deficits), beginning of year			
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	<u>\$ (885,531)</u>	<u>\$ (32,173)</u>	<u>\$ 853,358</u>

Medicaid Reimbursement			E-Rate		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 956	\$ 956	\$	\$ 4,179	\$ 4,179
	217,792	217,792		314,465	314,465
	218,748	218,748		318,644	318,644
550,000	87,770	462,230			
	17,613	(17,613)			
				30,436	(30,436)
550,000	105,383	444,617	550,000	452,408	97,592
			550,000	482,844	67,156
(550,000)	113,365	663,365	(550,000)	(164,200)	385,800
(550,000)	113,365	663,365	(550,000)	(164,200)	385,800
	627,626	627,626		615,270	615,270
\$ (550,000)	\$ 740,991	\$ 1,290,991	\$ (550,000)	\$ 451,070	\$ 1,001,070

(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, 2022

	Other Federal Projects		Variance -
	Budget	Actual	Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		1,580,906	1,580,906
Total revenues		<u>1,580,906</u>	<u>1,580,906</u>
Expenditures:			
Current -			
Instruction	5,911,096	757,567	5,153,529
Support services - students and staff		375,557	(375,557)
Support services - administration		130,024	(130,024)
Operation and maintenance of plant services			
Student transportation services		9,315	(9,315)
Operation of non-instructional services		148,905	(148,905)
Capital outlay		296,580	(296,580)
Total expenditures	<u>5,911,096</u>	<u>1,717,948</u>	<u>4,193,148</u>
Excess (deficiency) of revenues over expenditures	<u>(5,911,096)</u>	<u>(137,042)</u>	<u>5,774,054</u>
Other financing sources (uses):			
Transfer in			
Transfer out		(30,164)	(30,164)
Proceeds from sale of capital assets			
Total other financing sources (uses)		<u>(30,164)</u>	<u>(30,164)</u>
Changes in fund balances	<u>(5,911,096)</u>	<u>(167,206)</u>	<u>5,743,890</u>
Fund balances (deficits), beginning of year		(369,681)	(369,681)
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	<u>\$ (5,911,096)</u>	<u>\$ (536,887)</u>	<u>\$ 5,374,209</u>

Results-based Funding			Other State Projects		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	875	875		54,813	54,813
	875	875		54,813	54,813
124,410	9,191 304	115,219 (304)	61,720	54,813	6,907
124,410	9,495	114,915	61,720	54,813	6,907
(124,410)	(8,620)	115,790	(61,720)		61,720
(124,410)	(8,620)	115,790	(61,720)		61,720
	118,428	118,428			
\$ (124,410)	\$ 109,808	\$ 234,218	\$ (61,720)	\$	\$ 61,720

(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, 2022

	School Plant		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 430	\$ 430
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		<u>430</u>	<u>430</u>
Expenditures:			
Current -			
Instruction			
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures			
Excess (deficiency) of revenues over expenditures		<u>430</u>	<u>430</u>
Other financing sources (uses):			
Transfer in			
Transfer out			
Proceeds from sale of capital assets		11,424	11,424
Total other financing sources (uses)		<u>11,424</u>	<u>11,424</u>
Changes in fund balances		<u>11,854</u>	<u>11,854</u>
Fund balances (deficits), beginning of year		43,247	43,247
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	<u>\$</u>	<u>\$ 55,101</u>	<u>\$ 55,101</u>

Food Service			Civic Center		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 74,076	\$ 74,076	\$	\$ 97,983	\$ 97,983
	2,986,454	2,986,454			
	3,060,530	3,060,530		97,983	97,983
			450,000	7,146	442,854
				2,389	(2,389)
2,090,605	1,837,237	253,368			
	41,951	(41,951)			
2,090,605	1,879,188	211,417	450,000	9,535	440,465
(2,090,605)	1,181,342	3,271,947	(450,000)	88,448	538,448
	(200,000)	(200,000)			
	(200,000)	(200,000)			
(2,090,605)	981,342	3,071,947	(450,000)	88,448	538,448
	537,235	537,235		474,139	474,139
	9,737	9,737			
\$ (2,090,605)	\$ 1,528,314	\$ 3,618,919	\$ (450,000)	\$ 562,587	\$ 1,012,587

(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, 2022

	Community School		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 343,573	\$ 343,573
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		<u>343,573</u>	<u>343,573</u>
Expenditures:			
Current -			
Instruction			
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services		4,307	(4,307)
Operation of non-instructional services	325,000	150,724	174,276
Capital outlay			
Total expenditures	<u>325,000</u>	<u>155,031</u>	<u>169,969</u>
Excess (deficiency) of revenues over expenditures	<u>(325,000)</u>	<u>188,542</u>	<u>513,542</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>(325,000)</u>	<u>188,542</u>	<u>513,542</u>
Fund balances (deficits), beginning of year		15,898	15,898
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	<u>\$ (325,000)</u>	<u>\$ 204,440</u>	<u>\$ 529,440</u>

Auxiliary Operations			Extracurricular Activities Fees Tax Credit		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 370,232	\$ 370,232	\$	\$ 76,973	\$ 76,973
	<u>370,232</u>	<u>370,232</u>		<u>76,973</u>	<u>76,973</u>
425,000	244,727	180,273	130,000	74,650	55,350
	14,539	(14,539)			
	23,614	(23,614)			
	22,285	(22,285)			
	<u>4,959</u>	<u>(4,959)</u>		<u>6,129</u>	<u>(6,129)</u>
<u>425,000</u>	<u>310,124</u>	<u>114,876</u>	<u>130,000</u>	<u>80,779</u>	<u>49,221</u>
<u>(425,000)</u>	<u>60,108</u>	<u>485,108</u>	<u>(130,000)</u>	<u>(3,806)</u>	<u>126,194</u>
<u>(425,000)</u>	<u>60,108</u>	<u>485,108</u>	<u>(130,000)</u>	<u>(3,806)</u>	<u>126,194</u>
	146,001	146,001		224,597	224,597
<u>\$ (425,000)</u>	<u>\$ 206,109</u>	<u>\$ 631,109</u>	<u>\$ (130,000)</u>	<u>\$ 220,791</u>	<u>\$ 350,791</u>

(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, 2022

	Gifts and Donations		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 161,062	\$ 161,062
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		161,062	161,062
Expenditures:			
Current -			
Instruction		10,623	(10,623)
Support services - students and staff		1,054	(1,054)
Support services - administration		3,585	(3,585)
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay	125,000	496,208	(371,208)
Total expenditures	125,000	511,470	(386,470)
Excess (deficiency) of revenues over expenditures	(125,000)	(350,408)	(225,408)
Other financing sources (uses):			
Transfer in			
Transfer out			
Proceeds from sale of capital assets			
Total other financing sources (uses)			
Changes in fund balances	(125,000)	(350,408)	(225,408)
Fund balances (deficits), beginning of year		668,812	668,812
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	\$ (125,000)	\$ 318,404	\$ 443,404

