LIBERTY COMMON SCHOOL

FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2021

LIBERTY COMMON SCHOOL
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YEAR ENDED JUNE 30, 2021

INDEPENDENT AUDITORS' REPORT

Board of Directors
Liberty Common School
Fort Collins, Colorado

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Liberty Common School, a component unit of Poudre School District, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the entity's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Liberty Common School as of June 30, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of proportionate share of the net pension liability, schedule of pension contributions and related ratios, schedule of proportionate share of the net OPEB liability, schedule of OPEB contributions and related ratios, and budgetary comparison schedules for the General Fund, Grants Fund, and Liberty Common School Building Corporation to be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Liberty Common School's basic financial statements. The budgetary comparison information for the Athletics Fund and Capital Projects Fund and the combining statements for the nonmajor governmental funds are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Broomfield, Colorado
December 17, 2021

This section of the financial report is a required component of the annual audit for governmental organizations and is intended to help explain the financial activity for the fiscal year ended June 30, 2021, through a brief narrative overview and analysis of financial statements. All interested persons are encouraged to read this report and to review the financial statements in conjunction with the descriptions of activity as highlighted below.

Financial Highlights

- For fiscal year 2021, Liberty Common School (the School) experienced an increase in the general fund balance of $1,896,451.

- For fiscal year 2021, fund balance for the LCS Building Corporation decreased by $214,739.

Overview of Financial Statements

This discussion and analysis is intended to serve as an introduction to Liberty Common School's financial statements. This report generally follows the guidelines as set forth by the Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. This rule was intended to help make reports easier to understand for oversight bodies, in particular the Liberty Common School Board of Directors, and for the general public. The report consists of two parts: Management's Discussion and Analysis (this section) and the Basic Financial Statements. The Basic Financial Statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to financial statements which provide additional and more detailed information.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the School's finances in a manner similar to a private-sector business.

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

The *statement of activities* presents information showing how the School'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 result in cash flows in future fiscal periods.

The government-wide financial statements include not only Liberty Common School itself (known as the *primary government*) but also blended component units of the School. Financial information for LCS Building Corporation (LCSBC), a legally separate organization, is blended with the primary government's financial information. The Core Knowledge Charter School Foundation (the Foundation), also legally separate, is discretely presented in the financial statements. The government-wide financial statements can be found on pages 11-12 of this report.

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. Liberty Common School uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The School reports seven funds, three of which are governmental funds: the general fund, the grants fund, pupil activity fund (Athletics), and capital projects fund. A special revenue fund (LCSBC), and a fiduciary fund, and student activities fund (extra-curricular clubs, etc.) Government 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 focus on *near-term inflows and outflows 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 School's near-term financing requirements.

Because the focus of the 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 for the government'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*.

The School adopts an annual appropriated budget for some of its governmental funds. A budgetary comparison statement has been provided for the general fund, athletics fund and capital projects fund to demonstrate compliance with this budget.

The basic governmental funds financial statements can be found on pages 13-16 of this report.

The fiduciary fund accounts for resources held for student activities. The fiduciary fund is not included in the government-wide financial statements because the resources of this fund are not available to support LCS's own operations.

Fiduciary fund statements can be found on page 17-18 of this report.

Notes to Financial Statements

The notes provide additional information 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 starting on page 19 of this report.

Government-Wide Financial Analysis

The statement of net position may serve over time as a useful indicator of the School's financial position. The School's net position increased $4,645,571 during the fiscal year ending June 30, 2021. Key elements of this increase are as follows:

- Accounts receivable due to year-end activity in the Grants Fund.
- Deferred outflows related to pension & OPEB caused by changes in actuarial calculations.
- Operating grants revenue for COVID-19 funding.
- Decreased student support expenses due to the impacts of COVID-19 on the School's operations.

The School has investments in capital assets (site improvements, instructional equipment, computers, and other equipment) in excess of debt. The School uses its capital assets to provide services to students; consequently, these assets are *not* available for future spending. Approximately $360,000 of net position is restricted to comply with the TABOR amendment. The remaining net position is unrestricted and may be used to meet the School's ongoing obligations.

Table A-1
Condensed Statement of Net Position

	Governmental Activities	
	2021	2020
Currents assets	$ 5,766,128	$ 5,391,636
Cash and investments - restricted	3,091,193	2,970,417
Prepaids and other assets	866,408	162,467
Capital assets	17,691,844	17,462,594
Total assets	27,415,573	25,987,114
Deferred outflows of resources:		
Deferred outflows related to pension & OPEB	6,525,638	2,817,986
Loss deferred on bond refundings	23,438	-
Total assets & deferred outflows of resources	33,964,649	28,805,100
Currents liabilities	1,371,467	1,258,468
Long-term liabilities	33,167,894	30,862,832
Total liabilities	34,539,361	32,121,300
Deferred inflows of resources:		
Deferred inflows related to pension & OPEB	6,728,700	8,632,783
Total liabilities & deferred inflows of resources	41,268,061	40,754,083
Net investment in capital assets	469,404	(128,624)
Restricted for:		
Debt service	2,488,866	2,696,982
Repair & replacement of facility	240,010	240,559
TABOR	357,217	361,519
Unrestricted	(10,858,909)	(15,119,419)
Total net positon	$ (7,303,412)	$ (11,948,983)

Government Activities

Table A-2
Condensed Statement of Activities

	Governmental Activities 2021	Governmental Activities 2020
Revenues:		
Program revenues:		
Charges for services	$ 209,935	$ 239,163
Operating grants and contributions	1,743,307	917,312
Capital grants and contributions	345,828	311,197
General revenues:		
Per pupil operating revenue	8,836,917	9,034,362
Additional At-Risk funding	-	-
Mill levy overrides	2,308,515	2,171,655
Capital construction grant	-	-
Grants & contributions not restricted to specific program	-	-
Unrestricted earnings on investments	28,727	62,591
Other	47,708	7,797
Total revenues	13,520,937	12,744,077
Transfers:	-	-
Expenses:		
Instructional - student support	4,572,238	5,295,159
Other support services	3,472,989	3,340,965
Interest on debt	830,139	843,271
Total expenses	8,875,366	9,479,395
Change in net position	4,645,571	3,264,682
Net position - beginning (restated for 2020)	(11,948,983)	(15,213,665)
Net position - ending	$ (7,303,412)	$ (11,948,983)

Financial Analysis of the Government's Funds

Liberty Common School uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

General Fund

The general fund is used to capture all operating activities of the School. As of the end of the current fiscal year, the School's general fund reported an ending fund balance of $5,579,079. Of this balance, approximately $360,000 is restricted to indicate that it is not available for spending primarily because it is required to be maintained to comply with the TABOR amendment.

Grants Fund

The grants fund is used to account for proceeds of Federal grant revenue that is legally restricted to expenditures for specified purposes. As of the end of the current fiscal year, the School's grants fund reported an ending fund balance of $0.

Nonmajor Governmental Funds

- **Pupil Activities – Special Revenue Fund**

The pupil activities – special revenue fund is used to record all transactions relating to athletics. The athletic participation fees and revenues recorded are used for the expenses of student athletics events and activities.

- **Building Fund**

The building fund is used to record the proceeds and related expenditures from Poudre School District bond allocations. This fund is not to confused with the Liberty Common School Building Corporation, a separate legal entity.

- **Capital Projects Fund**

The capital projects fund is used to account for revenues assigned for ongoing capital needs such as building additions and remodeling and equipment purchases.

Capital Asset and Debt Administration

Liberty Common School's investment in capital assets increased by $229,250.

The School is required to make monthly lease payments to the LCS Building Corporation for the use of its two facilities. The LCS Building Corporation is responsible for making the required loan payments to the Bond Trustee for payment of the bond interest and principal obligations that are due. The details of long-term debt are in Note 4.

Table A-3

	Capital Assets Net of Accumulated Depreciation	
	2021	2020
Governmental Activities		
Equipment	$ 498,133	$ 221,369
Vehicles	128,034	151,812
Buildings	13,894,789	14,404,275
Land	2,443,720	2,443,720
Land improvements	227,067	228,554
Water rights	12,864	12,864
Construction in progress	487,237	-
Net capital assets	17,691,844	17,462,594

** Additional information on capital assets can be found in Note 3 on page 24 of this report*

Long-Term Debt

The School currently has no debt. LCSBC, however, carries total bonded debt outstanding of $17,204,625.

Table A-4
Outstanding Long-Term Debt

	2021	2020	Total Percentage Change
Governmental Activities			
Bonds payable	$ 17,370,000	$ 17,795,000	(0.024)%
Less discount	(165,375)	(172,479)	(0.041)%
Bonds payable	$ 17,204,625	$ 17,622,521	(0.024)%

**Additional information on long-term debt and the related facility lease can be found in Note 4 on page 25 of this report*

COVID-19

During March 2020, the Colorado government enacted a "shelter in place" order and restrictions to travel were initiated by corporations and governments. In March 2020, Liberty Common School complied with public health mandates by canceling in-person instruction and transitioning teachers and students to remote online learning for the remainder of the school year. Administrative functions were able to continue within the remote environment. Liberty Common School invested in technology to facilitate online learning and safety equipment and products to reduce the risk of COVID-19 infection and spread.

At this stage, the impact on Liberty Common School has not been significant and based on our experience to date, we expect this to remain the case. Liberty Common School will continue to follow various government policies and advice and will do our utmost to continue our operations in the best and safest way possible without jeopardizing the health of our community.

Economic Factors and Next Year's Budgets

Elementary School enrollment stays consistent from prior year with full 3-track enrollment for grades K-6th. Future years are projected to sustain full tracks due to a strong lottery list that is cleaned annually.

Upper School enrollment in the 7th and 8th grade increased slightly from prior year, prior year 183 funded pupil count increased to 185 funded pupil count. These grades are at full-enrollment (180 FPC) and are projected to sustain full tracks due to a strong lottery list. High School enrollment (9th through 12th grade) increased enrollment from prior year by 4 FPC.

