HLB GRAVIER, LLP
CERTIFIED PUBLIC ACCOUNTANTS

Sigsbee Charter School, Inc.
(A Charter School and Component Unit
of the Monroe County District School Board)
WL# 0341

Key West, Florida

Financial Statements and
Independent Auditors' Report

June 30, 2026

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Sigsbee Charter School, Inc.
W/L# 0341
939 Felton Rd
Key West, Florida 33040

2025-2026

BOARD OF DIRECTORS

Greg Sullivan, President
Kevin Madok, Vice President
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Steven McAlearney, Board Member

SCHOOL ADMINISTRATION

Elisa Jannes, Principal

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Sigsbee Charter School, Inc.
Key West, 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 Sigsbee Charter School, Inc. (the "School"), a component unit of the Monroe County District School Board, 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 accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Sigsbee Charter School, Inc. 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 Sigsbee Charter School, Inc., 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 Sigsbee Charter School, Inc.'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.

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the School'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 and budgetary comparison information on pages 5 through 9 and 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 auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 8, 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, 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 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.



CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
October 8, 2026

Management's Discussion and Analysis
Sigsbee Charter School, Inc.
June 30, 2026

The corporate officers of Sigsbee Charter School, Inc. have prepared this narrative overview and analysis of the school's financial activities for the year ended June 30, 2026.

About the School
Sigsbee Charter School, Inc. opened in 2010 and is a Monroe County public charter school serving students in kindergarten through eighth grade. The school emphasizes academic achievement, environmental and marine science education, and support for military families, and has consistently earned strong academic ratings from the State of Florida.

Overview of the Financial Statements
The financial statements of Sigsbee Charter School, Inc. present the financial position and results of operations of the school for the fiscal year ended June 30, 2026, in accordance with generally accepted accounting principles for state and local governments.

The financial statements have three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other required supplementary information in addition to the basic financial statements themselves.

The government-wide financial statements report all assets and liabilities of the government, including both financial and non-financial assets and both short-term and long-term obligations. Revenues are recognized when they relate to the current reporting period, regardless of when the related cash is received, and expenses are recognized when incurred, regardless of when cash is paid. The government-wide statements also report deferred outflows and deferred inflows of resources that relate to future reporting periods. Accordingly, the government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting.

The governmental fund financial statements focus on current financial resources. They generally report current financial assets and liabilities, such as cash, receivables, and accounts payable, rather than long-term capital assets and long-term liabilities. Revenues are recognized when they are both measurable and available to finance current-period expenditures, while expenditures generally are recognized when the related governmental fund liability is incurred, subject to certain exceptions for long-term obligations. Deferred outflows and deferred inflows reported at the governmental fund level are limited to those applicable to current financial resources. Accordingly, governmental fund financial statements are prepared using the current financial resources measurement focus and the modified accrual basis of accounting.

More detail about the measurement focus and basis of accounting can be found in the first note to the financial statements, the Summary of Significant Accounting Policies.

FINANCIAL SUMMARY

A summary and analysis of the School's net position as of June 30, 2026 and 2025 is as follows:

	2026	2025	Variance
Cash and cash equivalents	$ 19,255,788	$ 15,853,937	$ 3,401,851
Due from other agencies	337,721	258,872	78,849
Prepaid expenses and other current assets	392,926	439,164	(46,238)
Capital assets, net	12,044,085	11,654,883	389,202
Total Assets	32,030,520	28,206,856	3,823,664
Deferred outflows of resources	-	-	-
Salaries and wages payable	523,208	485,167	38,041
Accounts payable	85,907	41,348	44,559
Compensated absences	308,101	255,575	52,526
Total Liabilities	917,216	782,090	135,126
Deferred inflows of resources	-	-	-
Net Position:			
Net investment in capital assets	12,044,085	11,654,883	389,202
Restricted	5,867,851	3,568,581	2,299,270
Unrestricted	13,201,368	12,201,302	1,000,066
Total Net Position	$ 31,113,304	$ 27,424,766	$ 3,688,538

The School's financial position improved during the year ended June 30, 2026. Total net position increased by approximately $3.69 million. See analysis of the School's summary of revenues and expenses for further detail.

The most significant changes in total assets and liabilities were as follows:

Cash and cash equivalents increased by approximately $3.4 million primarily attributable to the increase in net position during the current year.

Capital assets, net, increased by approximately $389,000 as a result of current-year capital additions exceeding depreciation. Information on the School's capital assets can be found in Note 4.

The components of net position changed as follows: Net investment in capital assets increased by approximately $389,000 as the School has no outstanding obligations at year-end attributable to capital assets. Restricted net position increased by $2.3 million as a result of restricted capital outlay revenues exceeding eligible expenditures during the fiscal year. Unrestricted net position increased by approximately $1 million, primarily attributable to the School's current year change in net position.