Fingerprint			Insurance Proceeds		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$ 5,559	\$ 5,559
				5,559	5,559
6,000		6,000			
6,000		6,000	60,000	6,534	53,466
			60,000	6,534	53,466
(6,000)		6,000	(60,000)	(975)	59,025
(6,000)		6,000	(60,000)	(975)	59,025
				46,365	46,365
\$ (6,000)	\$	\$ 6,000	\$ (60,000)	\$ 45,390	\$ 105,390

(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, 2022

	Textbooks		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 257	\$ 257
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		<u>257</u>	<u>257</u>
Expenditures:			
Current -			
Instruction	2,040		2,040
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>2,040</u>		<u>2,040</u>
Excess (deficiency) of revenues over expenditures	<u>(2,040)</u>	<u>257</u>	<u>2,297</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>(2,040)</u>	<u>257</u>	<u>2,297</u>
Fund balances (deficits), beginning of year		759	759
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	<u>\$ (2,040)</u>	<u>\$ 1,016</u>	<u>\$ 3,056</u>

Litigation Recovery			Indirect Costs		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 9	\$ 9	\$	\$ 1,175	\$ 1,175
	9	9		1,175	1,175
25,000		25,000			
			250,000	84,459	165,541
25,000		25,000	250,000	84,459	165,541
(25,000)	9	25,009	(250,000)	(83,284)	166,716
				292,320	292,320
				292,320	292,320
(25,000)	9	25,009	(250,000)	209,036	459,036
	777	777		288,353	288,353
\$ (25,000)	\$ 786	\$ 25,786	\$ (250,000)	\$ 497,389	\$ 747,389

(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, 2022

	Student Activities		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 28,807	\$ 28,807
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		<u>28,807</u>	<u>28,807</u>
Expenditures:			
Current -			
Instruction	120,000	34,097	85,903
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services		9,225	(9,225)
Operation of non-instructional services			
Capital outlay		2,737	(2,737)
Total expenditures	<u>120,000</u>	<u>46,059</u>	<u>73,941</u>
Excess (deficiency) of revenues over expenditures	<u>(120,000)</u>	<u>(17,252)</u>	<u>102,748</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>(17,252)</u>	<u>102,748</u>
Fund balances (deficits), beginning of year		66,392	66,392
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	<u>\$ (120,000)</u>	<u>\$ 49,140</u>	<u>\$ 169,140</u>

Totals		
Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 1,169,787	\$ 1,169,787
	3,177,437	3,177,437
	6,380,251	6,380,251
	<u>10,727,475</u>	<u>10,727,475</u>
12,063,274	4,560,335	7,502,939
249,038	874,853	(625,815)
250,000	243,364	6,636
450,000	37,582	412,418
	47,521	(47,521)
2,415,605	2,136,866	278,739
735,000	1,307,506	(572,506)
<u>16,162,917</u>	<u>9,208,027</u>	<u>6,954,890</u>
<u>(16,162,917)</u>	<u>1,519,448</u>	<u>17,682,365</u>
	292,320	292,320
	(292,320)	(292,320)
	11,424	11,424
	<u>11,424</u>	<u>11,424</u>
<u>(16,162,917)</u>	<u>1,530,872</u>	<u>17,693,789</u>
	4,062,904	4,062,904
	9,737	9,737
<u>\$ (16,162,917)</u>	<u>\$ 5,603,513</u>	<u>\$ 21,766,430</u>

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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, 2022

	Debt Service		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 1,464	\$ 1,464
Property taxes		4,135,585	4,135,585
Total revenues		<u>4,137,049</u>	<u>4,137,049</u>
Expenditures:			
Debt service -			
Principal retirement	2,500,000	2,500,000	
Interest and fiscal charges	1,353,874	1,776,396	(422,522)
Total expenditures	<u>3,853,874</u>	<u>4,276,396</u>	<u>(422,522)</u>
Excess (deficiency) of revenues over expenditures	<u>(3,853,874)</u>	<u>(139,347)</u>	<u>3,714,527</u>
Other financing sources (uses):			
Transfer in		94,271	94,271
Total other financing sources (uses)		<u>94,271</u>	<u>94,271</u>
Changes in fund balances	<u>(3,853,874)</u>	<u>(45,076)</u>	<u>3,808,798</u>
Fund balances, beginning of year		265,634	265,634
Fund balances (deficits), end of year	<u>\$ (3,853,874)</u>	<u>\$ 220,558</u>	<u>\$ 4,074,432</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.

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 - NON-MAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2022

	<u>Unrestricted Capital Outlay</u>	<u>Adjacent Ways</u>	<u>Building Renewal Grant</u>
<u>ASSETS</u>			
Cash and investments	\$ 724,697	\$ 152,066	\$
Due from governmental entities	389,934		900
Total assets	<u><u>\$ 1,114,631</u></u>	<u><u>\$ 152,066</u></u>	<u><u>\$ 900</u></u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 68,180	\$	\$
Due to other funds			900
Total liabilities	<u>68,180</u>		<u>900</u>
Fund balances:			
Restricted	1,046,451	152,066	
Total fund balances	<u>1,046,451</u>	<u>152,066</u>	
Total liabilities and fund balances	<u><u>\$ 1,114,631</u></u>	<u><u>\$ 152,066</u></u>	<u><u>\$ 900</u></u>

Totals	
\$	876,763
	390,834
\$	<u>1,267,597</u>

\$	68,180
	900
	<u>69,080</u>

	<u>1,198,517</u>
	<u>1,198,517</u>
\$	<u>1,267,597</u>

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2022

	Unrestricted Capital Outlay	Adjacent Ways	Building Renewal Grant
Revenues:			
Other local	\$ 166,030	\$ 822	\$
Property taxes	366,233	625,001	
State aid and grants	891,268		454,189
Total revenues	<u>1,423,531</u>	<u>625,823</u>	<u>454,189</u>
Expenditures:			
Capital outlay	<u>1,037,295</u>	<u>775,260</u>	<u>452,589</u>
Total expenditures	<u>1,037,295</u>	<u>775,260</u>	<u>452,589</u>
Changes in fund balances	<u>386,236</u>	<u>(149,437)</u>	<u>1,600</u>
Fund balances (deficits), beginning of year	660,215	301,503	(1,600)
Fund balances, end of year	<u><u>\$ 1,046,451</u></u>	<u><u>\$ 152,066</u></u>	<u><u>\$</u></u>

