WESTBROOK & CO., P.C.
Certified Public Accountants
"Consistently Exceeding Expectations"

749 Driskill Drive
Richmond, MO 64085

18 North Folger
Carrollton, MO 64633

REQUIRED COMMUNICATIONS

October 2, 2020

To the Board of Education
Liberty Public School District No. 53

We have audited the modified cash basis financial statements of the governmental activities and each major fund of Liberty Public School District No. 53 for the year ended June 30, 2020. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, Government Auditing Standards and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated February 9, 2018. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Liberty School District No. 53 are described in Note A to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended June 30, 2020. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Difficulties Encountered in Performing the Audit

We encountered no difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. The attached schedule includes adjustments that were posted by the District as a result of our audit.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated October 2, 2020.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Matters

We were engaged to report on the supplementary information which accompanies the financial statements. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the management's discussion and analysis, which accompanies the financial statements and is also not required supplementary information. We did not audit or perform other procedures on this other information and we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the use of the administration and the Board of Education and is not intended to be and should not be used by anyone other than these specified parties.

Westbrook & Co., P.C.

Westbrook & Co., P.C.

Client: 1499 - Liberty Public School District No. 53
Engagement: 1499 - LIBERTY PUBLIC SCHOOL DISTRICT NO. 53
Period Ending: 6/30/2020
Trial Balance: TB
Workpaper:

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries JE # 1		160.1.2		
To reclass County CARES funds to Federal revenue				
01-0000-5237-0000-	OTHER COUNTY REVENUE		938,294.91	
04-0000-5237-0000-	OTHER COUNTY REVENUE		245,000.00	
01-0000-5497-0000-	OTHER FEDERAL REVENUE COUNTY CARES			938,294.91
04-0000-5497-0000-	OTHER FEDERAL REVENUE COUNTY CARES			245,000.00
Total			1,183,294.91	1,183,294.91
Adjusting Journal Entries JE # 2		160.1.1		
To reclass County CARES expenses				
01-2911-6411-9990-	ALL DIST CARES ACT SUPPLIES		174,822.20	
01-2911-6411-9990-	COVID-19			174,822.20
Total			174,822.20	174,822.20

LIBERTY PUBLIC SCHOOL DISTRICT NO. 53
LIBERTY, MISSOURI

FINANCIAL STATEMENTS TOGETHER
WITH INDEPENDENT AUDITORS' REPORT

FOR THE YEAR ENDED JUNE 30, 2020

LIBERTY PUBLIC SCHOOL DISTRICT NO. 53
TABLE OF CONTENTS

Independent Auditors' Report 1

Management's Discussion and Analysis 3

Basic Financial Statements:

Statement of Net Position - Modified cash basis 12

Statement of Activities - Modified cash basis 13

Balance Sheet - Modified cash basis - Governmental Funds 14

Statement of Revenues, Expenditures and Changes in Fund Balances - Modified cash basis - Governmental Funds 15

Notes to the Basic Financial Statements 16

Supplementary Information

Budgetary Comparison Schedule - Modified cash basis:

General Fund 30

Special Revenue Fund 31

Debt Service Fund 32

Capital Projects Fund 33

Notes to the Budgetary Comparison Schedule 34

Schedule of Revenues Collected by Source 35

Schedule of Selected Statistics 36

Schedule of Expenditures of Federal Awards 40

Internal Control and Compliance

Report on the Administration's Assertions About Compliance with Specified Requirements of Missouri Laws and Regulations 42

Schedule of State Findings 43

Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards 44

Independent Auditors' Report on Compliance for each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance 46

Schedule of Findings and Questioned Costs 48

WESTBROOK & CO., P.C.
Certified Public Accountants
"Consistently Exceeding Expectations"

749 Driskill Drive
Richmond, MO 64085

18 North Folger
Carrollton, MO 64633

INDEPENDENT AUDITORS' REPORT

To the Board of Education
Liberty Public School District No. 53

Report on the Financial Statements

We have audited the accompanying modified cash basis financial statements of the governmental activities and each major fund of Liberty Public School District No. 53 as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note A. This includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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 and the standards applicable to the financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District'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 District'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 modified cash basis financial position of the governmental activities and each major fund of Liberty Public School District No. 53 as of June 30, 2020, and the respective changes in modified cash basis financial position for the year then ended in accordance with the basis of accounting described in Note A.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements as a whole that collectively comprise the District's basic financial statements. The supplementary information, as listed in the table of contents, including the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The 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 information is fairly stated in all material respects in relation to the basic financial statements as a whole, on the basis of accounting described in Note A.

Management's discussion and analysis on pages 3 through 11 has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated October 2, 2020 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the District's internal control over financial reporting and compliance.

Basis of Accounting

We draw attention to Note A of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Westbrook & Co., P.C.

Richmond, Missouri
October 2, 2020

Liberty
PUBLIC SCHOOLS

MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)

The discussion and analysis of the Liberty Public School District No. 53 financial performance provides an overview of the District's financial activities for the fiscal year that ended on June 30, 2020. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should review the basic financial statements, notes to the financial statements and other supplemental information to enhance their understanding of the District's financial performance.

Financial Highlights

Key financial highlights for the 2020 fiscal year are as follows:

- Operating fund balances for the District (General Fund and Special Revenue Fund) increased by $1,378,163 from $39,857,046 to $41,235,209.

- District operating fund revenues decreased by $1,923,014 from $150,887,251 to $148,964,237. Local revenue decreased $3,427,432 primarily as a result of decreased revenue from student activities and community services due to COVID; and federal revenues increased $1,395,846 as a result of federal CARES funds received through the county.

- District operating fund expenditures increased by $7,341,483 from $140,244,591 to $147,586,074.

- District state funding for all funds decreased $1,515,913 as a result of withholdings of Basic Formula due to the state budget shortfalls.

- The net decrease to the District's long-term debt was $9,920,222 where total long-term debt changed from $172,884,942 to $162,964,720.

- The Capital Projects Fund balance decreased by $38,231,084 from $51,483,668 to $13,252,584 mainly due to expenditures for construction projects related to the 2018 General Obligation Building Bonds.

Using this Annual Report

This annual report consists of two distinct series of financial statements: the district-wide reports and fund financials.

- Government-wide Financial Reports: Provide both short-term and long-term information about the District's overall financial status. Government-wide statements include the Statement of Net Position and the Statement of Activities.

- Fund Financial Statements: Focus on individual funds of the District, reporting activities in more detail. These statements show how services were financed in the short-term as well as what remains for future spending.

8 Victory Lane · Liberty, Missouri 64068 · (816) 736-5300 · Fax (816) 736-5306

Reporting the District as a Whole

The Statement of Net Position and the Statement of Activities

The view of the District as a whole looks at all financial transactions and asks the questions, "Are we in a better financial position this year than last?" and "Why?" or "Why not?" The Statement of Net Position and the Statement of Activities provide the basis for answering these questions. The statements include all assets and liabilities using the modified cash basis of accounting.

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. The financial statements are presented on the modified cash basis of accounting, under which revenues are recorded when received rather than when susceptible to accrual, and expenditures are recorded when paid rather than when the fund liability is incurred. Also, benefits are recorded as expenditures paid in the fiscal year in which the obligation under salary contracts are fulfilled, even though a portion of these benefits are not paid until July of the following fiscal year.

These two statements report the District's net position and change in net position. The change in net position is important because it tells the reader that, for the District as a whole, the financial position of the District has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the District's property tax base, facility conditions, required educational programs and other factors.

In the Statement of Net Position and the Statement of Activities, the District reports governmental activities. Governmental activities are the activities where most of the District's programs and services are reported including, but not limited to, instruction, support services, operation and maintenance of plant, pupil transportation, food service and extracurricular activities.

Reporting the District's Most Significant Funds

Fund financial reports provide detailed information about the District's major funds. District resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The following fund types are used by the District:

Governmental Funds:

General Fund: Accounts for and reports all financial resources not accounted for and reported in another fund.

Special Revenue Fund: Accounts for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Debt Service Fund: Accounts for and reports financial resources that are restricted, committed, or assigned to expenditures for principal and interest.

Capital Projects Fund: Accounts for and reports financial resources that are restricted, committed, or assigned to expenditures for capital outlay, including the acquisition or construction of capital facilities and other capital assets.

The District as A Whole

The Statement of Net Position provides the perspective of the District as a whole. Table 1 provides a summary and comparison of the District's net position for 2020 and 2019:

TABLE 1	Governmental Activities	
	2020	2019
ASSETS		
Cash and cash equivalents	$ 63,841,530	$ 101,678,696
NET POSITION		
Restricted for:		
Scholarships	$ 55,863	$ 55,829
Debt service	9,353,737	10,337,982
Capital outlay	13,252,584	51,483,668
Unrestricted	41,179,346	39,801,217
Total Net Position	$ 63,841,530	$ 101,678,696

Total assets at June 30, 2020 were reported at $63,841,530.

Unrestricted net position that can be used to finance day-to-day activities without constraints established by grants or legal requirements was $41,179,346. The District has restricted net position of $9,353,737 for debt service, $13,252,584 restricted for capital outlay, and $55,863 restricted for scholarships.

Table 2 shows the change in net position for fiscal years 2020 and 2019.