A summary and analysis of the School's revenues and expenses for the years ended June 30, 2026 and 2025 follows:

	2026	2025	Variance
REVENUES			
Program Revenues			
Operating grants and contributions	$ 250,730	$ 293,994	$ (43,264)
Capital grants and contributions	3,629,291	3,110,463	518,828
Charges for services	77,083	45,194	31,889
General Revenues			-
State and local sources	8,767,403	8,542,266	225,137
Other revenues	878,886	1,192,079	(313,193)
Total Revenues	13,603,393	13,183,996	419,397
EXPENSES			
Instruction	5,980,817	5,593,893	386,924
Student support services	365,453	358,131	7,322
Instructional media services	196,383	212,446	(16,063)
Instructional and curriculum development services	161,616	157,305	4,311
Instructional staff training	337,590	368,449	(30,859)
Instruction related technology	104,910	91,000	13,910
Board	18,633	17,259	1,374
General administration	77,112	78,283	(1,171)
School administration	793,679	729,672	64,007
Facilities acquisition	112,307	105,002	7,305
Food services	51,630	27,211	24,419
Student transportation services	35,515	34,775	740
Operation of plant	1,090,913	1,031,093	59,820
Maintenance of plant	561,256	489,420	71,836
Community services	27,041	41,912	(14,871)
Total Expenses	9,914,855	9,335,851	579,004
Change in Net Position	3,688,538	3,848,145	(159,607)
Net Position at Beginning of Year	27,424,766	23,576,621	3,848,145
Net Position at End of Year	$ 31,113,304	$ 27,424,766	$ 3,688,538

Enrollment increased moderately between fiscal years, with 548 full-time equivalent students during fiscal year 2026 compared with 526 students during fiscal year 2025.

Total revenues increased by approximately $419,000, or 3.18%. Total expenses increased by approximately $579,000, or 6.2%. Major changes in revenues and expenses included:

Capital grants and contributions increased by approximately $519,000, primarily as a result of increased funding per student at both the state and local level. The Monroe County half-mill and the half cent school capital outlay surtax provided to the School contributed significantly to the overall increase.

State and local sources increased by approximately $225,000 as a result of higher FEFP funding allocations and related tax collections. The increase was partially offset by revisions to prior-year FEFP funding allocations, primarily related to adjustments of the Federally Connected Student Supplement.

Other revenues decreased by approximately $313,000, primarily as a result of a non-recurring Employee Retention Credit (ERC) refund received in the prior fiscal period.

Instruction expenses increased by approximately $387,000. This increase is a direct consequence of the increase in student enrollment as the School incurred additional instructional costs necessary to serve the larger student population.

Governmental Funds

The School reports three major funds individually in the governmental fund financial statements. Much of the discussion regarding governmental activities is also applicable to these governmental funds.

At the end of the fiscal year, the School's governmental general fund reported an ending fund balance of $13,407,371, of which $13,014,445 was unassigned and available for spending at the School's discretion. These resources are available to support the School's future operations.

The special revenue fund reported an ending fund balance of $102,098, all of which was assigned for community services. The community services fund balance reflects activity resulting from the School's internal fund accounts during the current year.

The capital projects fund reported an ending fund balance of $5,867,851, all of which pertained to rollover funds from the Monroe County half-mill and the half cent surtax revenues restricted to certain capital outlay expenditures.

Capital Assets

The School's investment in capital assets as of June 30, 2026 amounts to $12,044,085 (net of accumulated depreciation). This investment in capital assets includes building, improvements, furniture, fixtures and equipment. Significant asset additions acquired during the fiscal year primarily consisted of modular classrooms, facility improvements, most notably roof improvements and instructional computer hardware (laptops).

At June 30, 2026, the School had no long-term liabilities associated with its capital assets.

School Location

The School's premises is located at 939 Felton Road, Key West, Florida 33040.

CURRENTLY KNOWN FACTS, DECISIONS OR CONDITIONS

Currently known facts, decisions or conditions expected to affect the School's financial position include:

- **Enrollment** – Enrollment is projected to be approximately 550 in fiscal year 2027.
- **Changes in funding or legislative appropriations -** The 2022 Department of Defense Education Activity (DoDEA) grant is scheduled to close in the spring of 2027, while the 2023 and 2024 grants are expected to close in 2028 and 2029, respectively. Each grant was awarded in the amount of $500,000 for a five-year term. The School does not anticipate receiving additional grant funding from DoDEA in the future.
- **Planned capital projects or financing activities –** The School plans to commence construction of a new gymnasium and administrative offices during the next fiscal year. The project is expected to be financed through a combination of available fund balance, funding committed by the Monroe County School District, and additional borrowing. Total project cost is estimated at $20-$25 million.

Requests for Information

This financial report is intended to provide a general overview of the finances of the Charter School. Requests for additional information may be addressed to the Finance Director of Sigsbee Charter School, Inc. at 939 Felton Road, Key West, Florida 33040.

