

**REPORT ON
CIRCLE OF SEASONS CHARTER SCHOOL
BASIC FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2022**

CIRCLE OF SEASONS CHARTER SCHOOL

Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

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November 11, 2022

Board of Trustees
Circle of Seasons Charter School
8380 Mohr Lane
Fogelsville, PA 18051

INDEPENDENT AUDITOR'S REPORT

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Circle of Seasons Charter School as of and for the year ended June 30, 2022, 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, each major fund, and the aggregate remaining fund information of Circle of Seasons Charter School at June 30, 2022, and, where applicable, cash flows and budgetary comparison of the General fund 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. 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 Circle of Seasons Charter 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 12 to the financial statements, the United States is currently operating under a state of National Emergency due to the Coronavirus Pandemic. 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.

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 Circle of Seasons Charter School's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted 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, we:

- a) Exercise professional judgment and maintain professional skepticism throughout the audit.
- b) 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.
- c) 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 Circle of Seasons Charter School's internal control. Accordingly, no such opinion is expressed.
- d) 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.
- e) Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Circle of Seasons Charter 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4-11, Schedule of the School's Proportionate Share of Net Pension Liability on page 44, Schedule of the School Contributions to the Pension Plan on page 45, Schedule of the School's Proportionate Share of the Net OPEB Liability on page 46 and Schedule of School Contributions to the OPEB Plan on page 47 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of the 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.

Supplemental Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Circle of Seasons Charter School's financial statements as a whole. The other Supplementary Information is presented for purposes of additional analysis and is not a required part of the financial statements. The other Supplementary Information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with the basis of accounting described in the notes to the financial statements. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated November 15, 2022, on our consideration of the Circle of Seasons Charter 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 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 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 Circle of Seasons Charter School's internal control over financial reporting and compliance.

Respectfully submitted,

Hutchinson, Gillahan & Freeh, P.C.

November 11, 2022

CIRCLE OF SEASONS CHARTER SCHOOL
Fogelsville, Pennsylvania
MANAGEMENT’S DISCUSSION AND ANALYSIS (MD&A)
Required Supplementary Information (RSI)
For the Year Ended June 30, 2022

This discussion and analysis of the Circle of Seasons Charter School’s financial performance provides an overall review of the School’s financial activities for the fiscal year ended June 30, 2022. The intent of this discussion and analysis is to look at the financial performance as a whole; however, readers should also review the notes to the basic financial statements to enhance their understanding of the School’s financial performance.

The Management’s Discussion and Analysis (MD&A) is a component of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statements – and the Management’s Discussion and Analysis – for State and Local governments issued in 1999. Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

Circle of Seasons Charter School’s Mission Statement

The Board of Trustees of Circle of Seasons Charter School (the “School”) offers readers of the School’s financial statements this narrative overview and analysis of the financial activities of the School for the year ended June 30, 2022. We encourage readers to consider the information presented herein in conjunction with the School’s financial statements.

Financial Highlights

- Total governmental revenues for the year ended June 30, 2022, were \$7,403,493, representing an increase of \$16,515 from June 30, 2021.
- At June 30, 2022, the School reported an ending governmental fund balance of \$2,779,946, representing an increase of \$390,987 from June 30, 2021.
- The School’s cash balance at June 30, 2022, was \$1,918,400, representing an increase of \$499,366 from June 30, 2021.