New students interested in the School are placed on a lottery list that is cleaned annually. 1395 prospective students were on the list as of June 30, 2020. Prospective students on the lottery list include kindergarten students enrolling for fall 2021 through 10th grade students graduating in 2023. The School's governing board will amend the 2021-2022 operating budget and adjust for actual fall enrollment and per pupil operating revenue, in addition to adjusting other categorical expense areas when October count enrollment and funding levels are known. The amended budget process begins in October and the governing budget typically approves the amended budget at the December Board of Director's meeting.

General Fund Budgetary Highlights

The original budget planned for 2020-2021 school year was amended after the October student count date. The final student count of 1,163 students was noted for the year. For the year ended June 30, 2021, the School's budgeted expenditures exceeded actual by $2,263,261. Budgeted revenues exceeded budget by $466,810.

Requests for Information

This financial report is designed to provide a general overview of Liberty Common School's finances for all those with an interest in the School's finances. Questions concerning any of the information provided in this report, or requests for additional financial information should be address to the Chief Operating Officer.

Richard Wrona
Chief Operating Officer
Liberty Common School
1725 Sharp Point Drive
Fort Collins, CO 80525

LIBERTY COMMON SCHOOL
STATEMENT OF NET POSITION
JUNE 30, 2021

	Primary Government Governmental Activities	Component Unit Foundation
ASSETS		
Cash and Investments	$ 5,766,128	$ 637,002
Restricted Cash and Investments	3,091,193	-
Accounts Receivable	832,855	-
Prepaid Items	33,553	-
Capital Assets, Not Being Depreciated	2,943,821	-
Capital Assets, Net of Accumulated Depreciation	14,748,023	-
Total Assets	27,415,573	637,002
DEFERRED OUTFLOWS OF RESOURCES		
Loss on Debt Refunding	23,438	-
Related to Pension Plan	6,402,638	-
Related to OPEB	123,000	-
Total Deferred Outflows of Resources	6,549,076	-
LIABILITIES		
Accounts Payable	97,068	-
Accrued Salaries and Benefits	350,066	-
Unearned Revenues	113,005	-
Accrued Interest Payable	371,328	-
Noncurrent Liabilities:		
Due Within One Year	440,000	-
Due in More Than One Year	16,764,625	-
Net Pension Liability	15,827,861	-
Net OPEB Liability	575,408	-
Total Liabilities	34,539,361	-
DEFERRED INFLOWS OF RESOURCES		
Related to Pension Plan	6,543,402	-
Related to OPEB	185,298	-
Total Deferred Inflows of Resources	6,728,700	-
NET POSITION		
Net Investment in Capital Assets	469,404	-
Restricted for:		
Debt Service	2,488,866	-
Repair and Replacement	240,010	-
Emergencies	357,217	-
Unrestricted	(10,858,909)	637,002
Total Net Position	$ (7,303,412)	$ 637,002

See accompanying Notes to Financial Statements.

LIBERTY COMMON SCHOOL
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2021

		Program Revenues			Net (Expense) Revenue and Change in Net Position	
					Primary Government	
FUNCTIONS/PROGRAMS	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Component Unit Foundation
Primary Government						
Government Activities:						
Instruction	$ 4,572,238	$ 209,935	$ 1,743,307	$ -	$ (2,618,996)	
Supporting Services	3,472,989	-	-	345,828	(3,127,161)	
Interest on Debt	830,139	-	-	-	(830,139)	
Total Governmental Activites	$ 8,875,366	$ 209,935	$ 1,743,307	$ 345,828	(6,576,296)	
Component Unit						
Foundation	$ 23,390	$ -	$ -	$ -		(23,390)
	GENERAL REVENUES					
	Per Pupil Revenue				8,836,917	-
	District Mill Levy				2,308,515	-
	Grants and Contributions not Restricted to Specific Programs				-	407,425
	Investment Income				28,727	2,295
	Other				47,708	12,948
	Total General Revenues				11,221,867	422,668
	CHANGE IN NET POSITION				4,645,571	399,278
	Net Position - Beginning of Year				(11,948,983)	237,724
	NET POSITION - END OF YEAR				$ (7,303,412)	$ 637,002

See accompanying Notes to Financial Statements.

LIBERTY COMMON SCHOOL
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2021

	General	Building Corporation	Grants	Nonmajor Governmental Funds	Total
ASSETS					
Cash and Investments	$ 5,067,665	$ 3,091,238	$ 152,078	$ 546,340	$ 8,857,321
Accounts Receivable	-	17	832,838	-	832,855
Due From Other Funds	984,916	8,949	-	117,619	1,111,484
Prepaid Items	33,553	-	-	-	33,553
Total Assets	$ 6,086,134	$ 3,100,204	984,916	$ 663,959	$ 10,835,213
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts Payable and Accrued Expenses	$ 35,035	$ -	$ -	$ 62,033	$ 97,068
Due To Other Funds	8,949	-	984,916	117,619	1,111,484
Unearned Revenue	113,005	-		-	113,005
Accrued Salaries and Benefits	350,066	-	-	-	350,066
Total Liabilities	507,055	-	984,916	179,652	1,671,623
FUND BALANCES					
Nonspendable Prepaid Items	33,553	-	-	-	33,553
Restricted for Emergencies	357,217	-	-	-	357,217
Restricted for Debt Service	-	2,860,194	-	-	2,860,194
Restricted for Repair and Replacement	-	240,010	-	-	240,010
Assigned to Capital Projects	-	-	-	269,433	269,433
Assigned to Student Activities	-	-	-	110,512	110,512
Assigned to Athletics	-	-	-	104,362	104,362
Unassigned	5,188,309	-	-	-	5,188,309
Total Fund Balances	5,579,079	3,100,204	-	484,307	9,163,590
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 6,086,134	$ 3,100,204	$ 984,916	$ 663,959	$ 10,835,213

See accompanying Notes to Financial Statements.

LIBERTY COMMON SCHOOL
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE NET POSITION OF GOVERNMENTAL ACTIVITIES
JUNE 30, 2021

Fund Balances - Total Governmental Funds	$ 9,163,590
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 governmental funds.	17,691,844
Long-term liabilities and related items are not due and payable in the current year and, therefore, are not reported in governmental funds:	
Bonds Payable	(17,204,625)
Accrued Interest Payable	(371,328)
Deferred Loss on Refunding	23,438
Net Pension Liability	(15,827,861)
Pension-Related Deferred Outflows of Resources	6,402,638
Pension-Related Deferred Inflows of Resources	(6,543,402)
Net OPEB Liability	(575,408)
OPEB-Related Deferred Outflows of Resources	123,000
OPEB-Related Deferred Inflows of Resources	(185,298)
Total Net Position of Governmental Activities	$ (7,303,412)

See accompanying Notes to Financial Statements.

LIBERTY COMMON SCHOOL
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2021

	General	Building Corporation	Grants	Nonmajor Governmental Funds	Total
REVENUES					
Charges for Services	$ 82,261	$ -	$ -	$ 127,674	$ 209,935
Local Sources	11,227,794	1,249,642	-	-	12,477,436
State and Federal Sources	545,051	-	1,436,487	-	1,981,538
Total Revenues	11,855,106	1,249,642	1,436,487	127,674	14,668,909
EXPENDITURES					
Current:					
Instruction	5,128,155	-	968,090	123,679	6,219,924
Supporting Services	4,826,467	14,230	384,648	129,041	5,354,386
Capital Outlay	4,033	280,148	83,749	461,530	829,460
Debt Service					
Principal	-	425,000		-	425,000
Interest and fiscal charges	-	822,600		-	822,600
Total Expenditures	9,958,655	1,541,978	1,436,487	714,250	13,651,370
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1,896,451	(292,336)	-	(586,576)	1,017,539
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Insurance Proceeds	-	77,597	-		77,597
Total Other Financing Sources (Uses)	-	77,597	-	-	77,597
NET CHANGE IN FUND BALANCES	1,896,451	(214,739)	-	(586,576)	1,095,136
Fund Balances - Beginning of Year	3,682,628	3,314,943	-	1,070,883	8,068,454
FUND BALANCES - END OF YEAR	$ 5,579,079	$ 3,100,204	$ -	$ 484,307	$ 9,163,590

See accompanying Notes to Financial Statements.

LIBERTY COMMON SCHOOL
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2021

Net Change in Fund Balances - Total Governmental Funds	$ 1,095,136
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:	
Depreciation Expense	(589,285)
Capital Outlay	818,535
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal on long-term debt consumes the current financial resources of the governmental funds. However, neither transaction has any effect on net position.	
Principal payments	425,000
Governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities:	
Amortization of Loss on Refunding	(6,509)
Amortization of Bond Discounts	(7,104)
Interest payable on debt is not recorded on the fund statements because it is not a current use of cash. Interest is accrued on the government-wide statements since the liability is to be paid in the near term.	6,074
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. This includes the changes in the following:	
Pension Expense	2,879,688
OPEB Expense	24,036
Change in Net Position of Governmental Activities	$ 4,645,571

See accompanying Notes to Financial Statements.

LIBERTY COMMON SCHOOL
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND
JUNE 30, 2021

	Custodial Fund
ASSETS	
Cash and Investments	$ 8,378
Total Assets	8,378
LIABILITIES	
Due to Others	-
Total Liabilities	-
NET POSITION	
Restricted for:	
Individuals, Organizations, and Other Governments	8,378
Total Net Position	$ 8,378

See accompanying Notes to Financial Statements.

LIBERTY COMMON SCHOOL
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUND
JUNE 30, 2021

		Custodial Fund
ADDITIONS		
Contributions:		
Individuals	$	13,715
Total Additions		13,715
DEDUCTIONS		
Administrative Expenses		22,460
Total Deductions		22,460
NET INCREASE (DECREASE) IN FIDUCIARY NET POSITION		(8,745)
Fiduciary Net Position - Beginning of the Year		17,123
FIDUCIARY NET POSITION - END OF YEAR	$	8,378

See accompanying Notes to Financial Statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

Liberty Common School (the School) was organized pursuant to the Colorado Charter Schools Act to form and operate a charter school within the Poudre School District (the District).