TABLE 2

REVENUES	2020	2019
Program Revenues:		
Charges for services	$ 7,402,748	$ 10,120,230
Operating grants and contributions	13,675,348	11,828,199
Capital grants and contributions	200,756	404,057
Total Program Revenues	21,278,852	22,352,486
General Revenues:		
Basic formula	58,220,486	59,909,821
Property taxes	67,531,363	61,166,196
Sales tax	12,246,768	12,090,570
Earnings on investments	1,848,185	2,372,073
State assessed utilities	2,200,890	2,497,043
M & M surtax	1,317,101	1,167,035
Financial institution tax	249,736	142,870
In lieu of tax	5,838,546	7,168,927
Fines and escheats	186,980	227,636
Other revenue	347,916	3,155,301
Total General Revenues	149,987,971	149,897,472
Total Revenues	171,266,823	172,249,958
PROGRAM EXPENSES		
Instruction	74,253,467	70,193,807
Student activities	5,160,881	5,190,020
Student services	11,519,507	9,985,924
Instructional staff support	6,712,697	5,547,487
General administration and central services	14,051,729	13,963,309
Building level administration	7,687,242	6,875,342
Operation of plant	15,157,413	14,538,952
Transportation	7,122,336	7,240,843
Food service	5,420,347	5,729,748
Community services	2,837,068	2,813,773
Facility acquisition and construction	35,185,140	13,401,733
Debt Service:		
Principal retirement	17,409,503	11,061,810
Interest and fees	6,586,659	6,353,774
Total Governmental Activities Expenses	209,103,989	172,896,522
CHANGE IN NET POSITION	(37,837,166)	(646,564)
Net Position Beginning of Year	101,678,696	102,325,260
Net Position End of Year	$ 63,841,530	$ 101,678,696

Governmental Activities

Revenues

General revenues totaled $149,987,971. The three largest sources of general revenue for Liberty Public School District No. 53 are generated from the local property taxes $67,531,363, Basic Foundation Formula $58,220,486 and Proposition C sales tax $12,246,768. Program specific revenues in the form of operating grants totaled $13,675,348. The largest portion of this revenue was from the Individuals with Disabilities (IDEA) program and the Early Childhood Special Education Program. State and federal reimbursement for transportation and food service were $1,146,722 and $1,671,759, respectively. Charges for services, including student activities and food service, totaled $7,402,748.

Expenditures

Expenditures for governmental activities totaled $209,103,989 and $21,278,852 was offset by program specific charges for services, grants or contributions. General revenues, primarily property taxes, sales tax, the basic formula and to a lesser extent state assessed utilities, fines and earnings on investments were adequate to provide for program activities. End-of-year fund balances in the General and Special Revenue Funds increased $1,378,163, from $39,857,046 to $41,235,209.

The Statement of Activities shows the costs of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services. That is, it identifies the costs of these services supported by tax revenue and unrestricted State entitlements.

TABLE 3

	2020		2019	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
Instruction	$ 74,253,467	$ 63,676,857	$ 70,193,807	$ 61,291,384
Student activities	5,160,881	2,868,962	5,190,020	2,143,678
Student services	11,519,507	11,519,507	9,985,924	9,985,924
Instructional staff support	6,712,697	6,712,697	5,547,487	5,547,487
General administration and central services	14,051,729	14,051,729	13,963,309	13,963,309
Building level administration	7,687,242	7,687,242	6,875,342	6,875,342
Operation of plant	15,157,413	15,023,563	14,538,952	14,420,026
Transportation	7,122,336	5,975,614	7,240,843	5,885,501
Food service	5,420,347	599,070	5,729,748	(113,998)
Community services	2,837,068	729,350	2,813,773	38,990
Facility acquisition and construction	35,185,140	34,984,384	13,401,733	13,090,809
Debt Service:				
Principal retirement	17,409,503	17,409,503	11,061,810	11,061,810
Interest and fees	6,586,659	6,586,659	6,353,774	6,353,774
Total Governmental Activities	$ 209,103,989	$ 187,825,137	$ 172,896,522	$ 150,544,036

Instruction includes activities directly dealing with the teaching of pupils and the interaction between teacher and pupil.

Student activities include expenditures related to activities and services associated with extracurricular activities.

Student services include guidance and counseling, health services, as well as the costs of student attendance reporting.

Instructional staff support includes the activities involved with assisting staff with the content and process of teaching pupils.

General administration and central services includes the expenses associated with administrative and financial supervision of the District and office support staff. It also includes expenses related to planning, research, development and evaluation of instructional and support services, as well as the reporting of this information internally and to the public.

Building level administration includes the cost of salaries and benefits for building level principals and office support staff.

Operation of plant activities involves keeping the school grounds, buildings, and equipment in an effective working condition.

Transportation includes activities involved with the conveyance of students to and from school, as well as to and from school activities, as provided by state law.

Food service includes the preparation, delivery, and servicing of lunches, snacks, and other incidental meals to students and school staff in connection with school activities.

Community services include expenses related to student activities provided by the District which are designed to provide opportunities for pupils to participate in school events, public events, or a combination of these for the purpose of motivation, enjoyment and skill improvement.

Facility acquisition and construction includes expenditures for land or existing buildings; improvement of grounds; construction of buildings; remodeling of buildings; initial equipment; additional equipment; and replacement of equipment.

Debt service involves the transactions associated with the payment of principal, interest and other related charges for debt of the District.

The District's Funds

The District's funds are accounted for using the modified cash basis of accounting. All governmental funds had total revenues of $171,266,823 and total expenditures of $209,103,989. The net change in fund balances for the year was significant in the Capital Projects Fund which decreased $38,231,084 mainly as a result of expenditures for construction projects related to the 2018 General Obligation Building Bonds.

General Fund Budgeting Highlights

Missouri statutes establish funds which must be used in the accounting process and place certain limits upon the use of revenue and expenditure transactions allowed in these funds. The District's budget is prepared according to Missouri law and is based on accounting for certain transactions on the modified cash basis.

The General Fund actual revenue was $95,015,423 representing a $880,942 decrease from the original budget estimate of $95,896,365. Total actual General Fund expenditures were $62,308,143 representing a $1,072,402 decrease from the original budget estimate of $63,380,545.

Debt Administration

As of June 30, 2020, the District had $162,964,720 in debt. This represents a decrease of $6,384,738 from the $172,884,942 in outstanding debt that existed as of June 30, 2019.

TABLE 4

Outstanding Debt	2020	2019
2010A Taxable General Obligation Qualified Const Bonds	$ 4,631,000	$ 4,631,000
2010B Taxable General Obligation Build America Bonds	-	3,369,000
2011 General Obligation Refunding Bonds	2,200,000	6,660,000
2012 General Obligation Refunding Bonds	-	2,300,000
2013 General Obligation Refunding Bonds	2,000,000	4,300,000
2014 General Obligation Refunding Bonds	2,200,000	2,650,000
Series 2014 Lease Participation Certificates	19,325,000	20,250,000
Series 2015 Lease Participation Certificates	5,275,000	5,525,000
2015 General Obligation Refunding Bonds	8,940,000	8,940,000
2016 General Obligation Refunding Bonds	51,820,000	51,820,000
Series 2016 Refunding Lease Participation Certificates	8,660,000	9,595,000
2016 Transportation Lease	575,966	857,999
2016 Technology Lease	-	1,854,563
2018 Technology Equipment Lease	566,190	1,132,380
2018 General Obligation Building Bonds	49,000,000	49,000,000
2020 Technology Equipment Lease	7,771,564	-
	$ 162,964,720	$ 172,884,942

The Series 2010A Bond issue in the amount of $4,631,000 provided funds for the purpose of acquiring, constructing, improving, furnishing, and equipping school facilities, including in particular constructing, furnishing, and equipping a new field house and a new auditorium at Liberty North High School.

The Series 2011 Bond issue in the amount of $16,290,000 represents refunding of the 2001C and 2002B bond issues and resulted in $1,812,709 net present value savings.

The Series 2013 Bond issue in the amount of $9,860,000 represents refunding a portion of the 2004 bond issue and resulted in $1,273,380 net present value savings.

The Series 2014 Bond issue in the amount of $6,520,000 represents refunding the remaining balance of the 2004 bond issue and resulted in $872,646 net present value savings.

The Series 2014 Lease Participation Certificates in the amount of $24,150,000 provided funds to pay the costs of certain improvements to District facilities.

The Series 2015 Lease Participation Certificates in the amount of $6,440,000 provided funds to pay the costs of certain improvements to District facilities.

The Series 2015 Bond issue in the amount of $8,940,000 represents refunding the remaining balance of the 2006 bond issue and resulted in $1,399,650 net present value savings.

The Series 2016 Bonds in the amount of $51,820,000 represents refunding the remaining balance of the 2008 bond issue and resulted in $4,829,013 net present value savings.

The Series 2016 Refunding Lease Participation Certificates in the amount of $10,700,000 represents refunding of the 2007 certificates of participation and resulted in $1,545,251 net present value savings.

The 2016 Transportation Lease is for the financing of nineteen school buses for the District. The lease requires six annual installments of $294,045, interest at 1.40%.

The 2018 technology equipment lease allowed for various Apple computer equipment requiring three annual payments of $566,190 with no interest.

The Series 2018 Bond issue in the amount of $49,000,000 represents new money for the purpose of acquiring, constructing, furnishing and equipping elementary and secondary school facilities, support service facilities and related sites to allow for safety and security enhancements, accessibility upgrades and educational improvements.

The 2020 technology equipment lease allowed for various Apple computer equipment requiring four annual payments with $2,128,503 for the first year and then $1,936,515 for the remaining three years with interest at 1.2515%.

Growth, Economic Factors and Future Focus

The Liberty Public School District proudly serves the communities of Liberty and Kansas City. The District continues to experience growth, anticipating that the Pre K-12 student population will exceed 12,800 in the 2020-2021 school year. Our desire is to exceed expectations in delivering high quality educational experiences as we continue to grow as a community. Educational programs exist to meet the varied needs of all learners both in and out of the classroom. From early learning experiences to preparation for college and career, our schools strive to prepare young people for whatever they may face in life.