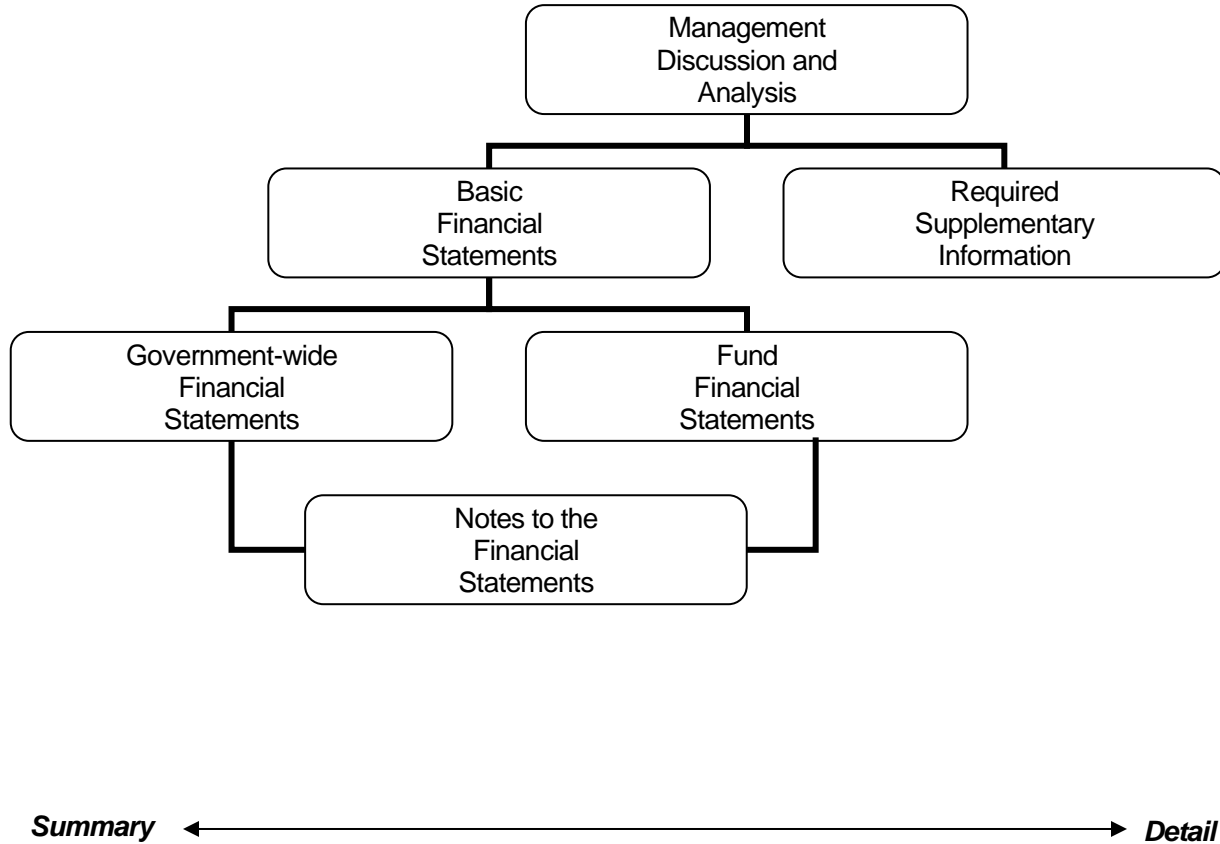
Financial Statements

The discussion and analysis is intended to serve as an introduction to the School’s financial statements. The School’s financial statements as presented comprise four components: (1) management’s discussion and analysis (this section), (2) the basic financial statements, (3) the required supplementary information, and (4) compliance information.

CIRCLE OF SEASONS CHARTER SCHOOL
Management's Discussion and Analysis (MD&A)
Required Supplementary Information (RSI)
For the Year Ended June 30, 2022

Figure A-1 shows how the required parts of the Financial Section are arranged and relate to one another.

Figure A-1 – Required Components of Circle of Seasons Charter School's Financial Report



**CIRCLE OF SEASONS CHARTER SCHOOL
Management’s Discussion and Analysis (MD&A)
Required Supplementary Information (RSI)
For the Year Ended June 30, 2022**

Figure A-2 summarizes the major features of the financial statements, including the portion of the Program they cover and the types of information they contain. The remainder of this overview section of management’s discussion and analysis explains the structure and contents of each of the statements.

Figure A-2 – Major Features of Circle of Seasons Charter School’s Government-Wide and Fund Financial Statements.

