

Keys Gate Charter High School

A Department of Renaissance Charter School, Inc.

Basic Financial Statements
For the Year Ended June 30, 2026

Keys Gate Charter High School

Table of Contents

Independent Auditor's Report	1-3
Management's Discussion and Analysis (Not Covered by Independent Auditor's Report)	4-8
Basic Financial Statements	
Government-wide Financial Statements:	
Statement of Net Position (Deficit)	9
Statement of Activities	10
Fund Financial Statements:	
Balance Sheet - Governmental Funds	11
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position (Deficit)	12
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	13
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of the Governmental Funds to the Statement of Activities	14
Notes to Financial Statements	15-25
Required Supplementary Information (Not Covered by Independent Auditor's Report)	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	26
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Grants Fund	27
Notes to Budgetary Comparison Schedules	28
Other Independent Auditor's Reports	
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 <i>Government Auditing Standards</i>	29-30
Management Letter Required by Chapter 10.850 of the Rules of the Auditor General of the State of Florida	31-32

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Keys Gate Charter High School
Homestead, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Keys Gate Charter High School (the "School"), a Department of Renaissance Charter School, Inc., as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the School's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the School, as of June 30, 2026, 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 School 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.

Emphasis of Matter

As discussed in Note 1, the financial statements of the School are intended to present the financial position and changes in financial position of only that portion of the governmental activities and each major fund of Renaissance Charter School, Inc. that is attributable to the transactions of the School. They do not purport to, and do not, present fairly the financial position of Renaissance Charter School, Inc. as of June 30, 2026, or its changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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 School'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.

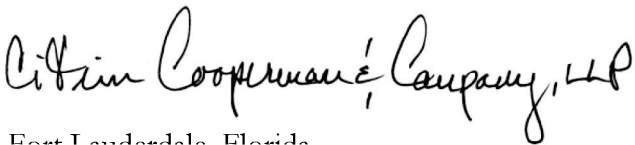
We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 8 and the budgetary comparison information on pages 26 through 28 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 11, 2026, on our consideration of the School'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 School'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 School's internal control over financial reporting and compliance.



Fort Lauderdale, Florida
September 11, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Keys Gate Charter High School (the "School"), a Department of Renaissance Charter School, Inc., we offer readers of the School's financial statements this narrative overview and analysis of the financial activities of the School for the years ended June 30, 2026 and 2025.

Management's discussion and analysis is included at the beginning of the School's financial statements to provide, in layman's terms, the past and current position of the School's financial condition. This summary should not be taken as a replacement for the audit which consists of the financial statements.

Financial Highlights

Our financial statements provide these insights into the results of this year's operations.

- As of June 30, 2026, the School's governmental fund balances were \$ 1,362,667, as compared to \$ 1,389,488 as of June 30, 2025.
- As of June 30, 2026, the School had a net position (deficit) of \$ (4,704,085), as compared to \$ (4,411,314) as of June 30, 2025.

Overview of the Financial Statements

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

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

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

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

The government-wide financial statements include all governmental activities that are principally supported by grants and entitlements from the state for full-time equivalent funding. The School does not have any business-type activities. The governmental activities of the School primarily include instruction and instructional support services.

The government-wide financial statements can be found on pages 9 and 10 of this report.

Overview of the Financial Statements (continued)

Fund Financial Statements: A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The School, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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 balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the School's near-term financing requirements.

Because the focus of 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 School's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The School maintains several individual governmental funds. Information is presented in the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances. The General Fund, Grants Fund, Capital Projects Fund and Club and Activities Fund are considered to be the School's major funds.

The School adopts an annual budget for its governmental funds except for the Capital Projects Fund and the Club and Activities Fund. A budgetary comparison schedule has been provided for the General Fund and Grants Fund to demonstrate compliance with the budget.

The governmental funds financial statements can be found on pages 11 through 14 of this report.

Notes to Financial Statements: The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to financial statements can be found on pages 15 through 25 of this report.

Financial Summary and Detailed Analysis

Government-Wide Financial Analysis

As noted earlier, net position over time may serve as a useful indicator of financial position. In the case of the School, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$ 4,704,085 at the close of the most recent fiscal year.

Government-Wide Financial Analysis (continued)

Our analysis in the table below focuses on the net position (deficit) of the School's governmental activities:

Keys Gate Charter High School Net Position (Deficit)			
	June 30, 2026	June 30, 2025	Variance
Assets:			
Current and other assets	\$ 1,820,880	\$ 2,057,513	\$ (236,633)
Capital assets, net	16,712,183	17,347,047	(634,864)
Total assets	18,533,063	19,404,560	(871,497)
Deferred Outflows of Resources	2,199,292	2,290,942	(91,650)
Liabilities:			
Other liabilities	570,059	781,670	(211,611)
Long-term liabilities	24,866,381	25,325,146	(458,765)
Total liabilities	25,436,440	26,106,816	(670,376)
Net Position (Deficit):			
Net investment in capital assets	(5,932,809)	(5,661,558)	(271,251)
Restricted	103,993	50,973	53,020
Unrestricted	1,124,731	1,199,271	(74,540)
Total net position (deficit)	\$ (4,704,085)	\$ (4,411,314)	\$ (292,771)

Current and other assets decreased mainly due to a decrease in due from other governments, which contained a referendum revenue receivable of nearly \$ 1.1 million at the prior year end. Net capital assets declined due to current year depreciation and amortization expense of \$ 736,960 exceeding capital outlays of \$ 102,096. Other liabilities decreased due to a decrease in accrued wages payable caused by a decline in employee retention over the summer. Long-term liabilities decreased due to principal payments made on the School's lease payables.

Governmental Activities: The School's overall net position decreased by \$ 292,771 from the prior fiscal year. The reasons for this overall decrease are discussed in the following section for governmental activities.

