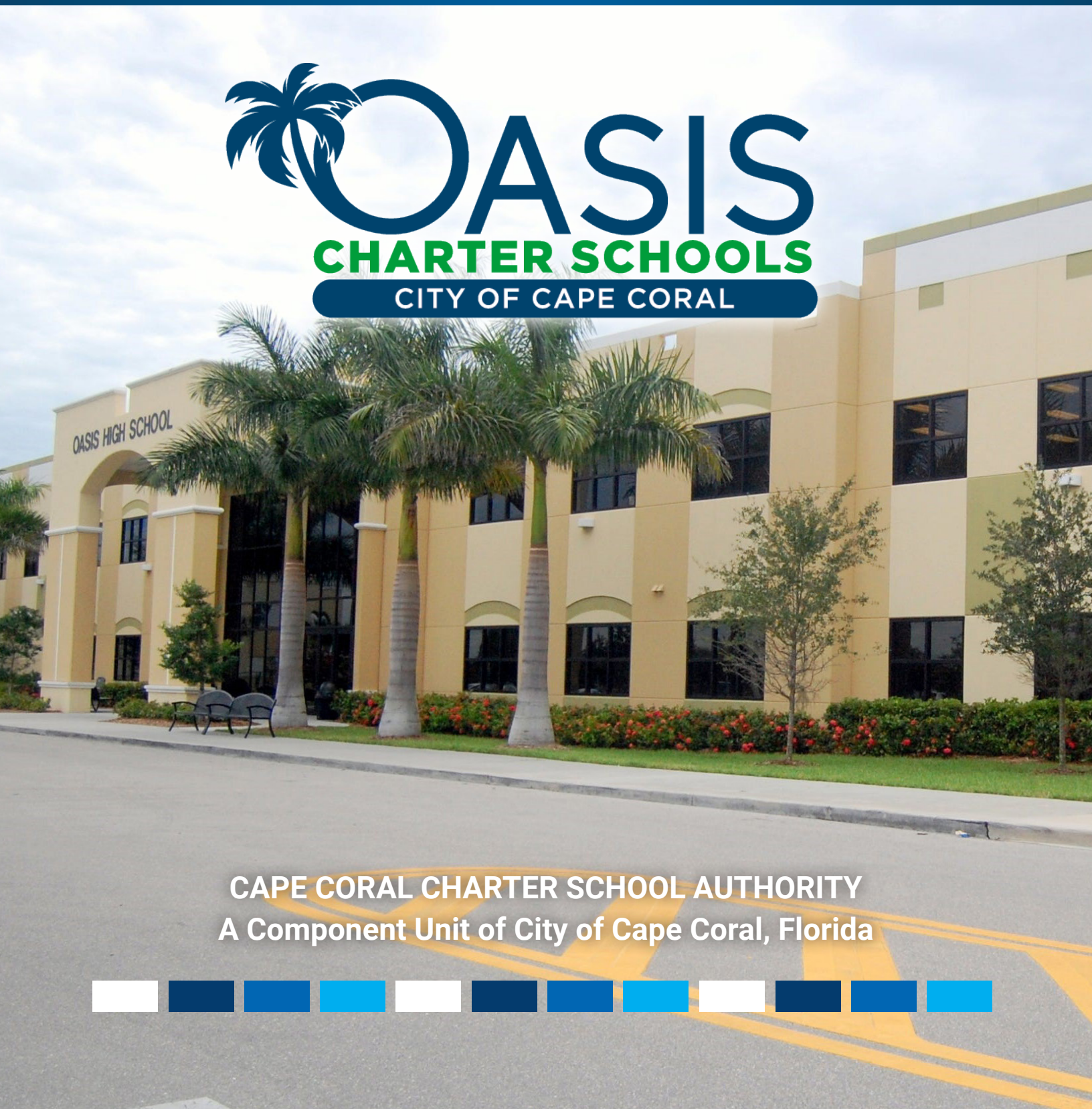
FINANCIAL STATEMENTS

For the Fiscal Year ended June 30, 2024



OASIS
CHARTER SCHOOLS
CITY OF CAPE CORAL

CAPE CORAL CHARTER SCHOOL AUTHORITY
A Component Unit of City of Cape Coral, Florida

CAPE CORAL CHARTER SCHOOL AUTHORITY
Cape Coral, Florida

FINANCIAL STATEMENTS

Oasis Elementary South
Oasis Elementary North
Oasis Middle School
Oasis High School

For The Year Ended June 30, 2024

Prepared by:
City of Cape Coral
Financial Services Accounting Department

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I. INTRODUCTORY SECTION

OASIS CHARTER SCHOOLS
CITY OF CAPE CORAL

START HERE. GO EVERYWHERE.

September 19, 2024

Honorable Chairperson and Members of the City of Cape Coral
Charter School Authority Governing Board
Cape Coral, Florida

Dear Chairperson and Members of the City of Cape Coral Charter School Authority Governing Board:

We are pleased to present to you the Financial Statements and Independent Auditors' Report of the City of Cape Coral Charter School Authority (Authority), Cape Coral, Florida for the year ended June 30, 2024. State law, the School District of Lee County, and the Cape Coral Charter School Authority Charter require that a complete set of financial statements be presented in conformance with generally accepted accounting principles in the United States of America (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America by licensed independent certified public accountants. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the City of Cape Coral.

We believe the data, as presented, is accurate in all material respects and is presented in a manner designed to fairly set forth the financial position and the results of operations of the Authority. All disclosures necessary to enable the reader to gain an understanding of the financial activities have been included. Management of the Authority is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the Authority are protected from loss, theft, or misuse and to ensure that sufficient, reliable, adequate accounting data is compiled for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America.

Internal accounting controls have been designed to provide reasonable, rather than absolute assurance, that the financial statements will be free from material misstatement. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management.

239.424.6100
239.541.1039
TheOasisAdvantage.com
3519 Oasis Blvd., Cape Coral, FL 33914

PROFILE OF THE CHARTER SCHOOL AUTHORITY

The City of Cape Coral Oasis Charter Schools is a high-performing, municipal charter school system that was built for the children of Cape Coral residents. Operating since 2005, the charter school's award-winning K-12 progressive education pathway includes two elementary schools, one middle school, and a high school with a 100% graduation rate.

The Oasis Charter Schools provide a unique learning environment and a community atmosphere where accountability, integrity, and collaboration are valued, and diverse perspectives are encouraged to promote overall student success. Powered by more than 353 certified teachers and staff, and led by an administration with an average of more than 27 years of personal educator experience, Oasis student enrollment has exploded to an all-time high of 3,426 students for school year 2024-2025.

In 2004, the Cape Coral City Council adopted ordinance 41-04 establishing *Chapter 26* of the City of Cape Coral Code of Ordinances, entitled *"Cape Coral Charter School Authority."* Subsequently, the Cape Coral Charter School Authority Governing Board, *a.k.a., the "Authority*," was appointed to oversee the charter school's implementation of federal, state, and Lee County School District mandates, as well as approve the school's annual budgets.

The Charter School Authority Governing Board members are appointed by City Council and certified to serve a minimum two-year term. The board includes a City Councilmember who serves one term, one member each from the business and education communities, and three members from the community at large. In addition, each of the four schools has a parent/guardian representative that is appointed by their parent-teacher organizations; they are also certified and serve a two-year term.

The City is both the builder and owner of the charter school buildings and facilities. The facilities are leased to the Authority, the Lease agreement expires in June 2029. In addition to property management of the schools, the City also supports the charter schools administrative needs with financial services, human resources, ITS support, school resource officers, and custodial services which are still the obligations of the Charter School Authority.

In 2016 Oasis Charter Schools reimagined its STEM program and created Oasis STEM Innovation for all students throughout the entire school system. Today, Oasis is the only K-12 integrated STEM education pathway in Cape Coral. Our mission is to create a K-12 system that educates students to be responsible, critical thinkers who are prepared to successfully compete in a dynamic global workforce. It goes without saying that the success of our mission is due in part because of the success of our relationships with meaningful community partners, specifically our parent partner, the City of Cape Coral who graciously lends us their league of considerable experts and resources.

ACKNOWLEDGEMENTS

The preparation of this report could not be accomplished without the efficient and dedicated service of the Financial Services Department staff of the City of Cape Coral. Their continuing effort toward improving the accounting and financial reporting system improves the quality of the information reported to the Cape Coral Charter School Authority, City Council, School District of Lee County, State and Federal Agencies, and the citizens of the City of Cape Coral. We sincerely appreciate and commend them for their contributions.

Respectfully submitted,

Jacquelin Collins
Charter School Superintendent
Charter School Authority

Mark C. Mason
Financial Services Director
City of Cape Coral

Governing Board Members

Kristifer Jackson

Chair

Karen Michaels

Vice Chair

Keith Long

City Council Member Liasion

Mykisha Atisele

Dr. Guido Minaya

Cathy Stout

Charles Pease

Ex Officio Members

Jennifer Hoagland
Oasis High School

Gregor Schade
Oasis Middle School

Caroline Rouzeau
Oasis Elementary North

Jose Soto
Oasis Elementary South

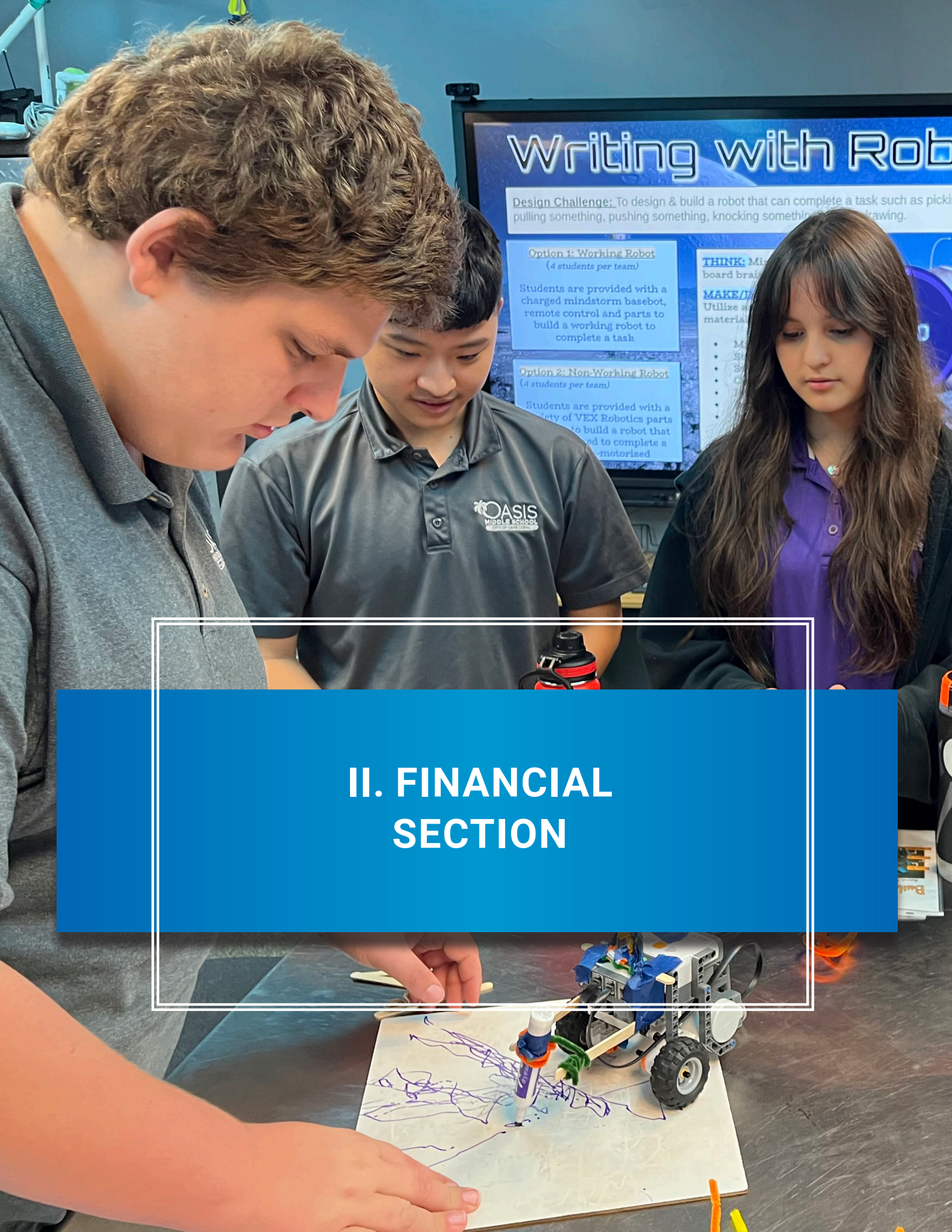
Jacquelin Collins
Superintendent

Aleksandr Boksner

City Attorney

Mark Moriarty

Assistant City Attorney



II. FINANCIAL SECTION

MAULDIN & JENKINS
CPAs & ADVISORS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
of Cape Coral Charter School Authority
Cape Coral, Florida

Report on the Audit of the Financial Statements

Opinions
We have audited the financial statements of the governmental activities and the General Fund of the Cape Coral Charter School Authority (the "Authority"), a component unit of the City of Cape Coral, Florida, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the General Fund of the Authority as of June 30, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions
We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

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

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

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

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

Supplementary Information
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200*, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* is presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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 GAAS. In our opinion, the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200*, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 19, 2024, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority'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 Authority's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Bradenton, Florida
September 19, 2024

OASIS
CHARTER SCHOOLS
CITY OF CAPE CORAL

Management's Discussion & Analysis

Management's Discussion and Analysis

The City of Cape Coral Charter School Authority's ('Charter School') Management Discussion and Analysis (MD&A) is a narrative overview and analysis of the financial activities of the Charter School for the fiscal year ended June 30, 2024. It is designed to assist the reader in focusing on significant financial issues, provide an overview of the Charter School's financial activity, and identify changes in the Charter School's financial position.