	Fund Statements			
	Government-wide Statements	Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire School (except fiduciary funds)	The activities of the School that are not proprietary or fiduciary, such as education, administration and community services	Activities the School operates similar to private business – The School does not have any proprietary funds	Instances in which the School is the trustee or agent to someone else’s resources – The School does not have any fiduciary funds.
Required Financial Statements	Statement of Net Position, Statement of Activities	Balance Sheet, Statement of revenues, expenditures, and changes in fund balance	Statement of Net Position, Statement of revenues, expenses and changes in net position, Statement of cash flows	Statement of fiduciary net position, Statement of changes in fiduciary net position
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/ liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter, no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term
Type of inflow-outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during year, regardless of when cash is received or paid	All revenues and expenses during year, regardless of when cash is received or paid

CIRCLE OF SEASONS CHARTER SCHOOL
Management's Discussion and Analysis (MD&A)
Required Supplementary Information (RSI)
For the Year Ended June 30, 2022

OVERVIEW OF FINANCIAL STATEMENTS

The discussion and analysis is intended to serve as an introduction to the School's basic financial statements. The School's basic financial statements, as presented, comprise four components: Management's Discussion and Analysis (this section), the Basic Financial Statements, Supplementary Information and Single Audit Requirements (if applicable).

Government-Wide Financial Statements

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

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

The statement of activities presents information showing how the School's net position changed during the most recent 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 periods (i.e., expenditures accrued in one year but paid in subsequent years, and depreciation).

The government-wide financial statements reported on the function of the School that is principally supported by subsidies from school districts whose constituents attend the School. The School's function is to provide an alternative educational opportunity.

Fund Financial Statements

A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or purposes. The School, like governmental-type entities, utilizes fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The School has one fund type: the governmental general fund.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Supplementary information

The governmental fund budgetary comparison schedule, schedule of the School's proportionate share of the net pension and OPEB liabilities and schedule of School contributions are required supplementary information presented for purposes of additional analysis and are prepared using a basis consistent with accounting principles generally accepted in the United States of America ("GAAP") for state reporting requirements.

Government-Wide Financial Analysis

Management has adopted Governmental Accounting Standards Board ("GASB") Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments, which require comparative analysis of current and prior year balances.

CIRCLE OF SEASONS CHARTER SCHOOL
Management's Discussion and Analysis (MD&A)
Required Supplementary Information (RSI)
For the Year Ended June 30, 2022

FINANCIAL ANALYSIS OF THE SCHOOL AS A WHOLE

The School's total net position was \$1,612,541 at June 30, 2022. The June 30, 2022 and June 30, 2021 net position reflects GASB-67, GASB-68 and GASB-75 implementation.

Table 1 – Net Position – Fiscal Year Ended June 30, 2022 and June 30, 2021

	2022			2021		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Current and Other Assets	\$ 2,848,104	\$ -	\$ 2,848,104	\$ 2,605,834	\$ -	\$ 2,605,834
Non-Current Assets	5,099,063	-	5,099,063	4,833,970	-	4,833,970
Total Assets	<u>7,947,167</u>	<u>-</u>	<u>7,947,167</u>	<u>7,439,804</u>	<u>-</u>	<u>7,439,804</u>
Deferred Outflows of Resources	<u>241,469</u>	<u>-</u>	<u>241,469</u>	<u>388,924</u>	<u>-</u>	<u>388,924</u>
Current and Other Liabilities	196,014	-	196,014	249,585	-	249,585
Long-term Liabilities	5,867,862	-	5,867,862	6,643,358	-	6,643,358
Total Liabilities	<u>6,063,876</u>	<u>-</u>	<u>6,063,876</u>	<u>6,892,943</u>	<u>-</u>	<u>6,892,943</u>
Deferred Inflows of Resources	<u>512,219</u>	<u>-</u>	<u>512,219</u>	<u>175,539</u>	<u>-</u>	<u>175,539</u>
Net Position invested in capital assets, net of related debt	540,025	-	540,025	184,433	-	184,433
Restricted	332,652	-	332,652	153,110	-	153,110
Unrestricted	739,864	-	739,864	422,703	-	422,703
Total Net Position	<u>\$ 1,612,541</u>	<u>\$ -</u>	<u>\$ 1,612,541</u>	<u>\$ 760,246</u>	<u>\$ -</u>	<u>\$ 760,246</u>

As noted earlier, net position may, over time, serve as a useful indicator of the School's financial position. In the case of the School, assets and deferred outflows exceeded liabilities and deferred inflows by \$1,612,541 as of June 30, 2022.