Keys Gate Charter High School Change in Net Position (Deficit)			
	June 30, 2026	June 30, 2025	Variance
Revenues:			
Program revenues:			
Charges for services	\$ 886,976	\$ 812,393	\$ 74,583
Operating grants and contributions	915,476	1,187,442	(271,966)
Capital grants and contributions	1,175,931	842,907	333,024
General revenues:			
FTE and other nonspecific revenues	7,946,305	9,776,439	(1,830,134)
Contributions	552,628	-	552,628
Interest income	118,473	133,743	(15,270)
Miscellaneous income	48,254	-	48,254
Total revenues	11,644,043	12,752,924	(1,108,881)

Government-Wide Financial Analysis (continued)

Keys Gate Charter High School
Change in Net Position (Deficit) (continued)

	June 30, 2026	June 30, 2025	Variance
Functions/Program Expenses:			
Instruction	\$ 4,882,217	\$ 4,302,185	\$ 580,032
Student support services	500,449	838,056	(337,607)
Instructional staff training services	15,502	11,191	4,311
Instruction-related technology	300,466	174,756	125,710
Board services	74,494	98,889	(24,395)
General administration	2,670	-	2,670
School administration	1,207,726	993,762	213,964
Fiscal services	10,447	16,228	(5,781)
Food services	297,077	315,032	(17,955)
Central services	119,958	120,146	(188)
Transportation services	307,994	274,050	33,944
Operation of plant	1,820,931	2,069,578	(248,647)
Maintenance of plant	416,333	554,492	(138,159)
Administrative technology services	56,213	-	56,213
Community services	9,561	13,088	(3,527)
Extracurricular activities	380,102	416,871	(36,769)
Interest on long-term debt	<u>1,534,674</u>	<u>1,556,774</u>	<u>(22,100)</u>
Total expenses	<u>11,936,814</u>	<u>11,755,098</u>	<u>181,716</u>
Change in net position (deficit)	(292,771)	997,826	(1,290,597)
Net position (deficit)-beginning	<u>(4,411,314)</u>	<u>(5,409,140)</u>	<u>997,826</u>
Net position (deficit)-ending	\$ <u>(4,704,085)</u>	\$ <u>(4,411,314)</u>	\$ <u>(292,771)</u>

Program revenues increased primarily from increases in rental revenue from Keys Gate Charter School, as well as state and local capital outlay, offset by a decrease in operating grants and contributions from discontinued federal funding like ESSER. General revenues decreased due to decrease in referendum funding from the District. Total expenses primarily increased due to increases in instruction, instruction-related technology, and school administration.

Financial Analysis of Governmental Funds

The General Fund is the chief operating fund of the School. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$ 1,152,958, while total fund balance decreased to \$ 1,258,674. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total General Fund expenditures. Unassigned fund balance represents 11.82% of total General Fund expenditures, while total fund balance represents 12.90% of that same amount.

The fund balance of the School's General Fund decreased by \$ 79,841 during the current fiscal year. The decrease was mainly due to the decrease in local revenues.

Financial Analysis of Governmental Funds (continued)

The Grants Fund does not have an increase or decrease in fund balance during the fiscal year as this fund reports federal and certain state expense reimbursement grants.

The Capital Projects Fund does not have an increase or decrease in fund balance during the fiscal year as this fund reports state and local capital outlay funding that is used to cover a portion of interest expense.

The Club and Activities Fund experienced an increase in fund balance during the current fiscal year due to an increase in extracurricular revenues.

Significant Capital Assets and Long-term Financing Activity

Capital Assets: At June 30, 2026, the School had capital assets of \$ 16,712,183, net of accumulated depreciation and amortization, as compared to \$ 17,347,047 at June 30, 2025, invested in lease assets, improvements other than building, computer equipment, and furniture, fixtures and equipment. Major capital assets additions for the year included \$ 102,096 for student laptops and classroom furniture. Additional information on the School's capital assets can be found in Note 7 of this report.

Debt: At June 30, 2026, the School had outstanding debt of \$ 24,844,284 as compared to \$ 25,299,547 at June 30, 2025. The decrease is a result of scheduled debt payments in accordance with the lease agreements. Additional information on the School's debt can be found in Notes 8 and 9 of this report.

Currently Known Facts, Decisions, or Conditions

In fiscal year 2026, the state of Florida continued to include a teacher salary increase allocation of \$ 1.36 billion. The capital outlay funding pool was \$ 231 million.

For fiscal year 2027, the funding for teacher salaries and other instructional personnel will be \$ 1.56 billion. Additionally, the state of Florida approved an increase to the base funding allocation and capital outlay. A 2% merit increase for all staff was included in the budget. All other expenditures are budgeted in alignment with the enrollment changes and the School's strategic objectives.

Requests for Information

If you have questions about this report or need additional information, please contact Kera Robinson, Controller - School Accounting; Charter Schools USA, 800 Corporate Drive, Suite 700, Fort Lauderdale, Florida 33334.

BASIC FINANCIAL STATEMENTS

Keys Gate Charter High School
Statement of Net Position (Deficit)
June 30, 2026

	<u>Governmental Activities</u>
Current Assets:	
Cash and cash equivalents	\$ 905,850
Other receivables	41,098
Due from other governments	70,439
Due from other school	173,542
Due from related party	8
Due from management company	524,227
Prepaid items	94,140
Deposits	<u>11,576</u>
Total current assets	1,820,880
Noncurrent Assets:	
Capital assets (depreciable and amortizable), net of accumulated depreciation and amortization	<u>16,712,183</u>
Total assets	<u>18,533,063</u>
Deferred Outflows of Resources:	
Deferred amount on renegotiation of lease liability	<u>2,199,292</u>
Current Liabilities:	
Accounts payable and accrued expenses	183,203
Salaries and wages payable	269,466
Due to related party	5,544
Accrued interest payable	111,846
Compensated absences	16,573
Lease payables	<u>487,147</u>
Total current liabilities	<u>1,073,779</u>
Noncurrent Liabilities:	
Compensated absences	5,524
Lease payables	<u>24,357,137</u>
Total noncurrent liabilities	<u>24,362,661</u>
Total liabilities	<u>25,436,440</u>
Net Position (Deficit):	
Net investment in capital assets	(5,932,809)
Restricted for extracurricular activities	103,993
Unrestricted	<u>1,124,731</u>
Total net position (deficit)	\$ <u><u>(4,704,085)</u></u>

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

Keys Gate Charter High School
Statement of Activities
For the Year Ended June 30, 2026