Since the MD&A is designed to focus on the current year's activities, resulting changes and current known facts, please read it in conjunction with the Cape Coral Charter School Authority's financial statements (beginning on page 17) and letter of transmittal.

Comparative data presentation is provided; however, results may be significantly impacted due to changes in per pupil funding, student enrollment, or legislative mandates.

Highlights

Financial Highlights

- At the close of fiscal year 2024, the Cape Coral Charter School Authority's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by $7,485,258 (net position). This is an increase of $1,284,046 from the prior year's balance at June 30, 2023 of $6,201,212, or 20.7%.
- Total revenues for fiscal year 2024 were $38,123,389 as compared to $35,698,086 for fiscal year 2023, or a 6.8% increase.
- Total expenses for fiscal year 2024 were $36,839,343 as compared to $32,205,705 for fiscal year 2023, or a 14.4% increase.

Overview of the Charter School Financial Statements

This discussion and analysis is intended to serve as an introduction to the Cape Coral Charter School Authority's financial statements. The financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the statements.

The **Government-wide Financial Statements** distinguish the functions of the Cape Coral Charter School Authority as being principally supported by local revenues from the Lee County School District or governmental activities as opposed to business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. The Cape Coral Charter School Authority has no business-type activities and no component units for which they are financially accountable. The government-wide financial statements can be found on pages 17-18 of this report.

The ***Statement of Net Position*** presents information on the Cape Coral Charter School Authority's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the charter schools is improving or deteriorating.

The ***Statement of Activities*** presents information for all the current year's revenues and expenses regardless of when cash is received or paid. Thus, revenues and expenses are reported in this statement for some items that will eventually result in cash flows in future fiscal periods.

Fund Financial Statements A fund is a grouping of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The Cape Coral Charter School Authority, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related requirements. The General Fund is reported as a governmental fund and is used to account for the operating financial resources of the Authority.

Governmental Funds Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be

useful in evaluating a government's near-term financing requirements. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions.

Both the governmental fund balance sheet and statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. Information is presented for the general fund in the governmental fund balance sheet and in the statement of revenues, expenditures, and changes in fund balances. The Cape Coral Charter School Authority adopts an annual appropriated budget. Budgetary comparison schedules and notes have been provided to demonstrate compliance with these budgets. The governmental fund financial statements can be found on pages 19-22 of this report.

Notes to the Financial Statements The notes provide additional information that is essential to a complete understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 26-46 of this report.

Required Supplementary Information The information in this section is required by the Governmental Accounting Standards Board (GASB). It is comprised of the budgetary comparison schedules and notes (pages 6-14), and the pension related schedules and notes which can be found on pages 49-52.

Supplementary Auditors' Reports This section includes the following:

- 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 Governmental Auditing Standards, which can be found on pages 61-62.
- Management Letter in Accordance with the Rules of the Auditor General of the State of Florida, which can be found on pages 63-64.

Government-wide Financial Analysis

For the fiscal year ended June 30, 2024 revenues exceeded expenditures by $1,284,046 increasing net position to $7,485,258. The increase in net position is attributable to the receipt of Local Capital Improvement (LCI) Funds and an increase in Interest Income.

The administrative team, consisting of the superintendent, four school principals and the City of Cape Coral Financial Services Team, continue to focus on sound financial planning to sustain the Charter School system into the future. With the anticipated student funding increase for the 2024-2025 school year, the system is expected to continue to improve net position year over year.

Summary of Net Position

The following table reflects a Summary of Net Position for fiscal years 2024 and 2023.

Summary of Net Position

	2024	2023	Change	% Change
Assets				
Current assets	$ 20,585,119	$ 16,259,092	$ 4,326,027	26.6%
Capital assets not being depreciated	182,013	200,013	(18,000)	(9.0%)
Capital assets, net	4,864,201	5,823,158	(958,957)	(16.5%)
Total assets	25,631,333	22,282,263	3,349,070	15.0%
Deferred outflows related to pension	4,302,135	4,828,823	(526,688)	(10.9%)
Liabilities				
Current and other liabilities	2,418,909	1,516,821	902,088	59.5%
Noncurrent liabilities	18,812,523	18,569,588	242,935	1.3%
Total liabilities	21,231,432	20,086,409	1,145,023	5.7%
Deferred inflows related to pension	1,216,778	823,465	393,313	47.8%
Net position				
Net investment in capital assets	1,812,242	1,487,838	324,404	21.8%
Unrestricted	5,673,016	4,713,374	959,642	20.4%
Total net position	$ 7,485,258	$ 6,201,212	$ 1,284,046	20.7%

Net investment in capital assets represents capital assets (land, buildings, improvements, and equipment), net of accumulated depreciation and amortization, and the outstanding related debt used to acquire the assets. The net investment in capital assets balance of $1,812,242 increased by $324,404 or 21.8% in comparison to the prior year due to a reduction in debt related to acquiring assets which exceeded the decrease in capital assets, net, resulting in an increase in net investment in capital assets. The Authority uses capital assets to provide educational services to their students. While these investments are reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The unrestricted net position balance, the largest portion of net position, reflected an increase of $959,642 or 20.4% from a positive $4,713,374 in the prior fiscal year primarily attributable an increase in FEFP Funding and the receipt of LCI Funds from the School District of Lee County.

Changes in Net Position

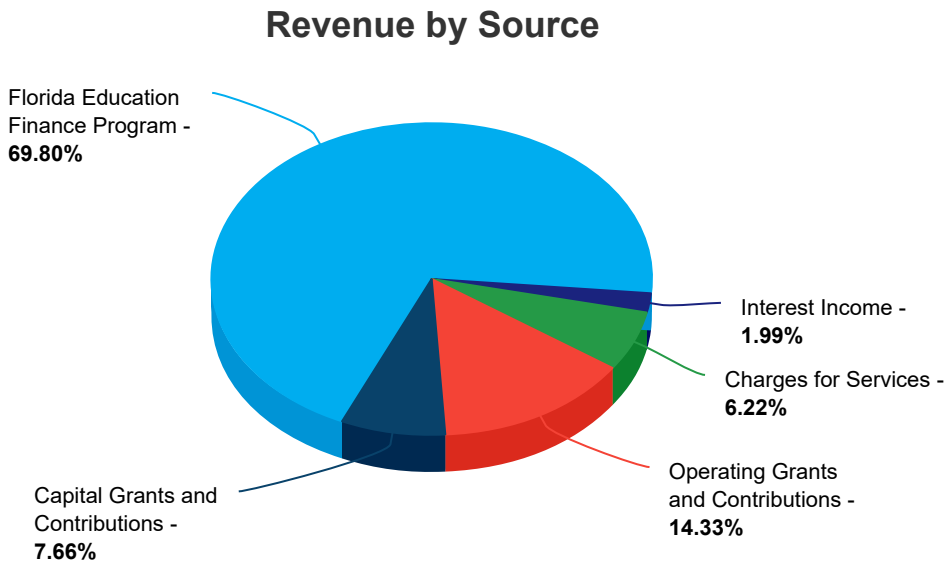
The following table reflects a comparison of the Revenues, Expenses and Changes in Net Position for fiscal years 2024 and 2023 by program.

Summary of Changes in Net Position

	2024	2023	Change	% Change
REVENUES:				
Program Revenues:				
Charges for Services	$ 2,371,519	$ 1,710,267	$ 661,252	38.7%
Operating Grants and Contributions	5,464,602	6,826,849	(1,362,247)	(20.0%)
Capital Grants and Contributions	2,919,708	1,749,271	1,170,437	66.9%
General Revenues:				
Florida Education Finance Program	26,608,256	25,026,102	1,582,154	6.3%
Interest Income	759,304	385,597	373,707	96.9%
Total Revenues	38,123,389	35,698,086	2,425,303	6.8%
EXPENSES:				
Program Activities:				
Instruction Basic (FEFP K-12)	21,640,767	19,451,019	2,189,748	11.3%
Exceptional Education Services	158,083	187,530	(29,447)	(15.7%)
Advanced International Certificate of Education (AICE Diploma Program)	171,027	-	171,027	100.0%
Pupil Personnel Services	387,132	245,293	141,839	57.8%
Health Services	387,131	331,858	55,273	16.7%
Other Pupil Personnel Services	646,828	227,636	419,192	184.2%
Instructional Media Services	151,092	120,563	30,529	25.3%
Instructional Staff Training Services	47,935	14,481	33,454	231.0%
Board	48,222	44,341	3,881	8.8%
General Administration	577,679	501,643	76,036	15.2%
School Administration	2,854,860	2,752,720	102,140	3.7%
Facilities Acquisition & Construction	535,864	2,674	533,190	19939.8%
Fiscal Services	804,384	647,392	156,992	24.2%
Food Services	1,605,002	1,449,895	155,107	10.7%
Data Processing Services	633,159	654,485	(21,326)	(3.3%)
Pupil Transportation Services	1,973,851	1,571,243	402,608	25.6%
Operation of Plant	3,948,441	3,672,568	275,873	7.5%
Maintenance of Plant	225,483	275,012	(49,529)	(18.0%)
Interest	42,403	55,352	(12,949)	(23.4%)
Total Expenses	36,839,343	32,205,705	4,633,638	14.4%
Change in Net Position	1,284,046	3,492,381	(2,208,335)	(63.2%)
Net Position - beginning	6,201,212	2,708,831	3,492,381	128.9%
Net Position - ending	$ 7,485,258	$ 6,201,212	$ 1,284,046	20.7%

Revenue

The following is a chart of revenues by major source for the Charter School for fiscal year 2024.



Total revenue increased by $2,425,303 or 6.8% in comparison to prior year. Outlined below are the explanations for the significant revenue changes.

Charges for Services increased by $661,252 or 38.7%.

- Food service sales paid by parents or guardians of $1,111,997 reflected an increase of $242,297 or 27.9% from $869,700 in the prior fiscal year. $65,483 was considered Unearned Food Service Revenue in fiscal year 2024 and is reclassified as earned revenue in fiscal year 2025.
- General Administration revenue of $371,049 reflected an increase of $190,949 or 106.0% from $180,100 in the prior year. The increase is primarily due to an increase in the Early Bird After School program revenue received from the City of Cape Coral as well as an increase in other miscellaneous revenues.
- Pupil Transportation Services revenue of $74,292 reflected an increase of $39,466 or 113.3% from $34,826 in the prior year as the number of field trips for City of Cape Coral Parks & Rec Summer Programs increased.
- Instruction Basic revenue of $700,087 reflected an increase of $149,663 or 27.2% from $550,424 in the prior year primarily due to increases in miscellaneous revenue, which include, but are not limited to, fundraisers and private donations earmarked for technology, yearbooks, student uniform sales, athletic event admissions, and concession sales.
- School Administration revenue increased by $84,751 to $104,808 from $20,057 in the prior year. This increase is primarily due to an increase in Internal Fund Contributions and Donations.

Operating Grants and Contributions decreased by $1,362,247 or 20.0%.

- The Cambridge Advanced International Certificate of Education, also known as AICE, is an international curriculum and examination program. This program allows students to earn an advanced diploma to boost their college applications. Students may earn college credit or place out of introductory courses as a freshman. AICE also provides the potential to earn an international diploma. Funding from the Florida Department of Education for the Advanced International Certificate of Education (AICE) Program at Oasis High School was $672,296 as compared to $622,733 for the prior fiscal year. This was an increase of $49,563 or 8.0% and is due to the increase in students earning diplomas as well as the number of students passing classes. This program funds teacher bonuses and other costs associated with the operation of the Cambridge curriculum program. Funding is determined by the

number of students participating in the program and the AICE test results. A bonus was paid to those teachers who instruct AICE courses at the High School based on the number of tests passed.