The financial statements of the School have been prepared in conformity with generally accepted accounting principles (GAAP) as applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Following is a summary of the School's more significant accounting policies.

Reporting Entity

The financial reporting entity consists of the School, organizations for which the School is financially accountable, and organizations that raise and hold economic resources for the direct benefit of the School. All funds, organizations, institutions, agencies, departments and offices that are not legally separate are part of the School. Legally separate organizations for which the School is financially accountable are considered part of the reporting entity. Financial accountability exists if the School appoints a voting majority of the organization's governing board and is able to impose its will on the organization, or if there is a potential for the organization to provide benefits to, or impose financial burdens on, the School. Based on the application of this criteria, the School includes the following entities in its reporting entity.

The LCS Building Corporation (the Corporation) was organized to hold title to real or personal property for, and to make same available for use by, the School. The Corporation is blended into the School's financial statements as a special revenue fund and does not issue separate financial statements.

The Core Knowledge Charter School Foundation (the Foundation) is a nonprofit entity formed exclusively for charitable and educational purposes, and currently provides support exclusively to the School. The Foundation has a separate governing board. The Foundation is discretely presented in the School's financial statements and does not issue separate financial statements.

The School is a component unit of the District. The School's charter was authorized by the District and the majority of the School's funding is provided by the District.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all nonfiduciary activities of the School and its component units. For the most part, the effect of interfund activity has been removed from these statements. Exceptions to this general rule are charges for interfund services that are reasonably equivalent to the services provided. The *primary government* is reported separately from the legally separate *component unit* for which the School is financially accountable.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct expenses of the 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 students or others 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. Unrestricted revenues not properly included among program revenues are reported instead as *general revenues*.

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. The custodial fund financial statements are reported using the accrual basis of accounting.

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. Available means collected within the current year or soon enough thereafter to pay liabilities of the current year, not to exceed 120 days. Intergovernmental revenues, grants, and interest associated with the current year are considered to be susceptible to accrual and so have been recognized as revenues of the current year. All other revenues are considered to be measurable and available only when cash is received by the School. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

When both restricted and unrestricted resources are available for a specific use, it is the School's policy to use restricted resources first, and the unrestricted resources as they are needed.

The School reports the following major governmental funds:

General Fund - This is the general operating fund of the School. It is currently used to account for all financial activities of the School, except those accounted for in another fund.

Building Corporation - This fund is used to account for the financial activities of the Corporation, primarily related to the acquisition of capital assets and the related debt service.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Grants Fund - This fund is used to account for proceeds of Federal grant revenue that is legally restricted to expenditures for specified purposes.

Additionally, the School reports the following fund type:

The Custodial Fund is used to account for resources used to support student activities. The School holds all resources in a purely custodial capacity.

Assets, Liabilities and Net Position/Fund Balance

Receivables

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. There is no allowance for uncollectible receivables necessary at June 30, 2021, as all receivables are deemed collectible.

Prepaid Expenses

Certain payments to vendors reflect costs applicable to future years and are reported as prepaid expenses following the consumption method.

Capital Assets

Capital assets, which include land, buildings, and equipment, are reported in the government-wide financial statements. Capital assets are defined as assets with an initial, individual cost of $5,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at the acquisition value on the date of donation.

Depreciation of exhaustible capital assets is charged as an expense against operations, and accumulated depreciation is reported in the statement of net position in the government-wide financial statements. Depreciation has been provided over the following estimated useful lives of the capital assets using the straight- line method.

Buildings	40 Years
Land Improvements	7 to 20 Years
Equipment	3 to 15 Years
Vehicles	5 to 7 Years

Accrued Salaries and Benefits

Salaries and retirement benefits of certain contractually employed personnel are paid over a twelve-month period, generally from August to July, but are earned during a school year of approximately nine to ten months. The salaries and benefits earned, but unpaid, are reported as a liability of the General Fund.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities and Net Position/Fund Balance (Continued)

Long-Term Debt

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. Debt premiums, discounts, and accounting losses resulting from debt refunding's are deferred and amortized over the life of the debt using the straight-line method. In the governmental fund financial statements, 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 are reported as other financing uses. Issuance costs, whether or not withheld from the debt proceeds, are reported as current expenses or expenditures.

Pensions

The School participates in the School Division Trust Fund (SDTF), a cost-sharing multiple-employer defined benefit pension plan administered by the Public Employees' Retirement Association of Colorado (PERA). The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position, and additions to and deductions from the SDTF's fiduciary net position have been determined using the economic resources measurement focus and the accrual basis of accounting, the same basis of accounting used by the SDTF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Employer contributions are recognized when the compensation is payable to the employees.

Postemployment Benefits Other Than Pensions (OPEB)

The School participates in the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer postemployment healthcare plan administered by the Public Employees' Retirement Association of Colorado (PERA). The net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, information about the fiduciary net position, and additions to and deductions from the HCTF's fiduciary net position have been determined using the economic resources measurement focus and the accrual basis of accounting, the same basis of accounting used by the HCTF. For this purpose, the HCTF recognizes benefit payments when due and payable in accordance with the benefit terms. Employer contributions are recognized when the compensation is payable to the employees.

Net Position/Fund Balances

In the government-wide and fund financial statements, net position and fund balances are restricted when constraints placed on the use of resources are externally imposed. The Board of Directors is authorized to establish a fund balance commitment through passage of a resolution and may assign fund balances to a specific purpose through an informal action.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities and Net Position/Fund Balance (Continued)

The School has not established a formal policy for its use of restricted and unrestricted fund balances. However, if both restricted and unrestricted fund balances are available for a specific purpose, the School uses restricted fund balance first, followed by committed, assigned and unassigned balances. The assigned classification of fund balance includes amounts for governmental funds, other than the general fund, any remaining positive amounts not classified in the other categories. The Chief Operating Officer of the School is authorized to assign amounts to a specific purpose.

Risk Management

The School is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; injuries to employees; and natural disasters. The School carries commercial insurance for these risks of loss. Settled claims have not exceeded this commercial coverage in any of the past three years.

Subsequent Events

We have evaluated subsequent events through , the date the financial statements were available to be issued.

NOTE 2 CASH AND INVESTMENTS

At June 30, 2021, cash and investments consisted of the following:

Deposits	$ 4,201,636
Investments	5,301,065
Total	$ 9,502,701

Cash and investments are reported in the financial statements as follows:

Primary Government - Cash and Investments	$ 5,766,128
Primary Government - Restricted Cash and Investments	3,091,193
Discretely Presented Component Unit - Cash and Investments	637,002
Fiduciary Fund Cash and Investments	8,378
Total	$ 9,502,701

Deposits

The Colorado Public Deposit Protection Act (PDPA) requires all local government entities to deposit cash in eligible public depositories. Eligibility is determined by State regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. The PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits.

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

Investments

The School is required to comply with State statutes which specify investment instruments meeting defined rating, maturity and concentration risk criteria in which local governments may invest, which include the following. State statutes do not address custodial risk.

- Obligations of the United States and certain U.S. Agency securities
- Certain international agency securities
- General obligation and revenue bonds of U.S. local government entities
- Bankers' acceptances of certain banks
- Commercial paper
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts
- Local government investment pools

Fair Value Measurements

At June 30, 2021, the School's investment in the local government investment pool and the Corporation's investment in a money market fund were reported at the net asset value per share.

Interest Rate Risk

State statutes generally limit investments to an original maturity of five years unless the governing board authorizes the investment for a period in excess of five years.

Credit Risk

At June 30, 2021, the School had $3,139,176 invested in the Colorado Local Government Liquid Asset Trust (ColoTrust), an investment vehicle established for local government entities in Colorado to pool surplus funds for investment purposes by State statute. The Colorado Division of Securities administers and enforces the requirements of creating and operating ColoTrust. This fund operates similarly to a money market fund and each share is equal in value to $1.00. ColoTrust is rated AAAm by Standard and Poor's. Investment of ColoTrust is limited to those allowed by State statute. A designated custodial bank provides safekeeping and depository services to ColoTrust in connection with the direct investment and withdrawal function. The custodian's internal records identifies the investments owned by participating governments. The School's investment policy allows participation in ColoTrust and has no control over the maturity of its holdings in the investment. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period for ColoTrust.

At June 30, 2021, the Corporation had $2,161,889 invested in a money market fund rated AAAm by Standard and Poor's.

Concentration of Credit Risk

State statutes do not limit the amount the School may invest in a single issuer of investments securities, except for corporate securities.

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

Restricted Cash and Investments

At June 30, 2021, the Corporation had investments of $3,091,193 restricted for future debt service and building repair and replacement.

Discretely Presented Component Unit

At June 30, 2021, the Foundation had bank deposits totaling $589,063 under the Foundation's name and had $47,939 in mutual funds under the Foundation's name.

NOTE 3 CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2021, is summarized below.

	Balance June 30, 2020	Additions	Deletions	Balance June 30, 2021
Governmental Activities				
Capital Assets, Not Being Depreciated				
Water Rights	$ 12,864	$ -	$ -	$ 12,864
Land	2,443,720	-	-	2,443,720
Construction in Progress	-	487,237	-	487,237
Total Capital Assets, Not Being Depreciated	2,456,584	487,237	-	2,943,821
Capital Assets, Being Depreciated				
Equipment	469,441	331,298	-	800,739
Vehicles	251,499	-	-	251,499
Land Improvements	781,384	-		781,384
Buildings	18,889,898	-		18,889,898
Total Capital Assets, Being Depreciated	20,392,222	331,298	-	20,723,520
Less Accumulated Depreciation:				
Equipment	(248,072)	(54,534)	-	(302,606)
Vehicles	(99,687)	(23,778)	-	(123,465)
Land Improvements	(552,830)	(1,487)		(554,317)
Buildings	(4,485,623)	(509,486)		(4,995,109)
Total Accumulated Depreciation	(5,386,212)	(589,285)	-	(5,975,497)
Total Capital Assets, Being Depreciated, Net	15,006,010	(257,987)	-	14,748,023
Governmental Activities Capital Assets, Net	$ 17,462,594	$ 229,250	$ -	$ 17,691,844

Depreciation expense of the governmental activities was charged to the instructional services program.