					Governmental Activities
					Net Revenue (Expense) and Change in Net Position (Deficit)
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Functions/Programs:					
Instruction	\$ 4,882,217	\$ -	\$ 24,248	\$ -	\$ (4,857,969)
Student support services	500,449	-	-	-	(500,449)
Instructional staff training services	15,502	-	-	-	(15,502)
Instruction-related technology	300,466	-	-	-	(300,466)
Board services	74,494	-	-	-	(74,494)
General administration	2,670	-	-	-	(2,670)
School administration	1,207,726	-	-	-	(1,207,726)
Fiscal services	10,447	-	-	-	(10,447)
Food services	297,077	34,097	300,387	-	37,407
Central services	119,958	-	-	-	(119,958)
Transportation services	307,994	-	133,874	-	(174,120)
Operation of plant	1,820,931	849,391	25,658	-	(945,882)
Maintenance of plant	416,333	-	-	-	(416,333)
Administrative technology services	56,213	-	-	-	(56,213)
Community services	9,561	3,488	-	-	(6,073)
Extracurricular activities	380,102	-	431,309	-	51,207
Interest on long-term debt	1,534,674	-	-	1,175,931	(358,743)
Total governmental activities	\$ 11,936,814	\$ 886,976	\$ 915,476	\$ 1,175,931	(8,958,431)
General revenues:					
FTE and other nonspecific revenues					7,946,305
Interest income					118,473
Contributions					552,628
Miscellaneous income					48,254
Total general revenues					8,665,660
Change in net position (deficit)					(292,771)
Net position (deficit), July 1, 2025					(4,411,314)
Net position (deficit), June 30, 2026					\$ (4,704,085)

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

Keys Gate Charter High School
Balance Sheet - Governmental Funds
June 30, 2026

	<u>General Fund</u>	<u>Grants Fund</u>	<u>Capital Projects Fund</u>	<u>Club and Activities Fund</u>	<u>Total</u>
Assets:					
Cash and cash equivalents	\$ 852,844	\$ -	\$ -	\$ 53,006	\$ 905,850
Other receivables	41,098	-	-	-	41,098
Due from other governments	-	25,205	45,234	-	70,439
Due from other school	173,542	-	-	-	173,542
Due from related party	8	-	-	-	8
Due from management company	524,227	-	-	-	524,227
Due from other funds	70,439	-	-	50,987	121,426
Prepaid items	94,140	-	-	-	94,140
Deposits	11,576	-	-	-	11,576
Total assets	<u>\$ 1,767,874</u>	<u>\$ 25,205</u>	<u>\$ 45,234</u>	<u>\$ 103,993</u>	<u>\$ 1,942,306</u>
Liabilities:					
Accounts payable and accrued expenses	\$ 183,203	\$ -	\$ -	\$ -	\$ 183,203
Salaries and wages payable	269,466	-	-	-	269,466
Due to related party	5,544	-	-	-	5,544
Due to other funds	50,987	25,205	45,234	-	121,426
Total liabilities	<u>509,200</u>	<u>25,205</u>	<u>45,234</u>	<u>-</u>	<u>579,639</u>
Fund Balances:					
Nonspendable:					
Prepaid items	94,140	-	-	-	94,140
Deposits	11,576	-	-	-	11,576
Restricted for extracurricular activities	-	-	-	103,993	103,993
Unassigned	1,152,958	-	-	-	1,152,958
Total fund balances	<u>1,258,674</u>	<u>-</u>	<u>-</u>	<u>103,993</u>	<u>1,362,667</u>
Total liabilities and fund balances	<u>\$ 1,767,874</u>	<u>\$ 25,205</u>	<u>\$ 45,234</u>	<u>\$ 103,993</u>	<u>\$ 1,942,306</u>

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

Keys Gate Charter High School
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position (Deficit)
June 30, 2026

Total Fund Balances - Governmental Funds \$ 1,362,667

Amounts reported for governmental activities in the statement of net position (deficit) are different because:

The cost of capital assets acquired is reported as an expenditure in the governmental fund statements. The statement of net position (deficit) includes those capital assets, net of accumulated depreciation and amortization, among the assets of the School as a whole.

Cost of capital assets	\$ 27,320,629	
Accumulated depreciation and amortization	<u>(10,608,446)</u>	16,712,183

Liabilities not payable with current available resources are not reported as fund liabilities in the governmental fund statements. All liabilities, both current and long-term, are reported in the government-wide statements.

Compensated absences	(22,097)	
Accrued interest payable	(111,846)	
Lease payable	<u>(24,844,284)</u>	(24,978,227)

Governmental funds report the effect of premiums, discounts and refundings and similar items when debt/lease liability is first issued, whereas these amounts are deferred and amortized in the statement of activities.

2,199,292

Net Position (Deficit) of Governmental Activities \$ (4,704,085)

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

Keys Gate Charter High School
Statement of Revenues, Expenditures and
Changes in Fund Balances - Governmental Funds
For the Year Ended June 30, 2026

	General Fund	Grants Fund	Capital Projects Fund	Club and Activities Fund	Total
Revenues:					
Federal sources	\$ -	\$ 321,099	\$ -	\$ -	\$ 321,099
State sources	6,718,822	3,536	524,818	-	7,247,176
Local sources	2,837,288	34,097	651,113	431,309	3,953,807
Interest income	116,660	-	-	1,813	118,473
Aftercare	3,488	-	-	-	3,488
Total revenues	<u>9,676,258</u>	<u>358,732</u>	<u>1,175,931</u>	<u>433,122</u>	<u>11,644,043</u>
Expenditures:					
Current:					
Instruction	4,759,864	24,248	-	-	4,784,112
Student support services	500,449	-	-	-	500,449
Instructional staff training services	15,502	-	-	-	15,502
Instruction-related technology	161,550	-	-	-	161,550
Board services	74,494	-	-	-	74,494
General administration	2,670	-	-	-	2,670
School administration	1,207,726	-	-	-	1,207,726
Fiscal services	10,447	-	-	-	10,447
Food services	-	297,077	-	-	297,077
Central services	119,958	-	-	-	119,958
Transportation services	307,994	-	-	-	307,994
Operation of plant	1,287,087	37,407	-	-	1,324,494
Maintenance of plant	416,333	-	-	-	416,333
Administrative technology services	56,213	-	-	-	56,213
Community services	9,561	-	-	-	9,561
Extracurricular activities	-	-	-	380,102	380,102
Capital outlay	102,096	-	-	-	102,096
Debt service:					
Principal	455,263	-	-	-	455,263
Interest	268,892	-	1,175,931	-	1,444,823
Total expenditures	<u>9,756,099</u>	<u>358,732</u>	<u>1,175,931</u>	<u>380,102</u>	<u>11,670,864</u>
Net change in fund balances	(79,841)	-	-	53,020	(26,821)
Fund Balances, July 1, 2025	<u>1,338,515</u>	<u>-</u>	<u>-</u>	<u>50,973</u>	<u>1,389,488</u>
Fund Balances, June 30, 2026	<u>\$ 1,258,674</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 103,993</u>	<u>\$ 1,362,667</u>

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

**Keys Gate Charter High School
Reconciliation of the Statement of Revenues,
Expenditures and Changes in Fund Balances
of the Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2026**

Net Change in Fund Balances - Governmental Funds \$ (26,821)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures; however, in the statement of activities, the costs of those assets are depreciated over their estimated useful lives as depreciation and amortization.