CIRCLE OF SEASONS CHARTER SCHOOL
Management's Discussion and Analysis (MD&A)
Required Supplementary Information (RSI)
For the Year Ended June 30, 2022

The results of this year's operations as a whole are reported in the Statement of Activities. All expenses are reported in the first column. Specific charges, grants, revenues and subsidies that directly relate to specific expense categories are represented to determine the final amount of the School's activities that are supported by other general revenues.

Table 2 takes the information from that statement and rearranges it slightly so one can see the total revenues for the year.

Table 2 – Changes in Net Position – Fiscal Year Ended June 30, 2022 and June 30, 2021

	2022			2021		
	Govern- mental Activities	Business- Type Activities	Total	Govern- mental Activities	Business- Type Activities	Total
REVENUES						
<i>Program Revenues</i>						
Charges for Services	\$ 3,752	\$ -	\$ 3,752	\$ 260	\$ -	\$ 260
Operating Grants and Contributions	454,575	-	454,575	359,535	-	359,535
Capital Grants and Contributions	-	-	-	104,949	-	104,949
General Revenues	7,064,710	-	7,064,710	6,922,234	-	6,922,234
TOTAL REVENUES	7,523,037	-	7,523,037	7,386,978	-	7,386,978
EXPENSES						
Instructional Programs	4,139,434	-	4,139,434	4,216,434	-	4,216,434
Instructional Student Support	482,880	-	482,880	426,069	-	426,069
Administrative & Financial Support	1,079,730	-	1,079,730	810,409	-	810,409
Operations and Maintenance	510,952	-	510,952	495,533	-	495,533
Other Support Services	42,221	-	42,221	44,081	-	44,081
Student Activities	60,802	-	60,802	10,819	-	10,819
Debt Service	177,010	-	177,010	308,292	-	308,292
Unallocated Depreciation	177,713	-	177,713	206,718	-	206,718
TOTAL EXPENSES	\$ 6,670,742	\$ -	\$ 6,670,742	\$ 6,518,355	\$ -	\$ 6,474,274
Change in Net Position	\$ 852,295	\$ -	\$ 852,295	\$ 868,623	\$ -	\$ 912,704

**CIRCLE OF SEASONS CHARTER SCHOOL
Management's Discussion and Analysis (MD&A)
Required Supplementary Information (RSI)
For the Year Ended June 30, 2022**

Table 3 shows the School's largest functions – instructional programs, instructional student support, administrative, and operation and maintenance of plant, among others, with each program's net cost (total cost less revenues generated by the activities). This table also shows the net costs offset by the other unrestricted grants, subsidies, contributions, and charges for services to show the remaining financial needs supported by local education agency revenue and other miscellaneous revenues.

Table 3 – Governmental Activities - Fiscal Year Ended June 30, 2022 and June 30, 2021

<u>FUNCTIONS/PROGRAMS</u>	2022		2021	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
Instructional Programs	\$ 4,139,434	\$ 3,820,303	\$ 4,216,434	\$ 3,909,315
Instructional Student Support	482,880	407,170	426,069	344,633
Administrative & Financial Support	1,079,730	1,079,730	810,409	810,409
Operations and Maintenance	510,952	453,218	495,533	491,396
Other Support Services	42,221	42,221	44,081	44,081
Student Activities	60,802	57,050	10,819	10,559
Community Service	-	(2,000)	-	(2,000)
Facilities Acquisition, Construction & Improvement	-	-	-	(69,792)
Debt Service	177,010	177,010	308,292	308,282
Unallocated Depreciation	177,713	177,713	206,718	206,718
TOTAL GOVERNMENTAL ACTIVITIES	\$ 6,670,742	\$ 6,212,415	\$ 6,518,355	\$ 6,053,601

Government Fund

The focus of the School's governmental fund is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the School's financing requirements. In particular, fund balance may serve as a useful measure of a government's net resources available for spending for program purposes at the end of the fiscal year.

The School's governmental fund reported an ending fund balance of \$2,848,104. For the year ended June 30, 2022, the School's revenues of \$7,403,493 exceeded the expenditures of \$7,012,506 by \$390,987.

The School's Statement of Revenues, Expenditures and Changes in Fund Balance is reported on the modified accrual basis of accounting and the School's Changes in Net Position Schedule (Table 2) is reported on the full accrual basis of accounting. A reconciliation between the two bases of accounting is shown on page 24.