The District's work is guided by our Strategic Plan which focuses on the areas of student learning, teaching, leadership, professional learning and community. We are committed to working with all of our families to allow learning environments that fit the needs of each of our individual learners. We remain committed to supporting our faculty and staff through their professional learning and striving to make Liberty Public Schools an exceptional place to learn and work.

The last three and a half months of the 2019-2020 school year took us on an interesting journey. We tried to remain flexible, creative and diligent in response to the unprecedented challenges caused by COVID-19. The magnitude of the pandemic's impact on District operations and revenues won't be fully quantifiable for some time. The need to be flexible while still maintaining focus on District priorities and needs will be crucial as funding levels change due to COVID-19. During the uncertain economic times Liberty Public School District No. 53 continues to be in good financial health. However, we must continually analyze trends and assess targets often in order to maintain that stability. The District's Audit and Finance Committee is comprised of highly-qualified patrons of the District, and works with administration in assisting the Board of Education in reviewing financial documentation, policies and procedures.

Over the course of the year, the Board of Education revises the District's budget to take into consideration expected changes in revenues collected or expenditures paid. As part of this normal budgeting process, long-range projections are developed and continually updated. This process allows the District to determine

availability of resources for ongoing expenditures, such as salaries, versus one-time projects, such as facility repairs and upgrades.

In conclusion, Liberty Public School District No. 53 is committed to maintaining sound financial practices that protect the stability of the District and promote the academic excellence of our students. The District's systems for financial planning, budgeting and internal control are well regarded. Sound fiscal management will continue to be a major driver in decision making.

Contacting the School District's Financial Management

This financial report is designed to provide our taxpayers, investors and creditors with a general overview of the Liberty Public School District No. 53 finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information contact Cindy Sullivant, Chief Financial Officer, Liberty Public School District No. 53, 8 Victory Lane, Liberty, MO 64068 or by phone at 816-736-5300.

LIBERTY PUBLIC SCHOOL DISTRICT NO. 53
STATEMENT OF NET POSITION - MODIFIED CASH BASIS
JUNE 30, 2020

	GOVERNMENTAL ACTIVITIES
ASSETS	
Cash and cash equivalents	$ 63,841,530
NET POSITION	
Restricted for:	
Scholarships	$ 55,863
Debt service	9,353,737
Capital outlay	13,252,584
Unrestricted	41,179,346
Total net position	$ 63,841,530

See accompanying notes to the basic financial statements.

LIBERTY PUBLIC SCHOOL DISTRICT NO. 53
STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2020

		PROGRAM REVENUES			Net (Expenditures) Revenues and Change in Net Position
	Expenditures	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental
GOVERNMENTAL ACTIVITIES					
Instruction	$ 74,253,467	$ 161,037	$ 10,415,573	$ -	$ (63,676,857)
Student activities	5,160,881	2,291,919	-	-	(2,868,962)
Student services	11,519,507	-	-	-	(11,519,507)
Instructional staff support	6,712,697	-	-	-	(6,712,697)
General administration and central services	14,051,729	-	-	-	(14,051,729)
Building administration	7,687,242	-	-	-	(7,687,242)
Operation of plant	15,157,413	133,850	-	-	(15,023,563)
Transportation	7,122,336	-	1,146,722	-	(5,975,614)
Food service	5,420,347	3,149,518	1,671,759	-	(599,070)
Community services	2,837,068	1,666,424	441,294	-	(729,350)
Facility acquisition and construction	35,185,140	-	-	200,756	(34,984,384)
Debt service:					
Principal retirement	17,409,503	-	-	-	(17,409,503)
Interest and fees	6,586,659	-	-	-	(6,586,659)
Total Governmental Activities	$ 209,103,989	$ 7,402,748	$ 13,675,348	$ 200,756	(187,825,137)
General Revenues:					
Basic formula					58,220,486
Property taxes					67,531,363
Sales tax					12,246,768
Earnings on investments					1,848,185
State assessed utilities					2,200,890
M & M surtax					1,317,101
Financial institution tax					249,736
In lieu of tax					5,838,546
Fines and escheats					186,980
Other revenue					347,916
Total General Revenues					149,987,971
Change in net position					(37,837,166)
Net Position Beginning of year					101,678,696
Net Position End of year					$ 63,841,530

See accompanying notes to the basic financial statements.

LIBERTY PUBLIC SCHOOL DISTRICT NO. 53
BALANCE SHEET - MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
JUNE 30, 2020

	GENERAL FUND	SPECIAL REVENUE FUND	DEBT SERVICE FUND	CAPITAL PROJECTS FUND	TOTAL GOVERNMENTAL FUNDS
ASSETS					
Cash and cash equivalents	$ 41,235,209	$ -	$ 9,353,737	$ 13,252,584	$ 63,841,530
FUND BALANCES					
Fund balances					
Nonspendable	$ 55,000	$ -	$ -	$ -	$ 55,000
Restricted	863	-	9,353,737	9,853,047	19,207,647
Assigned	2,613,670	-	-	3,399,537	6,013,207
Unassigned	38,565,676	-	-	-	38,565,676
Total fund balances	$ 41,235,209	$ -	$ 9,353,737	$ 13,252,584	$ 63,841,530

See accompanying notes to the basic financial statements.

LIBERTY PUBLIC SCHOOL DISTRICT NO. 53
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
MODIFIDED CASH BASIS - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	GENERAL FUND	SPECIAL REVENUE FUND	DEBT SERVICE FUND	CAPITAL PROJECTS FUND	TOTAL GOVERNMENTAL FUNDS
REVENUES:					
Local	$ 63,046,693	$ 12,246,768	$ 16,767,813	$ 4,876,364	$ 96,937,638
County	2,077,019	186,980	-	123,871	2,387,870
State	23,930,596	41,138,273	-	-	65,068,869
Federal	5,867,696	314,227	275,188	245,000	6,702,111
Other	93,419	62,566	-	14,350	170,335
Total Revenues	95,015,423	53,948,814	17,043,001	5,259,585	171,266,823
EXPENDITURES:					
Instruction	9,370,509	64,542,627	-	340,331	74,253,467
Student activities	2,786,863	2,190,319	-	183,699	5,160,881
Student services	6,279,860	5,239,647	-	-	11,519,507
Instructional staff support	3,090,504	3,482,389	-	139,804	6,712,697
General administration & central services	9,882,084	3,190,748	-	978,897	14,051,729
Building level administration	1,857,451	5,829,791	-	-	7,687,242
Operation of plant	15,128,272	-	-	29,141	15,157,413
Pupil transportation	6,466,223	-	-	656,113	7,122,336
Food service	5,411,719	-	-	8,628	5,420,347
Community services	2,034,657	802,411	-	-	2,837,068
Facility acquisition and construction	-	-	-	35,185,140	35,185,140
Debt service:					
Principal retirement	-	-	12,879,000	4,530,503	17,409,503
Interest and fees	-	-	5,148,246	1,438,413	6,586,659
Total Expenditures	62,308,142	85,277,932	18,027,246	43,490,669	209,103,989
Revenues Over (Under) Expenditures	32,707,281	(31,329,118)	(984,245)	(38,231,084)	(37,837,166)
Other Financing Sources (Uses):					
Transfers	(31,329,118)	31,329,118	-	-	-
Net change in fund balances	1,378,163	-	(984,245)	(38,231,084)	(37,837,166)
Fund balance, beginning	39,857,046	-	10,337,982	51,483,668	101,678,696
Fund balance, ending	$ 41,235,209	$ -	$ 9,353,737	$ 13,252,584	$ 63,841,530

See accompanying notes to the basic financial statements.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles Used to Determine Scope of Entity: The District's reporting entity includes the District's governing board and all related organizations.

The combined financial statements of the District include all organizations that raise and hold economic resources for the direct benefit of the District. The District has implemented GASB Statement No. 61, The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and 34. GASB Statement No. 61 amended GASB Statement No. 14. GASB Statement 61 modifies certain requirements for inclusion of component units in the financial reporting entity.

The District has determined that no other outside agency meets the criteria set forth in GASB Statement No. 61 and, therefore, no other agency has been included as a component unit in the District's financial statements.

Basis of Presentation

The District's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-wide Financial Statements - The Statement of Net Position and the Statement of Activities display information about the School District as a whole. These statements include the financial activities of the primary government.

The Statement of Net Position presents the financial condition of the governmental activities of the District at year-end. The Statement of Activities presents a comparison between direct expenditures and program revenues for each program or function of the District's governmental activities. Direct expenditures are those that are specifically associated with a service, program, or department and therefore clearly identifiable to a particular function. Program revenues include amounts paid by the recipient of goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District. The comparison of direct expenditures with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

Fund-Financial Statements - During the year, the District segregates transactions related to certain District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the District at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column.

Fund Accounting

The accounts of the District are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues and expenditures. District resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The following funds are used by the District:

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Major Governmental Funds:

General Fund: Accounts for and reports all financial resources not accounted for and reported in another fund.

Special Revenue Fund: Accounts for and reports the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Debt Service Fund: Accounts for and reports financial resources that are restricted, committed, or assigned to expenditures for principal and interest.

Capital Projects Fund: Accounts for and reports financial resources that are restricted, committed, or assigned to expenditures for capital outlay, including the acquisition or construction of capital facilities and other capital assets.

Measurement Focus

Government-wide Financial Statements: The statement of net position and the statement of activities display information about the District as a whole. The government-wide financial statements are prepared using the total economic resources measurement focus within the limitations of the modified cash basis of accounting as defined below.