- Funding received from the U.S. Army allows Oasis High School to offer the JROTC program to students. This Federal program provides a reimbursement of approximately 50% of the cost of the salary for three JROTC instructors. In fiscal year 2024 the Authority received $112,880 which reflects an increase of $6,155 or 5.8% from $106,725. This increase is due to an increase in the Minimum Instructor Pay regulated by the U.S. Army.
- Donations of $39,500 from PTO and other local organizations increased by $2,551 or 6.9% from $36,949 in the prior fiscal year. These donations are designated to support curriculum needs at the building level.
- Funding for Title II-A eligible instructional staff training and associated travel of $52,295 increased by $37,845 or 261.9% from $14,450 in the prior year. Annually, each school provides the Lee County School District with their proposed plan for Title II-A funding. This proposal is reviewed by the Lee County School District who determines the new allocation for each School based on the federal funding level. In fiscal year 2024, all four schools submitted plans and received funding.
- Funding for Title IV: Student Support and Academic Enhancement Grants. In fiscal year 2024, all schools applied for Title IV funding through the Lee County School District. Funding is utilized in efforts to improve student mental and behavioral health, school climate or school safety. In fiscal year 2024, Title IV funding of $84,949 increased by $60,496 or 247.4% from $24,453 in the prior year. This increase is due to more activity during the year that was eligible for reimbursement.
- The reimbursements through the Florida Department of Education for the National School Breakfast and Lunch Program (NSLP) of $735,656 showed a decrease of $71,816 or 8.9% from $807,473 in fiscal year 2023. This decrease was due to a change in allocation for Supply Chain Assistance Allocation provided from the NSLP Grantor to offset increased cost of food due to inflation and increased supply chain demands.
- CARES – Coronavirus Relief Fund – The Coronavirus Aid, Relief, and Economic Security Act (CARES Act) funded by the State, established the $150 billion Coronavirus Relief Fund ("the Fund"). Payments must be used for necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease (COVID-19). The initiative of the CARES Act Funding (ESSER II and ESSER III) is to address the areas most impacted by the disruption and closure of schools, safely reopen schools, sustain operations and address the loss of learning in students. In fiscal year 2024, $2,579,479 was received in CARES Act funding from the School District of Lee County, as a program beneficiary, which reflects a decrease of $2,171,528 or 46% from the prior year. ESSER II concluded September 2023 and ESSER III is scheduled to end September 2024.
- FEFP Teacher Salary Allocation – House Bill 5001 funded through the Florida Education Finance Program (FEFP) focused on increasing compensation for full-time classroom teachers, and assisting school districts in their recruitment and retention of classroom teachers and instructional personnel. The bill requires "a school district or charter school" to maintain the new "minimum base salary achieved for classroom teachers" in subsequent fiscal years unless changed by future General Appropriations. In fiscal year 2024, the Charter School received $1,048,799, which is an increase of $235,539 or 29%, in revenue to use for teacher compensation.

Capital Grants and Contributions increased by $1,170,437 or 66.9%.

- The Cape Coral Charter School Authority is eligible to receive Public Education Capital Outlay (PECO) funding from the State of Florida Department of Education. Capital Outlay funding is based on enrollment and is intended to help offset the cost of the school buildings. The amount of revenue received for fiscal year 2024 was $1,974,802 which is an increase of $225,531 or 12.9% over the previous year.
- The Cape Coral Charter School Authority is eligible to receive Local Capital Improvement Funds from the School District of Lee County. The amount of revenue received for fiscal year 2024 was $909,511, which is an increase of 100% over the previous year.
- TAPS - TAPS is an acronym used by the Florida Department of Education Grants Management team and stands for Tracking Applications. Revenues for the Safety and Security grant increased by $35,395 or 100.0%. This increase is due to no qualifying expenses in the prior year.

General Revenues increased by $1,955,861 or 7.7%.

- The Florida Education Finance Program (FEFP) is the funding formula adopted by the Legislature in 1973 to allocate funds appropriated to school districts for K-12 public school operations. The FEFP allocates funds to each school based on actual student enrollment through surveys on student enrollment three times a year. The major source of revenue for the Charter Schools is the funding from FEFP of $26,608,256 which represents 69.8% of the total revenues. FEFP funding increased by $1,582,154 or 6.3% from the prior fiscal year.
- Interest income of $759,304 represents 1.99% of total revenue. Current fiscal year interest income increased by $373,707 or 96.9% from the prior fiscal year due to increases in market rates as well as an increase in cash balances.

Expense

The following table represents expenses by program:

Expense by Program

Program	2024	2023
Instruction Basic (FEFP K-12)	$ 21,640,767	$ 19,451,019
Operation of Plant	3,948,441	3,672,568
School Administration	2,854,860	2,752,720
Facilities Acquisition & Construction	535,864	2,674
Pupil Transportation Services	1,973,851	1,571,243
Food Services	1,605,002	1,449,895
General Administration	577,679	501,643
Maintenance of Plant	225,483	275,012
Data Processing Services	633,159	654,485
Fiscal Services	804,384	647,392
Pupil Personnel Services	387,132	245,293
Health Services	387,131	331,858
Other Pupil Personnel Services	646,828	227,636
Advanced International Certificate of Education (AICE Diploma Program)	171,027	-
Exceptional Education Services	158,083	187,530
Instructional Media Services	151,092	120,563
Interest	42,403	55,352
Board	48,222	44,341
Instructional Staff Training Services	47,935	14,481
Total governmental activities	$ 36,839,343	$ 32,205,705

Total expenses of $36,839,343 increased by $4,633,638 or 14.4% from $32,205,705 in fiscal year 2023.

The most significant expense of the Charter School is salaries, wages and employee benefits which represents 69.0% of total expenses for the year. Total salaries, wages and employee benefits increased $4,156,737 to $25,422,572 or a 19.5% increase as compared to $21,265,835 in the prior year. This increase is a result of the increase of Teacher Salary Allocation, planned raises and Retention Bonuses as well as an increase to pension expense based on the actuarial valuation.

Contractual services, materials, and supplies of $9,265,707 represent 25.2% of total expenses. Contractual services increased by $525,609 or 6.0% from $8,740,098 in the prior fiscal year due to expense related to the portables project.

Depreciation and amortization expense of $2,108,662 represents 5.7% of total expenses. Depreciation and amortization expenses decreased by $12,677 or -0.6% from $2,121,339 in the prior fiscal year. This decrease is due

to assets reaching the end of their estimated useful life and becoming fully depreciated. In fiscal year 2024, there was $414,941 in assets that were either disposed of or retired.

Interest expense of $42,403 represents 0.1% of total expenses. Interest expense decreased by $12,949 or 23.4% from $55,352 in the prior fiscal year.

Capital Assets

The Cape Coral Charter School Authority's investment in capital assets as of June 30, 2024, is $5,046,214 (net of accumulated depreciation).

The following table provides capital asset information as of June 30, 2024.

	2024	2023
Work in Progress	$ 182,013	$ 200,013
Equipment	444,398	494,205
Vehicles	734,766	745,913
Leasehold improvements	499,278	89,864
Right-to-use leased equipment	227,812	11,802
Right-to-use leased buildings	2,923,281	4,384,919
SBITA	34,666	96,455
Totals	$ 5,046,214	$ 6,023,171

Total capital assets decreased by $976,957 or -16.2% during the current fiscal year. The change is comprised of an increase of $1,157,856 in new assets and an increase of $182,013 in Work in Progress offset by $548,883 in accumulated depreciation, $1,559,779 in accumulated amortization and net total dispositions of $208,164. During fiscal year 2024 the following capital assets were purchased and installed: two new playground structures, a new sound system for the Oasis High School Gymnasium, an additional Shark Van, 2 new pieces of food services equipment and a book vending machine. During fiscal year 2024, the Charter Authority inventoried their capital assets and disposed of those assets that had exceeded their useful life and were deemed useless, including 2 School Buses and one Shark Van that were auctioned. The proceeds were reported under FA Auction/Salvage.

Long-Term Debt

At June 30, 2024, the Cape Coral Charter School Authority had $3,233,972 in long term debt obligations. The following is a schedule of outstanding leases as of June 30, 2024 and 2023:

	2024	2023	Percentage Change
Leases Payable	$ 3,199,373	$ 4,439,760	(27.9%)
SBITA Payable	34,599	95,573	(63.8%)
	$ 3,233,972	$ 4,535,333	(28.7%)

Total debt decreased by $1,301,361 or -28.7%, during the current fiscal year. The total debt decrease is a result of principal payments on existing debt.

Economic Factors and Next Year's Budget

Unlike a taxing authority, the Cape Coral Charter School Authority must consider factors specific to the operation of the schools in establishing next year's budget.

For fiscal year 2024, the Authority realized an increase of $1,284,046 in net position.

The primary funding source for the Charter School is the FEFP which establishes an annual full-time equivalent (FTE) student allocation. Therefore, one of the most important considerations must be student enrollment. In addition, state and federal budget legislation can have a significant impact on the funding level per student. In the fiscal year 2025 adopted budget there is an increase of 93 enrolled students at Oasis High School. For the 2024-2025 school year, an increase of $243 per student for FEFP funding is anticipated.

All four Charter Schools maintain an "A" rating with the Florida Department of Education and are considered a valued asset to the City of Cape Coral.

The Administration considers all of these factors in preparing the Cape Coral Charter School Authority's budget for fiscal year 2025.

Request for Information

This financial report is designed to present users with a general overview of the Cape Coral Charter School Authority's finances. Questions concerning any of the information provided in this report, or requests for additional financial information, should be directed to the Cape Coral Charter School Authority through the Financial Services Department of the City of Cape Coral, 1015 Cultural Park Blvd., Cape Coral, FL 33990.

OASIS
CHARTER SCHOOLS
CITY OF CAPE CORAL

Basic Financial Statements

Statement of Net Position
June 30, 2024

ASSETS	
Cash and cash equivalents	$ 19,422,387
Accounts receivable	46,497
Intergovernmental receivables	991,082
Prepaid expense	125,153
Capital assets not being depreciated	182,013
Capital assets, net	4,864,201
Total assets	25,631,333
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pension	4,302,135
LIABILITIES	
Current liabilities	
Accounts payable and other accrued liabilities	959,524
Accrued payroll	277,771
Due to City of Cape Coral	1,116,131
Unearned revenue	65,483
Noncurrent liabilities:	
Due within one year	1,682,277
Due in more than one year	2,341,089
Net pension liability	14,789,157
Total liabilities	21,231,432
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to pension	1,216,778
Total deferred inflows of resources	1,216,778
NET POSITION	
Net investment in capital assets	1,812,242
Unrestricted	5,673,016
Total net position	$ 7,485,258

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

Statement of Activities
For the Year Ended June 30, 2024

FUNCTIONS	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenue and Changes in Net Position: Unit Activities
Instruction Basic (FEFP K-12)	$ 21,640,767	$ 700,087	$ 3,919,406	$ -	$ (17,021,274)
Exceptional Education Services	158,083	-	-	-	(158,083)
Advanced International Certificate of Education (AICE Diploma Program)	171,027	-	672,296	-	501,269
Pupil Personnel Services	387,132	-	-	-	(387,132)
Health Services	387,131	-	-	-	(387,131)
Other Pupil Personnel Services	646,828	-	-	-	(646,828)
Instructional Media Services	151,092	-	-	-	(151,092)
Instructional Staff Training Services	47,935	-	52,295	-	4,360
Board	48,222	-	-	-	(48,222)
General Administration	577,679	371,049	-	-	(206,630)
School Administration	2,854,860	104,808	-	-	(2,750,052)
Facilities Acquisition & Construction	535,864	-	-	-	(535,864)
Fiscal Services	804,384	-	-	-	(804,384)
Food Services	1,605,002	1,111,997	735,656	-	242,651
Data Processing Services	633,159	-	84,949	-	(548,210)
Pupil Transportation Services	1,973,851	74,292	-	-	(1,899,559)
Operation of Plant	3,948,441	-	-	2,919,708	(1,028,733)
Maintenance of Plant	225,483	9,286	-	-	(216,197)
Interest	42,403	-	-	-	(42,403)
Totals	$ 36,839,343	$ 2,371,519	$ 5,464,602	$ 2,919,708	$ (26,083,514)

General Revenues:	
Florida Education Finance Program (State through Lee County School District)	$ 26,608,256
Interest income	759,304
Total general revenues	27,367,560
Change in net position	1,284,046
Net position - beginning	6,201,212
Net position - ending	$ 7,485,258

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

Balance Sheet
Governmental Funds
June 30, 2024

	General Fund
ASSETS	
Cash and cash equivalents	$ 19,422,387
Receivables, net	46,497
Intergovernmental receivables	991,082
Prepaid items	125,153
Total assets	20,585,119
LIABILITIES	
Accounts payable and other accrued liabilities	959,524
Accrued wages and benefits	277,771
Due to City of Cape Coral	1,116,131
Unearned revenue	65,483
Total liabilities	2,418,909
DEFFERED INFLOWS OF RESOURCES	
Unavailable revenue – grant reimbursement	193,667
FUND BALANCES	
Nonspendable	125,153
Committed	4,925,500
Assigned	1,108,523
Unassigned	11,813,367
Total fund balances	17,972,543
Total liabilities, deferred inflows of resources and fund balances	$ 20,585,119

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

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
June 30, 2024

Total fund balances - governmental funds		$ 17,972,543
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. These assets consist of:		
Capital assets	13,237,474	
Accumulated depreciation and amortization	(8,191,260)	5,046,214
Deferred outflows of resources related to pension liability are not recognized in the governmental funds; however, they are recorded in the statement of net position under full accrual accounting.		4,302,135
Long-term liabilities, including debt payable, are not due and payable in the current period and therefore, are not reported as fund liabilities. These liabilities consist of:		
Compensated absences	(789,394)	
Leases payable	(3,199,373)	
SBITA payable	(34,599)	(4,023,366)
Net pension liability is not recognized in the government funds; however, it is recorded in the statement of net position under full accrual accounting		(14,789,157)
Deferred inflows of resources related to pension liability are not recognized in the governmental funds: however, they are recorded in the statement of net position under full accrual accounting.		(1,216,778)
Other assets are not available to pay for current period expenditures and are reported as deferred inflows in the funds.		193,667
Net position of governmental activities		$ 7,485,258