General Fund Budget

During the fiscal year, the Board authorizes revisions to the original budget to accommodate variances from the original budget estimates to the actual expenditures of the School. A schedule showing the School's original and final budget amounts compared with amounts actually paid and received is provided.

Circle of Seasons Charter School applies for federal, state and local grants and these grants cannot always be anticipated in the budgeting process and must be added to the budget during the fiscal year. In addition, grants that are anticipated during the budgeting process are based on estimates. The budget must be modified during the fiscal year based on the actual grant awards.

**CIRCLE OF SEASONS CHARTER SCHOOL
Management's Discussion and Analysis (MD&A)
Required Supplementary Information (RSI)
For the Year Ended June 30, 2022**

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

As of June 30, 2022, the School's investment in capital assets for its governmental activities totaled \$5,099,063. This investment in capital assets includes furniture, land, building and building improvements.

The School invested \$442,806 in additions to capital assets during the June 30, 2022 fiscal year and had depreciation expense of \$177,713.

Table 4 – Capital Assets Net of Depreciation & Amortization – Governmental Activities

	<u>2022</u>	<u>2021</u>
	<u>Governmental Activities</u>	<u>Governmental Activities</u>
Land	\$ 239,043	\$ 239,043
Buildings & Improvements	4,817,187	4,547,271
Furniture and Equipment	42,833	47,656
TOTAL	<u>\$ 5,099,063</u>	<u>\$ 4,833,970</u>

Long-Term Debt

As of July 1, 2021, the School had a total outstanding debt of \$4,649,537. During the year, the School paid \$90,499 in principal on this debt resulting in ending outstanding debt (Table 5) as of June 30, 2022 of \$4,559,038.

Table 5 – Outstanding Debt

	<u>2022</u>	<u>2021</u>
Commercial Term Note	\$ 4,559,038	\$ 4,649,537
TOTAL	<u>\$ 4,559,038</u>	<u>\$ 4,649,537</u>

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The School does not foresee any substantial variations with next year's economic factors, budgets or rates.

FUTURE EVENT THAT WILL FINANCIALLY IMPACT THE SCHOOL

No future events that will financially impact the School are anticipated at this time.

CONTACTING THE SCHOOL'S FINANCIAL MANAGEMENT

This financial report is designed to provide interested parties a general overview of the School's finances. Questions regarding any of the information provided in this report should be addressed to Chief Executive Officer, Circle of Seasons Charter School, 8380 Mohr Lane, Fogelsville, PA 18032.

FINANCIAL STATEMENTS

CIRCLE OF SEASONS CHARTER SCHOOL
Statement of Net Position
As of June 30, 2022

	PRIMARY GOVERNMENT		
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS			
CURRENT ASSETS:			
Cash and Cash Equivalents	\$ 1,918,400	\$ -	\$ 1,918,400
Due From Other Governments	902,633	-	902,633
Prepaid Expenses	26,071	-	26,071
Security Deposit	1,000	-	1,000
TOTAL CURRENT ASSETS	2,848,104	-	2,848,104
NON-CURRENT ASSETS:			
Land	239,043	-	239,043
Building & Improvements (Net of Depreciation)	4,817,187	-	4,817,187
Furniture and Equipment (Net of Depreciation)	42,833	-	42,833
TOTAL NON-CURRENT ASSETS	5,099,063	-	5,099,063
TOTAL ASSETS	\$ 7,947,167	\$ -	\$ 7,947,167
DEFERRED OUTFLOWS OF RESOURCES	\$ 241,469	\$ -	\$ 241,469
LIABILITIES			
CURRENT LIABILITIES:			
Accounts Payable	\$ 51,375	\$ -	\$ 51,375
Current Portion of Long-Term Debt	93,764	-	93,764
Payroll Accruals	14,564	-	14,564
Accrued Interest	36,311	-	36,311
TOTAL CURRENT LIABILITIES	196,014	-	196,014
NON-CURRENT LIABILITIES:			
Compensated Absences - LT	\$ 12,588	\$ -	\$ 12,588
Unfunded Pension Liability	1,314,000	-	1,314,000
Unfunded OPEB Liability	76,000	-	76,000
Fixed Rate Term Loan	4,465,274	-	4,465,274
TOTAL LIABILITIES	\$ 6,063,876	\$ -	\$ 6,063,876
DEFERRED INFLOWS OF RESOURCES	\$ 512,219	\$ -	\$ 512,219
NET POSITION			
Invested in Capital Assets, Net of Related Debt	540,025	-	540,025
RESTRICTED FOR:			
Other Restrictions	332,652	-	332,652
Unrestricted	739,864	-	739,864
TOTAL NET POSITION	\$ 1,612,541	\$ -	\$ 1,612,541