Capital outlays	\$	102,096	
Depreciation and amortization		<u>(736,960)</u>	(634,864)

Principal payments on long-term debt are reported as an expenditure in the governmental funds, but as a reduction of long-term liabilities in the statement of net position (deficit).			455,263
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Certain items reported in the statement of activities do not require the use of current financial resources, and therefore, are not reported as expenditures in the governmental funds.

Change in compensated absences		3,502	
Change in accrued interest payable		1,799	
Amortization of deferred amount on renegotiation of lease liability		<u>(91,650)</u>	<u>(86,349)</u>

Change in Net Position (Deficit) of Governmental Activities	\$		<u>(292,771)</u>
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The accompanying notes to the financial statements are an integral part of these statements.

Note 1 - Organization and Operations

Renaissance Charter School, Inc. ("RCS") was organized in August 1998 as a Florida nonprofit corporation. Keys Gate Charter High School (the "School") is a Department of RCS, and operates a public charter school to serve students from ninth to twelfth grade in Miami-Dade County. There were 790 students enrolled for the 2025/2026 school year.

The financial statements of the School present only the balances, activity and disclosures related to the School. They do not purport to, and do not, present fairly the financial position of RCS as of June 30, 2026, and its changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Note 2 - Summary of Significant Accounting Policies

Reporting entity: The School operates under a charter granted by the sponsoring Miami-Dade County Public Schools District (the "District"). The current charter is effective until June 30, 2040. At the end of the term of the charter, the District may choose not to renew the charter under grounds specified in the charter, in which case the District is required to notify the School in writing at least ninety days prior to the charter's expiration. During the term of the charter, the District may also terminate the charter if good cause is shown.

The School may also be financially accountable if an organization is fiscally dependent on the School regardless of whether the organization has a separately elected governing board, a governing board appointed by another government, or a jointly approved board. In addition, component units can be other organizations for which the nature and significance of their relationship with the School are such that exclusion would cause the financial statements to be misleading or incomplete.

As a result of evaluating the above criteria, management has determined that no component units exist for which the School is financially accountable, which would require inclusion in the School's financial statements.

Basis of presentation: The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Government-wide financial statements: Government-wide financial statements, including the statement of net position (deficit) and the statement of activities, present information about the School as a whole.

Government-wide financial statements are prepared using the economic resources measurement focus. The statement of activities presents a comparison between direct expenses and program revenues for each function or program of the School's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and are thereby clearly identifiable to a particular function.

Note 2 - Summary of Significant Accounting Policies (continued)

Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the School.

Fund financial statements: Fund financial statements report detailed information about the School in the governmental funds. The focus of governmental funds financial statements is on major funds rather than reporting funds by type. Each major fund is reported in a separate column. Because the focus of governmental funds financial statements differs from the focus of government-wide financial statements, a reconciliation is presented with each of the governmental funds financial statements.

The School's major governmental funds are as follows:

General Fund - This fund is used to account for all operating activities of the School except for those required to be accounted for in another fund.

Grants Fund - This special revenue fund is used to account for federal grants and certain state grants that are legally restricted for specific program purposes. The fund also accounts for food service operations and related revenues and expenditures that are restricted for food service activities.

Capital Projects Fund - This fund is used to account for state and local capital outlay funding that is legally restricted to expenditures for particular purposes.

Club and Activities Fund - This special revenue fund is used to administer funds raised and earned by the various clubs and activities that are part of the School but restricted for use in the extracurricular activities.

During the course of operations, the School has activity between funds for various purposes. Any residual balances outstanding at year-end are reported as due from/to other funds. While these balances are reported in the governmental fund financial statements, they are eliminated in the preparation of the government-wide financial statements.

Basis of accounting: Basis of accounting refers to when revenues and expenditures, or expenses, are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide financial statements are prepared using the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when a liability is incurred, regardless of the timing of the related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are prepared using the modified accrual basis of accounting. Revenues are recognized when they become measurable and available. Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The School considers revenues to be available if they are collected within 120 days of the end of the current period. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source.

Note 2 - Summary of Significant Accounting Policies (continued)

All other revenue items are considered to be measurable and available only when cash is received by the School. Under the modified accrual basis of accounting, expenditures are generally recognized when the related fund liability is incurred, except for principal and interest on long-term debt, claims and judgments, and compensated absences, which are recognized when due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under leases are reported as other financing sources.

Student funding is provided by the State of Florida through the District. Such funding is recorded as FEFP revenue in the government-wide financial statements and state source revenue in the fund financial statements. This funding is received on a prorated basis over a twelve-month period and is adjusted for changes in full-time equivalent (FTE) student population.

Cash and cash equivalents: The School considers all demand accounts and short-term investments with a maturity of three months or less when purchased to be cash and cash equivalents. The School maintains its cash accounts with one financial institution. The School's accounts at this institution, at times, may exceed the federal insured limit, however, the School's deposits are collateralized in accordance with Chapter 280 of the Florida Statutes (Note 3).

Prepaid items: Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

Income taxes: The School is a department of a nonprofit corporation. Revenue of the School is derived primarily from other governmental entities. The School is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been made in these financial statements.

Capital assets: Capital assets purchased or acquired are capitalized at historical cost or estimated historical cost. Capital assets are defined by the School as assets with an initial cost equal to or greater than \$ 750 and useful life of over one year. Donated capital assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized and depreciated over the remaining useful lives of the related capital assets. Other costs incurred for repairs and maintenance are expensed as incurred.