Fund Financial Statements: All governmental funds are accounted for using a flow of current financial resources measurement focus within the limitations of modified cash basis of accounting as defined below. With this measurement of focus, only current assets and current liabilities generally are included on the balance sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balances reports on the sources (revenues and other financing sources) and uses (expenditures and other financing uses) of current financial resources. This approach does not differ from the manner in which the governmental activities of the District-wide financial statements are prepared.

Basis of Accounting: In the government-wide Statement of Net Position and Statement of Activities and the fund financial statements, governmental activities are presented using the modified cash basis of accounting. This basis recognizes assets, liabilities, net position/fund equity, revenues and expenditures when they result from cash transactions. Also, benefits are recorded as expenditures paid in the fiscal year in which the obligation under salary contracts are fulfilled, even though a portion of these benefits are not paid until July of the following fiscal year.

Pooled Cash and Temporary Investments: The District maintains a cash and temporary investment pool that is available for use by all funds except the Debt Service Fund (state law requires that all deposits of the Debt Service Fund be kept separate and apart from all other funds of the District). Investments of the pooled accounts may consist primarily of certificates of deposit and U.S. Government securities, carried at cost. Interest income received is allocated to contributing funds based on cash and temporary investment balances.

Payroll Withholding: Payroll withholding checks written and held at June 30, 2020 for July 2020 payrolls from 2019-2020 contracts in the amount of $604,572 are included in the financial statements as an expenditure paid in the month of June. This practice has been consistently followed in previous years.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Vacation and PTO: Vacation time and PTO are considered as expenditures in the year paid. PTO earned but unused will be paid at rates based on years of eligibility upon retirement or separation at $25 to $100 per day depending on length of service. Vacation days accrue in a fiscal year from July 1 through June 30 must be used by June 30 of the following year or forfeited. At termination, earned but unused vacation days will be paid to the full-time employee at their current rate of pay.

OPEB Liabilities: As the District uses the modified cash basis of accounting, OPEB liabilities are not reported in these financial statements. The District has not provided for an estimate of this liability to be performed.

NOTE B - DEPOSITS AND INVESTMENTS

Custodial credit risk: For deposits, custodial credit risk is the risk that in the event of bank failure, the District's deposits may not be returned to it. At June 30, 2020, the bank balances of the District's deposits totaled $28,908,021. Of this amount $250,000 was covered by FDIC insurance and $28,658,021 was supported by collateral, held by banks in the District's name that do not hold the collateralized deposit.

Interest rate risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District has a formal investment policy that minimize the risk that the market value of securities in the portfolio will fall due to changes in general interest rates by structuring the investment portfolio so that securities mature to meet cash requirement for ongoing operation, thereby avoiding the need to sell securities on the open market prior to maturity and investing operating funds primarily in shorter term securities.

Credit risk: Credit risk is defined as the risk that an issuer or other counterparties to an investment in debt securities will not fulfill its obligation.

The Missouri Securities Investment Program (MOSIP) is professionally managed by PFM Asset Management LLC, a registered investment adviser, who is one of the nations' largest administrators of local government investment programs. All investments in the MOSIP pool are rated AAAm by Standard and Poor's and meet the permitted investments statutes for Missouri Schools. The District has a total of $36,528,688 invested with MOSIP at June 30, 2020.

Concentration of credit risk: Concentration of credit risk is the risk loss attributed to the magnitude of a government's investment in a single user. The District's investment policy places limits on the amount of investments in certain issuers including U.S. Government agencies, collateralized repurchase agreements, U.S. Government securities, commercial paper and bankers' acceptances.

Certificates of Deposit: Certificates of deposit with maturities in excess of three months are considered deposits for custodial risk determination. As of June 30, 2020, the certificates of deposit totaled $55,863 which were covered by FDIC insurance.

NOTE C - INSURANCE

The District 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 District maintains commercial insurance to protect itself from such risks. Additionally, the District carries excess liability coverage with a per occurrence limit of liability of $4,000,000.

NOTE D - TAXES

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on November 1 and payable by December 31. Clay County collects the property tax and remits it to the District. The District also receives sales tax collected and remitted by the state based on weighted average daily attendance. The District is required to reduce its total operating levy by one-half the amount of sales tax received in the previous fiscal year. The District's voters have approved a waiver of the rollback and, therefore, the District was not required to reduce its levy for the calendar year 2019.

The assessed valuation of the tangible taxable property for the calendar year 2019 for purposes of local taxation was:

Real Estate:	
Residential	$ 806,424,910
Agricultural	2,660,030
Commercial	75,906,666
Personal Property	184,795,455
Total	$ 1,069,787,061

The tax levy per $100 of the assessed valuation of tangible taxable property for the calendar year 2019 for purposes of local taxation was:

	Unadjusted	Adjusted
General Fund	$ 4.5285	$ 4.5285
Special Revenue Fund	-	-
Debt Service Fund	1.5665	1.5665
Capital Projects Fund	0.3600	0.3600
	$ 6.4550	$ 6.4550

The receipts of current and delinquent property taxes during the fiscal year ended June 30, 2020, aggregated approximately 98 percent of the current assessment computed on the basis of the levy as shown above.

NOTE E - RETIREMENT PLAN

PSRS is a mandatory cost-sharing multiple employer retirement system for all full-time certificated employees and certain part-time certificated employees of all public school districts in Missouri (except the school districts of St. Louis and Kansas City) and all public community colleges. PSRS also includes certificated employees of PSRS, Missouri State Teachers' Association, Missouri State High School Activities Association, and certain employees of the state of Missouri who elected to remain covered by PSRS under legislation enacted in 1986, 1987 and 1989. The majority of PSRS members are exempt from Social Security contributions. In some instances, positions may be determined not to be exempt from Social Security contributions. Any PSRS member who is required to contribute to Social Security comes under the requirements of Section 169.070 (9) RSMo, known as the "2/3's statute." PSRS members required to contribute to Social Security are required to contribute two-thirds of the approved PSRS contribution rate and their employer is required to match the contribution. The members' benefits are further calculated at two-thirds the normal benefit amount. A Comprehensive Annual Financial Report ("CAFR") can be obtained at www.psrs-peers.org.

PSRS is a defined benefit plan providing retirement, disability, and death/survivor benefits. Members are vested for service retirement benefits after accruing five years of service. Individuals who (a) are at least age 60 and have a minimum of 5 years of service, (b) have 30 years of service or (c) qualify for benefits under the "Rule of 80" (service and age total at least 80) are entitled to a monthly benefit for life, which is calculated using a 2.5% benefit factor. Beginning July 1, 2001, and ending July 1, 2014, a 2.55% benefit factor is used to calculate benefits for members who have 31 or more years of service. Actuarially age-reduced benefits are available for members with five to 24.9 years of service at age 55. Members who are younger than age 55 and who do not qualify under the "Rule of 80" but have between 25 and 29.9 years of service may retire with a lesser benefit factor. Members that are three years beyond normal retirement can elect to have their lifetime monthly benefits actuarially reduced in exchange for the right to also receive a one-time partial lump sum (PLSO) payment at retirement equal to 12, 24, or 36 times the Single Life benefit amount. A Summary Plan Description detailing the provisions of the plan can be found on PSRS' website at www.psrs-peers.org. Since the prior valuation date the benefit provisions were amended to make permanent an early retirement benefit allowing members to retire at any age after 25 years of service.

PSRS members were required to contribute 14.5% of their annual covered salary during fiscal year 2020. Employers were required to match the contributions made by employees. The contribution rate is set each year by the PSRS Board of Trustees upon the recommendation of the independent actuary within the contribution restrictions set in Section 169.030 RSMo. The annual statutory increase in the total contribution rate may not exceed 1% of pay. Contributions for employees of the State of Missouri were made by the state in accordance with the actuarially determined contribution rate needed to fund current costs and prior service costs of state employees as authorized in Section 104.342.8 RSMo.

The District's contributions to PSRS for the year ended June 30, 2020 were $10,263,578. The District's contributions to S-PSRS, the "2/3's statute", for the year ended June 30, 2020 were $118,742.

NOTE E - RETIREMENT PLAN (continued)

PEERS is a mandatory cost-sharing multiple employer retirement system for all public school district employees (except the school districts of St. Louis and Kansas City), employees of the Missouri Association of School Administrators, and community college employees (except the Community College of St. Louis). Employees of covered districts who work 20 or more hours per week on a regular basis and who are not contributing members of the Public School Retirement System of Missouri (PSRS) must contribute to PEERS. Employees of PSRS who do not hold Missouri educator certificates also contribute to PEERS. PEERS was established as a trust fund by an Act of the Missouri General Assembly effective October 13, 1965. Statutes governing the System are found in Sections 169.600-169.715 and Sections 169.560-169.595 RSMo. The statutes place responsibility for the operation of PEERS on the Board of Trustees of the Public School Retirement System of Missouri. A Comprehensive Annual Financial Report ("CAFR") can be obtained at www.psrs-peers.org.

PEERS is a defined benefit plan providing service retirement and disability benefits to its members. Members are vested for service retirement benefits after accruing five years of service. Individuals who (a) are at least age 60 and have a minimum of five years of service, (b) have 30 years of service, or (c) qualify for benefits under the "Rule of 80" (service and age total at least 80) are entitled to a monthly benefit for life, which is calculated using a 1.61% benefit factor. Members qualifying for "Rule of 80" or "30-and-out" are entitled to an additional temporary .8% benefit multiplier until reaching minimum Social Security age (currently age 62). Actuarially age-reduced retirement benefits are available with five years of service at age 55. Members who are younger than age 55 and who do not qualify under the "Rule of 80" but have between 25 and 29.9 years of service may retire with a lesser benefit factor.