NOTE 4 INTERFUND BALANCES

At June 30, 2021, Liberty Common School reported the following interfund balances. The General Fund owes the LCS Building Corporation $8,949 for the net of insurance proceeds and expenditures from those proceeds which were initially recorded in the General Fund. The Grants Fund owes the General Fund $984,916 for expenditures initially recorded in the General Fund which were later determined to be allowable expenditures under the School's federal funding and moved to the Grants Fund. Within the Nonmajor Governmental Funds, the Capital Projects Fund owes the Building Fund $117,619 for expenditures initially recorded in the Building Fund which were later determined to be capitalizable expenditures and moved to the Capital Projects Fund.

NOTE 5 LONG-TERM DEBT

Following is a summary of the long-term debt transactions for the year ended June 30, 2021:

Governmental Activities	Balance June 30, 2020	Additions	Payments	Balance June 30, 2021	Due Within One Year
2014 Building Loan	$ 14,935,000	$ -	$ (355,000)	$ 14,580,000	$ 365,000
2014 Loan Discount	(128,002)	-	5,334	(122,668)	
2015 Building Loan	2,860,000	-	(70,000)	2,790,000	75,000
2015 Loan Discount	(44,477)	-	1,770	(42,707)	
Total	$ 17,622,521	$ -	$ (417,896)	$ 17,204,625	$ 440,000

In March 2014, the Colorado Educational and Cultural Facilities Authority (CECFA) issued $15,150,000 Charter School Refunding and Improvement Revenue Bonds, Series 2014A, and $1,640,000 Charter School Revenue Bonds, Series 2014B. Bond proceeds were used to refund the Charter School Revenue Refunding and Improvement Bonds, Series 2003, originally loaned to the Corporation to finance improvements to the School's education facilities, and the Charter School Revenue Bonds, Series 2011, originally loaned to the Corporation to acquire and construct a middle/ high school facility.

Interest accrues on the bonds at rates ranging from 3% to 5.625% per annum and is payable semi-annually on January 15 and July 15. Principal payments are due annually on January 15, from 2015 through 2044.

In December 2015, CECFA issued $3,125,000 Charter School Revenue Bonds, Series 2015. Bond proceeds were loaned to the Corporation to finance improvements to the School's education facilities. Interest accrues on the bonds at rates ranging from 2% to 4% per annum and is payable semi-annually on January 15 and July 15. Principal payments are due annually on January 15, from 2017 through 2046.

The School is obligated under a lease agreement to make monthly payments to the Corporation for using the education facilities. The Corporation is required to make equal loan payments to the Trustee, for payment of the bonds. The Corporation has pledged the lease payments to pay bond principal and interest.

NOTE 5 LONG-TERM DEBT (CONTINUED)

Future debt service requirements for the bonds are as follows:

Year Ended June 30,	Principal	Interest	Total
2022	440,000	796,106	1,236,106
2023	455,000	780,675	1,235,675
2024	470,000	763,856	1,233,856
2025	490,000	740,706	1,230,706
2026	510,000	716,556	1,226,556
2027-2031	2,945,000	2,860,412	5,805,412
2032-2036	3,680,000	2,404,588	6,084,588
2037-2041	4,670,000	1,379,344	6,049,344
2042-2046	3,710,000	218,331	3,928,331
Total	$ 17,370,000	$ 10,660,574	$ 28,030,574

NOTE 6 DEFINED BENEFIT PENSION PLAN

Summary of Significant Accounting Policies

Pensions. The School participates in the School Division Trust Fund (SCHDTF), a cost-sharing multiple-employer defined benefit pension plan administered by the Public Employees' Retirement Association of Colorado ("PERA"). The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position (FNP) and additions to/deductions from the FNP of the SCHDTF have been determined using the economic resources measurement focus and the accrual basis of accounting. 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.

The Colorado General Assembly passed significant pension reform through Senate Bill (SB) 18-200: *Concerning Modifications To the Public Employees' Retirement Association Hybrid Defined Benefit Plan Necessary to Eliminate with a High Probability the Unfunded Liability of the Plan Within the Next Thirty Years*. The bill was signed into law by Governor Hickenlooper on June 4, 2018. SB 18-200 made changes to certain benefit provisions. Most of these changes were in effect as of June 30, 2021.

General Information about the Pension Plan

Plan description. Eligible employees of the School are provided with pensions through the SCHDTF—a cost-sharing multiple-employer defined benefit pension plan administered by PERA. Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes (C.R.S.), administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at www.copera.org/investments/pera-financial-reports.

NOTE 6 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Benefits provided as of December 31, 2020. PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. § 24-51-602, 604, 1713, and 1714.

The lifetime retirement benefit for all eligible retiring employees under the PERA benefit structure is the greater of the:

- Highest average salary multiplied by 2.5 percent and then multiplied by years of service credit.

- The value of the retiring employee's member contribution account plus a 100 percent match on eligible amounts as of the retirement date. This amount is then annuitized into a monthly benefit based on life expectancy and other actuarial factors.

In all cases, the service retirement benefit is limited to 100 percent of highest average salary and also cannot exceed the maximum benefit allowed by federal Internal Revenue Code.

Members may elect to withdraw their member contribution accounts upon termination of employment with all PERA employers; waiving rights to any lifetime retirement benefits earned. If eligible, the member may receive a match of either 50 percent or 100 percent on eligible amounts depending on when contributions were remitted to PERA, the date employment was terminated, whether 5 years of service credit has been obtained and the benefit structure under which contributions were made.

As of December 31, 2020, benefit recipients who elect to receive a lifetime retirement benefit are generally eligible to receive post-retirement cost-of-living adjustments, referred to as annual increases in the C.R.S. Pursuant to SB 18-200, eligible benefit recipients under the PERA benefit structure who began membership before January 1, 2007, and all eligible benefit recipients of the DPS benefit structure will receive an annual increase of 1.25 percent unless adjusted by the automatic adjustment provision (AAP) pursuance to C.R.S. § 24-51-413. Eligible benefit recipients under the PERA benefit structure who began membership after January 1, 2007, will receive the lessor of an annual increase of 1.25 percent or the average of the Consumer Price Index for Urban Wage Earners and Clerical Workers for the prior calendar year, not to exceed 10 percent of PERA's Annual Increase Reserve (AIR) for the SCHDTF. The AAP may raise or lower the aforementioned annual increase by up to 0.25 percent based on the parameters specified C.R.S. § 24-51-413.

Disability benefits are available for eligible employees once they reach five years of earned service credit and are determined to meet the definition of disability. The disability benefit amount is based on the lifetime retirement benefit formula(s) shown above considering a minimum 20 years of service credit, if deemed disabled.

Survivor benefits are determined by several factors, which include the amount of earned service credit, highest average salary of the decreased, the benefit structure(s) under which service credit was obtained, and the qualified survivor(s) who will receive the benefits.

NOTE 6 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Contributions provisions as of June 30, 2021: Eligible employees, the School and the State are required to contribute to the SCHDTF at a rate set by Colorado statute. The contribution requirements for the SCHDTF are established under C.R.S. § 24-51-401, *et seq.* and § 24-51-413. Eligible employees are required to contribute 10.00 percent of their PERA-includable salary during the period of July 1, 2020, through June 30, 2021. Employer contribution requirements are summarized in the table below:

	July 1, 2020 Through June 30, 2021
Employer Contribution Rate[1]	10.90 %
Amount of Employer Contribution Apportioned to the health Care Trust Fund as Specified in C.R.S. § 24-51-208(1)(f)[1]	(1.02)%
Amount Apportioned to the SCHDTF[1]	9.88 %
Amortization Equalization Disbursement (AED) as Specified in C.R.S. § 24-51-411[1]	4.50 %
Supplemental Amortization Equalization Disbursement (SAED) as Specified in C.R.S. § 24-51-411[1]	5.50 %
Total Employer Contribution Rate to the SCHDTF[1]	19.88 %

[1] Contribution rates for the SCHDTF are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

As specified in C.R.S. § 24-51-413, the state is required to contribute $225 million (actual dollars) each year to PERA starting on July 1, 2018. A portion of the direct distribution payment is allocated to the SCHDTF based on the proportionate amount of annual payroll of the SCHDTF to the total annual payroll of the SCHDTF, State Division Trust Fund, Judicial Division Trust Fund, and Denver Public Schools Division Trust Fund. House Bill (HB) 20-1379 suspended the $225 million (actual dollars) direct distribution payable on July 1, 2020 for the State's 2020-21 fiscal year.

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the School is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from the School were $1,133,295 for the year ended June 30, 2021.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The net pension liability for the SCHDTF was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2019. Standard update procedures were used to roll forward the total pension liability to December 31, 2020. The School's proportion of the net pension liability was based on the School's contributions to the SCHDTF for the calendar year 2020 relative to the total contributions of participating employers and the State as a nonemployer contributing entity.

NOTE 6 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Due to the aforementioned suspension of the July 1, 2020, direct distribution payment, the nonemployer contributing entity's proportion is zero percent. Pursuant to C.R.S. § 24-51-414, the direct distribution payment from the State of Colorado is to recommence annually starting on July 1, 2021. For purposes of GASB 68 paragraph 15, a circumstance exists in which a nonemployer contributing entity is legally responsible for making contributions to the SCHDTF and is considered to meet the definition of a special funding situation.