Depreciation on all capital assets is provided on the straight-line basis over the estimated useful lives as follows:

Improvements other than building	10 years
Furniture, fixtures and equipment	5 years
Computer equipment	3 years

The School has recorded a right-to-use lease asset as required by U.S. GAAP. The right-to-use asset is initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The right-to-use asset is amortized on a straight-line basis over the life of the related lease.

Note 2 - Summary of Significant Accounting Policies (continued)

Deferred outflows/inflows of resources: In addition to assets, the statement of net position (deficit) will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The School has one item that qualifies for reporting in this category. The government-wide statement of net position reports a deferred amount on renegotiation of lease liability.

In addition to liabilities, the statement of net position (deficit) will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period and so will *not* be recognized as an inflow of resources (revenue) until that time. The School does not have any items that qualify for reporting in this category.

Compensated absences: The School's policy permits employees to accumulate earned but unused paid time off, which is eligible for payment upon separation from service. The liability for such leave is reported as incurred in the government-wide financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable. Payments for compensated absences are generally paid out of the General Fund.

Net position: Net position is classified in three categories. The general meaning of each is as follows:

- Net investment in capital assets - represents the difference between the cost of capital assets, less accumulated depreciation and amortization reduced by the outstanding balances of borrowings used for the acquisition, construction or improvement of those assets.
- Restricted - consists of net position with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or 2) law through constitutional provisions or enabling legislation.
- Unrestricted - the residual portion of net position that does not meet the definition of the other two categories.

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

Note 2 - Summary of Significant Accounting Policies (continued)

Fund balance: The governmental fund financial statements present fund balances based on the provisions of U.S. GAAP, which provides clearly defined fund balance classifications and also sets a hierarchy which details how the School may spend funds based on certain constraints. The following are the fund balance classifications used in the governmental funds financial statements:

- **Nonspendable** - this classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. The School classifies inventories, prepaid items, long-term notes receivable and deposits as nonspendable since they are not expected to be converted to cash or are not expected to be converted to cash within the next year.
- **Restricted** - this classification includes amounts that are restricted for specific purposes by external parties such as grantors and creditors or are imposed by law through constitutional provisions or enabling legislation.
- **Committed** - this classification includes amounts that can be used for specific purposes voted on through formal action of the Board of Directors (the highest level of decision-making authority). The committed amount cannot be used for any other purpose unless the Board of Directors removes or changes the commitment through formal action.
- **Assigned** - this classification includes amounts that the Board of Directors intends to use for a specific purpose, but they are neither restricted nor committed. The School classifies existing fund balance to be used in the subsequent year's budget for elimination of a deficit as assigned.
- **Unassigned** - this classification includes amounts that have not been restricted, committed or assigned for a specific purpose within the General Fund.

The details of the fund balances are included in the Governmental Funds Balance Sheet on page 11.

When the School incurs expenditures for which restricted or unrestricted fund balance is available, the School would consider restricted funds to be spent first. When the School has expenditures for which committed, assigned or unassigned fund balance is available, the School would consider committed funds to be spent first, then assigned funds and lastly unassigned funds.

Use of estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Date of management review: The School has evaluated subsequent events through September 11, 2026, which is the date that the financial statements were available to be issued.

Note 2 - Summary of Significant Accounting Policies (continued)

Adoption of new accounting standards: The School implemented GASB Statement No. 103, *Financial Reporting Model Improvements*, during the year ended June 30, 2026. The Statement revised certain financial reporting requirements, including the content and presentation of management's discussion and analysis and other financial statement presentation and disclosure requirements.

The School also implemented GASB Statement No. 104, *Disclosure of Certain Capital Assets*, which addresses obligations for governmental entities to separately disclose certain types of capital assets. Implementation did not change the presentation and related disclosures of the School.

The adoption of both standards did not affect any amounts previously reported in the School's financial statements.

Note 3 - Cash and Cash Equivalents

At June 30, 2026, the carrying amount of the deposits and cash on hand totaled \$ 905,850 with a bank balance of \$ 964,024.

State statutes require, and it is the School's policy, that all deposits be made into, and be held by, financial institutions designated by the Treasurer of the State of Florida as qualified public depositories as defined by Chapter 280 of the Florida Statutes. This Statute requires that every qualified public depository institution maintain eligible collateral to secure the public entity's funds. The minimum collateral to be pledged by an institution, the collateral eligible for pledge, and reporting requirements of the qualified public depositor to the Treasurer is defined by the Statute. Collateral is pooled in a multiple qualified public depository institution pool with the ability to assess members of the pool should the need arise. The School's deposits of \$ 714,024 in excess of the federal insured limit of \$ 250,000 are held in a qualified public depository and are covered by the collateral pool held in the name of the financial institution's trust department or agent, but not in the School's name.

Note 4 - Interfund Receivables and Payables

The composition of interfund balances as of June 30, 2026, is as follows:

Due To/From Other Funds		Amount
Receivable Fund	Payable Fund	
General Fund	Grants Fund	\$ 25,205
General Fund	Capital Projects Fund	45,234
Club and Activities Fund	General Fund	50,987
		<u>\$ 121,426</u>

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Note 5 - Due From Other School

The School and Keys Gate Charter School ("KGCS") share teachers, administrative staff, as well as expenses relative to their facility. As of June 30, 2026, the basic financial statements include an amount due from KGCS of \$ 173,542.

Note 6 - Due From/To Related Parties

The School is a Department of RCS. The due from/to balances represent amounts that are due from RCS and due to another school that shares common board membership and is a department of RCS, which are expected to be repaid within one year.