Sigsbee Charter School, Inc.
Statement of Net Position
June 30, 2026

	Governmental Activities
Assets	
Current assets:	
Cash and cash equivalents	$ 19,255,788
Due from other agencies	337,721
Prepaid expenses and other current assets	392,926
Total Current Assets	19,986,435
Capital assets, net:	
Capital assets, non-depreciable	2,995,766
Capital assets, depreciable	13,132,191
Less: accumulated depreciation	(4,083,872)
Total Capital Assets, net	12,044,085
Total Assets	32,030,520
Deferred Outflows of Resources	-
Liabilities	
Current liabilities:	
Salaries and wages payable	523,208
Accounts payable	85,907
Compensated absences, current	231,076
Total Current Liabilities	840,191
Compensated absences	77,025
Total Liabilities	917,216
Deferred Inflows of Resources	-
Net Position	
Net investment in capital assets	12,044,085
Restricted	5,867,851
Unrestricted	13,201,368
Total Net Position	$ 31,113,304

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

Sigsbee Charter School, Inc.
Statement of Activities
For the year ended June 30, 2026

	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position
Governmental activities:					
Instruction	$ 5,980,817	$ -	$ 48,502	$ -	$ (5,932,315)
Student support services	365,453	-	51,468	-	(313,985)
Instructional media services	196,383	-	7,984	-	(188,399)
Instructional and curriculum development services	161,616	-	-	-	(161,616)
Instructional staff training	337,590	-	87,860	-	(249,730)
Instruction related technology	104,910	-	-	-	(104,910)
Board	18,633	-	-	-	(18,633)
General administration	77,112	-	-	-	(77,112)
School administration	793,679	-	54,916	-	(738,763)
Facilities acquisition	112,307	-	-	-	(112,307)
Food services	51,630	1,919	-	-	(49,711)
Student transportation services	35,515	-	-	-	(35,515)
Operation of plant	1,090,913	-	-	3,629,291	2,538,378
Maintenance of plant	561,256	-	-	-	(561,256)
Community services	27,041	75,164	-	-	48,123
Total governmental activities	$ 9,914,855	$ 77,083	$ 250,730	$ 3,629,291	$ (5,957,751)
		General revenues:			
		State and local sources			8,767,403
		Other revenue			878,886
		Change in net position			3,688,538
		Net position, beginning			27,424,766
		Net position, ending			$ 31,113,304

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

Sigsbee Charter School, Inc.
Balance Sheet - Governmental Funds
June 30, 2026

	General Fund	Special Revenue Fund	Capital Project Funds	Total Governmental Funds
Assets				
Cash and cash equivalents	$ 13,285,839	$ 102,098	$ 5,867,851	$ 19,255,788
Due from other agencies	-	58,564	279,157	337,721
Due from fund	337,721	-	-	337,721
Prepaid expenses	392,926	-	-	392,926
Total Assets	14,016,486	160,662	6,147,008	20,324,156
Deferred Outflows of Resources	-	-	-	-
Liabilities				
Salaries and wages payable	523,208	-	-	523,208
Accounts payable	85,907	-	-	85,907
Due to fund	-	58,564	279,157	337,721
Total Liabilities	609,115	58,564	279,157	946,836
Deferred Inflows of Resources	-	-	-	-
Fund balance				
Nonspendable, not in spendable form	392,926	-	-	392,926
Assigned	-	102,098	-	102,098
Restricted	-	-	5,867,851	5,867,851
Unassigned	13,014,445	-	-	13,014,445
	13,407,371	102,098	5,867,851	19,377,320
Total Liabilities, Deferred Inflows of Resources and Fund Balance	$ 14,016,486	$ 160,662	$ 6,147,008	$ 20,324,156

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

Sigsbee Charter School, Inc.
Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Position
June 30, 2026

Total Fund Balance - Governmental Funds		$ 19,377,320
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets net of accumulated depreciation and amortization used in governmental activities are not financial resources and therefore are not reported in the fund.		
Capital assets	16,127,957	
Accumulated depreciation	(4,083,872)	
		12,044,085
Compensated absences in governmental activities are not due and payable in the current period and therefore, are not reported in the governmental funds.		(308,101)
Total Net Position - Governmental Activities		$ 31,113,304

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

Sigsbee Charter School, Inc.
Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds
For the year ended June 30, 2026