At June 30, 2021, the School reported a liability of $15,827,861 for its proportionate share of the net pension liability. The amount recognized by the School as its proportionate share of the net pension liability, the related support from the State as a nonemployer contributing entity, and the total portion of the net pension liability that was associated with School were as follows:

Liberty Common's Proportionate Share of the Net Pension Liability	15,827,861
State's Proportionate Share of the Net Pension Liability Associated with Liberty Common	-
Total	15,827,861

At December 31, 2020, the School's proportion was 0.1046955898% which was an increase of 0.0175109526 from its proportion measured as of December 31, 2019.

For the year ended June 30, 2021, the School recognized pension expense of $3,460,382 and revenue of $0 for support from the State as a nonemployer contributing entity. At June 30, 2021, the School 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	$ 869,662	$ -
Changes of Assumptions and Other Inputs	1,522,591	2,660,530
Net Difference Between Projected and Actual Earnings on Plan Investments	-	3,484,072
Changes in Proportion and Differences between Contributions Recognized and Proportionate Share of Contributions	3,429,692	398,800
Contributions Subsequent to the Measurement Date	580,693	-
Total	$ 6,402,638	$ 6,543,402

NOTE 6 DEFINED BENEFIT PENSION PLAN (CONTINUED)

$580,693 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. 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 Ended June 30,		Amount
2022	$	(1,596,456)
2023		1,545,302
2024		(120,672)
2025		(549,631)
Total	$	(721,457)

Actuarial assumptions. The total pension liability in the December 31, 2019 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions, and other inputs:

Actuarial Cost Method	Entry Age
Price Inflation	2.40%
Real Wage Growth	1.10%
Wage Inflation	3.50%
Salary Increases, Including Wage Inflation	3.50 - 9.70%
Long-Term Investment Rate of Return, Net of Pension Plan Investment Expenses, Including Price Inflation	7.25%
Discount rate	7.25%
Future Post Retirement Benefit Increases:	
PERA Benefit Structure Hired Prior to January 1, 2007;	1.25% Compounded Annually
and DPS Benefit Structure (Automatic)	Annually
PERA Benefit Structure hired after December 31, 2006	Financed by the
(Ad Hoc, Substantively Automatic)	Annual Increase Reserve

[1] Post-retirement benefit increases are provided by the AIR, accounted separately within each Division Trust Fund, and subject to moneys being available; therefore, liabilities related to increases for members of these benefit tiers can never exceed available assets.

Healthy mortality assumptions for active members were based on the RP-2014 White Collar Employee Mortality Table, a table specifically developed for actively working people. To allow for an appropriate margin of improved mortality prospectively, the morality rates incorporate a 70 percent factor applied to male rates and a 55 percent factor applied to female rates.

NOTE 6 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Post-retirement non-disabled mortality assumptions were based on the RP-2014 White Collar Healthy Annuitant Mortality Table, adjusted as follows:

- **Males:** Mortality improvement projected to 2018 using the MP-2015 projection scale, a 93 percent factor applied to rates for ages less than 80, a 113 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

- **Females:** Mortality improvement projected to 2020 using the MP-2015 projection scale, a 68 percent factor applied to rates for ages less than 80, a 106 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

The mortality assumption for disabled retirees was based on 90 percent of the RP-2014 Disabled Retiree Mortality Table.

The actuarial assumptions used in the December 31, 2019, valuation were based on the results of the 2016 experience analysis for the periods January 1, 2012, through December 31, 2015, as well as, the October 28, 2016, actuarial assumptions workshop and were adopted by PERA's Board during the November 18, 2016, Board meeting.

Based on the 2020 experience analysis, dated October 28, 2020, for the period of January 1, 2016, through December 31, 2019, revised economic and demographic assumptions were adopted by the PERA's Board on November 20, 2020, and were effective as of December 31, 2020. The assumptions shown below were reflected in the roll forward calculation of the total pension liability from December 31, 2019, to December 31, 2020.

Actuarial Cost Method	Entry Age
Price Inflation	2.30%
Real Wage Growth	0.70%
Wage Inflation	3.00%
Salary Increases, Including Wage Inflation	3.40 - 11.00%
Long-Term Investment Rate of Return, Net of Pension Plan	
Investment Expenses, Including Price Inflation	7.25%
Discount rate	7.25%
Future Post Retirement Benefit Increases:	
PERA Benefit Structure Hired Prior to January 1, 2007;	1.25% Compounded Annually
and DPS Benefit Structure (Automatic)	Annually
PERA Benefit Structure hired after December 31, 2006	Financed by the
(Ad Hoc, Substantively Automatic)	Annual Increase Reserve

[1] Post-retirement benefit increases are provided by the AIR, accounted separately within each Division Trust Fund, and subject to moneys being available; therefore, liabilities related to increases for members of these benefit tiers can never exceed available assets.

Salary scale assumptions were revised to align with revised economic assumptions and to more closely reflect actual experience.

NOTE 6 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.

The pre-retirement mortality assumptions were based upon the PubT-2010 Employee Table with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions were based upon the PubT-2010 Healthy Retiree Table, adjusted as follows:

- **Males:** 112 percent of the rates prior to age 80 and 94 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.

- **Females:** 83 percent of the rates prior to age 80 and 106 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.

Post-retirement non-disabled beneficiary mortality assumptions were based upon the Pub-2010 Contingent Survivor Table, adjusted as follows:

- **Males:** 97 percent of the rates for all ages, with generational projection using scale MP-2019.

- **Females:** 105 percent of the rates for all ages, with generational projection using scale MP-2019.

Disabled mortality assumptions were based upon the PubNS-2010 Disabled Retiree Table using 99 percent of the rates for all ages with generational projection using scale MP-2019.

The mortality tables described above are generational mortality tables on a benefit-weighted basis.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four to five years for PERA. Recently this assumption has been reviewed more frequently. The most recent analyses were outlined in the Experience Study report dated October 28, 2020. As a result of the November 20, 2020, PERA Board meeting, the following economic assumptions were changed, effective December 31, 2020:

- Price inflation assumption decreased from 2.40 percent per year to 2.30 percent per year.

- Real rate of investment return assumption increased from 4.85 percent per year, net of investment expenses to 4.95 percent per year, net of investment expenses.

- Wage inflation assumption decreased from 3.50 percent per year to 3.00 percent per year.

NOTE 6 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Several factors are considered in evaluating the long-term rate of return assumption, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentages and then adding expected inflation.

The PERA Board first adopted the 7.25 percent long-term expected rate of return as of November 18, 2016. Following an asset/liability study, the Board reaffirmed the assumed rate of return at the Board's November 15, 2019, meeting, to be effective January 1, 2020. As of the most recent reaffirmation of the long-term rate of return, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
Global Equity	54.00 %	5.60 %
Fixed Income	23.00	1.30
Private Equity	8.50	7.10
Real Estate	8.50	4.40
Alternatives[1]	6.00	4.70
Total	100.00 %	

[1] The Opportunity Fund's name changed to Alternatives, effective January 1, 2020.

In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected rate of return assumption of 7.25 percent.

Discount Rate. The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows.

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future Plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00 percent.

- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the scheduled increases in SB 18-200. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.

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NOTE 6 DEFINED BENEFIT PENSION PLAN (CONTINUED)

- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the scheduled increase in SB 18-200. Employer contributions also include the current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103 percent, at which point the AED and SAED will each drop 0.50 percent every year until they are zero. Additionally, estimated employer contributions included reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future Plan members not financed by their member contributions.

- As specified in law, the State, as a nonexplorer contributing entity, will provide an annual direct distribution of $225 million (actual dollars), commencing July 1, 2018, that is proportioned between the State, School, Judicial, and DPS Division Trust Funds based upon the covered payroll of each Division. The annual direct distribution ceases when all Division Trust Funds are fully funded. HB 20-1379 suspended the $225 million (actual dollars) direct distribution payable on July 1, 2020, for the State's 2020-21 fiscal year.

- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.

- The AIR balance was excluded from the initial FNP, as per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the FNP and the subsequent AIR benefit payments were estimated and included in the projections.

- Benefit payments and contributions were assumed to be made at the middle of the year.

Based on the above assumptions and methods, the projection test indicates the SCHDTF's FNP was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25 percent on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount determination does not use the municipal bond index rate and, therefore, the discount rate is 7.25 percent. There was no change in the discount rate from the prior measurement date.

NOTE 6 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Sensitivity of Liberty Common School's proportionate share of the net pension liability to changes in the discount rate. The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25 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 (6.25 percent) or 1-percentage point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate Share of the Net Pension Liability	$ 21,590,499	$ 15,827,861	$ 11,025,685

Pension plan fiduciary net position. Detailed information about the SCHDTF's FNP is available in PERA's Annual Report which can be obtained at www.copera.org/investments/pera-financial-reports.

NOTE 7 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

Summary of Significant Accounting Policies

OPEB. The School participates in the Health Care Trust Fund (HCTF), a cost-sharing, multiple-employer defined benefit OPEB fund administered by the Public Employees' Retirement Association of Colorado (PERA). The net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, information about the fiduciary net position, and additions to / deductions from the fiduciary net position of the HCTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefits paid on behalf of health care participants are recognized when due and/or payable in accordance with the benefit terms. Investments are reported at fair value.

General Information about the OPEB Plan

Plan Description. Eligible employees of the School are provided with OPEB through the HCTF — a cost-sharing, multiple-employer defined benefit OPEB plan administered by PERA. The HCTF is established under Title 24, Article 51, Part 12 of the Colorado Revised Statutes (C.R.S.), as amended. Colorado state law provisions may be amended from time to time by the Colorado General Assembly. Title 24, Article 51, Part 12 of the C.R.S., as amended, sets forth a framework that grants authority to the PERA Board to contract, self-insure, and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of the premium subsidies. Colorado state law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available comprehensive annual financial report (Annual Report) that can be obtained at www.copera.org/investments/pera-financial-reports.