Totals	
\$	166,852
	991,234
	1,345,457
	<u>2,503,543</u>
	<u>2,265,144</u>
	<u>2,265,144</u>
	<u>238,399</u>
	960,118
\$	<u>1,198,517</u>
	<u>1,198,517</u>

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, 2022

	Unrestricted Capital Outlay		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 166,030	\$ 166,030
Property taxes		366,233	366,233
State aid and grants		891,268	891,268
Total revenues		<u>1,423,531</u>	<u>1,423,531</u>
Expenditures:			
Capital outlay	2,083,504	1,037,295	1,046,209
Debt service - Bond issuance costs			
Total expenditures	<u>2,083,504</u>	<u>1,037,295</u>	<u>1,046,209</u>
Excess (deficiency) of revenues over expenditures	<u>(2,083,504)</u>	<u>386,236</u>	<u>2,469,740</u>
Other financing sources (uses):			
Transfer out			
Issuance of school improvement bonds			
Premium on sale of bonds			
Total other financing sources (uses)			
Changes in fund balances	<u>(2,083,504)</u>	<u>386,236</u>	<u>2,469,740</u>
Fund balances (deficits), beginning of year		660,215	660,215
Fund balances (deficits), end of year	<u>\$ (2,083,504)</u>	<u>\$ 1,046,451</u>	<u>\$ 3,129,955</u>

Adjacent Ways			Bond Building		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 822 625,001	\$ 822 625,001	\$	\$ 94,271	\$ 94,271
	625,823	625,823		94,271	94,271
825,000	775,260	49,740	20,216,576	7,354,582	12,861,994
825,000	775,260	49,740	20,216,576	170,752 7,525,334	(170,752) 12,691,242
(825,000)	(149,437)	675,563	(20,216,576)	(7,431,063)	12,785,513
				(94,271) 5,570,000 954,332 6,430,061	(94,271) 5,570,000 954,332 6,430,061
(825,000)	(149,437)	675,563	(20,216,576)	(1,001,002)	19,215,574
	301,503	301,503		13,826,576	13,826,576
\$ (825,000)	\$ 152,066	\$ 977,066	\$ (20,216,576)	\$ 12,825,574	\$ 33,042,150

(Continued)

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, 2022

	Gifts and Donations - Capital		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
Property taxes			
State aid and grants			
Total revenues			
Expenditures:			
Capital outlay	30,000		30,000
Debt service -			
Bond issuance costs			
Total expenditures	30,000		30,000
Excess (deficiency) of revenues over expenditures	(30,000)		30,000
Other financing sources (uses):			
Transfer out			
Issuance of school improvement bonds			
Premium on sale of bonds			
Total other financing sources (uses)			
Changes in fund balances	(30,000)		30,000
Fund balances (deficits), beginning of year			
Fund balances (deficits), end of year	\$ (30,000)	\$	\$ 30,000

Building Renewal Grant			New School Facilities		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	454,189	454,189		10,167,027	10,167,027
	454,189	454,189		10,167,027	10,167,027
1,046,000	452,589	593,411	10,727,309	10,119,935	607,374
1,046,000	452,589	593,411	10,727,309	10,119,935	607,374
(1,046,000)	1,600	1,047,600	(10,727,309)	47,092	10,774,401
(1,046,000)	1,600	1,047,600	(10,727,309)	47,092	10,774,401
	(1,600)	(1,600)		(10,120,100)	(10,120,100)
\$ (1,046,000)	\$	\$ 1,046,000	\$ (10,727,309)	\$ (10,073,008)	\$ 654,301

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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, 2022

	Totals		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 261,123	\$ 261,123
Property taxes		991,234	991,234
State aid and grants		11,512,484	11,512,484
Total revenues		<u>12,764,841</u>	<u>12,764,841</u>
Expenditures:			
Capital outlay	34,928,389	19,739,661	15,188,728
Debt service -			
Bond issuance costs		170,752	(170,752)
Total expenditures	<u>34,928,389</u>	<u>19,910,413</u>	<u>15,017,976</u>
Excess (deficiency) of revenues over expenditures	<u>(34,928,389)</u>	<u>(7,145,572)</u>	<u>27,782,817</u>
Other financing sources (uses):			
Transfer out		(94,271)	(94,271)
Issuance of school improvement bonds		5,570,000	5,570,000
Premium on sale of bonds		954,332	954,332
Total other financing sources (uses)		<u>6,430,061</u>	<u>6,430,061</u>
Changes in fund balances	<u>(34,928,389)</u>	<u>(715,511)</u>	<u>34,212,878</u>
Fund balances (deficits), beginning of year		4,666,594	4,666,594
Fund balances (deficits), end of year	<u>\$ (34,928,389)</u>	<u>\$ 3,951,083</u>	<u>\$ 38,879,472</u>

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>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Net Position:					
Net investment in capital assets	\$ 50,821,915	\$ 41,777,074	\$ 31,262,062	\$ 31,553,422	\$ 30,083,026
Restricted	5,347,235	3,310,133	2,507,431	2,246,534	2,158,400
Unrestricted	(9,886,956)	(11,234,361)	(10,506,230)	(10,895,613)	(13,836,094)
Total net position	<u>\$ 46,282,194</u>	<u>\$ 33,852,846</u>	<u>\$ 23,263,263</u>	<u>\$ 22,904,343</u>	<u>\$ 18,405,332</u>
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Net Position:					
Net investment in capital assets	\$ 29,406,670	\$ 29,153,698	\$ 28,563,571	\$ 28,840,906	\$ 29,250,754
Restricted	2,459,346	2,673,769	3,259,355	3,433,081	3,188,755
Unrestricted	(14,994,467)	(17,189,897)	(17,450,800)	3,853,082	4,065,345
Total net position	<u>\$ 16,871,549</u>	<u>\$ 14,637,570</u>	<u>\$ 14,372,126</u>	<u>\$ 36,127,069</u>	<u>\$ 36,504,854</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>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Expenses					
Instruction	\$ 25,474,660	\$ 20,883,041	\$ 19,645,988	\$ 16,642,530	\$ 14,991,968
Support services - students and staff	4,264,625	3,694,750	3,134,991	2,850,566	2,442,600
Support services - administration	4,741,320	3,994,215	3,493,681	2,886,701	2,869,447
Operation and maintenance of plant services	3,096,202	2,889,326	2,536,672	2,470,401	2,367,450
Student transportation services	2,582,809	1,880,931	1,766,002	1,981,666	1,999,609
Operation of non-instructional services	2,331,015	1,679,458	1,946,430	1,885,046	1,869,766
Interest on long-term debt	1,489,320	1,172,350	495,636	525,336	564,722
Total expenses	<u>43,979,951</u>	<u>36,194,071</u>	<u>33,019,400</u>	<u>29,242,246</u>	<u>27,105,562</u>
Program Revenues					
Charges for services:					
Instruction	53,526	230,358	117,478	356,656	345,685
Operation of non-instructional services	779,334	77,401	637,112	730,387	698,144
Other activities	86,147	50,912	85,492	68,966	85,655
Operating grants and contributions	6,109,462	4,915,019	3,235,916	2,844,459	2,321,562
Capital grants and contributions	11,182,629	10,633,522	436,766	1,989,364	1,634,345
Total program revenues	<u>18,211,098</u>	<u>15,907,212</u>	<u>4,512,764</u>	<u>5,989,832</u>	<u>5,085,391</u>
Net (Expense)/Revenue	<u><u>\$ (25,768,853)</u></u>	<u><u>\$ (20,286,859)</u></u>	<u><u>\$ (28,506,636)</u></u>	<u><u>\$ (23,252,414)</u></u>	<u><u>\$ (22,020,171)</u></u>