	General Fund	Special Revenue Fund	Capital Project Funds	Total Governmental Funds
Revenues:				
State passed through local	$ 8,767,403	$ -	$ 376,852	$ 9,144,255
Local sources	-	-	3,252,439	3,252,439
Federal sources	-	250,730	-	250,730
Charges and other revenue	836,990	75,164	43,815	955,969
Total Revenues	9,604,393	325,894	3,673,106	13,603,393
Expenditures:				
Current				
Instruction	5,932,315	48,502	-	5,980,817
Student support services	313,985	51,468	-	365,453
Instructional media services	188,399	7,984	-	196,383
Instructional and curriculum development services	161,616	-	-	161,616
Instructional staff training	249,730	87,860	-	337,590
Instruction related technology	104,910	-	-	104,910
Board	18,633	-	-	18,633
General administration	77,112	-	-	77,112
School administration	686,237	54,916	-	741,153
Facilities acquisition	-	-	112,307	112,307
Food services	51,630	-	-	51,630
Student transportation services	35,515	-	-	35,515
Operation of plant	715,006	-	375,907	1,090,913
Maintenance of plant	64,836	-	-	64,836
Community services	-	27,041	-	27,041
Capital Outlay:				
Other capital outlay	-	-	885,622	885,622
Total Expenditures	8,599,924	277,771	1,373,836	10,251,531
Excess (deficit) of revenues over expenditures	1,004,469	48,123	2,299,270	3,351,862
Other financing sources (uses)				
Transfers in (out)	-	-	-	-
Net change in fund balance	1,004,469	48,123	2,299,270	3,351,862
Fund Balance at beginning of year	12,402,902	53,975	3,568,581	16,025,458
Fund Balance at end of year	$ 13,407,371	$ 102,098	$ 5,867,851	$ 19,377,320

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

Sigsbee Charter School, Inc.
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, 2026

Net Change in Fund Balance - Governmental Funds		$ 3,351,862
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation and amortization expense. In the current period, these amounts are:		
Capital outlays	885,622	
Depreciation and amortization expense	(496,420)	
		389,202
Additions in long term liabilities provide current financial resources to governmental funds, but increases long term liabilities in the statement of net position. Reductions in long term liabilities is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. In the current period, these amounts are:		
Decreases in long term liabilities	-	
Increases in long term liabilities	(52,526)	
		(52,526)
Change in Net Position of Governmental Activities		$ 3,688,538

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

Note 1 – Summary of Significant Accounting Policies

Reporting Entity

Sigsbee Charter School, Inc. (the "School"), is a charter school sponsored by the Monroe County District School Board (the "District"). The School is considered a component unit of such District. The School is organized as a not-for-profit corporation pursuant to Chapter 617, Florida Statutes, the Florida Not-For-Profit Corporation Act. The governing body of the School is the board of directors, which is composed of six members. The board of directors has determined that no component units exist that would require inclusion in the School's financial statements.

The general operating authority of the School is contained in Section 1002.33, Florida Statutes. The School operates under a charter granted by the sponsoring district, the School Board of Monroe County, Florida. The current charter expires on June 30, 2040. It can be renewed for additional terms in accordance with law. A charter can also be terminated before its date of expiration for reasons set forth in the charter and Section 1002.33 of the Florida Statutes.

The School is located in Key West, Florida and is approved for students in kindergarten through eighth grade and is funded by the District. These financial statements are for the year ended June 30, 2026, when approximately 548 students were enrolled for the school year. The School aims to inspire and empower students to become lifelong learners who meet high academic standards and demonstrate responsible citizenship. Enhanced by an environmental and marine education program, all students will capitalize on our unique aquatic surroundings while acquiring a level of empathy that encourages them to be assets to their community and stewards of their environment.

Basis of Presentation

The School's accounting policies conform to accounting principles generally accepted in the United States as applicable to state and local governments. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. Accordingly, the basic financial statements include both the government-wide and fund financial statements.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position 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 position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The School does not have any items that qualify for reporting in this category.

In addition to liabilities, the statement of net position 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 position 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.

Note 1 – Summary of Significant Accounting Policies (continued)

Government-wide and Fund Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These statements report information about the School as a whole. Any internal interfund activity has been eliminated from these financial statements. Both statements report only governmental activities as the School does not engage in any business type activities.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees; (2) operating grants such as the National School Lunch Program, Federal grants, and other state allocations; and (3) capital grants specific to capital outlay. In addition, revenues not classified as program revenues are shown as general revenues, which include Florida Education Finance Program (FEFP) revenues and other miscellaneous sources.

Fund Financial Statements

Fund financial statements are provided for governmental funds. The operations of the funds are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenues and expenditures. The School reports the following major governmental funds:

General Fund - is the School's primary operating fund. It accounts for all financial resources of the school, except those required to be accounted for in another fund.

Special Revenue Fund - accounts for specific revenues, such as federal funding and federal lunch program that are legally restricted to expenditures for particular purposes. Also, accounts for resources of the School's Internal Fund, which is used to administer monies collected in connection with school, student athletics, class, and club activities.

Capital Projects Fund – accounts for the resources restricted for the acquisition or construction of specific capital assets and from state and local capital funding that are legally restricted to expenditures for particular purposes.

Measurement Focus and Basis of Accounting

The financial statements of the School are prepared in accordance with generally accepted accounting principles (GAAP). The School's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) *Codification of Accounting and Financial Reporting Guidance*.