NOTE 7 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Benefits Provided. The HCTF provides a health care premium subsidy to eligible participating PERA benefit recipients and retirees who choose to enroll in one of the PERA health care plans; however, the subsidy is not available if only enrolled in the dental and/or vision plan(s). The health care premium subsidy is based upon the benefit structure under which the member retires and the member's years of service credit. For members who retire having service credit with employers in the Denver Public Schools (DPS) Division and one or more of the other four Divisions (State, School, Local Government, and Judicial), the premium subsidy is allocated between the HCTF and the Denver Public Schools Health Care Trust Fund (DPS HCTF). The basis for the amount of the premium subsidy funded by each trust fund is the percentage of the member contribution account balance from each division as it relates to the total member contribution account balance from which the retirement benefit is paid.

C.R.S. § 24-51-1202 et seq. specifies the eligibility for enrollment in the health care plans offered by PERA and the amount of the premium subsidy. The law governing a benefit recipient's eligibility for the subsidy and the amount of the subsidy differs slightly depending under which benefit structure the benefits are calculated. All benefit recipients under the PERA benefit structure and all retirees under the DPS benefit structure are eligible for a premium subsidy, if enrolled in a health care plan under PERACare. Upon the death of a DPS benefit structure retiree, no further subsidy is paid.

Enrollment in the PERACare is voluntary and is available to benefit recipients and their eligible dependents, certain surviving spouses, and divorced spouses and guardians, among others. Eligible benefit recipients may enroll into the program upon retirement, upon the occurrence of certain life events, or on an annual basis during an open enrollment period.

PERA Benefit Structure

The maximum service-based premium subsidy is $230 per month for benefit recipients who are under 65 years of age and who are not entitled to Medicare; the maximum service-based subsidy is $115 per month for benefit recipients who are 65 years of age or older or who are under 65 years of age and entitled to Medicare. The basis for the maximum service-based subsidy, in each case, is for benefit recipients with retirement benefits based on 20 or more years of service credit. There is a 5 percent reduction in the subsidy for each year less than 20. The benefit recipient pays the remaining portion of the premium to the extent the subsidy does not cover the entire amount.

For benefit recipients who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, C.R.S. § 24-51-1206(4) provides an additional subsidy. According to the statute, PERA cannot charge premiums to benefit recipients without Medicare Part A that are greater than premiums charged to benefit recipients with Part A for the same plan option, coverage level, and service credit. Currently, for each individual PERACare enrollee, the total premium for Medicare coverage is determined assuming Plan participants have both Medicare Part A and Part B and the difference in premium cost is paid by the HCTF or the DPS HCTF on behalf of benefit recipients not covered by Medicare Part A.

NOTE 7 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

DPS Benefit Structure

The maximum service-based premium subsidy is $230 per month for retirees who are under 65 years of age and who are not entitled to Medicare; the maximum service-based subsidy is $115 per month for retirees who are 65 years of age or older or who are under 65 years of age and entitled to Medicare. The basis for the maximum subsidy, in each case, is for retirees with retirement benefits based on 20 or more years of service credit. There is a 5 percent reduction in the subsidy for each year less than 20. The retiree pays the remaining portion of the premium to the extent the subsidy does not cover the entire amount.

For retirees who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, the HCTF or the DPS HCTF pays an alternate service-based premium subsidy. Each individual retiree meeting these conditions receives the maximum $230 per month subsidy reduced appropriately for service less than 20 years, as described above. Retirees who do not have Medicare Part A pay the difference between the total premium and the monthly subsidy.

Contributions. Pursuant to Title 24, Article 51, Section 208(1)(f) of the C.R.S., as amended, certain contributions are apportioned to the HCTF. PERA-affiliated employers of the State, School, Local Government, and Judicial Divisions are required to contribute at a rate of 1.02 percent of PERA-includable salary into the HCTF.

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the School is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from the School were $58,139 for the year ended June 30, 2021.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2021, the School reported a liability of $575,408 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2019. Standard update procedures were used to roll forward the total OPEB liability to December 31, 2020. The School's proportion of the net OPEB liability was based on School's contributions to the HCTF for the calendar year 2020 relative to the total contributions of participating employers to the HCTF.

At December 31, 2020, the School proportion was 0.0605549602%, which was an increase of 0.0036050950 from its proportion measured as of December 31, 2019.

NOTE 7 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

For the year ended June 30, 2021, the School recognized OPEB expense of $53,830. At June 30, 2021, the School reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ 1,527	$ 126,502
Changes of Assumptions and Other Inputs	4,299	35,284
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	-	23,512
Changes in Proportion and Differences between Contributions Recognized and Proportionate Share of Contributions	87,380	-
Contributions Subsequent to the Measurement Date	29,794	-
Total	$ 123,000	$ 185,298

$29,794 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30,	Amount
2022	$ (21,329)
2023	(18,039)
2024	(23,046)
2025	(22,506)
2026	(6,751)
Thereafter	(422)
Total	$ (92,092)

NOTE 7 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Actuarial assumptions. The total OPEB liability in the December 31, 2019 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

Actuarial Cost Method	Entry Age
Price Inflation	2.40%
Real Wage Growth	1.10%
Wage Inflation	3.50%
Salary Increases, Including Wage Inflation	3.50 % in the aggregate
Long-Term Investment Rate of Return, Net of OPEB Plan Investment Expenses, Including Price Inflation	7.25%
Discount rate	7.25%
Health Care Cost Trend Rates	
Service-based Premium Subsidy	0.00%
PERACare Medicare Plans	8.10% in 2020, gradually decreasing to 4.50% in 2029
Medicare Part A Premiums	3.50% for 2020, gradually increasing to 4.50% in 2029
DPS benefit structure	
Service-based Premium Subsidy	0.00%
PERACare Medicare Plans	N/A
Medicare Part A Premiums	N/A

In determining the additional liability for PERACare enrollees who are age 65 or older and who are not eligible for premium-free Medicare Part A in the December 31, 2019, valuation, the following monthly costs/premiums are assumed for 2020 for the PERA Benefit Structure:

	Initial Costs for Members without Medicare Part A		
	Monthly Cost	Monthly premium	Monthly Cost Adjusted to Age 65
Medicare Advantage/Self-Insured Prescription	$ 588	$ 227	$ 550
Kaiser Permanente Medicare Advantage HMO	621	232	586

The 2020 Medicare Part A premium is $458 (actual dollars) per month.

All costs are subject to the health care cost trend rates, as discussed below.

Health care cost trend rates reflect the change in per capita health costs over time due to factors such as medical inflation, utilization, plan design, and technology improvements. For the PERA benefit structure, health care cost trend rates are needed to project the future costs associated with providing benefits to those PERACare enrollees not eligible for premium-free Medicare Part A.

NOTE 7 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models and heuristics developed by health plan actuaries and administrators, and projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services. Effective December 31, 2019, the health care cost trend rates for Medicare Part A premiums were revised to reflect the current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

The PERA benefit structure health care cost trend rates that were used to measure the total OPEB liability are summarized in the table below:

Year	PERACare Medicare Plans	Medicare Part A Premiums
2020	8.10%	3.50%
2021	6.40%	3.75%
2022	6.00%	3.75%
2023	5.70%	3.75%
2024	5.50%	4.00%
2025	5.30%	4.00%
2026	5.10%	4.00%
2027	4.90%	4.25%
2028	4.70%	4.25%
2029+	4.50%	4.50%

Mortality assumptions used in the December 31, 2019 valuation for the determination of the total pension liability for each of the Division Trust Funds as shown below were applied, as applicable, in the determination of the total OPEB liability for the HCTF. Affiliated employers of the State, School, Local Government, and Judicial Divisions participate in the HCTF.

Healthy mortality assumptions for active members were based on the RP-2014 White Collar Employee Mortality Table, a table specifically developed for actively working people. To allow for an appropriate margin of improved mortality prospectively, the mortality rates incorporate a 70 percent factor applied to male rates and a 55 percent factor applied to female rates.

Post-retirement non-disabled mortality assumptions for the State and Local Government Divisions were based on the RP-2014 Healthy Annuitant Mortality Table, adjusted as follows:

- **Males:** Mortality improvement projected to 2018 using the MP-2015 projection scale, a 73 percent factor applied to rates for ages less than 80, a 108 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

- **Females:** Mortality improvement projected to 2020 using the MP-2015 projection scale, a 78 percent factor applied to rates for ages less than 80, a 109 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

NOTE 7 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Post-retirement mortality assumptions for the School and Judicial Divisions were based on the RP-2014 White Collar Healthy Annuitant Mortality Table, adjusted as follows:

- **Males:** Mortality improvement projected to 2018 using the MP-2015 projection scale, a 93 percent factor applied to rates for ages less than 80, a 113 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

- **Females:** Mortality improvement projected to 2020 using the MP-2015 projection scale, a 68 percent factor applied to rates for ages less than 80, a 106 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

The mortality assumption for disabled retirees was based on 90 percent of the RP-2014 Disabled Retiree Mortality Table.

The actuarial assumptions used in the December 31, 2019, valuation were based on the results of the 2016 experience analysis for the period January 1, 2012, through December 31, 2015, as well as October 28, 2016, actuarial assumptions workshop and were adopted by PERA's Board during the November 18, 2016, Board meeting.

Based on the 2020 experience analysis, dated October 28, 2020, and November 4, 2020, for the period of January 1, 2016, through December 31, 2019, revised economic and demographic assumptions were adopted by PERA's Board on November 20, 2020 and were effective as of December 31, 2020. The assumptions shown below were reflected in the roll forward calculation of the total OPEB liability from December 31, 2019, to December, 31, 2020.

	Trust Fund			
	State Division	**School Division**	**Local Government Division**	**Judicial Division**
Actuarial Cost Method	Entry age	Entry age	Entry age	Entry age
Price Inflation	2.30%	2.30%	2.30%	2.30%
Real Wage Growth	0.70%	0.70%	0.70%	0.70%
Wage Inflation	3.00%	3.00%	3.00%	3.00%
Salary Increases, including wage inflation:				
Members other than State Troopers	3.30%-10.90%	3.40%-11.00%	3.20%-11.30%	2.80%-5.30%
State Troopers	3.20%-12.40%	N/A	3.20%-12.40%	N/A

[1] C.R.S. § 24-51-101 (46), as amended, expanded the definition of "State Troopers" to include certain employees within the Local Government Division, effective January 1, 2020. See Note 4 of the Notes to the Financial Statements in PERA's 2020 Annual Report for more information.