(Continued)

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Expenses					
Instruction	\$ 14,078,456	\$ 13,684,751	\$ 15,459,914	\$ 14,404,498	\$ 13,073,980
Support services - students and staff	2,338,204	2,340,161	2,629,217	2,611,092	2,446,468
Support services - administration	2,592,285	2,502,584	2,477,730	2,351,699	2,013,750
Operation and maintenance of plant services	2,306,808	2,131,655	2,035,983	2,204,599	1,910,020
Student transportation services	1,585,990	1,617,307	1,609,244	1,448,404	1,319,489
Operation of non-instructional services	1,816,234	1,657,404	1,462,727	1,471,056	1,364,627
Interest on long-term debt	565,558	665,594	618,213	361,891	389,262
Total expenses	<u>25,283,535</u>	<u>24,599,456</u>	<u>26,293,028</u>	<u>24,853,239</u>	<u>22,517,596</u>
Program Revenues					
Charges for services:					
Instruction	166,468	211,301	173,938	327,917	150,815
Operation of non-instructional services	611,757	586,253	620,953	595,648	577,067
Other activities	44,832	68,129	63,652	67,416	37,958
Operating grants and contributions	2,738,604	2,296,530	2,233,679	2,464,646	2,095,230
Capital grants and contributions	816,878	264,713	900,000		4,422
Total program revenues	<u>4,378,539</u>	<u>3,426,926</u>	<u>3,992,222</u>	<u>3,455,627</u>	<u>2,865,492</u>
Net (Expense)/Revenue	<u>\$ (20,904,996)</u>	<u>\$ (21,172,530)</u>	<u>\$ (22,300,806)</u>	<u>\$ (21,397,612)</u>	<u>\$ (19,652,104)</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>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Net (Expense)/Revenue	\$ (25,768,853)	\$ (20,286,859)	\$ (28,506,636)	\$ (23,252,414)	\$ (22,020,171)
General Revenues:					
Taxes:					
Property taxes, levied for general purposes	7,076,128	4,823,775	5,745,942	5,447,161	5,157,365
Property taxes, levied for debt service	4,138,328	3,659,730	1,749,808	1,811,520	1,987,564
Property taxes, levied for capital outlay	991,234	1,701,602	121	131,177	
Investment income	129,178	245,689	153,003	121,198	73,511
Unrestricted county aid	1,906,757	1,635,543	1,557,171	1,505,412	1,390,933
Unrestricted state aid	23,738,784	18,642,571	19,344,125	17,278,217	14,817,130
Unrestricted federal aid	217,792	167,532	133,934	86,238	124,079
Total general revenues	<u>38,198,201</u>	<u>30,876,442</u>	<u>28,684,104</u>	<u>26,380,923</u>	<u>23,550,582</u>
Changes in Net Position	<u>\$ 12,429,348</u>	<u>\$ 10,589,583</u>	<u>\$ 177,468</u>	<u>\$ 3,128,509</u>	<u>\$ 1,530,411</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>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Net (Expense)/Revenue	\$ (20,904,996)	\$ (21,172,530)	\$ (22,300,806)	\$ (21,397,612)	\$ (19,652,104)
General Revenues:					
Taxes:					
Property taxes, levied for general purposes	4,568,024	5,443,493	5,200,342	3,587,182	4,510,532
Property taxes, levied for debt service	2,046,136	1,832,253	1,809,762	1,139,311	1,117,231
Property taxes, levied for capital outlay	288,019	5,855	556,914	252,695	
Investment income	47,944	36,774	54,862	17,409	29,722
Unrestricted county aid	1,328,983	1,196,593	1,327,338	1,305,396	1,107,370
Unrestricted state aid	14,809,819	12,741,901	14,111,398	14,572,046	11,890,131
Unrestricted federal aid	50,050	181,105	190,393	145,788	148,464
Total general revenues	<u>23,138,975</u>	<u>21,437,974</u>	<u>23,251,009</u>	<u>21,019,827</u>	<u>18,803,450</u>
Changes in Net Position	<u>\$ 2,233,979</u>	<u>\$ 265,444</u>	<u>\$ 950,203</u>	<u>\$ (377,785)</u>	<u>\$ (848,654)</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>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
General Fund:					
Nondisposable	\$ 1,760,054	\$ 1,739,031	\$ 1,721,525	\$ 1,551,972	\$ 648
Unassigned	6,678,305	5,687,671	5,496,853	4,557,234	4,342,425
Total General Fund	<u>\$ 8,438,359</u>	<u>\$ 7,426,702</u>	<u>\$ 7,218,378</u>	<u>\$ 6,109,206</u>	<u>\$ 4,343,073</u>
All Other Governmental Funds:					
Nondisposable	\$ 22,091	\$ 12,354	\$	\$	\$
Restricted	18,119,724	17,096,104	24,531,471	2,223,533	2,339,340
Unassigned	(10,681,115)	(10,549,000)	(225,683)	(188,730)	(466,183)
Total all other governmental funds	<u>\$ 7,460,700</u>	<u>\$ 6,559,458</u>	<u>\$ 24,305,788</u>	<u>\$ 2,034,803</u>	<u>\$ 1,873,157</u>

(Continued)

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
General Fund:					
Nondisposable	\$ 579,228	\$	\$ 188,411	\$	\$
Unassigned	4,125,298	3,758,292	3,332,181	2,486,099	2,702,598
Total General Fund	<u>\$ 4,704,526</u>	<u>\$ 3,758,292</u>	<u>\$ 3,520,592</u>	<u>\$ 2,486,099</u>	<u>\$ 2,702,598</u>
All Other Governmental Funds:					
Nondisposable	\$ 29,322	\$	\$	\$	\$
Restricted	\$ 4,301,266	\$ 2,865,023	\$ 4,337,493	\$ 3,399,302	\$ 3,145,608
Unassigned	(18,450)	(59,360)	(716)		
Total all other governmental funds	<u>\$ 4,312,138</u>	<u>\$ 2,805,663</u>	<u>\$ 4,336,777</u>	<u>\$ 3,399,302</u>	<u>\$ 3,145,608</u>