Members that are three years beyond normal retirement can elect to have their lifetime monthly benefits actuarially reduced in exchange for the right to also receive a one-time partial lump sum (PLSO) payment at retirement equal to 12, 24, or 36 times the Single Life benefit amount. A Summary Plan Description detailing the provisions of the plan can be found on PSRS' website at www.psrs-peers.org.

PEERS members were required to contribute 6.86% of their annual covered salary during fiscal year 2020. Employers were required to match the contributions made by employees. The contribution rate is set each year by the PSRS Board of Trustees upon the recommendation of the independent actuary within the contribution restrictions set in Section 169.030 RSMo. The annual statutory increase in the total contribution rate may not exceed 0.5% of pay.

The District's contributions to PEERS for the year ended June 30, 2020 were $1,963,577.

NOTE F - INTERFUND TRANSFERS

Also, as allowed by DESE, the District transferred $31,329,118 from the General Fund to the Special Revenue Fund to avoid deficit spending in the Special Revenue Fund.

NOTE G - LITIGATION

As of June 30, 2020, the District had several unsettled claims at various stages of litigation. At this time, outcomes cannot be predicted, however, the District is vigorously defending against each claim.

NOTE H - COMMITMENTS

As of June 30, 2020, the District had $9,853,047 of remaining construction costs on executed contracts for the high school performing arts center and high school atrium and renovations.

.

NOTE I - OPERATING LEASE

The District has a non-cancelable lease agreement which provides the District's buildings with the use of a fiber optic system for the District's wide area network. The service will provide fiber optic access and all maintenance. The lease is for ten years requiring varying annual installments ending July 1, 2022.

The future minimum lease payments are:

Year Ending June 30,	Fiber Optic Lease
2021	$ 426,076
2022	426,076
Total	$ 852,152

Lease expense for year ended June 30, 2020 was $434,818.

NOTE J - LONG-TERM DEBT

Changes in long-term debt during the fiscal year were as follows:

	Balance July 1, 2019	Additions	Retirements	Balance June 30, 2020	Amount Due Within One Year
Bonds payable	$ 133,670,000	$ -	$ 12,879,000	$ 120,791,000	$ 7,705,000
Lease participation certificates	35,370,000	-	2,110,000	33,260,000	2,185,000
Direct borrowings	3,844,942	7,771,564	2,702,786	8,913,720	2,956,629
Total	$ 172,884,942	$ 7,771,564	$ 17,691,786	$ 162,964,720	$ 12,846,629

NOTE K - DIRECT BORROWINGS

On August 12, 2016 the District entered into a lease purchase agreement to finance the cost of acquiring nineteen school buses for the District. The lease is for six years requiring annual installments of $294,045 through September 2021, interest at 1.40%.

On March 16, 2017 the District entered into a lease purchase agreement to finance the cost of acquiring computer equipment for the District. This lease was paid off during the fiscal year.

On March 16, 2017 the District entered into a lease purchase agreement to finance the cost of acquiring technology equipment for the District. The lease is for three years requiring annual installments of $438,539 through July 2019, interest at 3.24%. This lease was paid off during the fiscal year.

On April 25, 2017 the District entered into a lease purchase agreement to finance the cost of acquiring computer equipment for the District. This lease was paid off during the fiscal year.

NOTE K - DIRECT BORROWINGS (continued)

On March 5, 2018 the District entered into a lease purchase agreement to finance the cost of acquiring technology equipment for the District. The lease is for three years requiring annual installments of $566,190 through July 2020, interest at 3.137%.

On April 6, 2020 the District entered into a lease purchase agreement to finance the cost of acquiring technology equipment for the District. The lease requires a payment of $2,128,503 on July 5, 2020, then three annual payments of $1,936,515 through July 2023. Interest at 1.2575%

Debt service requirements to maturity are as follows:

Year Ending June 30,	Principal	Interest	Total
2021	$ 2,956,629	$ 32,046	$ 2,988,675
2022	2,155,577	74,983	2,230,560
2023	1,888,940	47,575	1,936,515
2024	1,912,574	23,935	1,936,509
Total	$ 8,913,720	$ 178,539	$ 9,092,259

All outstanding leases from direct borrowings contain an event of default that changes the timing of the repayment of outstanding amounts to become immediately due if the District is unable to make payments.

NOTE L - LEASE PARTICIPATION CERTIFICATES

On March 1, 2014, the District entered into a lease purchase agreement to finance the cost of constructing additional classrooms at various locations, constructing a gymnasium at Liberty High School, constructing security upgrades throughout District facilities and installing technology infrastructure and related improvements to various school facilities throughout the District. The lease is for twenty years requiring varying annual installments through April 1, 2034, interest at 2.00 to 5.00%. The lessor issued $24,150,000 Series 2014 Certificates of Participation which were used to pay costs of issuance of the certificates as well as the projects described above.

On February 25, 2015 the District entered into a lease purchase agreement to finance the costs of acquiring, constructing, improving, furnishing and equipping school facilities. The lease is for twenty years requiring varying annual installments through April 1, 2034, interest at 2.00% to 5.00%. The lessor issued $6,440,000 Series 2015 Lease Participation Certificates which were used to pay costs of issuance of the certificates as well as the projects described above.

On March 17, 2016 the District entered into a lease purchase agreement to refinance an outstanding lease obligation on computer equipment and to refund Series 2007 Lease Certificates of Participation. The lease is for twelve years requiring varying annual installments through April 1, 2028, interest at 3.00% to 4.00%. The lessor issued $10,700,000 Series 2016 Refunding Lease Participation Certificates which were used to pay costs of issuance of the certificates as well as the projects described above.

NOTE L - LEASE PARTICIPATION CERTIFICATES (continued)

Debt service requirements to maturity are as follows:

Year Ending June 30,	Principal	Interest	Total
2021	$ 2,185,000	$ 1,343,956	$ 3,528,956
2022	2,235,000	1,256,406	3,491,406
2023	2,375,000	1,157,006	3,532,006
2024	2,490,000	1,072,506	3,562,506
2025	2,600,000	984,156	3,584,156
2026	2,715,000	901,438	3,616,438
2027	2,850,000	813,425	3,663,425
2028	2,960,000	717,675	3,677,675
2029	1,825,000	616,438	2,441,438
2030	1,975,000	547,000	2,522,000
2031	2,075,000	452,500	2,527,500
2032	2,200,000	348,750	2,548,750
2033	2,325,000	238,750	2,563,750
2034	2,450,000	122,500	2,572,500
Total	$ 33,260,000	$ 10,572,506	$ 43,832,506

NOTE M - BONDS PAYABLE

Bonds payable outstanding at June 30, 2020 are as follows:

Series 2010A taxable general obligation qualified school construction bonds, interest payable semi-annually, principal due March 2027 interest at 5.15%	$	4,631,000
Series 2011 general obligation refunding bonds due in varying annual installments through March 2022 interest at 3.00% to 4.00%		2,200,000
Series 2013 general obligation refunding bonds due in varying annual installments through March 2021 interest at 3.00%		2,000,000
Series 2014 general obligation refunding bonds due in varying annual installments through March 2024 interest at 4.00% to 5.00%		2,200,000
Series 2015 general obligation refunding bonds due in varying annual installments through March 2026 interest at 3.00% to 4.00%		8,940,000
Series 2016 general obligation refunding bonds due in varying annual installments through March 2036 interest at 2.00% to 4.00%		51,820,000
Series 2018 general obligation building bonds due in varying annual installments through March 2038 interest at 3.10% to 4.00%		49,000,000
Total	$	120,791,000

NOTE M - BONDS PAYABLE (continued)

Debt service requirements to maturity are:

Year Ending June 30,	Principal	Interest	Total
2021	$ 7,705,000	$ 4,650,497	$ 12,355,497
2022	4,760,000	4,435,847	9,195,847
2023	4,450,000	4,246,047	8,696,047
2024	4,425,000	3,992,047	8,417,047
2025	4,995,000	3,730,796	8,725,796
2026	5,950,000	3,612,996	9,562,996
2027	7,631,000	3,492,996	11,123,996
2028	3,100,000	3,134,500	6,234,500
2029	3,200,000	3,010,500	6,210,500
2030	3,400,000	2,882,500	6,282,500
2031	6,750,000	2,746,500	9,496,500
2032	7,300,000	2,505,750	9,805,750
2033	7,875,000	2,243,750	10,118,750
2034	8,450,000	1,928,750	10,378,750
2035	9,050,000	1,590,750	10,640,750
2036	10,250,000	1,228,750	11,478,750
2037	10,500,000	818,750	11,318,750
2038	11,000,000	398,750	11,398,750
Total	$ 120,791,000	$ 50,650,476	$ 171,441,476

NOTE N - TAX ABATEMENTS AND INCENTIVES

The District's property tax revenues were reduced by $4,420,795 under agreements entered into by the City of Liberty. This amount is comprised of $4,308,971 of Chapter 100 Abatements and $111,824 of Chapter 353 Abatements. The District received $185,294 of payments in lieu of tax from the City of Liberty related to the abated taxes.

The Tax Increment Financing Commissions of Kansas City, Missouri and of Liberty, Missouri have entered into agreements with developers to stimulate economic growth. The District's property tax revenue was reduced by $6,246,961 for 2019 under these agreements from the City of Kansas City and $2,268,611 from the City of Liberty. The District also received payments in lieu of tax for the 2019 tax year in the amount of $5,680,536 from Clay County. This amount is comprised of $5,472,565 associated with the Kansas City abated property taxes and $207,971 associated with the City of Liberty abated property taxes.