The long-term rate of return, net of OPEB plan investment expenses, including price inflation and discount rate assumptions were 7.25 percent.

Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.

NOTE 7 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Mortality assumptions used in the roll forward calculations for the determination of the total pension liability for each of the Division Trust Funds as shown below were applied, as applicable, in the roll forward calculation for the HCTF, using a headcount-weighted basis.

Pre-retirement mortality assumptions for the State and Local Government Divisions (Members other than State Troopers) were based upon the PubG-2010 Employee Table with generational projection using scale MP-2019.

The pre-retirement mortality assumptions for the School Division were based upon the PubT-2010 Employee Table with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for the State and Local Government Divisions (Members other than State Troopers) were based upon the PubG-2010 Healthy Retiree Table, adjusted as follows:

- **Males:** 94 percent of the rates prior to age 80 and 90 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.

- **Females:** 87 percent of the rates prior to age 80 and 107 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.

Disabled mortality assumptions for Members other than State Troopers were based upon the PubNS-2010 Disabled Retiree Table using 99 percent of the rates for all ages with generational projection using scale MP-2019.

The mortality tables described above are generational mortality tables on a head-count weighted basis.

The following health care costs assumptions were updated and used in the roll forward calculation for the HCTF:

- Initial per capita health care costs for those PERACare enrollees under the PERA benefit structure who are expected to attain age 65 and older ages and are not eligible for premium-free Medicare Part A benefits were updated to reflect the change in costs for the 2020 plan year.

- The health care cost trend rates for Medicare Part A premiums were revised to reflect the then-current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

Actuarial assumptions pertaining to per capita health care costs and their related trend rates are analyzed and updated annually by the Board's actuary, as discussed above.

NOTE 7 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four to five years for PERA. Recently this assumption has been reviewed more frequently. The most recent analyses were outlined in the Experience Study report dated October 28, 2020. As a result of the November 20, 2020, PERA Board meeting, the following economic assumptions were changed, effective December 31, 2020:

- Price inflation assumption decreased from 2.40 percent per year to 2.30 percent per year.
- Real rate of investment return assumption increased from 4.85 percent per year, net of investment expenses to 4.95 percent per year, net of investment expenses.
- Wage inflation assumption decreased from 3.50 percent per year to 3.00 percent per year.

Several factors are considered in evaluating the long-term rate of return assumption, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentages and then adding expected inflation.

The PERA Board first adopted the 7.25 percent long-term expected rate of return as of November 18, 2016. Following an asset/liability study, the Board reaffirmed the assumed rate of return at the Board's November 15, 2019, meeting, to be effective January 1, 2020. As of the most recent reaffirmation of the long-term rate of return, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
Global Equity	54.00 %	5.60 %
Fixed Income	23.00	1.30
Private Equity	8.50	7.10
Real Estate	8.50	4.40
Alternatives[1]	6.00	4.70
Total	100.00 %	

[1] The Opportunity Fund's name changed to Alternatives, effective January 1, 2020.

In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected rate of return assumption of 7.25 percent.

NOTE 7 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Sensitivity of the School's proportionate share of the net OPEB liability to changes in the Health Care Cost Trend Rates. The following presents the net OPEB liability using the current health care cost trend rates applicable to the PERA benefit structure, as well as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rates:

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Initial PERACare Medicare Trend Rate	7.10%	8.10%	9.10%
Ultimate PERACare Medicare Trend Rate	3.50%	4.50%	5.50%
Initial Medicare Part A Trend Rate	2.50%	3.50%	4.50%
Ultimate Medicare Part A Trend Rate	3.50%	4.50%	5.50%
Proportionate Share of the Net OPEB Liability	$ 560,536	$ 575,408	$ 592,722

Discount rate. The discount rate used to measure the total OPEB liability was 7.25 percent. The projection of cash flows used to determine the discount rate applied for actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Updated health care cost trend rates for Medicare Part A premiums as of December 31, 2020, measurement date.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future Plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00 percent.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Estimated transfers of dollars into the HCTF representing a portion of purchase service agreements indented to cover the costs associated with OPEB benefits.
- Benefit payments and contributions were assumed to be made at the middle of the year.

NOTE 7 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Based on the above assumptions and methods, the projection test indicates the HCTF's FNP was projected to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25 percent on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability. The discount rate determination does not use the municipal bond index rate and, therefore, the discount rate is 7.25 percent.

Sensitivity of the School's proportionate share of the net OPEB liability to changes in the discount rate. The following presents the proportionate share of the net OPEB liability calculated using the discount rate of 7.25 percent, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.25 percent) or 1-percentage point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate Share of the Net OPEB Liability	$ 659,141	$ 575,408	$ 503,866

OPEB plan fiduciary net position. Detailed information about the HCTF's fiduciary net position is available in PERA's Annual Report which can be obtained at www.copera.org/investments/pera-financial-reports.

NOTE 8 COMMITMENTS AND CONTINGENCIES

Claims and Judgments

The School participates in a number of federal and state programs that are fully or partially funded by revenues received from other governmental entities. Expenditures financed by these revenues are subject to audit by the appropriate government. If expenditures are disallowed due to noncompliance with program regulations, the School may be required to reimburse the other government. At June 30, 2021, significant amounts of related expenditures have not been audited but management believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on the overall financial position of the School.

TABOR Amendment

In November 1992, Colorado voters passed the TABOR Amendment to the State Constitution which limits state and local government taxing powers and imposes spending limitations. The Amendment is subject to many interpretations, but the School believes it is in substantial compliance with the Amendment. In accordance with the Amendment, the School has established an emergency reserve representing 3% of qualifying expenditures. At June 30, 2021, the reserve was reported as restricted fund balance in the General Fund in the amount of $357,217.

NOTE 9 RELATED PARTY TRANSACTIONS

Liberty Common engages in transactions with the Liberty Common School Building Corporation (LCSBC) and the Core Knowledge Charter School Foundation (the Foundation), all legally separate but related entities.

Transactions during the fiscal year ending June 30, 2021 were as follows: the LCSBC had $8,949 recorded as due from Liberty Common School and $1,248,714 as revenues from Liberty Common School.

LIBERTY COMMON SCHOOL
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY AND CONTRIBUTIONS
PUBLIC EMPLOYEES' RETIREMENT ASSOCIATION OF COLORADO SCHOOL DIVISION TRUST FUND
LAST TEN YEARS
(SEE INDEPENDENT AUDITORS' REPORT)

	12/31/2020	12/31/2019	12/31/2018	12/31/2017	12/31/2016	12/31/2015	12/31/2014
Proportionate Share of the Net Pension Liability							
School's Proportion of the Net Pension Liability	0.104696%	0.087185%	0.081018%	0.090663%	0.090005%	0.087201%	0.087787%
School's Proportionate Share of the Net Pension Liability	$ 15,827,861	$ 13,025,196	$ 14,345,862	$ 29,317,278	$ 26,798,118	$ 13,336,749	$ 11,898,151
State's Proportionate Share of the Net Pension Liability Associated with the School **	$ -	$ 1,652,080	$ 1,961,598	$ -	$ -	$ -	$ -
Total	$ 15,827,861	$ 14,677,276	$ 16,307,460	$ 29,317,278	$ 26,798,118	$ 13,336,749	$ 11,898,151
School's Covered Payroll	$ 5,599,796	$ 5,107,383	$ 4,453,983	$ 4,182,189	$ 4,039,608	$ 3,800,191	$ 3,677,665
School's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	283%	255%	322%	701%	663%	351%	324%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	67%	65%	57%	44%	43%	59%	63%

	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015
School Contributions							
Contractually Required Contribution	$ 1,133,295	$ 1,079,423	$ 890,411	$ 798,849	$ 756,696	$ 695,577	$ 621,305
Contributions in Relation to the Contractually Required Contribution	(1,133,295)	(1,079,423)	(890,411)	(798,849)	(756,696)	(695,577)	(621,305)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
School's Covered Payroll	$ 5,699,891	$ 5,569,772	$ 4,654,525	$ 4,230,479	$ 4,116,967	$ 3,920,951	$ 3,708,370
Contributions as a Percentage of Covered Payroll	19.88%	19.38%	19.13%	18.88%	18.38%	17.74%	16.75%

This schedule is presented to show information for 10 years. Until information for the full 10-year period is available, information will be presented for the years it is available.

LIBERTY COMMON SCHOOL
SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY AND CONTRIBUTIONS
(SEE INDEPENDENT AUDITORS' REPORT)

	12/31/2020	12/31/2019	12/31/2018	12/31/2017
Proportionate Share of the Net OPEB Liability				
School's Proportion of the Collective Net OPEB Liability	0.0605549602%	0.0569498652%	0.0526619978%	0.0515145210%
School's Proportionate Share of the Collective Net OPEB Liability	$ 575,408	$ 640,115	$ 716,489	$ 669,482
School's Covered Payroll	$ 5,599,796	$ 5,107,383	$ 4,453,983	$ 4,437,851
School's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	10%	13%	16%	15%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	33%	25%	17%	18%

	6/30/2021	6/30/2020	6/30/2019	6/30/2018
School Contributions				
Contractually Required Contribution	$ 58,139	$ 56,812	$ 47,476	$ 43,151
Contributions in Relation to the Contractually Required Contribution	(58,139)	(56,812)	(47,476)	(43,151)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -
School's Covered Payroll	$ 5,699,891	$ 5,569,772	$ 4,654,525	$ 4,230,479
Contributions as a Percentage of Covered Payroll	1.02%	1.02%	1.02%	1.02%

This schedule is presented to show information for 10 years. Until available, information will be presented for the years it is available.