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

(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>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Federal sources:					
Federal grants	\$ 3,393,797	\$ 3,372,250	\$ 1,644,010	\$ 1,435,086	\$ 1,625,803
National School Lunch Program	2,986,454	1,221,097	1,339,367	1,157,004	1,093,833
Total federal sources	<u>6,380,251</u>	<u>4,593,347</u>	<u>2,983,377</u>	<u>2,592,090</u>	<u>2,719,636</u>
State sources:					
State equalization assistance	20,617,035	16,713,086	17,323,678	15,380,789	13,081,504
State grants	55,688	1,274	128,424	6,921	8,781
School Facilities Board	10,621,216	513,422	85,719	2,303,522	1,020,285
Other revenues	3,121,749	1,929,485	2,020,447	1,897,428	1,735,626
Total state sources	<u>34,415,688</u>	<u>19,157,267</u>	<u>19,558,268</u>	<u>19,588,660</u>	<u>15,846,196</u>
Local sources:					
Property taxes	12,265,230	10,280,351	7,688,645	7,499,038	7,200,398
County aid	1,906,757	1,635,543	1,557,171	1,505,412	1,390,933
Food service sales	67,210	41,892	337,647	422,862	366,048
Investment income	129,178	246,576	153,003	121,198	73,511
Other revenues	1,071,541	598,980	1,055,259	945,892	845,377
Total local sources	<u>15,439,916</u>	<u>12,803,342</u>	<u>10,791,725</u>	<u>10,494,402</u>	<u>9,876,267</u>
Total revenues	<u><u>\$ 56,235,855</u></u>	<u><u>\$ 36,553,956</u></u>	<u><u>\$ 33,333,370</u></u>	<u><u>\$ 32,675,152</u></u>	<u><u>\$ 28,442,099</u></u>

(Continued)

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Federal sources:					
Federal grants	\$ 1,247,220	\$ 1,194,039	\$ 1,229,560	\$ 1,143,409	\$ 1,074,355
State Fiscal Stabilization (ARRA)					
Education Jobs					
National School Lunch Program	1,160,726	1,138,354	1,002,165	1,024,363	906,669
Total federal sources	<u>2,407,946</u>	<u>2,332,393</u>	<u>2,231,725</u>	<u>2,167,772</u>	<u>1,981,024</u>
State sources:					
State equalization assistance	13,432,713	11,414,115	12,866,392	13,166,249	10,896,498
State grants	102,676	94,964	104,753	155,933	186,395
School Facilities Board	777,926	81,170			7,399
Other revenues	1,377,106	1,327,786	1,245,006	1,405,797	986,234
Total state sources	<u>15,690,421</u>	<u>12,918,035</u>	<u>14,216,151</u>	<u>14,727,979</u>	<u>12,076,526</u>
Local sources:					
Property taxes	6,877,415	7,511,374	7,529,571	5,022,991	5,575,310
County aid	1,328,983	1,196,593	1,327,338	1,305,396	1,107,370
Food service sales	346,714	295,541	300,046	308,722	311,076
Investment income	47,944	36,774	54,862	17,409	29,722
Other revenues	601,235	744,603	646,091	968,988	535,461
Total local sources	<u>9,202,291</u>	<u>9,784,885</u>	<u>9,857,908</u>	<u>7,623,506</u>	<u>7,558,939</u>
Total revenues	<u>\$ 27,300,658</u>	<u>\$ 25,035,313</u>	<u>\$ 26,305,784</u>	<u>\$ 24,519,257</u>	<u>\$ 21,616,489</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>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Expenditures:					
Current -					
Instruction	\$ 20,363,183	\$ 17,191,748	\$ 17,069,230	\$ 16,868,786	\$ 13,834,842
Support services - students and staff	4,153,522	3,445,177	3,037,357	3,061,005	2,544,897
Support services - administration	4,079,086	3,351,463	3,238,128	2,951,777	2,737,255
Operation and maintenance of plant services	2,838,730	2,699,869	2,429,113	2,448,127	2,022,768
Student transportation services	1,781,881	1,257,821	1,521,631	1,729,604	1,558,099
Operation of non-instructional services	2,178,755	1,535,866	1,873,654	1,875,798	1,835,670
Capital outlay	21,047,167	28,694,371	2,319,345	2,965,939	3,895,456
Debt service -					
Interest and fiscal charges	1,776,396	1,564,157	532,476	567,725	607,111
Principal retirement	2,500,000	2,095,000	1,295,000	1,215,000	1,613,694
Bond issuance costs	170,752	180,992	400,258		
Total expenditures	<u><u>\$ 60,889,472</u></u>	<u><u>\$ 62,016,464</u></u>	<u><u>\$ 33,716,192</u></u>	<u><u>\$ 33,683,761</u></u>	<u><u>\$ 30,649,792</u></u>
 Expenditures for capitalized assets	 \$ 17,789,361	 \$ 26,879,620	 \$ 1,654,604	 \$ 1,868,777	 \$ 2,525,588
 Debt service as a percentage of noncapital expenditures	 10%	 10%	 6%	 6%	 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>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Expenditures:					
Current -					
Instruction	\$ 12,745,790	\$ 12,443,802	\$ 13,043,241	\$ 13,080,571	\$ 11,950,937
Support services - students and staff	2,286,364	2,277,933	2,530,307	2,568,727	2,405,877
Support services - administration	2,599,046	2,405,585	2,336,249	2,246,926	1,899,897
Operation and maintenance of plant services	2,436,514	2,091,671	1,966,489	2,169,928	1,885,058
Student transportation services	1,494,453	1,455,681	1,378,478	1,308,717	1,171,444
Operation of non-instructional services	1,843,259	1,639,233	1,421,955	1,457,022	1,348,469
Capital outlay	2,518,973	1,863,911	12,481,139	269,382	3,227,430
Debt service -					
Interest and fiscal charges	607,947	683,858	636,477	361,891	389,262
Principal retirement	1,636,116	1,278,642	1,371,268	1,018,898	900,458
Bond issuance costs	199,578		246,894		
Total expenditures	<u>\$ 28,368,040</u>	<u>\$ 26,140,316</u>	<u>\$ 37,412,497</u>	<u>\$ 24,482,062</u>	<u>\$ 25,178,832</u>
Expenditures for capitalized assets	\$ 1,704,193	\$ 1,577,733	\$ 11,406,220	\$ 52,621	\$ 3,092,507
Debt service as a percentage of noncapital expenditures	8%	8%	8%	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>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Excess (deficiency) of revenues over expenditures	\$ (4,653,617)	\$ (25,462,508)	\$ (382,822)	\$ (1,008,609)	\$ (2,207,693)
Other financing sources (uses):					
General obligation bonds issued	5,570,000	6,890,000	20,465,000		
Premium on sale of bonds	954,332	1,001,417	2,937,983		
Transfers in	386,591	313,431	140,394	64,639	46,036
Transfers out	(386,591)	(313,431)	(140,394)	(64,639)	(46,036)
Insurance recoveries					15,161
Proceeds from sale of capital assets	11,424	3,225			
Total other financing sources (uses)	<u>6,535,756</u>	<u>7,894,642</u>	<u>23,402,983</u>		<u>15,161</u>
Changes in fund balances	<u>\$ 1,882,139</u>	<u>\$ (17,567,866)</u>	<u>\$ 23,020,161</u>	<u>\$ (1,008,609)</u>	<u>\$ (2,192,532)</u>
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Excess (deficiency) of revenues over expenditures	\$ (1,067,382)	\$ (1,105,003)	\$ (11,106,713)	\$ 37,195	\$ (3,562,343)
Other financing sources (uses):					
General obligation bonds issued	2,475,000		12,525,000		
Premium on sale of bonds	722,957		365,270		
Capital lease agreements					302,382
Transfers in	303,896	109,685	240,194	67,895	129,779
Transfers out	(303,896)	(109,685)	(240,194)	(67,895)	(129,779)
Refunding bonds issued	4,455,000				
Payment to refunded bond escrow agent	(4,779,509)				
Insurance recoveries	38,093				
Total other financing sources (uses)	<u>2,911,541</u>		<u>12,890,270</u>		<u>302,382</u>
Changes in fund balances	<u>\$ 1,844,159</u>	<u>\$ (1,105,003)</u>	<u>\$ 1,783,557</u>	<u>\$ 37,195</u>	<u>\$ (3,259,961)</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>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Commercial, Industrial, Utilities and Mining	\$ 35,630,453	\$ 33,492,958	\$ 34,768,788	\$ 30,357,815	\$ 28,258,807
Agricultural and Vacant	36,661,948	37,028,494	37,717,375	33,261,562	35,730,684
Residential (Owner Occupied)	210,383,280	179,606,914	153,620,716	134,062,575	118,844,833
Residential (Rental)	57,090,404	54,314,293	50,078,810	44,395,936	42,770,142
Railroad, Private Cars and Airlines	783,938	694,947	707,642	733,029	751,761
Certain Government Property Improvements	104,905	99,910	95,152	90,621	86,306
Total	<u>\$ 340,654,928</u>	<u>\$ 305,237,516</u>	<u>\$ 276,988,483</u>	<u>\$ 242,901,538</u>	<u>\$ 226,442,533</u>
Gross Full Cash Value	\$ 4,908,101,774	\$ 4,270,014,020	\$ 2,753,303,739	\$ 3,280,137,487	\$ 3,046,163,521
Ratio of Net Limited Assessed Value to Gross Full Cash Value	7%	7%	10%	7%	7%
Total Direct Rate	4.12	3.93	3.34	3.54	3.72