The government-wide statements report using the economic resources measurement focus and the full accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Revenues from non-exchange transactions are reported according to GASB Codification Section 1600.111 and Section N50 *Accounting and Financial Reporting for Non-Exchange Transactions*. On the accrual basis, revenues from grants and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Note 1 – Summary of Significant Accounting Policies (continued)

The School recognizes assets of non-exchange transactions in the period when the underlying transaction occurs, when an enforceable legal claim has arisen, or when all eligibility requirements are met. Revenues are recognized, on the modified accrual basis, when they are measurable and available. Non-exchange transactions occur when the school provides (or receives) value to (from) another party without receiving (or giving) equal or nearly equal value in return. Most donations are examples of non-exchange transactions. Revenues from grants and donations are recognized on the accrual basis, in the fiscal year in which all eligibility requirements have been satisfied.

Governmental fund financial statements report using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. "Measurable" means the amount of the transaction can be determined. "Available" means collectible within the current period or soon enough thereafter to pay current liabilities. Florida Education Finance Program (FEFP) revenues are recognized when received. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Charges for services and fees are recognized when cash is collected as amounts are not measurable. When grant terms provide that the expenditure of funds is the prime factor for determining eligibility for federal, state, and other grant funds, revenue is recognized at the time the expenditure is made. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term debt and compensated absences, which are reported as expenditures when due. General capital asset acquisitions are reported as expenditures in governmental funds.

Budgets and Budgetary Accounting

In compliance with Florida Statutes, the Board of Directors adopts an annual budget using the modified accrual basis of accounting. During the fiscal year, expenditures were controlled at the object level (e.g. salaries and benefits, purchased services, materials and supplies and capital outlay) within each activity (e.g. instruction, pupil personnel services and school administration). Revisions to the annual budget are approved by the Board.

Long-Term Debt and Liabilities

In the government-wide financial statements, long-term debt and other long-term liabilities are reported as liabilities in the applicable governmental activities statement of net position. In the fund financial statements, governmental fund types report the face amount of debt issued as other financing sources.

Cash and Cash Equivalents

The School considers demand deposits, non-marketable time deposits and other short term investments with maturities of three months or less when purchased, to be cash or cash equivalents.

Unearned Revenue

Unearned revenue arises when the School receives resources before it has a legal claim to them.

Note 1 – Summary of Significant Accounting Policies (continued)

Credit Risk
The School maintains its cash accounts at several financial institutions. The School's accounts at these institutions, at times, may exceed the federally insured limit. The School has not experienced any losses in such accounts and does not believe it is exposed to any significant credit risk (see Note 2).

Due from Other Governments or Agencies
Amounts due to the School by other governments or agencies are for grants or programs under which the services have been provided by the School. No allowance for uncollectible accounts is deemed necessary.

Prepaid Expenses and Other Assets
Other assets consist mainly of prepaid expenses which are payments for goods or services that have not been consumed or used at year end. The expenditure will be recorded when the asset is used. Accordingly, prepaid expenses are equally offset by a nonspendable fund balance classification.

Capital Assets
The School's property, plant and equipment with useful lives of more than one year are stated at historical cost and comprehensively reported in the statement of net position in the government-wide financial statements. Donated capital assets are recorded at their estimated fair market value on the date donated. The School generally capitalizes assets with cost of $1,000 or more. Building improvements, additions and other capital outlays that significantly extend the useful life of an asset are capitalized. The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. Capital assets are depreciated using the straight-line method. When capital assets are sold or disposed of, the related cost and accumulated depreciation are removed from the accounts, and the resulting gain or loss is recorded in the government-wide financial statements. Proceeds received from the sale or disposal of capital assets are recorded as Other Financing Sources in the governmental funds.

Estimated useful lives, in years, for depreciable assets are as follows:

Buildings	39 Years
Improvements	10-39 Years
Equipment	5-12 Years

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

Note 1 – Summary of Significant Accounting Policies (continued)

Revenue Sources

Revenues for current operations are received primarily from the District pursuant to the funding provisions included in the School's charter. In accordance with the funding provisions of the charter and Section 1002.33, Florida Statutes, the School will report the number of full-time equivalent (FTE) students and related data to the District. Under the provisions of Section 1011.62, Florida Statutes, the District reports the number of the full-time equivalent (FTE) students and related data to the Florida Department of Education (FDOE) for funding through the FEFP. Funding for the School is adjusted during the year to reflect the revised calculations by the FDOE under the FEFP and the actual weighted full-time equivalent students reported by the School during the designated full-time equivalent student survey periods. After review and verification of FTE reports and supporting documentation, the FDOE may adjust subsequent fiscal period allocations of FEFP funding for prior year errors disclosed by its review as well as to prevent statewide allocations from exceeding the amount authorized by the Legislature. Normally, such adjustments are treated as reductions of revenue in the year the adjustment is made. The School receives state funds through the District under charter school capital outlay funding pursuant to Section 1013.62, Florida Statutes. Funds are based on a capital outlay plan submitted to the District. In addition, the School may receive a portion of the local capital improvement tax, ad valorem millage tax and sales surtax revenues levied by the District.