NOTE O - FUND BALANCES - GOVERNMENTAL FUNDS

Statement No. 54 of the Governmental Accounting Standards Board (GASB 54) establishes accounting and financial reporting standards for all governments that report governmental funds. GASB 54 establishes criteria for classifying fund balances and clarifies definitions for governmental fund types.

GASB 54 establishes five (5) fund balance categories: Nonspendable, Restricted, Committed, Assigned and Unassigned:

Nonspendable fund balance - Funds that cannot be spent due to their form (e.g., inventories and prepaid) or funds that legally or contractually must be maintained intact.

Restricted fund balance - Funds that are mandated for a specific purpose by external parties, constitutional provisions or enabling legislation.

Committed fund balance - Funds that are set aside for a specific purpose by the District's highest level of decision-making authority. Formal action must be taken prior to the end of the fiscal year. The same formal action must be taken to remove or change the limitations placed on the funds.

Assigned fund balance - Funds that are set aside with the intent to be used for a specific purpose. Intent is expressed by a governing body, a body (budget or finance committee) or an official that has been given the authority to assign funds. Assigned funds cannot cause a deficit in unassigned fund balance.

Unassigned fund balance - Excess funds that have not been classified in the previous four (4) categories. All funds in this category are considered spendable resources. This category also provides the resources necessary to meet unexpected expenditures and revenue shortfalls. The General Fund should be the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed or assigned to those purposes, it may be necessary to report a negative fund balance.

The Board of Education has the authority to set aside funds for a specific purpose. Commitments are authorized by formal Board resolution. The passage of a resolution must take place prior to June 30 of the applicable fiscal year. If the actual amount of the commitment is not available by June 30, the resolution must state the process or format necessary to calculate the actual amount as soon as information is available. Assignments are authorized by fund placement in the Special Revenue, Capital Projects and Debt Service Funds in the original, adopted and later revised budget.

The Board delegates the authority to assign amounts for specific purpose(s) to the Chief Financial Officer.

When both restricted and unrestricted funds are available for expenditure, restricted funds should be spent first unless legal requirements disallow it.

When committed, assigned and unassigned funds are available for expenditure, unassigned funds should be spent first, assigned funds second and committed funds last.

NOTE O - FUND BALANCES - GOVERNMENTAL FUNDS (continued)

As of June 30, 2020, fund balances are composed of the following:

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total
Nonspendable					
Scholarships	$ 55,000	$ -	$ -	$ -	$ 55,000
Restricted					
Scholarships	863	-	-	-	863
Bond proceeds	-	-	-	9,853,047	9,853,047
Debt Service	-	-	9,353,737	-	9,353,737
Total restricted	863	-	9,353,737	9,853,047	19,207,647
Committed					
Construction projects	-	-	-	-	-
Assigned					
Student activities	1,542,879	-	-	-	1,542,879
Food service	1,070,791	-	-	-	1,070,791
Capital projects	-	-	-	3,399,537	3,399,537
Total assigned	2,613,670	-	-	3,399,537	6,013,207
Unassigned	38,565,676	-	-	-	38,565,676
Total	$ 41,235,209	$ -	$ 9,353,737	$ 13,252,584	$ 63,841,530

NOTE P - SUBSEQUENT EVENT

The COVID-19 outbreak has caused a severe impact to the United States economy. The extent of the financial impact of COVID-19 will depend on future developments, including the duration and spread, which are uncertain and cannot be predicted. Due to the uncertainties surrounding the outbreak, management cannot presently estimate the potential impact to the District's operations and finances.

SUPPLEMENTAL INFORMATION

LIBERTY PUBLIC SCHOOL DISTRICT NO. 53
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2020

	BUDGET			
	ORIGINAL	FINAL	ACTUAL	VARIANCE
REVENUES:				
Local	$ 65,472,491	$ 63,487,255	$ 63,046,693	$ (440,562)
County	2,055,953	2,910,315	2,077,019	(833,296)
State	23,885,507	22,837,213	23,930,596	1,093,383
Federal	4,385,720	4,950,442	5,867,696	917,254
Other	96,694	106,516	93,419	(13,097)
Total Revenues	95,896,365	94,291,741	95,015,423	723,682
EXPENDITURES:				
Instruction	11,693,768	10,035,277	9,370,509	664,768
Student activities	3,165,905	3,169,298	2,786,863	382,435
Student services	5,365,107	5,282,654	6,279,860	(997,206)
Instructional staff support	4,923,920	7,071,855	3,090,504	3,981,351
General administration & central services	7,234,804	8,629,785	9,882,084	(1,252,299)
Building level administration	1,996,431	1,998,631	1,857,451	141,180
Operation of plant	14,651,991	15,209,340	15,128,272	81,068
Pupil transportation	5,907,493	5,861,603	6,466,223	(604,620)
Food service	6,034,371	5,731,371	5,411,719	319,652
Community services	2,406,755	2,417,675	2,034,657	383,018
Facility acquisition and construction	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fees	-	-	-	-
Total Expenditures	63,380,545	65,407,489	62,308,142	3,099,347
Revenues Over (Under) Expenditures	32,515,820	28,884,252	32,707,281	3,823,029
Other Financing Sources (Uses):				
Transfers	(34,951,236)	(31,055,283)	(31,329,118)	(273,835)
Net change in fund balance	(2,435,416)	(2,171,031)	1,378,163	3,549,194
Fund balance, beginning	39,857,046	39,857,046	39,857,046	-
Fund balance, ending	$ 37,421,630	$ 37,686,015	$ 41,235,209	$ 3,549,194

LIBERTY PUBLIC SCHOOL DISTRICT NO. 53
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS
SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2020

	BUDGET			
	ORIGINAL	FINAL	ACTUAL	VARIANCE
REVENUES:				
Local	$ 12,510,722	$ 12,052,715	$ 12,246,768	$ 194,053
County	227,636	186,980	186,980	-
State	42,934,285	41,809,174	41,138,273	(670,901)
Federal	97,379	314,227	314,227	-
Other	82,872	62,566	62,566	-
Total Revenues	55,852,894	54,425,662	53,948,814	(476,848)
EXPENDITURES:				
Instruction	66,323,183	66,177,012	64,542,627	1,634,385
Student activities	1,781,553	1,781,553	2,190,319	(408,766)
Student services	3,107,511	3,107,511	5,239,647	(2,132,136)
Instructional staff support	7,192,405	6,883,510	3,482,389	3,401,121
General administration & central services	1,338,085	1,469,966	3,190,748	(1,720,782)
Building level administration	5,290,691	5,290,691	5,829,791	(539,100)
Operation of plant	-	-	-	-
Pupil transportation	-	-	-	-
Food service	-	-	-	-
Community services	770,702	770,702	802,411	(31,709)
Facility acquisition and construction	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fees	-	-	-	-
Total Expenditures	85,804,130	85,480,945	85,277,932	203,013
Revenues Over (Under) Expenditures	(29,951,236)	(31,055,283)	(31,329,118)	(273,835)
Other Financing Sources (Uses):				
Transfers	29,951,236	31,055,283	31,329,118	273,835
Net change in fund balance	-	-	-	-
Fund balance, beginning	-	-	-	-
Fund balance, ending	$ -	$ -	$ -	$ -

LIBERTY PUBLIC SCHOOL DISTRICT NO. 53
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS
DEBT SERVICE FUND
FOR THE YEAR ENDED JUNE 30, 2020

	BUDGET			
	ORIGINAL	FINAL	ACTUAL	VARIANCE
REVENUES:				
Local	$ 12,551,494	$ 16,677,665	$ 16,767,813	$ 90,148
County	393,679	-	-	-
State	-	-	-	-
Federal	275,179	275,179	275,188	9
Other	-	-	-	-
Total Revenues	13,220,352	16,952,844	17,043,001	90,157
EXPENDITURES:				
Instruction	-	-	-	-
Student activities	-	-	-	-
Student services	-	-	-	-
Instructional staff support	-	-	-	-
General administration & central services	-	-	-	-
Building level administration	-	-	-	-
Operation of plant	-	-	-	-
Pupil transportation	-	-	-	-
Food service	-	-	-	-
Community services	-	-	-	-
Facility acquisition and construction	-	-	-	-
Debt service:				
Principal retirement	7,050,000	12,879,000	12,879,000	-
Interest and fees	5,149,473	5,149,473	5,148,246	1,227
Total Expenditures	12,199,473	18,028,473	18,027,246	1,227
Net change in fund balance	1,020,879	(1,075,629)	(984,245)	91,384
Fund balance, beginning	10,337,982	10,337,982	10,337,982	-
Fund balance, ending	$ 11,358,861	$ 9,262,353	$ 9,353,737	$ 91,384

LIBERTY PUBLIC SCHOOL DISTRICT NO. 53
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS
CAPITAL PROJECTS FUND
FOR THE YEAR ENDED JUNE 30, 2020