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Commercial, Industrial, Utilities and Mining	\$ 27,174,893	\$ 26,973,496	\$ 25,621,205	\$ 24,778,956	\$ 25,160,981
Agricultural and Vacant	32,286,547	34,925,496	35,104,120	40,142,791	46,429,446
Residential (Owner Occupied)	104,946,888	94,053,403	86,634,043	79,833,152	93,611,137
Residential (Rental)	41,647,402	40,562,967	34,209,353	25,565,807	12,167,975
Railroad, Private Cars and Airlines	683,677	719,103	755,119	644,443	616,341
Total	<u>\$ 206,821,603</u>	<u>\$ 197,234,465</u>	<u>\$ 182,323,840</u>	<u>\$ 170,965,149</u>	<u>\$ 177,985,880</u>
Gross Full Cash Value	\$ 2,613,599,435	\$ 2,287,258,202	\$ 1,897,740,811	\$ 1,651,731,663	\$ 1,700,703,026
Ratio of Net Limited Assessed Value to Gross Full Cash Value	8%	9%	10%	10%	10%
Total Direct Rate	3.79	4.28	4.50	3.46	3.54

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>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Commercial, Industrial, Utilities and Mining	\$ 41,470,499	\$ 38,215,115	\$ 39,045,942	\$ 34,237,900	\$ 31,441,840
Agricultural and Vacant	78,290,213	71,191,521	70,198,835	61,173,906	65,225,621
Residential (Owner Occupied)	290,690,277	242,983,049	200,376,236	170,818,944	151,030,248
Residential (Rental)	77,483,788	71,785,871	63,987,832	55,541,788	53,528,126
Railroad, Private Cars and Airlines	1,010,038	874,381	869,212	878,794	871,533
Certain Government Property Improvements	142,888	132,790	124,295.00	123,503	119,442
Total	<u>\$ 489,087,703</u>	<u>\$ 425,182,727</u>	<u>\$ 374,602,352</u>	<u>\$ 322,774,835</u>	<u>\$ 302,216,810</u>
Gross Full Cash Value	\$ 4,908,101,774	\$ 4,270,014,020	\$ 2,753,303,739	\$ 3,280,137,487	\$ 3,046,163,521
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	10%	10%	14%	10%	10%
Estimated Net Full Cash Value	\$ 4,308,167,728	\$ 3,721,503,860	\$ 2,383,366,714	\$ 2,764,343,740	\$ 2,568,526,897
Total Direct Rate	4.12	3.93	3.34	3.54	3.72

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Commercial, Industrial, Utilities and Mining	\$ 28,851,789	\$ 27,381,765	\$ 25,757,638	\$ 24,818,644	\$ 25,188,844
Agricultural and Vacant	50,379,599	44,866,664	37,510,025	41,737,178	47,906,892
Residential (Owner Occupied)	129,065,870	114,320,834	94,200,096	80,015,764	93,842,229
Residential (Rental)	50,440,099	48,358,725	37,144,643	25,694,442	12,207,904
Railroad, Private Cars and Airlines	729,776	732,164	761,747	650,155	627,233
Total	<u>\$ 259,575,863</u>	<u>\$ 235,660,152</u>	<u>\$ 195,374,149</u>	<u>\$ 172,916,183</u>	<u>\$ 179,773,102</u>
Gross Full Cash Value	\$ 2,613,599,435	\$ 2,287,258,202	\$ 1,897,740,811	\$ 1,651,731,663	\$ 1,700,703,026
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	10%	10%	10%	10%	11%
Estimated Net Full Cash Value	\$ 2,218,822,904	\$ 1,980,560,737	\$ 1,618,695,731	\$ 1,388,100,174	\$ 1,430,189,455
Total Direct Rate	3.79	4.28	4.50	3.46	3.54