Note 7 - Capital Assets

Capital asset balances and activity for the year ended June 30, 2026, are as follows:

	Balance at July 1, 2025	Additions	Transfers	Balance at June 30, 2026
Capital assets being depreciated/ amortized:				
Improvements other than building	\$ 428,566	\$ 15,886	\$ -	\$ 444,452
Furniture, fixtures and equipment	1,346,644	84,632	-	1,431,276
Computer equipment	2,447,741	1,578	44,100	2,493,419
Lease assets:				
Land	2,942,351	-	-	2,942,351
Building	20,009,131	-	-	20,009,131
Computer equipment	44,100	-	(44,100)	-
Total capital assets being depreciated/amortized	<u>27,218,533</u>	<u>102,096</u>	<u>-</u>	<u>27,320,629</u>
Accumulated depreciation/ amortization:				
Improvements other than building	226,437	32,833	-	259,270
Furniture, fixtures and equipment	1,296,119	29,843	-	1,325,962
Computer equipment	2,203,773	138,916	42,136	2,384,825
Lease assets:				
Land	358,825	71,764	-	430,589
Building	5,744,196	463,604	-	6,207,800
Computer equipment	42,136	-	(42,136)	-
Total accumulated depreciation/ amortization	<u>9,871,486</u>	<u>736,960</u>	<u>-</u>	<u>10,608,446</u>
Net capital assets being depreciated/amortized	<u>\$ 17,347,047</u>	<u>\$ (634,864)</u>	<u>\$ -</u>	<u>\$ 16,712,183</u>

Note 7 - Capital Assets (continued)

Depreciation and amortization was charged to governmental activities as follows:

Instruction	\$	101,607
Instruction-related technology		138,916
Operation of plant		<u>496,437</u>
Total	\$	<u>736,960</u>

Note 8 - Leases

In March 2020, the Florida Development Finance Corporation (the "Corporation") issued \$ 95,565,000 in Tax Convertible Educational Facilities Revenue Bonds, Series 2020A and \$ 450,000 in Taxable Educational Facilities Revenue Bonds, Series 2020B pursuant to an Indenture of Trust between the Corporation and a trustee to make a loan to RCS, a division of which the School exists, and Red Apple Development, LLC and subsidiaries ("RAD") to refund the Series 2011 Tax Exempt Educational Facilities Revenue Bonds which financed the acquisition of the facilities of six charter schools existing under RCS. In order to secure the payment of the principal and interest on the bonds, the Corporation assigned all of its rights and interest in the loan agreement to the trustee. The bonds are payable from and secured by a lien upon and pledge of payments to be received by the trustee.

Concurrent with the preceding loan transaction, RAD, through its wholly-owned subsidiaries, amended its four lease agreements with RCS. The facilities which are owned by RAD are leased by RCS on behalf of the schools under a 45-year lease. The leases are deemed to be intangible right to use leases and the lease payments are based on the debt service requirements of the bonds which extend through June 2050. These payments are made from the revenues received from the School Board of Miami-Dade County for the operation of the Schools. RCS is obligated under the Indenture to deposit all Charter revenues received from the School Board and additional revenues, if any, directly with the trustee during the term of the lease. The payments are applied by the trustee to make sinking fund payments and pay for operating expenses.

The lease is through June 2065 and requires monthly principal and interest payments through June 2050.

Note 8 - Leases (continued)

Future minimum payments at June 30, 2026, are as follows:

Year Ending June 30,	Principal	Interest	Total
2027	\$ 464,144	\$ 1,336,563	\$ 1,800,707
2028	485,607	1,313,674	1,799,281
2029	509,753	1,289,707	1,799,460
2030	535,241	1,264,562	1,799,803
2031	562,070	1,237,448	1,799,518
2032-2036	3,306,688	5,693,153	8,999,841
2037-2041	4,310,096	4,687,500	8,997,596
2042-2046	5,734,722	3,264,324	8,999,046
2047-2050	6,062,235	1,221,036	7,283,271
	<u>\$ 21,970,556</u>	<u>\$ 21,307,967</u>	<u>\$ 43,278,523</u>

The Bond Indenture related to the lease requires that the School maintain a school payment coverage ratio of 1.00. As of June 30, 2026, the School is in compliance with this covenant.

The School also has a ground lease agreement that expires in June 2046 with an option to extend for 15 years. The School anticipates exercising this option. This agreement qualifies as other than short-term lease under U.S. GAAP and, therefore, has been recorded at the present value of the future minimum lease payments as of the implementation date of June 30, 2021.

The following is a schedule of the School's future lease payments for the ground lease as of June 30, 2026:

Year Ending June 30,	Principal	Interest	Total
2027	\$ 23,003	\$ 85,897	\$ 108,900
2028	23,702	85,198	108,900
2029	24,423	84,477	108,900
2030	25,166	83,734	108,900
2031	25,932	82,968	108,900
2032-2036	200,614	398,306	598,920
2037-2041	297,619	361,241	658,860
2042-2046	416,702	308,038	724,740
2047-2051	523,094	237,886	760,980
2052-2056	607,635	153,345	760,980
2057-2061	705,838	55,141	760,979
	<u>\$ 2,873,728</u>	<u>\$ 1,936,231</u>	<u>\$ 4,809,959</u>

Note 8 - Leases (continued)

In addition to the lease payments, the School is required to pay incremental rent payments to RAD. Going forward, the incremental rent payments range from \$ 838,503 in 2027 to \$ 2,429,002 in 2060. These incremental rent payments are contingent upon the School having available revenues. For the year ended June 30, 2026, no incremental rent was due.

On July 1, 2023, the School, as lessor, terminated certain lease agreements and entered into a one-year lease agreement. The new lease agreement has no options to renew and is, therefore, considered a short-term lease under U.S. GAAP. For the year ended June 30, 2026, the School received \$ 849,391 in rental income under the new lease agreement.

Note 9 - Long-Term Liabilities

Changes in the School's long-term liabilities for fiscal year ended June 30, 2026, are as follows:

	Balance July 1, 2025	Additions	Retirements	Balance June 30, 2026	Amount Due Within One Year
Lease - building	\$ 22,413,236	\$ -	\$ 442,680	\$ 21,970,556	\$ 464,144
Lease - land	2,886,311	-	12,583	2,873,728	23,003
Compensated absences	25,599	-	3,502 *	22,097	16,573
	<u>\$ 25,325,146</u>	<u>\$ -</u>	<u>\$ 458,765</u>	<u>\$ 24,866,381</u>	<u>\$ 503,720</u>

* The change in compensated absences above is a net change for the year.

Note 10 - Commitments

Management agreement: The School has a formal agreement with Charter Schools USA at Renaissance High School of South Dade, LLC ("CSUSA") to manage, staff and operate the School. The agreement states that CSUSA shall be entitled to cost reimbursements and management fees (the "fee") for its services, subject to availability of funds. The fee is subordinated to all lease payment requirements. The agreement will automatically renew for five-year periods unless terminated by either party. The fee ranges from \$ 1,583,275 for fiscal year 2027 to \$ 2,496,665 for fiscal year 2050 as defined in the agreement or the budgeted amount approved by the Board of Directors. There were no management fees paid for the year ended June 30, 2026 and CSUSA contributed \$ 552,628 to the School.