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

Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2024

		General Fund
Revenues:		
Federal Direct Sources		
JROTC Reimbursable Charges	$	112,880
Federal through State Sources		
NSLP Lunch Reimbursement		631,083
NSLP Breakfast Reimbursement		104,574
Federal through Local Sources		
Title II-A Funding		52,295
Title IV Funding		84,949
State through Local Sources		
Florida Education Finance Program		26,608,250
Florida Teachers Salary Allocation		1,048,799
Public Education Capital Outlay (PECO)		1,974,802
Coronavirus Aid, Relief, and Economic Security Act (CARES)		2,579,479
Advanced International Certificate of Education (AICE)		672,296
TAPS - Safety & Security		35,395
TAPS - Science of Reading Theory		20,747
Local Sources		
Food Service Sales		1,111,997
Local Capital Improvement Funds		909,511
Transportation Service Charges		74,292
Contributions and Donations		39,500
Interest Income		759,304
Other Revenue		1,225,478
Total Revenues		**38,045,631**
Expenditures:		
Instruction Basic (FEFP K-12)		19,786,795
Exceptional Education Services		145,114
Advanced International Certificate of Education (AICE)		171,027
Guidance Services		346,994
Health Services		347,353
Other Pupil Personnel Services		593,500
Instructional Media Services		132,706
Instructional Staff Training Services		47,935
Board		48,222
General Administration		518,896
School Administration		2,485,752
Fiscal Services		804,384
Food Services		1,542,410
Data Processing Services		550,068
Pupil Transportation Services		1,734,495
Operation of Plant		2,299,115
Maintenance of Plant		133,347
Facilities Acquisition & Construction		535,864
Capital Outlay		1,139,857
Debt Service:		
Principal		1,561,874
Interest and Fiscal Charges		42,403
Total Expenditures		**34,968,111**
Excess of revenues over expenditures		**3,077,520**
Other Financing Sources:		
Proceeds from Leases		260,513
Proceeds on sale of capital assets		23,074
Total Other Financing Sources		**283,587**
Net change in Fund Balance		**3,361,107**
Fund balance - beginning		14,611,436
Fund balance - ending	**$**	**17,972,543**

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

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2024

Net change in fund balance - total governmental funds		$ 3,361,107
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period.		
Capital outlay	1,139,857	
Depreciation, amortization and loss on disposals	(2,108,662)	(968,805)
The net effect on net position for various miscellaneous transactions involving capital assets (disposals, transfers, donations).		(8,152)
Certain revenues not considered available are not recognized in the governmental funds but are included in the statement of activities.		62,832
Changes to compensated absences		38,418
The issuance of debt provides current financial resources to governmental funds, while the repayment of the principal of long term debt consumes the current financial resources of the governmental funds. Neither transaction, however, has an effect on net position.		
Principal on leases	1,500,900	
Principal on SBITA	60,974	
Proceeds from leases	(260,513)	1,301,361
Net effect of pension related expenses which decrease net position		(2,502,715)
Change in net position of governmental activities		$ 1,284,046

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

Notes to the Financial Statements

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2024

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Note I. Organization and Summary of Significant Accounting Policies

1. Organization

The Cape Coral Charter School Authority ("Authority") was created for the purpose of operating and managing, on behalf of the City of Cape Coral ("City"), all charter schools for which a charter is held by the City. The powers of the Authority are exercised through a governing board, which is known as the Cape Coral Charter School Authority Board which provides governance of the charter schools. Seven (7) members of the governing board are appointed by the City Council, including one member of the City Council. The charter school superintendent serves as an "ex officio member" of the board. The parent members from each school level also serve as "ex officio" members of the board. The Charter School Superintendent and parent members are non-voting members. The City Council approves the Charter School Authority's budget and must approve any debt issuances. The Cape Coral Charter School Authority will be presented as a discretely presented component unit within the City of Cape Coral's Annual Comprehensive Financial Report. The Charter School Authority has no component unit of its own.

2. Related Organization

The Cape Coral Municipal Charter Schools Foundation ("Foundation") was established in October 2004 as the fundraising arm of the City of Cape Coral Municipal Charter School system. The Foundation is a legally separate 501(c)3 nonprofit organization with a separate governing board. Because the Authority does not appoint a voting majority of the Foundation's governing body, and the Foundation is not fiscally dependent upon the Authority, the financial information of the Foundation has not been included within these financial statements of the Authority since the Foundation does not meet the requirements of a component unit for financial reporting purposes.

3. Summary of Significant Accounting Policies

The financial statements of the Cape Coral Charter School Authority have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the standard-setting body for governmental accounting and financial reporting. GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards, which along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units. The Cape Coral Charter School Authority is reported as a governmental fund and it is used to account for the operating financial resources of the Authority.

4. Basic Financial Statements

The basic financial statements include the Statement of Net Position, Statement of Activities, Balance Sheet, and Statement of Revenues, Expenditures, and Changes in Fund Balance. These statements report all assets, liabilities, deferred inflows and outflows of resources, revenues, and expenses, providing a financial picture of the Cape Coral Charter School Authority as a whole.

The Statement of Net Position reports all non-fiduciary financial and capital resources and obligations of the Authority as a whole. The difference between assets and deferred outflows, and liabilities and deferred inflows is reported as net position.

The Statement of Activities summarizes the Authority's revenues and expenses for the current year. A net (expense) revenue format is used to indicate to what extent each function is self-sufficient.

The balance sheet discloses the assets, liabilities, deferred inflows of resources and fund balance of the Authority at a specified date.

The Statement of Revenues, Expenditures and Changes in Fund Balance reports revenues and expenditures resulting in a change in fund balance for the period and total ending fund balance.

5. Measurement Focus and Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized and reported in the financial statements. The Cape Coral Charter School Authority's Government-wide Financial Statements are reported using the economic resources measurement focus and the accrual basis of accounting. The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements, a reconciliation is presented which briefly explains the adjustments necessary to transform the fund based financial statements into the governmental activities of the government-wide presentation.

Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred.

Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual (i.e. both measurable and available). "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The Authority considers all revenues available if they are collected within 60 days after year-end.

6. Cash and Investments

Section 218.415, Florida Statutes, limits the types of investments that a government can invest in unless specifically authorized in an investment policy. On August 8, 2011, the City of Cape Coral adopted a revised comprehensive investment policy pursuant to Section 218.415, Florida Statutes that established permitted investments, asset allocation limits, issuer limits, credit rating requirements, and maturity limits to protect cash and investment assets. This policy is adopted as the Cape Coral Charter School Authority Board's investment policy as stipulated in section 6144 of the Charter School bylaws. The Charter School Authority maintains a common cash and investment pool for the use of all funds. The investment policy applies to all cash and investments held or controlled by the Charter School Authority.

The cash deposits are held by a bank that qualifies as a public depository under the Florida Security for Public Deposits Act as required by Chapter 280, Florida Statutes.

As of June 30, 2024, the Authority's investment portfolio did not include any investments that are required to be held by a third-party custodian.

Detailed information on allowable investments and actual holdings can be found in Note III, Detailed Notes 1: Cash and Investments.

7. Accounts and Intergovernmental Receivables

Receivables are monies due to the Cape Coral Charter School Authority at the end of the fiscal year. Receivables are distinguished between those due from other governmental agencies including the City of Cape Coral and those due from non-governmental sources (accounts receivable). Both are described in Note III, Detailed Notes 2: Intergovernmental Receivables.

8. Capital Assets

Capital assets are defined by the Authority as assets with an initial, individual cost of $5,000 or more and a useful life in excess of one year. Capital assets are recorded at historical cost. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized but are expensed as incurred.

Capital assets are depreciated using the straight-line method of depreciation over the useful lives of the related assets. The depreciable life of each asset is determined by City of Cape Coral Administrative Regulation 51 and complies with generally accepted accounting principles.

Asset	Years
Equipment	3-10
Buildings	20-40
Vehicles	5-10
Leasehold Improvements	10
Computer Software	3

9. Long-term Liabilities

Compensated Absences – The Authority permits employees to accumulate earned but unused leave, which will be paid to the employee upon separation if certain criteria is met. These benefits plus the related taxes are classified as compensated absences.

10. Leases and Subscription-based Information Technology Arrangements (SBITA)

Leases: The Authority is a lessee for noncancellable leases of buildings and equipment. The Authority recognizes a lease liability and an intangible right-to-use leased asset in the government-wide financial statements. Leased assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

At the commencement of a lease, the Authority initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized over the term of the lease.

Key estimates and judgements related to leases include how the Authority determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

The Authority uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Authority generally uses its estimated incremental borrowing rate as the discount rate for leases.

The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are comprised of fixed payments and any purchase option price that the Authority is reasonably certain to exercise. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options are only included in the lease term if the lease is reasonably certain to be extended.

The Authority monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Variable payments that depend on an index or a rate (such as the Consumer Price Index or a market interest rate) are initially measured using the index or rate as of the commencement of the lease term.

The Authority does not currently hold any leases as a lessor.

Subscription-based Information Technology Arrangements (SBITA): The Charter School Authority has entered into Subscription-Based Information Technology Arrangements with various software providers. In May 2020, GASB introduced a new standard, Statement No 96 Subscription-based Information Technology Arrangements. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA.

To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases,* as amended.

A SBITA is defined as a contract that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction.

The subscription term includes the period during which a government has a noncancellable right to use the underlying IT assets. The subscription term also includes periods covered by an option to extend (if it is reasonably certain that the government or SBITA vendor will exercise that option) or to terminate (if it is reasonably certain that the government or SBITA vendor will *not* exercise that option).

Under this Statement, the Authority has recognized a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability. The Authority recognized the subscription liability at the commencement of the subscription term, —which is when the subscription asset is placed into service. The subscription liability was initially measured at the present value of subscription payments expected to be made during the subscription term. Future subscription payments should be discounted using the interest rate the SBITA vendor charges the government, which may be implicit, or the government's incremental borrowing rate if the interest rate is not readily determinable. A government should recognize amortization of the discount on the subscription liability as an outflow of resources (for example, interest expense) in subsequent financial reporting periods.

This Statement provides an exception for short-term SBITAs. Short-term SBITAs have a maximum possible term under the SBITA contract of 12 months (or less), including any options to extend, regardless of their probability of being exercised. Subscription payments for short-term SBITAs should be recognized as outflows of resources.

This Statement requires a government to disclose descriptive information about its SBITAs other than short-term SBITAs, such as the amount of the subscription asset, accumulated amortization, other payments not included in the measurement of a subscription liability, principal and interest requirements for the subscription liability, and other essential information.

11. Fund Balance and Net Position

Fund Balance

The Authority uses restricted amounts to be spent first when both restricted and unrestricted fund balance are available unless there are legal documents/contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the Authority would first use committed fund balance, followed by assigned fund balance, and then unassigned fund balance when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

The Authority established restricted fund balances in the General Fund for Local Capital Improvement Revenue (S.1013.62, Florida Statutes). These fund balances are restricted by Florida Statute as set forth in the annual budget and any amendments thereto.

The following classifications describe the relative strength of the spending constraints within the Authority's fund balance.

Non-Spendable Fund Balance - Amounts that are (a) not in spendable form or (b) legally or contractually required to be maintained intact. "Not in spendable form" includes items that are not expected to be converted to cash (such as inventories and prepaid amounts) and items such as the long-term amount of loans and notes receivable, as well as property acquired for resale. The corpus (or principal) of a permanent fund is an example of an amount that is legally or contractually required to be maintained intact.

Restricted Fund Balance - Amounts that can be spent only for specific purposes stipulated by (a) external resource providers such as creditors (through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance - Amounts that can be used only for the specific purposes determined by a formal action of the Governing Board; the Charter Authority's highest level of decision-making authority.

Commitments may be changed or lifted only by the Board taking the same formal action that imposed the constraint originally, which is by resolution.

Assigned Fund Balance – Portion that reflects a government's intended use of resources. Includes spendable fund balance amounts established by management of the Authority that are intended to be used for specific purposes that are neither considered restricted or committed.

Unassigned Fund Balance - Unassigned fund balance is the residual classification for the general fund. This classification represents a fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

Unrestricted Fund Balance – The total of committed fund balance, assigned fund balance, and unassigned fund balance.

In the general fund, the Authority strives to maintain an unassigned balance of 5% of annual resources of the general fund. This is the target that the unassigned fund balance should not fall below without establishing a replenishment plan. The Authority established the following committed fund balance reserves during FY 2023:

Textbooks - The Textbooks reserve fund balance is established to fund replacement of textbooks every four years spreading the costs equally over time at 25% per year of forecasted cost of textbooks at the time of replacement.

Student laptop computer reserve - The school-by-school student laptop computer reserve fund balance is established to replace student laptop computers at each school every four years spreading the costs equally over time at 25% per year to ensure funds are available for the forecasted cost of student laptop computers at the time of replacement.

Information Technology equipment reserve - The information technology equipment reserve fund balance is established to replace information technology at each school every seven years spreading the costs equally over time to ensure funds are available for the forecasted cost of information technology equipment at the time of replacement.

Playground Equipment - The playground equipment reserve fund balance is established to replace the playground equipment at the North and South Elementary Schools every ten years spreading the costs equally over time to ensure funds are available for the forecasted cost of playground equipment at the time of replacement.

Detailed information on fund balances can be found in Note III, Detailed Notes 7: Fund Balances.

Net Position

Net Position of the government-wide funds is categorized as net investment in capital assets, restricted or unrestricted. The first category represents net position related to capital assets. The restricted category represents the balance of assets restricted by requirements of revenue bonds and other externally imposed constraints by legislation in excess of the related liabilities payable from restricted assets. The unrestricted net position category represents all other net position that does not meet the definition of "restricted" or "net investment in capital assets". When both restricted and unrestricted resources are available for use, it is the City's policy to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted assets are available.