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>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Commercial, Industrial, Utilities and Mining	18 %	18 %	18 %	18 %	18 %
Agricultural and Vacant	15	15	15	15	15
Residential (Owner Occupied)	10	10	10	10	10
Residential (Rental)	10	10	10	10	10
Railroad, Private Cars and Airlines	15	15	15	14	15

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Commercial, Industrial, Utilities and Mining	18 %	19 %	19 %	20 %	20 %
Agricultural and Vacant	15	16	16	16	16
Residential (Owner Occupied)	10	10	10	10	10
Residential (Rental)	10	10	10	10	10
Railroad, Private Cars and Airlines	14	15	16	15	15

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 District	Control District	Arizona Water	City of Avondale	City of Goodyear	City of Buckeye	District No. 201	Primary	Secondary	Total
2022	0.43	1.35	1.23	0.18	0.14	1.42	1.74	1.77	3.08	2.29	1.83	4.12
2021	0.44	1.40	1.29	0.18	0.14	1.42	1.73	1.79	3.17	2.00	1.93	3.93
2020	0.46	1.40	1.33	0.18	0.14	1.65	1.73	1.80	3.33	1.98	1.36	3.34
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	3.72
2017	0.50	1.40	1.47	0.18	0.14	1.70	1.86	1.80	3.22	2.00	1.80	3.79
2016	0.51	1.36	1.49	0.16	0.14	1.75	1.87	1.80	3.34	2.55	1.72	4.28
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

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	2022		2013	
	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	\$ 12,133,337	3.56 %	\$ 8,329,739	4.68 %
Southwest Gas Corporation (T&D)	2,777,699	0.82	1,299,297	0.73
NNP III EMR 3 LLC	2,690,678	0.79	1,530,679	0.86
NNP III-Estrella Mountain Ranch LLC	2,296,692	0.67	3,791,099	2.13
NNP III-Estrella Mountain Ranch LLC	2,125,769	0.62		
NNP III EMR 4 LLC	2,012,132	0.59	1,601,873	0.90
Arroyo Cap II-2 LLC	1,747,304	0.51		
Huhtamaki Inc	1,583,013	0.46		
Banner Health	1,523,875	0.45		
El Paso Natural Gas Company	1,409,661	0.41		
Nevada Holding Company			2,118,032	1.19
Kdcnc LLC			1,868,852	1.05
Transwestern Pipeline Company LLC			1,317,096	0.74
DMB White Tank LLC			1,210,304	0.68
He Capital Kr LLC			1,174,707	0.66
Total	<u>\$ 30,300,160</u>	<u>8.89 %</u>	<u>\$ 24,241,677</u>	<u>13.62 %</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
2022	\$ 14,108,347	\$ 13,334,307	94.51 %	\$	\$ 13,334,307	94.51 %
2021	11,994,810	11,365,283	94.75	625,153	11,990,436	99.96
2020	9,106,441	8,554,732	93.94	547,960	9,102,692	99.96
2019	8,645,533	8,139,963	94.15	503,689	8,643,652	99.98
2018	8,443,843	7,859,966	93.09	581,618	8,441,584	99.97
2017	7,842,047	6,723,526	85.74	1,116,919	7,840,445	99.98
2016	8,391,896	8,178,369	97.46	211,860	8,390,229	99.98
2015	8,397,021	7,987,636	95.12	408,259	8,395,895	99.99
2014	5,921,716	5,499,209	92.87	421,661	5,920,870	99.99
2013	6,328,989	5,909,754	93.38	418,848	6,328,602	99.99

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			
	General Obligation Bonds	Less: Amounts Restricted for Principal	Total	Percentage of Estimated Actual Value	Per Capita	Financed purchases and leases	Total	Percentage of Estimated Actual Value	Per Capita	Percentage of Personal Income
2022	\$	49,676,611	\$ 251,552	\$ 49,425,059	1.01 %	\$ 1,074	\$ 49,676,611	1.01 %	\$ 1,079	18.49 %
2021		45,562,010	293,885	45,268,125	1.06	1,114	45,562,010	1.07	1,121	18.59
2020		39,232,607	108,554	39,124,053	1.42	1,414	39,232,607	1.42	1,418	17.60
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	20,590,349	0.79	829	11.12
2016		18,583,742	128,183	18,455,559	0.81	602	18,708,552	0.82	610	10.12
2015		19,917,006	184,922	19,732,084	1.04	798	20,100,458	1.06	813	11.93
2014		7,845,000	98,748	7,746,252	0.47	387	8,084,720	0.49	404	5.22
2013		8,595,000	99,104	8,495,896	0.50	425	9,053,618	0.53	453	6.14

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

Note: The provisions of the Governmental Accounting Standards Board (GASB) Statement No. 87 were adopted in fiscal year 2022. The standard replaces the previous capital and operating lease designations with financed purchases or leases depending on the substance of the transactions. The fiscal year 2013-2021 information within this column relates to the transactions previously designated as capital leases.

LIBERTY ELEMENTARY SCHOOL DISTRICT NO. 25
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
JUNE 30, 2022

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable to School District	Estimated Amount Applicable to School District
Overlapping:			
Maricopa County Community College District	\$ 184,715,000	0.70 %	\$ 1,293,005
Maricopa County Special Health Care District	640,695,000	0.70	4,484,865
Estrella Mountain Ranch Community Facilities District	10,450,000	99.93	10,442,685
Sundance Community Facilities District	19,570,000	19.26	3,769,182
Verrado District No. 1 Community Facilities District	27,025,000	0.72	194,580
City of Goodyear	134,805,000	17.38	23,429,109
Buckeye Valley Fire District	5,440,000	30.77	1,673,888
Buckeye Union High School District No. 201	68,495,000	38.47	26,350,027
Western Maricopa Education Center No. 402	144,220,000	1.89	2,725,758
Subtotal, Overlapping Debt			<u>74,363,099</u>
Direct:			
Liberty Elementary School District No. 25			<u>49,676,611</u>
Total Direct and Overlapping Debt			<u><u>\$ 124,039,710</u></u>

DIRECT AND OVERLAPPING GENERAL BONDED DEBT RATIOS

Net Direct General Obligation Bonded Debt		
As a Percentage of Net Limited Assessed Valuation	14.51 %	
Net Direct and Overlapping General Bonded Debt		
Per Capita	\$ 2,689	
As a Percentage of Net Limited Assessed Valuation	36.34 %	
As a Percentage of Gross Full Cash Value	2.52 %	