The School had an amount of \$ 524,227 due from CSUSA for the year ending June 30, 2026.

Post-employment benefits: The School does not provide post-employment benefits to retired employees.

Note 11 - Employee Benefit Plan

During the year ended June 30, 2026, the School offered all of its full-time employees who had attained 21 years of age, a retirement plan (the “Plan”) under Internal Revenue Code Section 401(k). The employee is allowed to contribute up to a maximum of 100% of his/her annual gross compensation, subject to certain limitations. The Plan provides for a discretionary employer matching contribution of the participant’s annual elective deferral to the Plan. As determined annually by the School’s management, the School may also make a discretionary profit-sharing contribution, which is allocated among the participants based on a pro rata formula. Participants are immediately vested in their own contributions and earnings on those contributions.

Participants become vested in School contributions and earnings on School contributions according to the following schedule:

<u>Years of Service</u>	<u>Vesting Percentage</u>
1	25%
2	50%
3	75%
4	100%

Nonvested contributions are forfeited upon termination of employment and such forfeitures are used to reduce any employer contribution. For the Plan year ended December 31, 2025, there were \$ 1,679 in forfeitures for the School. For the year ended June 30, 2026, the School contributed a matching amount of \$ 26,485.

Note 12 - Capital Appropriations Funding

The Florida Department of Education has approved a Charter School Capital Outlay (“CSCO”) award for the School. In each year that funds are appropriated by the state for charter school capital outlay purposes those funds are allocated among eligible charter schools. The funds for the School’s allocation are transferred to the School once a CSCO plan has been provided to and approved by the sponsoring district. The School’s CSCO award totaled \$ 524,818 for the 2025/2026 school year which has been recognized as revenue in the accompanying financial statements. If the CSCO funds are used to acquire tangible property assets, the District has a reversionary interest in those assets. In the event of nonrenewal, termination, or breach of the charter school agreement, ownership of the assets would automatically revert to the District. The School has elected to use these funds to pay a portion of the interest expense on the capital lease.

Local Capital Improvement Revenue (“LCIR”) funds are also appropriated by the District for charter school capital outlay purposes, with funds being allocated among eligible charter schools in a similar manner to the CSCO award. The School’s LCIR award totaled \$ 651,113 for the 2025/2026 school year which has been recognized as revenue in the accompanying financial statements.

Note 13 - Risk Management

The School is exposed to various risks of loss related to torts, thefts of, damage to, and destruction of assets and natural disasters. The School has obtained property insurance from commercial companies including, but not limited to, general liability and errors and omissions insurance. There were no claims in excess of insurance coverage limits during the past three years.

As disclosed in Note 10, CSUSA employs all of the employees of the School. As a result, the School is not exposed to medical or workers’ compensation claims for these individuals. In addition, CSUSA carries all required insurance including, but not limited to, general liability and errors and omissions insurance.

REQUIRED SUPPLEMENTARY INFORMATION

Keys Gate Charter High School
Required Supplementary Information
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - General Fund
For the Year Ended June 30, 2026

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Original vs. Final Budget Variance</u>	<u>Actual</u>	<u>Actual vs. Final Budget Variance</u>
Revenues:					
State sources	\$ 6,780,902	\$ 6,780,902	\$ -	\$ 6,718,822	\$ (62,080)
Local sources	3,168,406	3,168,406	-	2,837,288	(331,118)
Interest income	148,950	148,950	-	116,660	(32,290)
Aftercare	-	-	-	3,488	3,488
Total revenues	<u>10,098,258</u>	<u>10,098,258</u>	<u>-</u>	<u>9,676,258</u>	<u>(422,000)</u>
Expenditures:					
Current:					
Instruction	4,792,577	4,792,577	-	4,759,864	32,713
Student support services	378,024	378,024	-	500,449	(122,425)
Instructional staff training services	15,491	15,491	-	15,502	(11)
Instruction-related technology	212,346	212,346	-	161,550	50,796
Board services	115,143	115,143	-	74,494	40,649
General administration	31,509	31,509	-	2,670	28,839
School administration	1,159,931	1,159,931	-	1,207,726	(47,795)
Fiscal services	237,684	237,684	-	10,447	227,237
Food services	66,263	66,263	-	-	66,263
Central services	117,784	117,784	-	119,958	(2,174)
Transportation services	294,901	294,901	-	307,994	(13,093)
Operation of plant	1,622,734	1,622,734	-	1,287,087	335,647
Maintenance of plant	345,456	345,456	-	416,333	(70,877)
Administrative technology services	-	-	-	56,213	(56,213)
Community services	-	-	-	9,561	(9,561)
Capital outlay	51,058	51,058	-	102,096	(51,038)
Debt service:					
Principal	486,680	486,680	-	455,263	31,417
Interest	<u>51,615</u>	<u>51,615</u>	<u>-</u>	<u>268,892</u>	<u>(217,277)</u>
Total expenditures	<u>9,979,196</u>	<u>9,979,196</u>	<u>-</u>	<u>9,756,099</u>	<u>223,097</u>
Net change in fund balance	\$ <u>119,062</u>	\$ <u>119,062</u>	\$ <u>-</u>	(79,841)	\$ <u>(198,903)</u>
Fund Balance, July 1, 2025				<u>1,338,515</u>	
Fund Balance, June 30, 2026				\$ <u>1,258,674</u>	

See accompanying notes to budgetary comparison schedules.

Keys Gate Charter High School
Required Supplementary Information
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - Grants Fund
For the Year Ended June 30, 2026

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Original vs. Final Budget Variance</u>	<u>Actual</u>	<u>Actual vs. Final Budget Variance</u>
Revenues:					
Federal sources:					
National School Lunch Program	\$ 313,073	\$ 313,073	\$ -	\$ 296,851	\$ (16,222)
Title IV	-	-	-	24,248	24,248
State sources:					
National School Lunch Program	-	-	-	3,536	3,536
Local sources:					
Cafeteria sales	-	-	-	34,097	34,097
Total revenues	<u>313,073</u>	<u>313,073</u>	<u>-</u>	<u>358,732</u>	<u>45,659</u>
Expenditures:					
Current:					
Instruction	-	-	-	24,248	(24,248)
Food services	313,073	313,073	-	297,077	15,996
Operation of plant	-	-	-	37,407	(37,407)
Total expenditures	<u>313,073</u>	<u>313,073</u>	<u>-</u>	<u>358,732</u>	<u>(45,659)</u>
Net change in fund balance	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	-	\$ <u>-</u>
Fund Balance, July 1, 2025				<u>-</u>	
Fund Balance, June 30, 2026				\$ <u>-</u>	

See accompanying notes to budgetary comparison schedules.