12. Intergovernmental Revenue

Federal Revenue Sources

Cape Coral Charter School Authority receives federal monies distributed through the Florida Department of Education for the National School Lunch Program.

The Authority receives Title II-A funding which is designed to increase student academic achievement through strategies such as improving teacher and principal quality; increasing the number of highly qualified teachers in the classroom and highly qualified principals and assistant principals in school while holding local educational agencies and schools accountable for improvements in student academic achievement.

Title IV is a block grant that supports the needs for improvement in three key areas: access to and opportunities for a well-rounded education, safe and supportive conditions for learning, and access to personalized learning experiences supported by technology. In fiscal year 2024, all Schools received Title IV funding.

Oasis High School receives reimbursement from the Army Junior Reserve Officer (JROTC) program. This funding is to offset approximately 50% of the cost of the three JROTC instructors' salaries. The program is offered to high schools that teach students character education, student achievement, wellness, leadership, and diversity. It is a cooperative effort between the Army and the high schools to produce successful students and citizens, while fostering in each school a more constructive and disciplined learning environment.

State Revenue Sources

Revenue from State sources for current operations is primarily from the Florida Education Finance Program, administered by the Florida Department of Education under the provisions of Section 1011.62, Florida Statutes. In accordance with the law, the Cape Coral Charter School Authority determines and reports to the Lee County School District the number of full-time equivalent students (FTE). The Department performs certain edit checks on the reported number of FTE students and remits funding based on the Department's current year adopted allocations.

The Cape Coral Charter School Authority is eligible to receive Public Education Capital Outlay (PECO) funding from the State of Florida Department of Education. Capital Outlay funding is based on enrollment and is intended to help offset the cost of the school buildings.

Funding is received from the Florida Department of Education for the Advanced International Certificate of Education Program (AICE) at Oasis High School. This program funds teacher bonuses and additional costs to operate the Cambridge curriculum program. Funding is determined by the number of students participating in the program and the AICE testing results.

The Authority receives funding for Florida Teachers Classroom Supply Assistance Program which provides funding to teachers for the purchase of classroom supplies each September. This program was funded by the Florida legislature for the 2023-2024 school year. Future funding is contingent upon legislative approval.

The Authority receives funding for Teacher Salary Allocation which provides funding to increase compensation for full-time classroom teachers assisting school districts in their recruitment and retention of classroom teachers and instructional personnel.

The Authority receives funding from the School Board of Lee County as a program beneficiary from the Coronavirus Response and Relief Supplement Act (CRRSA) and the American Rescue Plan Act (ARPA). In December 2020 the CARES Act was expanded through the CRRSA to address the areas most impacted by the disruption and closure of schools due to COVID-19. In March 2021, a third round of funding was added through ARPA to provide resources for safely reopening schools and address loss of learning in students.

TAPS is an acronym used by the FDOE Grants Management team and stands for Tracking Applications. The Authority receives TAPS Safety & Security. This funding is used specifically for the purpose of Building Safety and Security needs for the school buildings. The Authority also received TAPS Science of Reading Theory and TAPS School Improvement Program funds, this funding is used specifically for Reading and ESE programs.

13. Pensions

In the government-wide statement of net position, liabilities are recognized for the Authority's proportionate share of each pension plan's net pension liability. For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Florida Retirement System (FRS) defined benefit plan and the Health Insurance Subsidy (HIS), and additions to/deductions from

FRS's and HIS's fiduciary net position have been determined on the same basis as they are reported by the FRS and HIS plans. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments and refunds of employee contributions are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

14. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until that period. The deferred outflows of resources reported in the Authority's statement of net position pertain to the Authority's participation in the Florida Retirement System Pension Plan and the Retiree Health Insurance Subsidy Program.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that period. The deferred inflows of resources reported in the Authority's statement of net position pertain to the Authority's participation in the Florida Retirement System Pension Plan and the Retiree Health Insurance Subsidy Program.

Additionally, unavailable revenue (a deferred inflow of resources) is recorded for governmental fund receivables that are not available. For this purpose, the Authority considers revenues to be available if they are collected within 60 days of the end of the fiscal year.

The potential components of deferred inflows or outflows relating to pensions include differences between expected and actual economic experience, changes in actuarial assumptions, the net difference between projected and actual earnings on pension plan investments, changes in proportion between Authority contributions and the proportionate share of contributions, and the Authority's contributions subsequent to the measurement date.

15. Prepaid Items

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

16. Unearned Revenue

Revenue cannot be recognized until it has been earned and is available to finance expenditures of the current fiscal period. Revenue that is earned but not available is reported as deferred inflow of resources in the General Fund until such time as the revenue becomes available.

17. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities as of the date of the financial statements, and the reported amounts of revenue and expenditures during the reporting period. Actual results could differ from those estimates.

Note II. Stewardship, Compliance, and Accountability

1. Compliance with Finance-Related Legal and Contractual Provisions

The Authority believes it is not in violation of any finance-related legal or contractual provisions.

Note III. Detailed Notes

1. Cash and Investments

As of June 30, 2024, the Cape Coral Charter School Authority had the following cash and investment amounts:

Category	Fair Value
Checking and savings accounts	$ 2,850,874
Cash on hand	881
Local Government Investment Pool - Florida Prime (SBA)	7,863,497
Local Government Investment Pool - Florida Safe	2,535,148
Intergovernmental Investment Pool - Florida Class	6,171,987
Total	**$ 19,422,387**

A. Cash and Cash Equivalents

The cash deposits are held by a bank that qualifies as a public depository under the Florida Security for Public Deposits Act as required by Chapter 280, Florida Statutes.

B. Investment Portfolio

Section 218.415, Florida Statutes, limits the types of investments that a government can invest in unless specifically authorized in an investment policy. On August 8, 2011, the City of Cape Coral adopted a revised comprehensive investment policy pursuant to Section 218.415, Florida Statutes that established permitted investments, asset allocation limits, issuer limits, credit rating requirements, and maturity limits to protect cash and investment assets. This policy is adopted as the Cape Coral Charter School Authority Board's investment policy as stipulated in section 6144 of the Charter School bylaws. The Charter School Authority maintains a common cash and investment pool for the use of all funds. The investment policy applies to all cash and investments held or controlled by the Charter School Authority.

The Charter School Authority's investment policy allows for the following investments:

- Florida PRIME
- United States Government Securities, unconditionally guaranteed by the United States Government
- United States Government Agencies, issued or guaranteed by United States Government agencies
- Federal Instrumentalities, issued or guaranteed by United States Government sponsored agencies
- Non-Negotiable Interest-Bearing Time Certificates of Deposit or Saving Accounts, in banks organized under the laws of the state and/or in national banks organized under the laws of the United States and doing business and situated in the State of Florida
- Repurchase Agreements
- Commercial Paper, of any United States company that is rated at the time of purchase
- Bankers' Acceptances, issued by a domestic bank or a federally chartered domestic office of a foreign bank
- State and/or Local Government Taxable and/or Tax-Exempt Debt
- Registered Investment Companies (Mutual Funds), that are registered under the Federal Investment Company Act of 1940 and operated in accordance with 17 C.F.R § 270.2a-7
- Intergovernmental Investment Pools, that are authorized pursuant to the Florida Interlocal Cooperation Act, as provided in Section 163.01, Florida Statutes Intergovernmental Investment Pools. A maximum of 25% of available funds may be invested in the intergovernmental investment pools
- Corporate Notes, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States

- Corporate Obligations, issued by financial institutions that participate in the FDIC's Temporary Liquidity Guarantee Program and are fully insured by the FDIC and guaranteed by the United States Government
- Mortgage-Backed Securities (MBS) that are based on mortgages that are guaranteed by a government agency or GSE for payment
- Asset-Backed Securities (ABS) that are backed by financial assets
- Bond Funds

As of June 30, 2024, the Charter School Authority had the following investment types and effective duration presented in terms of years:

Security Type	Fair Value	Weighted Average Duration (Years)
Local Government Investment Pool - Florida Prime (SBA)	$ 7,863,497	0.12
Local Government Investment Pool - Florida Prime Safe	2,535,148	0.16
Intergovernmental Investment Pool - Florida Class	6,171,987	0.07
Total Fair Value	**$ 16,570,632**	
Portfolio Weighted Average Duration		0.11

C. Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction. In determining this amount, three valuation techniques are available.

Market approach – This uses prices generated for identical or similar assets or liabilities. The most common example is an investment in a public security traded in an active exchange such as the NYSE.

Cost approach – This technique determines the amount required to replace the current asset. This approach may be ideal for valuating donations of capital assets or historical treasures.

Income approach – This approach converts future amounts (such as cash flows) into a current discounted amount.

Each of these valuation techniques requires inputs to calculate a fair value. Observable inputs should be maximized in fair value measures, and unobservable inputs should be minimized.

As of June 30, 2024, the Authority had the following investment measurements by security type:

	Total Fair Value
Investments Measured at Net Asset Value (NAV)	
Intergovernmental Investment Pool - Florida Class	$ 6,171,987
Local Government Investment Pool - Florida Safe	2,535,148
Investment Measured at Amortized Cost	
Local Government Investment Pool - Florida Prime (SBA)	7,863,497
Total Investments	**$ 16,570,632**

Investment in Florida CLASS are redeemed daily.

The Florida Class ("FLCLASS") and Florida Safe ("FLSAFE") investment pools seek to generate competitive market returns in a manner that will provide safety of principal while meeting the liquidity needs of participants.

The SBA Pool Florida PRIME manages billions of dollars for Florida local governments and purchases investments consistent with Chapter 215.47, Florida Statutes. Florida PRIME currently meets all of the necessary criteria to elect to measure all of the investments in Florida PRIME at amortized cost. Thus, the pool operates essentially as a money market fund, but is classified as an external investment pool.

Qualifying local government investment pools in the state of Florida must comply with applicable Florida statutory requirements. Chapter 218.409(8)(a), Florida Statutes state that the principal balance within a LGIP trust fund is subject to withdrawal at any time. However, the Executive Director may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, for 48 hours limit contributions to or withdrawals from the trust fund to ensure that the Board can invest in the monies entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the Trustees, the Joint Legislative Auditing Committee, the Investment Advisory Council, and the Participant Local Government Advisory Council.

With regard to liquidity fees, Chapter 208.409(4) provides authority for an LGIP to impose penalties for early withdrawal, subject to disclosure in the enrollment materials of the amount and purpose of such fees. At present, no such disclosure has been made by the SBA.

D. Interest Rate Risk

The Charter School Authority's investment policy sets limits for investment maturities to match known cash needs and anticipated cash flow requirements. Investments of current operating funds shall have maturities of no longer than twenty-four (24) months. Investments of bond reserves, construction funds, and other non-operating funds, "core funds", shall have a term appropriate to the need for funds and in accordance with debt covenants, but in no event shall exceed five (5) years. The maturities of the underlying securities of a repurchase agreement will follow the requirements of the Master Repurchase Agreement.

The Authority utilizes "effective duration" as a measurement of interest rate risk and as of June 30, 2024 the investment portfolio had an effective duration of .11 years.

Credit Risk

The Authority's investments on June 30, 2024 are limited to credit quality ratings from nationally recognized rating agencies as follows:

Registered Investment Companies (Mutual Funds)

- Rated AAAm by Standard & Poor's or the equivalent by another rating agency.
- Are in open-end, no-load provided such funds are registered under the Federal Investment Company Act of 1940 and operated in accordance with 17 C.F.R. § 270.2a-7.
- In addition, the Financial Services Director may invest in other types of mutual funds provided such funds are registered under the Federal Investment Company Act of 1940, invest exclusively in the securities specifically permitted under this investment policy, and are similarly diversified.

Intergovernmental Investment Pools

- Rated AAAm by Standard & Poor's or the equivalent by another rating agency.
- Are authorized pursuant to the Florida Inter-local Cooperation Act, as provided in Section 163.01, Florida Statutes and provided that said funds contain no derivatives.

As of June 30, 2024, the Authority had the following credit exposure as a percentage of total investments:

Security Type	S&P Credit Rating	% of Portfolio
Local Government Investment Pool - Florida Prime (SBA)	AAAm	47.45%
Local Government Investment Pool - Florida Safe	AAAm	15.30%
Intergovernmental Investment Pool - Florida Class	AAAm	37.25%
		100.00%

E. Custodial Credit Risk

The Authority's investment policy, pursuant to Section 218.415(18), Florida Statutes, requires securities, with the exception of certificates of deposits, shall be held with a third-party custodian; and all securities purchased by, and all collateral obtained by the Authority should be properly designated as an asset of the Authority. The securities must be held in an account separate and apart from the assets of the financial institution. A third party custodian is defined as any bank depository chartered by the Federal Government, the State of Florida, or any other state or territory of the United States which has a branch or principal place of business in the State of Florida, or by a national association organized and existing under the laws of the United States which is authorized to accept and execute trusts and which is doing business in the State of Florida. Certificates of deposits will be placed in the provider's safekeeping department for the term of the deposit.

As of June 30, 2024, the Authority's investment portfolio did not include any investments that are required to be held by a third-party custodian.

F. Concentration of Credit Risk

The Authority's investment policy has established asset allocation and issuer limits on certain investments, which is designed to reduce concentration of credit risk of the Authority's investment portfolio. Since the Authority is invested in Florida PRIME which is a local government investment pool, a maximum of 75% of available funds may be invested in this investment category. The Authority is also invested in Florida Class which is categorized as an Intergovernmental Investment Pool, which allows for a maximum of 75% investment in this category. Additionally, the Authority utilizes Bank United checking account as an investment tool, unlimited investing may be done to this account.