LIBERTY COMMON SCHOOL
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED JUNE 30, 2021
(SEE INDEPENDENT AUDITORS' REPORT)

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Local Sources:				
Per Pupil Revenue	$ 8,650,500	$ 8,692,797	$ 8,836,917	$ 144,120
District Mill Levy	-	-	2,308,515	2,308,515
Tuition and Fees	2,397,175	2,416,237	81,735	(2,334,502)
Food Service Fees	-	-	526	526
Grants and Contributions	-	-	30,000	30,000
Investment Income	-	-	4,654	4,654
Other	-	-	47,708	47,708
Total Local Sources	11,047,675	11,109,034	11,310,055	201,021
State and Federal Sources:				
Additional At-Risk Funding	-	-	-	-
Capital Construction	562,521	609,232	345,828	(263,404)
Grants	522,957	603,650	199,223	(404,427)
Total State and Federal Sources	1,085,478	1,212,882	545,051	(667,831)
Total Revenues	12,133,153	12,321,916	11,855,106	(466,810)
EXPENDITURES				
Instruction:				
Salaries	4,155,000	4,298,854	3,310,775	988,079
Benefits	1,246,500	930,172	1,201,730	(271,558)
Purchased Services	435,000	257,568	364,511	(106,943)
Supplies and Materials	340,000	496,804	198,432	298,372
Property	158,000	180,001	34,288	145,713
Other	-	-	18,419	(18,419)
Total Instruction	6,334,500	6,163,399	5,128,155	1,035,244
Supporting Services:				
Salaries	2,024,000	2,130,166	2,019,860	110,306
Benefits	605,400	563,957	605,387	(41,430)
Purchased Services	2,182,243	2,644,569	1,960,912	683,657
Supplies and Materials	285,501	342,825	224,974	117,851
Property	17,000	42,000	9,673	32,327
Other	-	335,000	9,694	325,306
Total Supporting Services	5,114,144	6,058,517	4,830,500	1,228,017
Total Expenditures	11,448,644	12,221,916	9,958,655	2,263,261
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	684,509	100,000	1,896,451	1,796,451
OTHER FINANCING SOURCES (USES)				
Transfers Out	(50,000)	(100,000)	-	100,000
NET CHANGE IN FUND BALANCE	634,509	-	1,896,451	1,896,451
Fund Balance - Beginning of Year	3,200,500	3,211,657	3,682,628	470,971
FUND BALANCE - END OF YEAR	$ 3,835,009	$ 3,211,657	$ 5,579,079	$ 2,367,422

LIBERTY COMMON SCHOOL
BUDGETARY COMPARISON SCHEDULE
GRANTS FUND
YEAR ENDED JUNE 30, 2021
(SEE INDEPENDENT AUDITORS' REPORT)

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Intergovernmental	$ -	$ 1,436,487	$ 1,436,487
EXPENDITURES			
Salaries	-	904,456	(904,456)
Benefits	-	63,634	(63,634)
Purchased Services	-	73,582	(73,582)
Supplies and Materials	-	214,100	(214,100)
Property	-	180,715	(180,715)
Other	-	-	-
Reserves	-	-	-
Total Expenditures	-	1,436,487	(1,436,487)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-
OTHER FINANCING SOURCES			-
Transfers In	-	-	-
NET CHANGE IN FUND BALANCE	-	-	-
Fund Balance - Beginning of Year	-	-	-
FUND BALANCE - END OF YEAR	$ -	$ -	$ -

LIBERTY COMMON SCHOOL
BUDGETARY COMPARISON SCHEDULE
LCS BUILDING CORPORATION
YEAR ENDED JUNE 30, 2021
(SEE INDEPENDENT AUDITORS' REPORT)

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Local Sources	$ -	$ 1,249,642	$ 1,249,642
EXPENDITURES			
Current:			
Instruction	-	-	-
Supporting Services	-	14,230	(14,230)
Capital Outlay	-	280,148	(280,148)
Debt Service			
Principal	-	425,000	(425,000)
Interest and fiscal charges	-	822,600	(822,600)
Total Expenditures	-	1,541,978	(1,541,978)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	(292,336)	292,336
OTHER FINANCING SOURCES			-
Insurance Proceeds	-	77,597	77,597
NET CHANGE IN FUND BALANCE	-	(214,739)	(214,739)
Fund Balance - Beginning of Year	-	3,314,943	3,314,943
FUND BALANCE - END OF YEAR	$ -	$ 3,100,204	$ 3,100,204

NOTE 1: SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY AND CONTRIBUTIONS

The Public Employees' Retirement Association of Colorado (PERA) School Division Trust Fund's net pension liability and associated amounts are measured annually at December 31, based on an actuarial valuation as of the previous December 31. The School's contributions and related ratios represent cash contributions and any related accruals that coincide with the School's fiscal year ending on June 30.

NOTE 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgets and Budgetary Accounting

Budgets are required by State statutes for all major funds and for the Athletics Fund and Capital Projects Fund and are adopted on a basis consistent with generally accepted accounting principles (GAAP). The LCS Building Corporation and the School's Grants Fund did not legally adopt a budget for the year ended June 30, 2021. As such, total expenditures exceed appropriations by $1,541,978 and $1,436,487, respectively. This may be a violation of Colorado budget law.

The School adheres to the following procedures to establish the budgetary information reported in the financial statements.

- By April 30, management submits to the Board of Directors a proposed budget for the General Fund for the fiscal year commencing the following July 1. By June 30, proposed budgets for the remaining funds are submitted to the Board of Directors. The budgets include proposed expenditures and the means of financing them.

- Prior to June 30, the budgets are adopted by the Board of Directors.

- Expenditures may not legally exceed appropriations at the fund level. Revisions that alter the total expenditures of any fund must be approved by the Board of Directors.

- All budget appropriations lapse at fiscal year-end.

- There was no legally adopted budget for the LCS Building Corporation.

LIBERTY COMMON SCHOOL
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021
(SEE INDEPENDENT AUDITORS' REPORT)

	Athletics	Building	Capital Projects	Student Activities	Total
ASSETS					
Cash and Investments	$ 115,873	$ 3,047	$ 315,504	$ 111,916	$ 546,340
Receivables	-	-	-	-	-
Due From Other Funds	-	117,619	-	-	117,619
Prepaid Items	-	-	-	-	-
Total Assets	$ 115,873	$ 120,666	$ 315,504	$ 111,916	$ 663,959
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable and Accrued Expenses	11,511	-	49,118	1,404	62,033
Due To Other Funds	-	-	117,619	-	117,619
Total Liabilities	11,511	-	166,737	1,404	179,652
Fund Balances:					
Assigned to Capital Projects	-	120,666	148,767	-	269,433
Assigned to Student Activities	-	-	-	110,512	110,512
Assigned to Athletics	104,362	-	-	-	104,362
Total Fund Balances	104,362	120,666	148,767	110,512	484,307
Total Liabilities and Fund Balances	$ 115,873	$ 120,666	$ 315,504	$ 111,916	$ 663,959

LIBERTY COMMON SCHOOL
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2021
(SEE INDEPENDENT AUDITORS' REPORT)

	Athletics	Building	Capital Projects	Student Activities	Total
REVENUES					
Charges for Services	$ 71,577	$ -	$ -	$ 56,097	$ 127,674
Total Revenues	71,577	-	-	56,097	127,674
EXPENDITURES					
Current:					
Instruction	123,679	-	-	-	123,679
Supporting Services	40,995	17,905	-	70,141	129,041
Capital Outlay	-	-	461,530	-	461,530
Total Expenditures	164,674	17,905	461,530	70,141	714,250
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(93,097)	(17,905)	(461,530)	(14,044)	(586,576)
OTHER FINANCING SOURCES					
Transfers In	-	-	-	-	-
Total Other Financing Sources	-	-	-	-	-
NET CHANGE IN FUND BALANCE	(93,097)	(17,905)	(461,530)	(14,044)	(586,576)
Fund Balances - Beginning of Year	197,459	138,571	610,297	124,556	1,070,883
FUND BALANCES - END OF YEAR	$ 104,362	$ 120,666	$ 148,767	$ 110,512	$ 484,307

LIBERTY COMMON SCHOOL
BUDGETARY COMPARISON SCHEDULE
ATHLETICS FUND
YEAR ENDED JUNE 30, 2021
(SEE INDEPENDENT AUDITORS' REPORT)

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Charges for Services:			
Activity Fees	$ 60,000	$ 71,577	$ 11,577
EXPENDITURES			
Salaries	110,000	-	110,000
Benefits	27,500	124,872	(97,372)
Purchased Services	67,000	214	66,786
Supplies and Materials	30,000	17,341	12,659
Property	12,000	22,247	(10,247)
Other	3,500	-	3,500
Reserves	-	-	-
Total Expenditures	250,000	164,674	85,326
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(190,000)	(93,097)	(96,903)
OTHER FINANCING SOURCES			-
Transfers In	-	-	-
NET CHANGE IN FUND BALANCE	(190,000)	(93,097)	96,903
Fund Balance - Beginning of Year	(90,555)	197,459	288,014
FUND BALANCE - END OF YEAR	$ (280,555)	$ 104,362	$ 384,917

LIBERTY COMMON SCHOOL
BUDGETARY COMPARISON SCHEDULE
CAPITAL PROJECTS FUND
YEAR ENDED JUNE 30, 2021
(SEE INDEPENDENT AUDITORS' REPORT)

	Original and Final Budget	Actual	Variance Positive (Negative)
EXPENDITURES			
Capital Outlay	$ 40,000	$ 461,530	$ (421,530)
Reserves	512,052	-	512,052
Total Expenditures	552,052	461,530	90,522
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	552,052	461,530	90,522
OTHER FINANCING SOURCES			
Transfers In	-	-	-
NET CHANGE IN FUND BALANCE	552,052	(461,530)	(1,013,582)
Fund Balance - Beginning of Year	857,806	610,297	(247,509)
			-
FUND BALANCE - END OF YEAR	$ 1,409,858	$ 148,767	$ (1,261,091)