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, 2021 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 2022:

Net full cash assessed valuation	\$ 489,087,703
Debt limit (10% of assessed value)	48,908,770
Debt applicable to limit	48,903,949
Legal debt margin	<u>\$ 4,821</u>

Total Legal Debt Margin Calculation for Fiscal Year 2022:

Net full cash assessed valuation	\$ 489,087,703
Debt limit (15% of assessed value)	73,363,155
Debt applicable to limit	48,903,949
Legal debt margin	<u>\$ 24,459,206</u>

	Fiscal Year Ended June 30				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Debt Limit	\$ 73,363,155	\$ 63,777,409	\$ 53,190,353	\$ 48,416,225	\$ 45,332,522
Total net debt applicable to limit	<u>48,903,949</u>	<u>44,710,000</u>	<u>36,891,410</u>	<u>16,420,000</u>	<u>17,970,000</u>
Legal debt margin	<u>\$ 24,459,206</u>	<u>\$ 19,067,409</u>	<u>\$ 16,298,943</u>	<u>\$ 31,996,225</u>	<u>\$ 27,362,522</u>
Total net debt applicable to the limit as a percentage of debt limit	67%	70%	69%	34%	40%
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Debt Limit	\$ 38,936,379	\$ 35,349,023	\$ 29,306,122	\$ 25,937,427	\$ 26,965,965
Total net debt applicable to limit	<u>19,545,000</u>	<u>18,255,000</u>	<u>19,570,000</u>	<u>7,845,000</u>	<u>8,595,000</u>
Legal debt margin	<u>\$ 19,391,379</u>	<u>\$ 17,094,023</u>	<u>\$ 9,736,122</u>	<u>\$ 18,092,427</u>	<u>\$ 18,370,965</u>
Total net debt applicable to the limit as a percentage of debt limit	50%	52%	67%	30%	32%

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.
- 3) The Class B Bond Legal Limit deficit is offset by cash on hand in the debt service fund of \$3.0 million.

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
2021	4,507,419	\$ 268,713,717	\$ 59,759	4.5 %	46,041
2020	4,420,568	245,077,753	53,521	6.6	40,632
2019	4,367,835	222,943,072	49,704	3.6	27,670
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

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 is the Arizona Office of Employment and Population Statistics. For 2019 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	2022			2013		
	Employees	Percentage of Total Employment		Employees	Percentage of Total Employment	
Banner Health	26,660	1.54	%	25,126	1.47	%
State of Arizona	24,990	1.44		52,076	3.05	
Walmart	20,080	1.16		31,837	1.86	
Frys Food Stores	15,320	0.88				
Maricopa County	13,890	0.80		13,308	0.78	
Wells Fargo	13,170	0.76		13,679	0.80	
City of Phoenix	11,570	0.67		14,983	0.88	
Amazon	11,440	0.66				
Arizona State University	11,360	0.66		12,222	0.71	
Intel Corporation	11,350	0.66		11,000	0.64	
Bank of America				12,500	0.73	
JP Morgan Chase & Co				11,407	0.67	
	159,830	9.23	%	198,138	11.59	
Total employment	1,731,830			1,710,000		

Source: The source of the data is from Maricopa Association of Governments.

Note: The principal employer data is presented for Maricopa County.

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>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Supervisory						
Superintendent		1				
Assistant superintendents		2				
Consultants/supervisors of instruction		5	5	5	4	4
Principals		7	6	6	6	6
Assistant principals		3	2	2		
Total supervisory		<u>18</u>	<u>13</u>	<u>13</u>	<u>10</u>	<u>10</u>
Instruction						
Teachers		245	216	206	200	195
Other professionals (instructional)		36	34	26	25	24
Total instruction		<u>281</u>	<u>250</u>	<u>232</u>	<u>225</u>	<u>219</u>
Student Services						
Nurses		7				
Counselors/Advisors		7				
Librarians		5	4	4	4	2
Technicians		8				
Total student services		<u>27</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>2</u>
Support and Administration						
Service workers		80	42	69	75	66
Other classified		30	34	37	35	37
Total support and administration		<u>110</u>	<u>76</u>	<u>106</u>	<u>110</u>	<u>103</u>
Total		<u><u>436</u></u>	<u><u>343</u></u>	<u><u>355</u></u>	<u><u>349</u></u>	<u><u>334</u></u>

(Continued)

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Supervisory					
Superintendent					
Assistant superintendents					
Consultants/supervisors of instruction	4	3	3	3	1
Principals	6	6	5	5	5
Assistant principals			1	1	1
Total supervisory	<u>10</u>	<u>9</u>	<u>9</u>	<u>9</u>	<u>7</u>
Instruction					
Teachers	167	170	182	187	187
Other professionals (instructional)	26	29	34	49	44
Total instruction	<u>193</u>	<u>199</u>	<u>216</u>	<u>236</u>	<u>231</u>
Student Services					
Nurses					
Counselors/Advisors					
Librarians	2	1	3	3	3
Technicians					
Total student services	<u>2</u>	<u>1</u>	<u>3</u>	<u>3</u>	<u>3</u>
Support and Administration					
Service workers	62	64	56	55	48
Other classified	49	47	45	38	42
Total support and administration	<u>111</u>	<u>111</u>	<u>101</u>	<u>93</u>	<u>90</u>
Total	<u><u>316</u></u>	<u><u>320</u></u>	<u><u>329</u></u>	<u><u>341</u></u>	<u><u>331</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
2022	4,050	\$ 35,395,157	\$ 8,740	1.50 %	\$ 43,979,951	\$ 10,859	2.73 %	281	14.4	35.1 %
2021	3,424	29,481,944	8,610	6.30	36,194,071	10,571	15.28	250	13.7	45.0
2020	3,601	29,169,113	8,100	(3.61)	33,019,400	9,170	7.96	232	15.5	45.0
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

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>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
<u>Schools</u>										
Elementary										
Buildings	39	38	38	38	38	38	38	33	33	32
Square feet	532,467	433,474	433,474	433,474	433,474	433,474	433,474	370,963	370,963	360,304
Capacity	4,913	4,602	4,602	4,602	4,602	4,602	4,602	3,926	3,926	3,851
Enrollment	4,523	3,897	3,899	3,692	3,483	3,486	3,442	3,362	3,357	3,309
<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	6	5	5	5	5	3	2	1	1	1
Baseball/softball	11	11	11	11	11	11	11	10	10	10
Playgrounds	15	14	14	14	14	14	14	12	12	12

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

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