As of June 30, 2024, the Authority had the following issuer concentration based on fair value:

Issuer	Fair Value	Percentage of Portfolio
Local Government Investment Pool - Florida Prime (SBA)	$ 7,863,497	47.45%
Local Government Investment Pool - Florida Safe	2,535,148	15.30%
Intergovernmental Investment Pool - Florida Class	6,171,987	37.25%
	$ 16,570,632	100.00%

2. Receivables

Accounts Receivable		
School Lunch Program	$	4,405
Dishonored Checks		300
Other AR		41,792
Total Accounts Receivable	**$**	**46,497**
Intergovernmental Receivables		
Coronavirus Aid, Relief, and Economic Security Act (CARES)	$	728,806
Due from City of Cape Coral		23,934
Florida Department of Eduction Grants		9,515
JROTC		5,525
OMS After School Program		4,616

Public Educational Capital Outlay (PECO)	159,549
Title II-A	20,204
Title IV	16,991
Miscellaneous Receivables	21,942
Total Intergovernmental Receivables	**$ 991,082**

3. Capital Assets

Capital asset activity for the year ended June 30, 2024 was as follows:

Capital Assets	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated				
Work in progress	$ 200,013	$ 182,013	$ (200,013)	$ 182,013
Capital assets, being depreciated				
Equipment	2,152,352	201,914	(127,859)	2,226,407
Vehicles	2,025,678	119,000	(202,060)	1,942,618
Leasehold improvements	592,604	576,429	(23,254)	1,145,779
Computer software	13,700	-	-	13,700
Right-to-use leased equipment	61,768	260,513	(61,768)	260,513
Right-to-use leased buildings	7,308,201	-	-	7,308,201
SBITA	158,244	-	-	158,244
Capital assets, being depreciated	12,312,547	1,157,856	(414,941)	13,055,462
Less accumulated depreciation for				
Equipment	(1,658,147)	(251,722)	127,860	(1,782,009)
Vehicles	(1,279,765)	(130,146)	202,059	(1,207,852)
Leasehold improvements	(502,740)	(167,015)	23,254	(646,501)
Computer software	(13,700)	-	-	(13,700)
Right-to-use leased equipment	(49,966)	(36,352)	53,617	(32,701)
Right-to-use leased buildings	(2,923,282)	(1,461,638)	-	(4,384,920)
SBITA	(61,789)	(61,789)	-	(123,578)
Total accumulated depreciation and amortization	(6,489,389)	(2,108,662)	406,790	(8,191,261)
Total capital assets, net	**$ 6,023,171**	**$ (768,793)**	**$ (208,164)**	**$ 5,046,214**

Depreciation and amortization expense was charged to functions/programs of the primary government as follows:

Governmental Activities:

Instruction Basic (FEFP K-12)	$ 12,972
School Administration	96,645
Food Services	12,614
Data Processing Services	83,090
Pupil Transportation Services	130,143
Operation of Plant	1,679,462
Maintenance of Plant	92,137
Health Services	1,599
Total depreciation and amortization expense	**$ 2,108,662**

4. Related Party Transactions

The City of Cape Coral, a related party, performs various services for the Authority and invoices the Authority monthly. These services relate to accounting, budget, human resources, fleet maintenance, facility maintenance, security and school resource officers, information technology, health insurance, and custodial services. The amount incurred for these services for the year ended June 30, 2024 was $6,866,960.

The City of Cape Coral and the Authority have entered into a lease agreement for the use of school buildings. In accordance with GASB Statement No. 87, the total rental expense for the fiscal year amounted to $1,500,000.

As of June 30, 2024, $1,116,131 of the total was Due to the City of Cape Coral.

5. Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2024, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Leases payable	$ 4,439,760	$ 260,513	$ (1,500,900)	$ 3,199,373	$ 1,525,927
SBITA Payable	95,573	-	(60,974)	34,599	27,679
Total capital related	4,535,333	260,513	(1,561,874)	3,233,972	1,553,606
Compensated absences	827,812	94,031	(132,449)	789,394	128,671
Total	**$ 5,363,145**	**$ 354,544**	**$ (1,694,323)**	**$ 4,023,366**	**$ 1,682,277**

The Authority is a lessee for noncancellable leases of buildings and equipment. At June 30, 2024, the Authority's lease payable of $3,199,373 was composed of the following:

Land lease – annual payments totaling $1,444,813 plus interest at an implicit rate of 1.059%, due dates ranging from July 1, 2024 to June 30, 2026.	$ 2,967,154
Equipment leases – annual payments totaling $24,731 plus interest at an implicit rate of 0.514%, due dates ranging from July 1, 2024 to March 24, 2029.	232,219
Total leases payable	**$ 3,199,373**

Principal and Interest Requirements to Maturity

For the Year ending June 30	Principal	Interest	Total
2025	$ 1,525,927	$ 25,349	$ 1,551,276
2026	$ 1,541,890	9,386	1,551,276
2027	$ 50,719	557	51,276
2028	$ 50,980	296	51,276
2029	$ 29,857	51	29,908
Total	**$ 3,199,373**	**$ 35,638**	**$ 3,235,011**

The Authority has entered into Subscription-Based Information Technology Arrangements (SBITA) with a noncancellable right to use the underlying IT assets of software subscriptions. At June 30, 2024, the Authority's subscription payable of $34,599 was composed of the following:

Centegix Crisis Alert System - An initial subscription liability was recorded in the amount of $27,562. An annual fixed payment of $6,966 is payable during the 48 month term. The subscription has an interest rate of 0.6710%.	$ 13,794
Cisco Meraki Cloud - An initial subscription liability was recorded in the amount of $62,426. An annual fixed payment of $21,260 is payable during the 36 month term. The subscription has an interest rate of 2.1843%.	20,805
Total subscriptions payable	**$ 34,599**

Principal and Interest Requirements to Maturity

For the Year ending June 30	Principal	Interest	Total
2025	27,679	$ 547	$ 28,226
2026	6,920	46	6,966
Total	**$ 34,599**	**$ 593**	**$ 35,192**

6. Fund Balances

Fund balances for governmental funds at June 30, 2024 are as follows:

	Total
Fund balances:	
Nonspendable	
Prepaid Items	$ 125,153
Committed	
Playground	800,000
Student Laptop	1,492,500
Text Books	800,000
IT Equipment	1,833,000
Total Committed	4,925,500
Assigned	
Encumbrances	1,108,523
Unassigned	11,813,367
Total fund balances	**$ 17,972,543**

7. Risk Management

The Charter School Authority is exposed to various risks of loss related to torts, theft of, damage to and the destruction of assets; errors and omissions; injury to employees; and natural disasters. Commercial property insurance coverage for the buildings leased by the Authority is provided by the City and reimbursed by the Authority as part of the annual lease payment. The Charter School Authority has purchased insurance coverage through Florida Municipal Insurance Trust for property (contents) and casualty with combined limits of $1,000,000 per person/$2,000,000 per accident, statutory workers compensation coverage, and other commercial insurance for the other exposures identified. No accrual has been provided for claims and incidents not reported to insurers. All known claims have been reported to the insurers. Claims made have not exceeded the insurance coverage for the past three fiscal years.

8. Defined Benefit Pension Plans

Background

The Florida Retirement System (FRS) was created by Chapter 121, Florida Statutes, to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the Deferred Retirement Option Program under the defined benefit plan and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution pension plan is the FRS Investment Plan. Chapter 112, Florida Statutes, established the Retiree Health Insurance Subsidy (HIS) Program, a cost-sharing multiple-employer defined benefit pension plan, to assist retired members of any State-administered retirement system in paying the costs of health insurance.

Essentially all regular employees of the Authority are eligible to enroll as members of the State- administered FRS. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at

any time by further action from the Florida Legislature. The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of the two cost-sharing, multiple-employer defined benefit plans and other nonintegrated programs. A comprehensive annual financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services' Web site (www.dms.myflorida.com).

The aggregate amount of net pension liability, related deferred outflows of resources and deferred inflows of resources and pension expense for the Charter School defined benefit pension plans are summarized below:

	FRS	HIS	Total
Net pension liability	$ 9,255,395	$ 5,533,762	$ 14,789,157
Deferred outflows of resources related to pensions	3,651,850	650,285	4,302,135
Deferred inflows of resources related to pensions	468,617	748,161	1,216,778
Pension expense (benefit)	1,996,236	2,052,504	4,048,740

Florida Retirement System Pension Plan

Plan Description

The Florida Retirement System Pension Plan (FRS Plan) is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (DROP) for eligible employees. The general classes of membership are as follows:

- *Regular Class* – Members of the FRS who do not qualify for membership in the other classes.
- *Elected County Officers Class* – Members who hold specified elective offices in local government.
- *Senior Management Service Class (SMSC)* – Members in senior management level positions.
- *Special Risk Class* – Members who are special risk employees, such as law enforcement officers, meet the criteria to qualify for this class.

Employees enrolled in the FRS Plan prior to July 1, 2011, vest at 6 years of creditable service and employees enrolled in the FRS Plan on or after July 1, 2011, vest at 8 years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service, except for members classified as special risk who are eligible for normal retirement benefits at age 55 or at any age after 25 years of service. All members enrolled in the FRS Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service, except for members classified as special risk who are eligible for normal retirement benefits at age 60 or at any age after 30 years of service. Employees enrolled in the FRS Plan may include up to 4 years of credit for military service toward creditable service. The FRS Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The FRS Plan provides retirement, disability, death benefits, and annual cost-of- living adjustments to eligible participants.

DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under FRS Plan to defer receipt of monthly benefit payments while continuing employment with an FRS participating employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate, except that certain instructional personnel may participate for up to 96 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

Benefits Provided – Florida Retirement System Pension Plan

Benefits under the FRS Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the 5 highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the 8 highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits. The following chart shows the percentage value for each year of service credit earned

Class, Initial Enrollment, and Retirement Age/Years of Service:	% Value
Regular Class members initially enrolled before July 1, 2011	
Retirement up to age 62 or up to 30 years of service	1.60
Retirement up to age 63 or up to 31 years of service	1.63
Retirement up to age 64 or up to 32 years of service	1.65
Retirement up to age 65 or up to 33 years of service	1.68
Regular Class members initially enrolled on or after July 1, 2011	
Retirement up to age 65 or up to 33 years of service	1.60
Retirement up to age 66 or up to 34 years of service	1.63
Retirement up to age 67 or up to 35 years of service	1.65
Retirement up to age 68 or up to 36 years of service	1.68
Elected County Officers	3.00
Senior Management Service Class	2.00
Special Risk Regular	
Service from December 1, 1970, through September 30, 1974	2.00
Service on or after October 1, 1974	3.00

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3 percent per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3 percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3 percent. FRS Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

Contributions – Florida Retirement System Pension Plan

The Florida Legislature establishes contribution rates for participating employers and employees. Effective July 1, 2011, all FRS Plan members (except those in DROP) are required to make 3% employee contributions on a pretax basis. The contribution rates attributable to the Authority, effective July 1, 2023, were applied to employee salaries as follows: regular employees 13.57%, county elected officials 58.68%, senior management 34.52%, and DROP participants 21.13%. The Authority's contributions to the FRS Plan were $1,260,058 for the year ended June 30, 2024.

Pension Costs – Florida Retirement System Pension Plan

At June 30, 2024, the Authority reported a liability of $9,255,395 for its proportionate share of the FRS Plan's net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2023. The Authority's proportion of the net pension liability was based on the Authority's contributions received by FRS during the measurement period for employer payroll paid dates from July 1, 2022, through June 30, 2023, relative to the

total employer contributions received from all of FRS's participating employers. At June 30, 2023, the Authority's proportion was 0.0232%, which was a decrease of .0019% from its proportion measured as of June 30, 2022.

For the year ended June 30, 2024, the Authority recognized pension expense of $1,996,236 for its proportionate share of FRS's pension expense. In addition, the Authority reported its proportionate share of FRS's deferred outflows of resources and deferred inflows of resources from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	$ 869,002	$ -
Changes in Actuarial Assumptions	603,343	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	386,530	-
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	532,917	468,617
Authority Contributions Subsequent to the Measurement Date	1,260,058	-
Total	**$ 3,651,850**	**$ 468,617**

$1,260,058 reported as deferred outflows of resources related to pensions resulting from Authority contributions to the FRS Plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized as an increase in pension expense as follows:

Year Ended June 30	Amount
2025	$ 262,104
2026	(103,844)
2027	1,572,745
2028	149,398
2029	42,772
Thereafter	-

Actuarial Assumptions – Florida Retirement System Pension Plan

The total pension liability in the June 30, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40% per year
Salary Increases	3.25%, Average, Including Inflation
Investment Rate of Return	6.70%, Net of Pension Plan Investment

Mortality rates were based on the Generational PUB-2010 with Projection Scale MP-2018. The actuarial assumptions used in the June 30, 2023, valuation was based on the results of an actuarial experience study for the period July 1, 2013, through June 30, 2018.