Finally, the School also receives Federal awards for the enhancement of various educational programs. Federal awards are generally received based on applications submitted to and approved by various granting agencies. For Federal awards in which a claim to these grant proceeds is based on incurring eligible expenditures, revenue is recognized to the extent that eligible expenditures have been incurred. Any excess amounts are recorded as deferred revenues until expended. Additionally, other revenues may be derived from various fundraising activities and certain other programs.

Net Position and Fund Balance Classifications

Government-wide financial statements

Equity is classified as net position and displayed in three (3) components:

a) Net investment in capital assets - consists of capital assets net of accumulated depreciation and reduced by the outstanding balances of any borrowings that are attributable to the acquisition or improvement of those assets.
b) Restricted net position - consists of net position with constraints placed on their use either by external groups such as creditors, grantors, contributors or laws or regulations of other governments.
c) Unrestricted net position - 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 a specific purpose, it is the School’s policy to use restricted resources first, until exhausted, before using unrestricted resources.

Note 1 – Summary of Significant Accounting Policies (continued)

Fund financial statements
Under GASB Codification Section 1800.142, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement defines the different types of fund balances that a governmental entity must use for financial reporting purposes. GASB requires the fund balance amounts to be properly reported within one of the fund balance categories listed below:

a) Nonspendable - includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Consists of fund balance associated with prepaid expenses.
b) Restricted - fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. Restricted fund balances at year-end pertain to unspent referendum funds designated for capital outlay expenditures.
c) Committed - fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the School's Board of Directors. There are no committed fund balances at year end.
d) Assigned - fund balance classification are intended to be used by the School's management for specific purposes but do not meet the criteria to be classified as restricted or committed. Assigned fund balances held at year end pertain to the School's internal account.
e) Unassigned - portion of the fund balance that has not been restricted, committed or assigned for a specific purpose. This is the residual classification for the School's general fund.

Committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Inter-fund Transfers
Inter-fund receivables/payables are short-term balances that represent reimbursements between funds for payments made by one fund on behalf of another fund.

Income Taxes
Sigsbee Charter School, Inc., qualifies as a tax-exempt organization under Internal Revenue Code Section 501(c)(3), and is, therefore, exempt from income tax. Accordingly, no tax provision has been made in the accompanying financial statements.

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

Note 1 – Summary of Significant Accounting Policies (continued)

New Accounting Standard Adopted

In fiscal year 2026, the School adopted GASB Statement No. 103, *Financial Reporting Model Improvements*. Statement No. 103 requirements updates reporting requirements and changes to MD&A, unusual/infrequent items, proprietary fund presentation, major component units, budgetary comparison information and statistical information. The adoption of this statement did not have a material impact on the School's financial statements. This statement was applied prospectively.

In fiscal year 2026, the School adopted GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*. Statement No. 104 requires certain capital assets to be separately identified within the capital asset footnote. This includes lease assets by major class of underlying asset and other specified categories of capital assets. It also establishes accounting and disclosure requirements for capital assets held for sale. The adoption of this statement did not have a material impact on the School's financial statements. This statement was applied prospectively.

Pronouncements Issued But Not Yet Effective

The GASB issued GASB Statement No. 105, *Subsequent Events*. The requirements of this Statement are effective for reporting periods beginning after June 15, 2026. The School is currently evaluating the effect that implementation of the new standard will have on its financial statements.

Subsequent Events

In accordance with GASB Codification Section 2250.106, the School has evaluated subsequent events and transactions for potential recognition or disclosure through October 8, 2026, which is the date the financial statements were available to be issued.

Note 2 – Deposits and Investments

Deposits

As of June 30, 2026, the School's deposit cash on hand and bank balance totaled approximately $2,750,000. The School had short term investments measured at amortized cost of approximately $16,506,000 at year end.

Subject to certain exemptions, state statutes require, and it is the School's policy that certain 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 maintains 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 collateral eligible for pledge, and reporting requirements of the qualified public depositor to the treasurer is defined by the statute.

Note 2 – Deposits and Investments (continued)

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 are held in qualified public depositories. They are secured by the collateral pool, as the School has identified itself as a public entity at June 30, 2026.