	BUDGET			
	ORIGINAL	FINAL	ACTUAL	VARIANCE
REVENUES:				
Local	$ 4,274,839	$ 4,829,951	$ 4,876,364	$ 46,413
County	113,924	473,871	123,871	(350,000)
State	1,500,000	1,189,644	-	(1,189,644)
Federal	-	-	245,000	245,000
Other	-	-	14,350	14,350
Total Revenues	5,888,763	6,493,466	5,259,585	(1,233,881)
EXPENDITURES:				
Instruction	327,303	340,333	340,331	2
Student activities	256,000	183,700.00	183,699.00	1
Student services	-	-	-	-
Instructional staff support	155,000	139,805	139,804	1
General administration & central services	859,665	969,033	978,897	(9,864)
Building level administration	-	-	-	-
Operation of plant	84,550	29,141	29,141	-
Pupil transportation	341,233	656,113	656,113	-
Food service	151,100	8,628	8,628	-
Community services	-	-	-	-
Facility acquisition and construction	45,092,042	45,276,073	35,185,140	10,090,933
Debt service:				
Principal retirement	4,530,753	4,530,503	4,530,503	-
Interest and fees	1,443,155	1,438,546	1,438,413	133
Total Expenditures	53,240,801	53,571,875	43,490,669	10,081,206
Revenues Over (Under) Expenditures	(47,352,038)	(47,078,409)	(38,231,084)	8,847,325
Other Financing Sources (Uses):				
Transfers	5,000,000	-	-	-
Net change in fund balance	(42,352,038)	(47,078,409)	(38,231,084)	8,847,325
Fund balance, beginning	51,483,668	51,483,668	51,483,668	-
Fund balance, ending	$ 9,131,630	$ 4,405,259	$ 13,252,584	$ 8,847,325

Budgets and Budgetary Accounting

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

1. In accordance with Chapter 67, RSMo, the District adopts a budget for each fund.

2. Prior to July, the Chief Financial Officer, who serves as the budget officer, submits to the Board of Education a proposed budget for the fiscal year beginning on the following July 1. The proposed budget includes estimated revenues and proposed expenditures for all funds. Budgeted expenditures cannot exceed beginning available monies plus estimated revenues for the year.

3. A public hearing is conducted to obtain taxpayer comments. Prior to its approval by the Board of Education, the budget document is available for public inspection.

4. Prior to July 1, the budget is legally enacted by a vote of the Board of Education.

5. Subsequent to its formal approval of the budget, the Board of Education has the authority to make necessary adjustments to the budget by formal vote of the Board. Adjustments made during the year are reflected in the final budget information included in the financial statements.

6. Budgets for District funds are prepared and adopted on the modified cash basis (budget basis), recognizing revenues when collected and expenditures when paid.

LIBERTY PUBLIC SCHOOL DISTRICT NO. 53
SCHEDULE OF REVENUES COLLECTED BY SOURCE
FOR THE YEAR ENDED JUNE 30, 2020

	GENERAL FUND	SPECIAL REVENUE FUND	DEBT SERVICE FUND	CAPITAL PROJECTS FUND	TOTAL
LOCAL:					
Property tax	$ 47,376,560	$ -	$ 16,388,511	$ 3,766,292	$ 67,531,363
Sales tax	-	12,246,768	-	-	12,246,768
Financial institution tax	175,202	-	60,606	13,928	249,736
M & M surtax	1,317,101	-	-	-	1,317,101
In lieu of tax	5,838,546	-	-	-	5,838,546
Tuition	26,925	-	-	-	26,925
Earnings on investments	740,041	-	318,696	789,448	1,848,185
Food service	3,149,518	-	-	-	3,149,518
Student activities	2,185,979	-	-	105,940	2,291,919
Community services	1,666,424	-	-	-	1,666,424
Other local revenue	570,397	-	-	200,756	771,153
Total Local	63,046,693	12,246,768	16,767,813	4,876,364	96,937,638
COUNTY:					
Fines and escheats	-	186,980	-	-	186,980
State assessed utilities	2,077,019	-	-	123,871	2,200,890
Total County	2,077,019	186,980	-	123,871	2,387,870
STATE:					
Basic formula	13,695,928	41,087,785	-	-	54,783,713
Transportation	1,146,722	-	-	-	1,146,722
Early Childhood Special Ed.	2,428,459	-	-	-	2,428,459
Basic formula - Classroom trust fund	3,984,610	-	-	-	3,984,610
Career education	-	50,488	-	-	50,488
Food service	48,377	-	-	-	48,377
Educational Screening/PAT	129,540	-	-	-	129,540
Residential placement/Excess cost	14,487	-	-	-	14,487
High need fund	2,482,473	-	-	-	2,482,473
Total State	23,930,596	41,138,273	-	-	65,068,869
FEDERAL:					
Title I	519,590	-	-	-	519,590
Title II.A	196,472	-	-	-	196,472
Title III	25,047	-	-	-	25,047
Title IV	42,953	-	-	-	42,953
Medicaid	171,736	-	-	-	171,736
Career education	-	103,667	-	-	103,667
Individuals with Disabilities	1,912,841	-	-	-	1,912,841
IDEA grants	157,902	-	-	-	157,902
CARES - School lunch and breakfast	287,107	-	-	-	287,107
CARES - ESSER Fund	-	210,560	-	-	210,560
Early Childhood Special Education	278,962	-	-	-	278,962
Child Nutrition	1,336,275	-	-	-	1,336,275
Other federal revenue	938,811	-	275,188	245,000	1,458,999
Total Federal	5,867,696	314,227	275,188	245,000	6,702,111
OTHER:					
Payments from other districts	71,546	62,566	-	-	134,112
Proceeds from sale of property	21,873	-	-	14,350	36,223
Total Other	93,419	62,566	-	14,350	170,335
Total Revenues Collected	$ 95,015,423	$ 53,948,814	$ 17,043,001	$ 5,259,585	$ 171,266,823

LIBERTY PUBLIC SCHOOL DISTRICT NO. 53
SCHEDULE OF SELECTED STATISTICS
FOR THE YEAR ENDED JUNE 30, 2020

County District Number 024-090

1. CALENDAR (SECTIONS 160.041, 171.029, 171.031, AND 171.033 RSMO)

Report each unique calendar the district/charter school has as defined by Sections 160.041, 171.029, 171.031, and 171.033, RSMo.

School Code	Begin Grade	End Grade	Half Day Indicator	Standard Day Length	Days	Hours in Session
7500	PK	PK		6.5000	124	806.0000
4220	K	05		6.2500	132	813.0000
	K	05		6.6500	128	841.2000
	06	08		6.7500	128	854.0000
1050	09	12		6.7500	128	841.8833
1070	09	12		6.7500	128	841.8833

2. AVERAGE DAILY ATTENDANCE (ADA)

Report the total number of PK-12 student attendance hours allowed to be claimed for the calculation of Average Daily Attendance.

School Code	Grade Level	Full-Time	Part-Time	Remedial Hours	Other	Summer School	Total
7500	PK	28,022					28,022
4220	K-05	224,909	863			27,840	253,612
	K-05	4,081,453	5,883			283,206	4,370,542
	06-08	2,523,126	5,963			64,802	2,593,891
1050	09-12	1,535,924	1,385				1,537,309
1070	09-12	1,604,385	14,923			87,785	1,707,093
Grand Total		9,997,819	29,017			463,633	10,490,469

3. SEPTEMBER MEMBERSHIP

Report the FTE count of resident students in grades PK-12 taken the last Wednesday in September who are enrolled on the count day and in attendance at least 1 of the 10 previous school days, by grade at each attendance center. This count should only include PK students marked as being eligible to be claimed for state aid in the October MOSIS Student Core File.

LIBERTY PUBLIC SCHOOL DISTRICT NO. 53
SCHEDULE OF SELECTED STATISTICS
FOR THE YEAR ENDED JUNE 30, 2020

County District Number 024-090

School Code	Grade Level	Full-Time	Part-Time	Other	Total
7500	PK	41.00	0.00		41.00
4220	K-05	291.00	0.91		291.91
	K-05	5,090.00	1.73		5,091.73
	06-08	3,114.00	4.54		3,118.54
1050	09-12	1,957.00	1.78		1,958.78
1070	09-12	2,043.00	10.43		2,053.43
Grand Total		12,536.00	19.39		12,555.39

4. FREE AND REDUCED PRICED LUNCH FTE COUNT (SECTION 163.011(6), RSMO)

Report the FTE count taken the last Wednesday in January of resident students enrolled in grades K-12 and in attendance at least 1 of the 10 previous school days whose eligibility for free or reduced lunch is documented through the application process using federal eligibility guidelines or through the direct certification process. Desegregation students are considered residents of the district in which the students are educated.

School Code	Free Lunch	Reduced Lunch	Deseg In Free	Deseg In Reduced	Total
7500	0.00	0.00			0.00
4220	12.00	3.00			15.00
	862.80	258.45			1,121.25
	434.71	137.00			571.71
1050	270.00	98.00			368.00
1070	232.57	90.43			323.00
Grand Total	1,812.08	586.88			2,398.96

5. FINANCE

Answer the following questions with an appropriate response of true, false, or N/A unless otherwise noted.