The long-term expected rate of return on pension plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. The target allocation, as outlined in the FRS Plan's investment policy, and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Annual Arimetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.00%	2.9%	2.9%	1.1%
Fixed Income	19.80%	4.5%	4.4%	3.4%
Global Equity	54.00%	8.7%	7.1%	18.1%
Real Estate	10.30%	7.6%	6.6%	14.8%
Private Equity	11.10%	11.9%	8.8%	26.3%
Strategic Investments	3.80%	6.3%	6.1%	7.7%
Totals	**100%**			
Assumed Inflation - Mean			2.4%	1.4%

Discount Rate – Florida Retirement System Pension Plan

The discount rate used to measure the total pension liability was 6.70% for the FRS Plan. The projection of cash flows used to determine the discount rate assumes that employee and employer contributions will be made at the rate specified in statute. Based on that assumption, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate used in the 2022 valuation was 6.70%.

Pension Liability Sensitivity – Florida Retirement System Pension Plan

The following presents the Authority's proportionate share of the net pension liability for the FRS Plan, calculated using the discount rate disclosed in the preceding paragraph, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate one percentage point lower or one percentage point higher than the current discount rate:

Description	1% Decrease	Current Discount Rate	1% Increase in Discount Rate
FRS Plan Discount Rate	5.70%	6.70%	7.70%
Authority's Proportionate Share of the FRS Plan Net Pension Liability	$ 15,810,099	$ 9,255,395	$ 3,771,601

Pension Plan Fiduciary Net Position – Florida Retirement System Pension Plan

Detailed information about the FRS Plan's fiduciary's net position is available in a separately-issued FRS Pension Plan and Other State-Administered Systems Comprehensive Annual Financial Report. That report may be obtained through the Florida Department of Management Services website at http://www.dms.myflorida.com.

Retiree Health Insurance Subsidy Program

Plan Description – Retiree Health Insurance Subsidy Program

The Retiree Health Insurance Subsidy Program (HIS Plan) is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida Legislature at any time. The benefit is a monthly payment to assist retirees of State-administered retirement systems in

paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement.

Benefits Provided – Retiree Health Insurance Subsidy Program

For the fiscal year ended June 30, 2024, eligible retirees and beneficiaries received a monthly HIS payment of $7.50 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of $45 and a maximum HIS payment of $225 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions – Retiree Health Insurance Subsidy Program

The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members.

For the fiscal year ended June 30, 2024, the contribution rate was 2% of payroll pursuant to section 112.363, Florida Statutes. The Authority contributed 100% of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled. The Authority's contributions to the HIS Plan were $286,813 for the year ended June 30, 2024.

Pension Costs – Retiree Health Insurance Subsidy Program

At June 30, 2024, the Authority reported a liability of $5,533,762 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2023. The Authority's proportion of the net pension liability was based on the Authority's contributions received during the measurement period for employer payroll paid dates from July 1, 2022, through June 30, 2023 relative to the total employer contributions received from all participating employers. At June 30, 2023, the Authority's proportion was 0.035%, which was a decrease of 0.001% from its proportion measured as of June 30,2022.

For the year ended June 30, 2024, the Authority recognized pension expense of $2,052,504 for its proportionate share of HIS's pension expense. In addition, the Authority reported its proportionate share of HIS's deferred outflows of resources and deferred inflows of resources from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	$ 81,011	$ 12,989
Changes in Actuarial Assumptions	145,481	479,519
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	2,858	-
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	134,122	255,653
Authority Contributions Subsequent to the Measurement Date	286,813	-
Total	**$ 650,285**	**$ 748,161**

$286,813 reported as deferred outflows of resources related to pensions resulting from Authority contributions to the FRS Plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized as an increase (decrease) in pension expense as follows:

Year Ended June 30	Amount
2025	$ (67,216)
2026	(40,753)
2027	(67,804)
2028	(132,994)
2029	(70,448)
Thereafter	(5,474)

Actuarial Assumptions – Retiree Health Insurance Subsidy Program

The total pension liability in the July 1, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40% per year
Salary Increases	3.25%, Average, Including Inflation
Municipal Bond Rate	3.65%

Mortality rates were based on the Generational PUB-2010 with Projection Scale MP-2018. The actuarial assumptions used in the June 30, 2023, valuation were based on the results of an actuarial experience study for the FRS Plan for the period July 1, 2013, through June 30, 2018.

Discount Rate – Retiree Health Insurance Subsidy Program

The discount rate used to measure the total pension liability was 3.65% for the HIS Plan. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index. The discount rate used in the 2022 valuation was 3.54%.

Pension Liability Sensitivity – Retiree Health Insurance Subsidy Program

The following presents the Authority's proportionate share of the net pension liability for the HIS Plan, calculated using the discount rate disclosed in the preceding paragraph, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate one percentage point lower or one percentage point higher than the current discount rate:

Description	1% Decrease	Current Discount Rate	1% Increase in Discount Rate
HIS Plan Discount Rate	2.65%	3.65%	4.65%
Authority's Proportionate Share of the HIS Plan Net Pension Liability	$ 6,313,159	$ 5,533,762	$ 4,887,694

Pension Plan Fiduciary Net Position – Retiree Health Insurance Subsidy Program

Detailed information about the HIS Plan's fiduciary's net position is available in a separately-issued FRS Pension Plan and Other State-Administered Systems Comprehensive Annual Financial Report. That report may be obtained through the Florida Department of Management Services website at http://www.dms.myflorida.com.

9. Defined Contribution Plan

The Florida State Board of Administration (SBA) administers the defined contribution plan officially titled the FRS Investment Plan (Investment Plan). The Investment Plan is reported in the SBA's annual financial statements and in the State of Florida Comprehensive Annual Financial Report.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. Authority employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06% of payroll and by forfeited benefits of plan members. Allocations to the investment member's accounts during the 2022-23 fiscal year were as follows:

For all membership classes, employees are immediately vested in their own contributions and are vested after 1 year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Non-vested employer contributions are placed in a suspense account for up to 5 years. If the employee returns to FRS-covered employment within the 5-year period, the employee will regain control over their account. If the employee does not return within the 5-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended June 30, 2024, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the Authority.

After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; the member may either transfer the account balance to the FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan or remain in the Investment Plan and rely upon that account balance for retirement income.

Employee contributions to the Investment Plan totaled $155,055 for the fiscal year ended June 30, 2024.

10. Contingencies

The Authority is currently receiving, and has received in the past, grants which are subject to special compliance audits by the grantor agency and which may result in disallowed expense amounts. These amounts, if any, constitute a contingent liability of the Authority. Accordingly, such liabilities are not reflected within the financial statements. The Authority does not believe any contingent liabilities are material.

The Authority is subject to various litigation for personal injury, workers compensation and discrimination claims. The Authority intends to vigorously defend any claims through insurance or legal avenues. Management does not believe there will be a material liability as a result of these claims.

OASIS
CHARTER SCHOOLS
CITY OF CAPE CORAL

Required Supplementary Information

Budgetary Comparison Schedule

General Fund
For the Fiscal Year Ended June 30, 2024

	Budgeted Amounts			Variance with Final Budget Positve (Negative)
REVENUE	**Original**	**Final**	**Actual Amounts**	
Federal Direct Sources				
JROTC reimbursable charges	$ 101,355	$ 101,355	$ 112,880	$ 11,525
Federal through State Sources				
NSLP Lunch Reimbursement	422,038	422,038	631,083	209,045
NSLP Breakfast Reimbursement	80,389	80,389	104,574	24,185
Federal through Local Sources				
Title II-A funding	-	55,350	52,295	(3,055)
Title IV funding	-	60,269	84,949	24,680
State through Local Sources				
Florida Education Finance Program	25,710,975	25,710,975	26,608,250	897,275
FEFP Teacher Salary Allocation	605,642	605,642	1,048,799	443,157
Florida Teachers Classroom Supply Assistance	59,836	59,836	-	(59,836)
Public Education Capital Outlay (PECO)	1,779,170	1,779,170	1,974,802	195,632
CARES	3,006,321	3,006,321	2,579,479	(426,842)
Advanced International Certificate of Education (AICE)	544,500	544,500	672,296	127,796
TAPS Safety & Security	-	69,980	35,395	(34,585)
TAPS Science of Reading Theory	-	20,994	20,747	(247)
Local Sources				
Student lunch service	990,000	990,000	1,111,997	121,997
Local Capital Improvement Funds	-	909,511	909,511	-
Transportation service charges	17,820	17,820	74,292	56,472
Contributions and donations private	89,733	92,233	39,500	(52,733)
Short term investment interest	93,015	93,015	759,304	666,289
Other miscellaneous revenues	5,069,314	5,786,398	1,225,478	(4,560,920)
Cash balances brought forward	8,435,849	8,435,849	-	(8,435,849)
Total Revenue	**47,005,957**	**48,841,645**	**38,045,631**	**(10,796,014)**
EXPENDITURES				
Instruction Basic (FEFP K-12)	19,740,730	19,877,890	19,786,795	91,095
Excepti onal Educa tion Servi ces	308,714	308,714	145,114	163,600
Advanced International Certificate of Education (AICE)	-	16,252	171,027	(154,775)
Guidance Services	326,973	326,973	346,994	(20,021)
Health Services	390,665	392,978	347,353	45,625
Other Pupil Personnel Services	221,080	236,175	593,500	(357,325)
Instructional Media Services	108,686	108,740	132,706	(23,966)
Instructional Staff Training Services	15,581	70,931	47,935	22,996
Board	51,212	51,172	48,222	2,950
General Administration	709,364	709,388	518,896	190,492
School Administration	3,193,424	3,363,829	2,485,752	878,077
Facilities Acquisition & Construction	-	535,864	535,864	-
Fiscal Services	761,020	761,020	804,384	(43,364)
Food Services	1,544,920	1,566,070	1,542,410	23,660
Data Processing Services	603,844	643,692	550,068	93,624
Pupil Transportation Services	1,440,196	1,627,032	1,734,495	(107,463)
Operation of Plant	2,032,300	2,055,783	2,299,115	(243,332)
Maintenance of Plant	273,128	331,158	133,347	197,811
Capital Outlay	159,151	920,519	1,139,857	(219,338)
Debt Service:				
Principal	1,650,229	1,488,597	1,561,874	(73,277)
Interest and fiscal charges	88,539	62,667	42,403	20,264
Total Expenditures	**33,619,756**	**35,455,444**	**34,968,111**	**487,333**
Budget reserves	13,386,201	13,386,201	-	13,386,201
Total Expenditures	**$ 47,005,957**	**$ 48,841,645**	**$ 34,968,111**	**$ 13,873,534**
Excess of Revenues over(under) Expenditures	$ -	$ -	$ 3,077,520	$ (3,077,520)
OTHER FINANCING SOURCES				
Proceeds From Leases	-	-	260,513	260,513
Proceeds on sale of capital assets	-	-	23,074	23,074
Total Other Financing Sources	-	-	283,587	283,587
Net change in Fund Balance			3,361,107	
Fund Balance - Beginning			14,611,436	
Fund Balance - Ending			**$ 17,972,543**	

The accompanying notes to the required supplementary information-budget comparisons are an integral part of this schedule.

Notes to the Budgetary Comparison Schedule

June 30, 2024

Budgetary Basis

The Cape Coral Charter School Authority approves an annual budget for the Charter School general fund. The City Senior Budget Analyst and Budget Administrator develops the budget with the Charter School Administrative team. The primary fiscal goal of the Authority's administration is to create an environment in which the system will be self-sufficient well into the future. This goal will be achieved by continued review and refinement of operating policies and procedures. For the 2023-2024 school year, the budget was approved by the Authority Board on June 14, 2023 and adopted by City Council on September 21, 2023. Budget Amendment #1 was approved by the Authority on August 20,2024. For the 2024-2025 school year, the tentative budget was approved by the Authority Board on June 25, 2024 and is expected to be adopted by the City Council on September 26, 2024.

Budgetary Information

The following procedures are used in establishing the adopted budgetary data reflected in the financial statements.

1. Throughout the school year, the Charter School Superintendent keeps abreast of state and federal funding issues which impact per student funding levels. This includes state budgetary changes which impact funding levels of the Florida Education Finance Program (FEFP); changes in capital outlay funding; changes to the Florida Retirement System (FRS); and special legislation at the state or federal level.
2. The City's Senior Budget Analyst assigned to the Charter School, analyzes current revenue and expenditure trends when developing the budget. To project a conservative estimate of revenue, the primary revenue sources are generally budgeted at 99% of expectation. Expenditures are based on the prior year trends with necessary modifications resulting from staffing and program changes that were implemented by the Authority Board. Salary and benefit expense is budgeted at the employee level based on the current and proposed salary step rate.
3. The City's Senior Budget Analyst assigned to the Charter School, works closely with the Principals and the Superintendent to project enrollment for the upcoming school year at each school and grade level. This projection reflects consideration of available classroom space, progression of students to the next grade level, and current waitlist status at each school.
4. In June, the proposed budget is presented to the Charter School Authority Board for review and approval.
5. Once approved, the budget is presented and adopted by Cape Coral City Council and included in the City's budget.
6. During the school year, the adopted budget may be amended to reflect changes in expected revenue or expense.
7. Budget amendments are approved by the Charter School Authority Board and included in the City's budget amendments to City Council.