Note 3 – Due from Other Agencies

The following is Due from Other Agencies as of June 30, 2026:

Funding Source	Governmental Fund	Balance
Due from District - Half Cent & Half Millage	Capital Projects Fund	$ 245,736
Due from District - Capital Outlay	Capital Projects Fund	33,421
Due from the Department of Defense	Special Revenue Fund	58,564
Total Due from Other Agencies		$ 337,721

Note 4 – Capital Assets

The following schedule provides a summary of changes in capital assets, acquired substantially with public funds, for the year ended June 30, 2026:

	Balance 07/01/25	Additions	Retirements/ Reclassifications	Balance 06/30/26
Capital Assets, non-depreciable:				
Land	$ 2,790,000	$ -	$ -	$ 2,790,000
Construction in progress	865,041	379,747	(1,039,022)	205,766
	3,655,041	379,747	(1,039,022)	2,995,766
Capital Assets, depreciable:				
Buildings and improvements	10,319,218	338,725	1,039,022	11,696,965
Furniture, fixtures and equipment	1,268,076	167,150	-	1,435,226
Total Capital Assets	15,242,335	885,622	1,039,022	16,127,957
Less Accumulated Depreciation:				
Buildings and improvements	(2,519,265)	(334,823)	-	(2,854,088)
Furniture, fixtures and equipment	(1,068,187)	(161,597)	-	(1,229,784)
Total Accumulated Depreciation	(3,587,452)	(496,420)	-	(4,083,872)
Total Capital Assets, net	$ 11,654,883	$ 389,202	$ -	$ 12,044,085

For the fiscal year ended June 30, 2026, depreciation expense of $496,420 is allocated to maintenance of plant in the Statement of Activities.

Note 5 – Contingencies and Concentrations

The School receives substantially all of its funding from the State through the District under the Florida Education Finance Program (FEFP), which is based in part on a computation of the number of full-time equivalent (FTE) students attending different instructional programs. The accuracy of FTE student data submitted by individual schools and used in the FEFP computations is subject to audit by the state and, if found to be in error, could result in refunds to the state or in decreases to future funding allocations.

Additionally, the School participates in a number of federal, state and local grants which are subject to financial and compliance audits. It is the opinion of management that the amount of revenue, if any, which may be remitted back to the state due to errors in the FTE student data or the amount of grant expenditures which may be disallowed by grantor agencies would not be material to the financial position of the School.

On November 5, 2024, the voters of Monroe County approved the renewal of the half-mill and the half cent school capital outlay surtax. Monroe County School District shares a portion with charter schools. The current renewal is set to expire on December 31, 2035. For the year ended June 30, 2026, the School's total referendum revenues were approximately $3,252,000 or 24% of total revenues.

District

Pursuant to the Charter School contract with the School District, the District withholds an administrative fee of 2% or 5% (depending on the School's performance) of the qualifying revenues of the School. For the year ended June 30, 2026, administrative fees withheld by the School District totaled $77,112.

The School entered into a food services agreement with the School District of Monroe County ("Sponsor") to provide a lunch program for its students. Revenues and expenses related to this program are recorded in the Sponsor's books and not reflected in the School's financial statements.

Note 6– Long-Term Liabilities

The following is a summary of changes in long-term liabilities for the year ended June 30, 2026:

	Balance 07/01/25	Increases	Decreases	Balance 06/30/26	Current Portion
Compensated Absences	$ 255,575	$ 52,526	$ -	$ 308,101	$ 231,076
	$ 255,575	$ 52,526	$ -	$ 308,101	$ 231,076

Note 7 – Inter-fund Transfers

Inter-fund transfers in governmental funds as of June 30, 2026 consist of the following:

	General Fund	Special Revenue Funds	Capital Project Fund
Due to General Fund from Capital Projects Fund for capital outlay	$ 279,157	$ -	$ (279,157)
Due to General Fund from Special Revenue Fund for federal expenditures	58,564	(58,564)	-
Total Due from/(Due to)	$ 337,721	$ (58,564)	$ (279,157)

Note 8 – Risk Management

The School is exposed to various risks of loss related to torts, thefts of, damage to and destruction of assets, errors and omissions and natural disasters for which the School carries commercial insurance. Settlement amounts have not exceeded insurance coverage in any of the past three fiscal years. In addition, there were no reductions in insurance coverage from those in the prior year.

REQUIRED SUPPLEMENTARY INFORMATION

Sigsbee Charter School, Inc.
Statement of Revenues, Expenditures, and Changes in Fund Balance
For the year ended June 30, 2026