Note 1 - Budgetary Policy and Basis of Accounting

An operating budget is adopted and maintained by the Governing Board for all governmental funds except the Capital Projects Fund and the Club and Activities Fund, pursuant to the requirements of Florida Statutes. The budget is adopted using the same basis of accounting used in the preparation of the financial statements. All appropriations lapse at the end of the fiscal year.

The level of budgetary control is at the fund level. The School Principal may make unlimited transfers between functional categories throughout the year. Any budget transfers made must be discussed with management and presented to the Governing Board. A potential increase in expenditures over approved budget should be approved by the Governing Board.

Note 2 - Budgetary Highlights between Original Budget and Final Budget

There were no variances between original and final budget for the General Fund or the Grants Fund.

Note 3 - Budgetary Highlights between Actual Results and Final Budget

In the General Fund, actual revenues for the year ended June 30, 2026, were below the final budget, primarily due to local source revenues coming in lower than projected by \$ 331,118. This was largely due to the settlement payment already recognized in FY25, resulting in no related revenue being recorded in FY26, offset by unbudgeted corporate contributions. Total expenditures were favorable compared to the final budget, primarily driven by lower-than-budgeted operation of plant due to lower property and liability insurance costs, which also decreased year-on-year, as well as the reclassification of rent to the interest category due to GASB 87. Additionally, fiscal services were favorable to the budget due to the elimination of the support center cost reimbursements amount since the School required a corporate contribution. Student support services were unfavorable driven by higher stipend payout, which was partially offset in the Instruction category.

In the Grants Fund, actual revenues were favorable compared to the final budget for the year ended June 30, 2026, primarily due to unbudgeted cafeteria sales revenues received during the year. Expenditures were unfavorable compared to the final budget due to an increase in the unbudgeted cafeteria sales and Title IV revenues.

Note 4 - Excesses of Expenditures over Appropriations

In the Grants Fund, expenditures for the year ended June 30, 2026, exceeded appropriations by \$ 45,659. These over-expenditures were funded by greater than anticipated revenues in that fund.

OTHER INDEPENDENT AUDITOR'S REPORTS

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
Keys Gate Charter High School
Homestead, Florida

We have audited, in accordance with the 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 each major fund of Keys Gate Charter High School (the "School"), a Department of Renaissance Charter School, Inc., as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the School's basic financial statements, and have issued our report thereon dated September 11, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School'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 School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School'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 have not been identified.

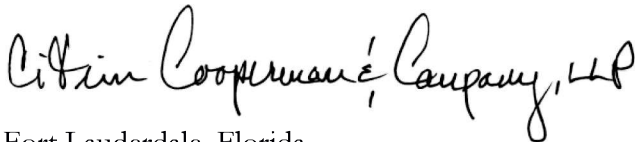
"Citrin Cooperman" is the brand under which Citrin Cooperman & Company, LLP, a licensed independent CPA firm, and Citrin Cooperman Advisors LLC serve clients' business needs. The two firms operate as separate legal entities in an alternative practice structure. The entities of Citrin Cooperman & Company, LLP and Citrin Cooperman Advisors LLC are independent member firms of the Moore North America, Inc. (MNA) Association, which is itself a regional member of Moore Global Network Limited (MGNL). All the firms associated with MNA are independently owned and managed entities. Their membership in, or association with, MNA should not be construed as constituting or implying any partnership between them.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School'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*.

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



Fort Lauderdale, Florida
September 11, 2026

MANAGEMENT LETTER REQUIRED BY CHAPTER 10.850 OF THE *RULES OF THE AUDITOR GENERAL* OF THE STATE OF FLORIDA

To the Board of Directors
Keys Gate Charter High School
Homestead, Florida

Report on the Financial Statements

We have audited the financial statements of the governmental activities and each major fund of Keys Gate Charter High School (the "School"), as of and for the fiscal year ended June 30, 2026, and have issued our report thereon dated September 11, 2026.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States.

Other Reporting Requirements

We have issued our Independent Auditor's 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 11, 2026, 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 findings or recommendations made in the preceding annual financial audit report.

Official Title

Section 10.854(1)(e)5., Rules of the Auditor General, requires that 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 entity are Keys Gate Charter High School and 137050.

"Citrin Cooperman" is the brand under which Citrin Cooperman & Company, LLP, a licensed independent CPA firm, and Citrin Cooperman Advisors LLC serve clients' business needs. The two firms operate as separate legal entities in an alternative practice structure. The entities of Citrin Cooperman & Company, LLP and Citrin Cooperman Advisors LLC are independent member firms of the Moore North America, Inc. (MNA) Association, which is itself a regional member of Moore Global Network Limited (MGNL). All the firms associated with MNA are independently owned and managed entities. Their membership in, or association with, MNA should not be construed as constituting or implying any partnership between them.

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 School has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific conditions met. In connection with our audit, we determined that the School 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 School. It is management's responsibility to monitor the School'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 have any such recommendations.

Transparency

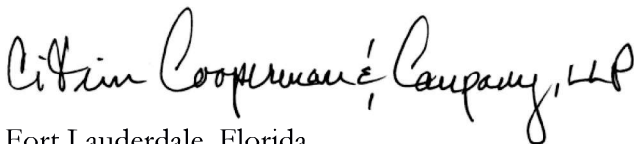
Sections 10.854(1)(e)7. and 10.855(13), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether the School maintained on its website the information specified in Section 1002.33(9)(p), Florida Statutes. In connection with our audit, we determined that the School 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, fraud, waste, or abuse, that have occurred, or are likely to have occurred, that has 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, Miami-Dade County Public Schools District and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.



Fort Lauderdale, Florida
September 11, 2026