Schedule of the Authority's Proportionate Share of the Net Pension Liability
Florida Retirement System Pension Plan
Last Ten Measurement Periods

	2015	2016	2017	2018	2019	2020	2021	2022	2023
Authority's Proportion of the Net Pension Liability	0.23294320%	0.02151919%	0.02223910%	0.02153728%	0.02167031%	0.02172200%	0.02525322%	0.00025146%	0.02322742%
Authority's Proportionate Share of the Net Pension Liability	$ 3,008,773	$ 5,433,611	$ 6,578,177	$ 6,487,141	$ 7,462,953	$ 9,414,625	$ 1,907,594	$ 9,356,173	$ 9,255,395
Authority's Covered-Employee Payroll	$ 8,397,828	$ 8,234,468	$ 9,066,544	$ 8,754,199	$ 9,159,578	$ 9,087,717	$ 9,500,826	$ 9,440,326	$ 9,452,255
Authority's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	35.83%	65.99%	72.55%	74.10%	81.48%	103.60%	20.08%	99.11%	97.92%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	92.00%	84.88%	83.89%	84.26%	82.61%	78.85%	96.40%	82.89%	82.38%

*The amounts presented for each measurement period were determined as of June 30.

Schedule of Authority Contributions
Florida Retirement System Pension Plan
Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	$ 567,935	$ 524,780	$ 578,939	$ 613,795	$ 671,936	$ 721,725	$ 962,038	$ 1,032,900	$ 1,117,389	$ 1,260,058
Contributions in Relation to the Contractually Required Contribution	(567,935)	(524,780)	(578,939)	(613,795)	(671,936)	(721,725)	(962,038)	(1,032,900)	(1,117,389)	(1,260,058)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Authority's Covered-Employee Payroll	$ 8,397,828	$ 8,234,468	$ 9,066,544	$ 8,754,199	$ 9,159,578	$ 9,087,717	$ 9,500,826	$ 9,440,326	$ 9,452,255	$ 9,180,099
Contributions as a Percentage of Covered Employee Payroll	6.76%	6.37%	6.39%	7.01%	7.34%	7.94%	10.13%	10.94%	11.82%	13.73%

Schedule of the Authority's Proportionate Share of the Net Pension Liability
Retiree Health Insurance Subsidy Program
Last Ten Measurement Periods

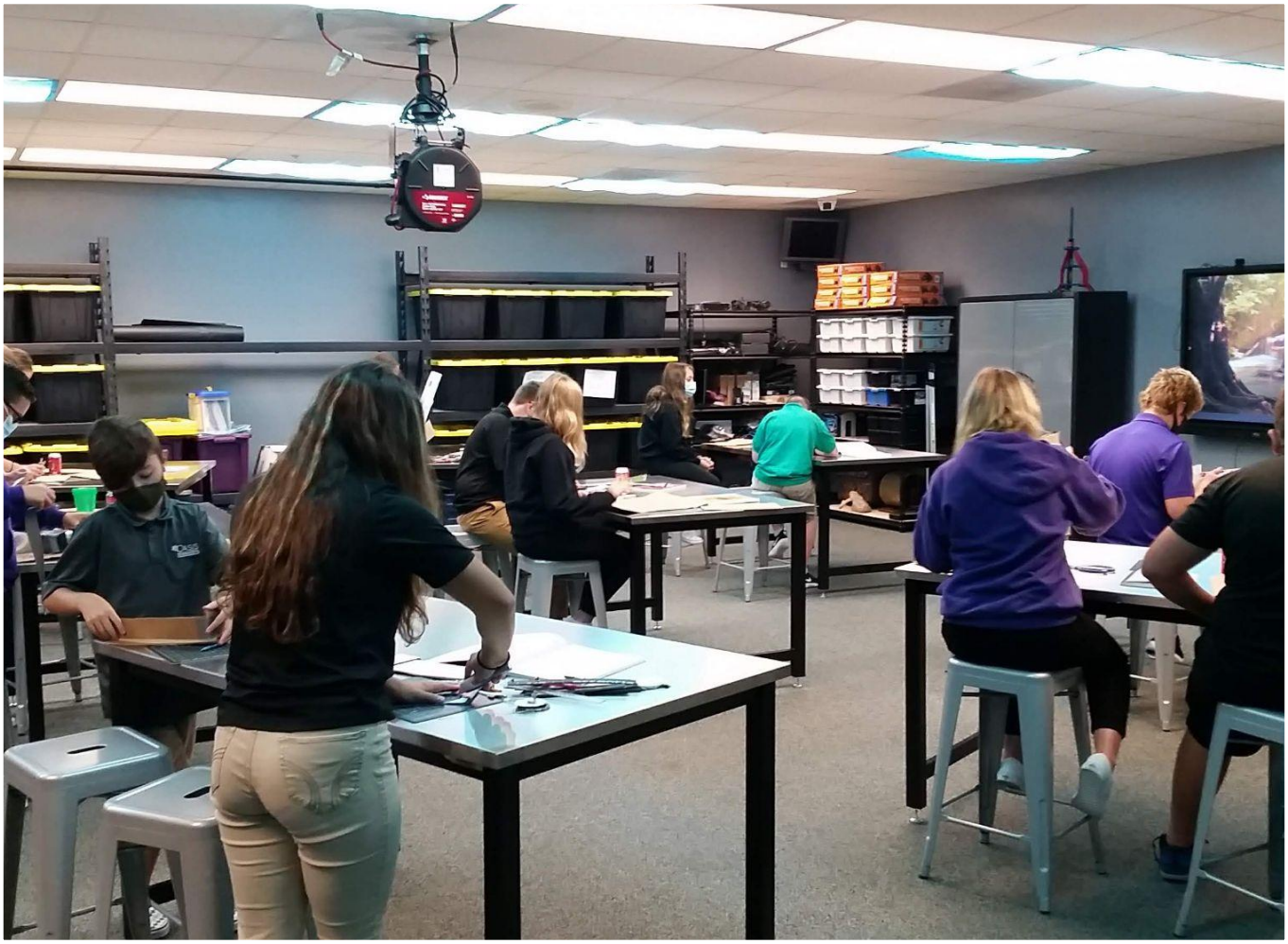
	2015	2016	2017	2018	2019	2020	2021	2022	2023
Authority's Proportion of the Net Pension Liability	0.03617303%	0.03645134%	0.37128371%	0.03497874%	0.03512600%	0.03527580%	0.03731779%	0.03635212%	0.03484444%
Authority's Proportionate Share of the Net Pension Liability	$ 3,689,080	$ 4,248,252	$ 3,969,936	$ 3,702,189	$ 3,930,242	$ 4,307,115	$ 4,577,589	$ 3,850,270	$ 5,533,762
Authority's Covered-Employee Payroll	$10,974,283	$11,252,742	$11,834,557	$11,427,706	$11,758,045	$12,265,671	$13,219,076	$13,265,248	$13,858,943
Authority's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	33.62%	37.75%	33.55%	32.40%	33.43%	35.12%	34.63%	29.03%	39.93%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	0.50%	0.97%	1.64%	2.15%	2.63%	3.00%	3.56%	4.81%	4.12%

*The amounts presented for each measurement period year were determined as of June 30.

Schedule of Authority Contributions
Retiree Health Insurance Subsidy Program
Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	$ 138,276	$ 186,836	$ 196,494	$ 189,691	$ 195,051	$ 203,278	$ 219,354	$ 220,203	$ 230,058	$ 286,813
Contributions in Relation to the Contractually Required Contribution	(138,276)	(186,836)	(196,494)	(189,691)	(195,051)	(203,278)	(219,354)	(220,203)	(230,058)	(286,813)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Authority's Covered-Employee Payroll	$10,974,283	$11,252,742	$11,834,557	$11,427,706	$11,758,045	$12,265,671	$13,219,076	$13,265,248	$13,858,943	$14,340,670
Contributions as a Percentage of Covered Employee Payroll	1.26%	1.66%	1.66%	1.66%	1.66%	1.66%	1.66%	1.66%	1.66%	2.00%

Single Audit



MAULDIN & JENKINS
CPAs & ADVISORS

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

To the Board of Directors
of Cape Coral Charter School Authority
Cape Coral, Florida

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program
We have audited the Cape Coral Charter School Authority's (the "Authority") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Authority's major federal programs for the year ended June 30, 2024. The Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Authority 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, 2024.

Basis for Opinion on Each Major Federal Program
We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Authority's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance
Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Authority's federal programs.

Auditor's Responsibilities for the Audit of Compliance
Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Authority's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Authority's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the Authority's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 a 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Mauldin & Jenkins, LLC

Bradenton, Florida
September 19, 2024

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2024

Federal Agency/Program or Cluster Title	Assistance Listing Number	Grant Identification	Expenditures
UNITED STATES DEPARTMENT OF AGRICULTURE			
Child Nutrition Cluster:			
Passed through Florida Department of Agriculture and Consumer Services			
National School Lunch Program	10.555	18086	$ 631,083
School Breakfast Program	10.553	18086	104,574
Total Child Nutrition Cluster			$ 735,657
UNITED STATES DEPARTMENT OF EDUCTION			
Passed through Florida Department of Education			
Title II - Supporting Effective Instruction	84.367	N/A	$ 52,295
Title IV - Student Support and Academic Enrichment Program	84.424	N/A	52,209
UNITED STATES DEPARTMENT OF DEFENSE			
Army Junior Reserve Officers Training Corps	12.UNK	N/A	112,880
Total Expenditures of Federal Awards			$ 953,041

Notes to Schedule of Expenditures of Federal Awards

June 30, 2024

Note I – Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) is a supplementary schedule to the Authority's basic financial statements and is presented for the purpose of additional analysis. The Schedule is required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). The Authority did not pass through any amounts to subrecipients.

The Schedule includes all federal financial assistance programs administered by the Authority and included in the Authority's financial statements.

Note II – Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual 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. The Authority has not elected to use the 10-percent de minimus indirect rate as allowed under the Uniform Guidance. The Authority did not pass through any amounts to subrecipients.

Note III – Relationship to Basic Financial Statements

Federal financial assistance expenditures are included in the Authority's basic financial statements as follows:

	Expenditures
General Fund:	
Instructional Basic	$ 165,089
Instructional Staff Training Services	52,295
Food Services	735,657
	$ 953,041

CAPE CORAL CHARTER SCHOOL AUTHORITY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

SECTION I
SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:	Unmodified	
Internal control over financial reporting: Material weaknesses identified?	____yes	__X__ no
Significant deficiencies identified not considered to be material weaknesses?	____yes	__X__ none reported
Noncompliance material to financial statements noted?	____yes	__X__ no

Federal Programs

Internal control over major federal programs: Material weaknesses identified?	____yes	__X__ no
Significant deficiencies identified not considered to be material weaknesses?	____yes	__X__ no
Type of auditor's 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:

AL Number	Name of Federal Program or Cluster
10.553 and 10.555	Child Nutrition Cluster

Dollar threshold used to distinguish between Type A and Type B Federal programs:	$750,000	
Auditee qualified as low-risk auditee?	____yes	__X__ no

CAPE CORAL CHARTER SCHOOL AUTHORITY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

SECTION II
FINANCIAL STATEMENT FINDINGS

None reported.

SECTION III
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None.

SECTION IV
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

None.

III. OTHER REPORTS

MAULDIN & JENKINS
CPAs & ADVISORS

INDEPENDENT AUDITOR'S 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 Directors
of Cape Coral Charter School Authority
Cape Coral, Florida

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 financial statements of the governmental activities and the General Fund of the Cape Coral Charter School Authority (the "Authority"), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated September 19, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing 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 Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority'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 entity'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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority'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 financial statements. 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*.

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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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Mauldin & Jenkins, LLC

Bradenton, Florida
September 19, 2024

MAULDIN & JENKINS
CPAs & ADVISORS

MANAGEMENT LETTER

To the Board of Directors
of Cape Coral Charter School Authority
Cape Coral, Florida

Report on the Financial Statements

We have audited the financial statements of the Cape Coral Charter School Authority (the "Authority"), a component unit of the City of Cape Coral, Florida, as of and for the fiscal year ended June 30, 2024, and have issued our report thereon dated September 19, 2024.

Auditors' Responsibility

We conducted our audit 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 Chapter 10.850, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*. Disclosures in that report, which is dated September 19, 2024, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.854(1)(e)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no prior year findings.

Official Title

Section 10.854(1)(e)5., Rules of the Auditor General, requires the name or official title of the entity and the school code assigned by the Florida Department of Education be disclosed in this management letter. The official title and the school code assigned by the Florida Department of Education of the four schools that comprise the Authority are Oasis Charter Elementary School – South (4143), Oasis Charter High School (4181), Oasis Charter Middle School (4171), and Oasis Elementary Charter School – North (4151).

Financial Condition and Management

Sections 10.854(1)(e)2. and 10.855(11), Rules of the Auditor General, require us to apply appropriate procedures and communicate whether or not the Authority has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the Authority did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.854(1)(e)6. a. and 10.855(12), Rules of the Auditor General, we applied financial condition assessment procedures for the Authority. It is management's responsibility to monitor the Authority's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Section 10.854(1)(e)3., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not note any such findings.

Transparency

Sections 10.854(1)(e)7. and 10.855(13), Rules of the Auditor General, require that we apply appropriate procedures and communicate the results of our determination as to whether the Authority maintains on its website the information specified in Section 1002.33(9)(p), Florida Statutes. In connection with our audit, we determined that the Authority maintained on its website the information specified in Section 1002.33(9)(p), Florida Statutes.

Additional Matters

Section 10.854(1)(e)4., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Board of Directors, applicable management, the City of Cape Coral, Florida and the School Board of Lee County, and is not intended to be, and should not be, used by anyone other than these specified parties.

Mauldin & Jenkins, LLC

Bradenton, Florida
September 19, 2024

OASIS
CHARTER SCHOOLS
CITY OF CAPE CORAL