	General Fund			Variance	
	Original Budget	Final Budget	Actual	Original to Final	Final to Actual
REVENUES					
State passed through local	$ 8,378,359	$ 8,378,359	$ 8,767,403	$ -	$ 389,044
Charges and other revenue	360,000	360,000	836,990	-	476,990
Total Revenues	8,738,359	8,738,359	9,604,393	-	866,034
EXPENDITURES					
Current:					
Instruction	5,954,048	5,954,048	5,932,315	-	(21,733)
Student support services	314,361	314,361	313,985	-	(376)
Instructional media services	395,495	395,495	188,399	-	(207,096)
Instructional and curriculum development services	161,594	161,594	161,616	-	22
Instructional staff training	291,019	291,019	249,730	-	(41,289)
Instruction related technology	103,463	103,463	104,910	-	1,447
Board	15,633	15,633	18,633	-	3,000
General administration	78,483	78,483	77,112	-	(1,371)
School administration	676,371	676,371	686,237	-	9,866
Food services	160,791	160,791	51,630	-	(109,161)
Student transportation services	28,050	28,050	35,515	-	7,465
Operation of plant	654,548	654,548	715,006	-	60,458
Maintenance of plant	77,777	77,777	64,836	-	(12,941)
Total Current Expenditures	8,911,633	8,911,633	8,599,924	-	(311,709)
Excess of Revenues Over Expenditures	(173,274)	(173,274)	1,004,469	-	1,177,743
Other financing sources (uses):					
Transfers in (out)	-	-	-	-	-
Net change in fund balance	(173,274)	(173,274)	1,004,469	-	1,177,743
Fund Balance at beginning of year	12,402,902	12,402,902	12,402,902	-	-
Fund Balance at end of year	$ 12,229,628	$ 12,229,628	$ 13,407,371	$ -	$ 1,177,743

See accompanying notes to budgetary comparison schedules

Sigsbee Charter School, Inc.
Statement of Revenues, Expenditures, and Changes in Fund Balance
For the year ended June 30, 2026

	Special Revenue Fund			Variance	
	Original Budget	Final Budget	Actual	Original to Final	Final to Actual
REVENUES					
Federal sources	$ 189,862	$ 189,862	$ 250,730	$ -	$ 60,868
Charges and other revenue	-	-	75,164	-	75,164
Total Revenues	189,862	189,862	325,894	-	136,032
EXPENDITURES					
Current:					
Instruction	41,004	41,004	48,502	-	7,498
Student support services	48,943	48,943	51,468	-	2,525
Instructional media services	-	-	7,984	-	7,984
Instructional staff training	49,084	49,084	87,860	-	38,776
School administration	50,831	50,831	54,916	-	4,085
Community services	-	-	27,041	-	27,041
Total Current Expenditures	189,862	189,862	277,771	-	87,909
Excess (Deficit) of Revenues Over Expenditures	-	-	48,123	-	48,123
Other financing sources (uses)					
Transfers in (out)	-	-	-	-	-
Net change in fund balance	-	-	48,123	-	48,123
Fund Balance at beginning of year	53,975	53,975	53,975	-	-
Fund Balance at end of year	$ 53,975	$ 53,975	$ 102,098	$ -	$ 48,123

See accompanying notes to budgetary comparison schedules

Note 1 – Budgets and Budgetary Accounting

An annual budget is adopted on the modified accrual basis of accounting, consistent with generally accepted accounting principles. The original budget and any subsequent amendments are approved by the Board of Directors.

Note 2 - Variances

There were no amendments to the original budget during the fiscal year. Variances between budgeted and actual amounts were primarily due to a conservative approach to estimating available funding and anticipated resource requirements.

HLB GRAVIER, LLP
CERTIFIED PUBLIC ACCOUNTANTS

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

To the Board of Directors of
Sigsbee Charter School, Inc.
Key West, 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 Sigsbee Charter School, Inc., (the "School") 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 October 8, 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 School'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 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*.

We issued a separate management letter dated October 8, 2026 pursuant to Chapter 10.850, Rules of the Auditor General.

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.

HLB Gravier, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
October 8, 2026

HLB GRAVIER, LLP
CERTIFIED PUBLIC ACCOUNTANTS

MANAGEMENT LETTER

To the Board of Directors of
Sigsbee Charter School, Inc.
Key West, Florida

Report on the Financial Statements

We have audited the financial statements of Sigsbee Charter School, Inc., Key West, Florida, as of and for the fiscal year ended June 30, 2026 and have issued our report thereon dated October 8, 2026.

Auditor's 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 those reports and schedules, which are dated October 8, 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 and recommendations made in the preceding financial audit report.

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 entity is Sigsbee Charter School, Inc., 0341.

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 Sigsbee Charter School, Inc., 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 Sigsbee Charter School, Inc., 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 Sigsbee Charter School, Inc. It is management's responsibility to monitor Sigsbee Charter School, Inc.'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 recommendation 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 Sigsbee Charter School, Inc. maintains on its Web site the information specified in Section 1002.33(9)(p), Florida Statutes. In connection with our audit, we determined that Sigsbee Charter School, Inc. maintained on its Web site the information specified in Section 1002.33(9)(p), Florida Statutes.

Additional Matters

Section 10.854(1)(e)3., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we do not have any such recommendations.

Section 10.854(1)(e)4., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or fraud, waste, or abuse, that has occurred, or is 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, District School Board of Monroe County, Federal and other granting agencies, the Board of Directors, and applicable management and is not intended to be and should not be used by anyone other than these specified parties.

HLB Gravier, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
October 8, 2026