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

CIRCLE OF SEASONS CHARTER SCHOOL
Statement of Activities
For the Year Ended June 30, 2022

FUNCTIONS/PROGRAMS	PROGRAM REVENUES				NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
GOVERNMENTAL ACTIVITIES:							
Instruction	\$ 4,139,434	\$ -	\$ 319,131	\$ -	\$ (3,820,303)	\$ -	\$ (3,820,303)
Instructional Student Support	482,880	-	75,710	-	(407,170)	-	(407,170)
Admin. & Fin'l Support Services	1,079,730	-	-	-	(1,079,730)	-	(1,079,730)
Oper. & Maint. of Plant Svcs.	510,952	-	57,734	-	(453,218)	-	(453,218)
Other Support Services	42,221	-	-	-	(42,221)	-	(42,221)
Student Activities	60,802	3,752	-	-	(57,050)	-	(57,050)
Community Service	-	-	2,000	-	2,000	-	2,000
Debt Service	177,010	-	-	-	(177,010)	-	(177,010)
Unallocated Depreciation Expense	177,713	-	-	-	(177,713)	-	(177,713)
TOTAL GOVERNMENTAL ACTIVITIES	6,670,742	3,752	454,575	-	(6,212,415)	-	(6,212,415)
BUSINESS-TYPE ACTIVITIES:							
NONE	-	-	-	-	-	-	-
TOTAL PRIMARY GOVERNMENT	\$ 6,670,742	\$ 3,752	\$ 454,575	\$ -	\$ (6,212,415)	\$ -	\$ (6,212,415)
GENERAL REVENUES							
Local Education Agencies					\$ 6,940,110	\$ -	\$ 6,940,110
Miscellaneous Items					124,600	-	124,600
TOTAL GENERAL REVENUES, SPECIAL ITEMS, EXTRAORDINARY ITEMS, AND TRANSFERS					7,064,710	-	7,064,710
CHANGE IN NET POSITION					852,295	-	852,295
NET POSITION - BEGINNING					760,246	-	760,246
NET POSITION - ENDING					\$ 1,612,541	\$ -	\$ 1,612,541

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

CIRCLE OF SEASONS CHARTER SCHOOL
Balance Sheet – Governmental Funds
As of June 30, 2022

	GENERAL FUND	TOTAL GOVERNMENTAL FUNDS
<u>ASSETS</u>		
Cash and Cash Equivalents	\$ 1,918,400	\$ 1,918,400
Due from Other Governments	902,633	902,633
Other Accounts Receivable	-	-
Prepaid Expenditures	26,071	26,071
Security Deposit	1,000	1,000
TOTAL ASSETS	\$ 2,848,104	\$ 2,848,104
<u>LIABILITIES AND FUND BALANCES</u>		
LIABILITIES:		
Accounts Payable	\$ 51,375	\$ 51,375
Payroll Accruals	14,564	14,564
Deferred Revenues	2,219	2,219
TOTAL LIABILITIES	68,158	68,158
FUND BALANCES:		
Nonspendable	27,071	27,071
Restricted	332,652	332,652
Assigned	2,420,223	2,420,223
TOTAL FUND BALANCES	2,779,946	2,779,946
TOTAL LIABILITIES AND FUND BALANCES	\$ 2,848,104	\$ 2,848,104

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

CIRCLE OF SEASONS CHARTER SCHOOL
Reconciliation of the Governmental Funds Balance Sheet
To the Statement of Net Position
As of June 30, 2022

TOTAL FUND BALANCES - GOVERNMENTAL FUNDS \$ 2,779,946

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds. The cost of the assets is \$6,467,663 and the accumulated depreciation is \$1,368,600. 5,099,063