Section	Question	Answer
5.1	The district/charter school maintained a calendar in accordance with 160.041, 171.029, 171.031, and 171.033, RSMo and all attendance hours were reported.	True
5.2	The district/charter school maintained complete and accurate attendance records allowing for the accurate calculation of Average Daily Attendance for all students in accordance with all applicable state rules and regulations. Sampling of records included those students receiving instruction in the	True

County District Number 024-090

	following categories:	
	Academic Programs Off-Campus	N/A
	Career Exploration Program – Off Campus	True
	Cooperative Occupational Education (COE) or Supervised Occupational Experience Program	True
	Dual enrollment	True
	Homebound instruction	True
	Missouri Options	True
	Prekindergarten eligible to be claimed for state aid	True
	Remediation	N/A
	Sheltered Workshop participation	N/A
	Students participating in the school flex program	True
	Traditional instruction (full and part-time students)	True
	Virtual instruction (MOCAP or other option)	True
	Work Experience for Students with Disabilities	True
5.3	The district/charter school maintained complete and accurate attendance records allowing for the accurate calculation of September Membership for all students in accordance with all applicable state rules and regulations.	True
5.4	The district/charter school maintained complete and accurate attendance and other applicable records allowing for the accurate reporting of the State FTE count for Free and Reduced Lunch for all students in accordance with all applicable state rules and regulations.	True
5.5	As required by Section 162.401, RSMo, a bond was purchased for the district's/charter school's treasurer in the total amount of:	$500,000
5.6	The district's\charter school's deposits were secured during the year as required by Sections 110.010 and 110.020, RSMo.	True
5.7	The district maintained a separate bank account for all Debt Service Fund monies in accordance with Section 108.180 and 165.011, RSMo. (Not applicable to charter schools)	True
5.8	Salaries reported for educators in the October MOSIS Educator Core and Educator School files are supported by complete and accurate payroll and contract records.	True
5.9	If a $162,326 or 7% x SAT x WADA transfer was made in excess of adjusted expenditures, the board approved a resolution to make the transfer, which identified the specific projects to be funded by the transfer and an expected expenditure date for the projects to be undertaken. (Not applicable to charter schools)	N/A
5.10	The district/charter school published a summary of the prior year's audit report within thirty days of the receipt of the audit pursuant to Section 165.121, RSMo.	True

County District Number 024-090

5.11	The district has a professional development committee plan adopted by the board with the professional development committee plan identifying the expenditure of seventy-five percent (75%) of one percent (1%) of the current year basic formula apportionment. Remaining 25% of 1% if not spent must be restricted and spent on appropriate expenditures in the future. Spending requirement is modified to seventy-five percent (75%) of one half percent (1/2%) of the current year basic formula apportionment if through fiscal year 2024 the amount appropriated and expended to public schools for transportation is less than twenty-five percent (25%) of allowable cost. (Not applicable to charter schools.)	True
5.12	The amount spent for approved professional development committee plan activities was:	$664,603
5.13	The district/charter school has posted, at least quarterly, a searchable expenditure and revenue document or database detailing actual income, expenditures, and disbursement for the current calendar or fiscal year on the district or school website or other form of social media as required by Section 160.066, RSMo.	True

6. TRANSPORTATION (SECTION 163.161, RSMO)

Answer the following questions with an appropriate response of true, false, or N/A unless otherwise noted.

Section	Question	Answer
6.1	The school transportation allowable costs substantially conform to 5 CSR 30-261.040, Allowable Costs for State Transportation Aid.	True
6.2	The district's/charter school's pupil transportation ridership records are maintained in a manner to accurately disclose in all material respects the average number of regular riders transported.	True
6.3	Based on the ridership records, the average number of students (non-disabled K-12, K-12 students with disabilities and career education) transported on a regular basis (ADT) was:	True
	Eligible ADT	6,512.00
	Ineligible ADT	236.50
6.4	The district's/charter school's transportation odometer mileage records are maintained in a manner to accurately disclose in all material respects the eligible and ineligible mileage for the year.	True
6.5	Actual odometer records show the total district/charter-operated and contracted mileage for the year was:	863,731
6.6	Of this total, the eligible non-disabled and students with disabilities route miles and the ineligible non-route and disapproved miles (combined) was:	
	Eligible Miles	640,974
	Ineligible Miles (Non-Route/Disapproved)	222,757
6.7	Number of days the district/charter school operated the school transportation system during the regular school year:	128

LIBERTY PUBLIC SCHOOL DISTRICT NO. 53
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2020

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH GRANTOR NUMBER	EXPENDITURES
U.S. Department of Agriculture			
Passed-through Missouri Department of Elementary and Secondary Education:			
Child Nutrition Cluster:			
School Breakfast Program	10.553	024-090	$ 181,499
COVID-19-School Breakfast	10.553	024-090	106,227
National School Lunch Program	10.555	024-090	1,154,777
COVID-19-School Lunch	10.555	024-090	180,880
Non cash: Food Distribution Program	10.555	024-090	377,096
Total Child Nutrition Cluster			2,000,479
U.S. Department of Education			
Passed-through Missouri Department of Elementary and Secondary Education:			
Special Education - Grants to States	84.027A	024-090	2,222,770
Special Education - Preschool Grants	84.173A	024-090	45,037
Total Special Education Cluster			2,267,807
Title I - Grants to Local Educational Agencies	84.010A	024-090	506,220
Improving Teacher Quality State Grants	84.367A	024-090	65,415
English Language Acquisition Grants	84.365A	024-090	29,605
Career and Technical Education - Basic Grants to States	84.048A	024-090	96,280
Grants for State Assessments and Related Activities	84.369A	024-090	516
COVID-19-Education Stabilization Fund	84.425D	024-090	210,560
U.S. Department of Treasury			
Passed-through Clay County, Missouri:			
COVID-19-Coronavirus Relief Fund	21.019		174,822
Total Expenditures of Federal Awards			$ 5,351,704

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of Liberty Public School District No. 53 under programs of the federal government for the year ended June 30, 2020. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Liberty Public School District No. 53, it is not intended to and does not present the financial position, change in net position or cash flows of Liberty Public School District No. 53.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified cash basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Liberty Public School District No. 53 has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

INTERNAL CONTROL AND COMPLIANCE

WESTBROOK & CO., P.C.
Certified Public Accountants
"Consistently Exceeding Expectations"

749 Driskill Drive
Richmond, MO 64085

18 North Folger
Carrollton, MO 64633

REPORT ON THE ADMINISTRATION'S ASSERTIONS ABOUT COMPLIANCE WITH SPECIFIED REQUIREMENTS OF MISSOURI LAWS AND REGULATIONS

To the Board of Education
Liberty Public School District No. 53

We have audited the administration's assertions, included in its representation letter dated October 2, 2020, that Liberty Public School District No. 53 complied with the requirements of Missouri Laws and Regulations regarding budgetary and disbursement procedures; accurate disclosure by the District's attendance records of average daily attendance, resident membership on the last Wednesday of September, 2019 and the number of students eligible to receive free or reduced price lunches on the last Wednesday of January, 2020; and accurate disclosure by the District's pupil transportation records of the average students scheduled to be transported eligible and ineligible for state aid, the number of actual odometer miles eligible and ineligible for state aid and the allowable costs for pupil transportation during the year ended June 30, 2020. As discussed in that representation letter, the administration is responsible for the District's compliance with those requirements. Our responsibility is to express an opinion on the administration's assertions about the District's compliance based on our audit.

Our audit was made in accordance with standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our opinion does not provide a legal determination on the District's compliance with specified requirements.

In our opinion, the administration's assertions that the District complied with the aforementioned requirements for the year ended June 30, 2020, are fairly stated in all material respects.

This report is intended solely for the information and use of the Board of Education, administration and the Missouri Department of Elementary and Secondary Education and is not intended to be and should not be used by anyone other than these specified parties.

Westbrook & Co., P.C.

Richmond, Missouri
October 2, 2020

Member, American Institute of Certified Public Accountants; Missouri Society of Certified Public Accountants

Telephone: Richmond: (816) 776-3584 KC Line: (816) 470-3584 Carrollton: (660) 542-0102
Fax: Richmond: (816) 470-7100 Carrollton: (660) 542-3959
Website: www.westbrookcpa.com

None

WESTBROOK & CO., P.C.
Certified Public Accountants
"Consistently Exceeding Expectations"

749 Driskill Drive
Richmond, MO 64085

18 North Folger
Carrollton, MO 64633

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Education
Liberty Public School District No. 53

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the modified cash basis financial statements of the governmental activities and each major fund of Liberty Public School District No. 53 as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 2, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Member, American Institute of Certified Public Accountants; Missouri Society of Certified Public Accountants

Telephone: Richmond: (816) 776-3584 KC Line: (816) 470-3584 Carrollton: (660) 542-0102
Fax: Richmond: (816) 470-7100 Carrollton: (660) 542-3959
Website: www.westbrookcpa.com

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Westbrook & Co., P.C.

Richmond, Missouri
October 2, 2020

WESTBROOK & CO., P.C.
Certified Public Accountants
"Consistently Exceeding Expectations"

749 Driskill Drive
Richmond, MO 64085

18 North Folger
Carrollton, MO 64633

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Education
Liberty Public School District No. 53

Report on Compliance for Each Major Federal Program

We have audited Liberty Public School District No. 53's compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020. The District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination on the District's compliance.

Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

Member, American Institute of Certified Public Accountants; Missouri Society of Certified Public Accountants

Telephone: Richmond: (816) 776-3584 KC Line: (816) 470-3584 Carrollton: (660) 542-0102
Fax: Richmond: (816) 470-7100 Carrollton: (660) 542-3959
Website: www.westbrookcpa.com

Report on Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based upon the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purposes.

Westbrook & Co., P.C.

Richmond, Missouri
October 2, 2020

LIBERTY PUBLIC SCHOOL DISTRICT NO. 53
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2020

A. SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with the modified cash basis:	Unmodified			
Internal control over financial reporting:				
• Material weakness(es) identified?		Yes	X	No
• Significant deficiency(ies) identified?		Yes	X	None reported
Noncompliance material to financial statements noted?		Yes	X	No

Federal Awards

Internal control over major programs:				
• Material weakness(es) identified?		Yes	X	No
• Significant deficiency(ies) identified?		Yes	X	None reported
Type of auditors' report issued on compliance for major federal programs:	Unmodified			
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)		Yes	X	No
Identification of major federal programs: Special Education Cluster	CFDA No. 84.027 and 84.173			
Dollar threshold used to distinguish between type A and type B programs:	$ 750,000			
Auditee qualified as low-risk auditee?		Yes	X	No

B. FINDINGS - FINANCIAL STATEMENT AUDIT

None

C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

None