Deferred Inflows and Outflows Relating to GASB-68 (Pension and OPEB Recognition):

Deferred Inflows - Pension	\$ (490,000)	
Deferred Inflows - OPEB	(20,000)	
Deferred Outflows - Pension	224,420	
Deferred Outflows - OPEB	<u>17,049</u>	(268,531)

Long-term liabilities, including loans payable, are not due and payable in the current period and, therefore, are not reported as liabilities in the funds. Long-term liabilities at year end consist of:

Unfunded Pension Liability	(1,314,000)	
Unfunded OPEB Liability	(76,000)	
Fixed Term Loan	(4,559,038)	
Compensated Absences	(12,588)	
Accrued Interest	<u>(36,311)</u>	(5,997,937)

TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES **\$ 1,612,541**

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

CIRCLE OF SEASONS CHARTER SCHOOL
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Fiscal Year Ended June 30, 2022

	GENERAL FUND	TOTAL GOVERNMENTAL FUNDS
REVENUES		
Local Sources	\$ 7,075,977	\$ 7,075,977
State Sources	18,651	18,651
Federal Sources	308,865	308,865
TOTAL REVENUES	7,403,493	7,403,493
EXPENDITURES		
Instruction	4,162,978	4,162,978
Support Services	2,121,429	2,121,429
Operation of Non-Instructional Services	60,802	60,802
Capital Outlay	436,100	436,100
Debt Service	231,197	231,197
TOTAL EXPENDITURES	7,012,506	7,012,506
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	390,987	390,987
OTHER FINANCING SOURCES (USES)		
Proceeds from Borrowing	-	-
Refund of Prior Year Expenditures	-	-
Refund of Prior Year Receipts	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-
NET CHANGE IN FUND BALANCE	390,987	390,987
FUND BALANCES - BEGINNING	2,388,959	2,388,959
FUND BALANCES - ENDING	\$ 2,779,946	\$ 2,779,946

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

**CIRCLE OF SEASONS CHARTER SCHOOL
Reconciliation of the Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
To the Statement of Activities
For the Year Ended June 30, 2022**

NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS **\$ 390,987**

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 expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Depreciation expense	\$ (177,713)	
Capital outlays	<u>442,806</u>	265,093

In the statement of activities, certain operating expenses -- related to pension liabilities are recorded solely on the accrual basis. The total expenditures related to the unfunded pension and OPEB liabilities and deferred inflows and outflows are: 119,544

In the statement of activities, certain expenditures - Long-Term Compensated Absences -- are recognized as expenditures at the time liabilities are incurred regardless of when the related cash flows take place. In the Governmental funds report, certain expenditures are recognized only to the extent they are normally expected to be paid from existing unrestricted net position. 22,483

In the Governmental funds report, loan proceeds are recorded as a revenue and principal payments are recorded as expenditures. In the government-wide statements, loan proceeds are recorded as a liability and the principal payments are recorded as a reduction to the liability.

Proceeds from Borrowing	-	
Principal Payments	90,499	
Accrued Interest	<u>(36,311)</u>	<u>54,188</u>

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES **\$ 852,295**

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

CIRCLE OF SEASONS CHARTER SCHOOL
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
General Fund
For the Year Ended June 30, 2022

	BUDGETED AMOUNTS		ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET POSITIVE	BUDGET TO GAAP DIFFERENCE	ACTUAL
	ORIGINAL	FINAL		(NEGATIVE)		AMOUNTS GAAP BASIS
REVENUES						
Local Sources	\$ 7,189,805	\$ 7,189,805	\$ 7,075,977	\$ (113,828)	\$ -	\$ 7,075,977
State Sources	-	-	18,651	18,651	-	18,651
Federal Sources	558,351	558,351	308,865	(249,486)	-	308,865
TOTAL REVENUES	7,748,156	7,748,156	7,403,493	(344,663)	-	7,403,493
EXPENDITURES						
Regular Programs	3,208,221	3,208,221	3,094,727	113,494	-	3,094,727
Special Program	1,215,824	1,215,824	1,068,251	147,573	-	1,068,251
Pupil Personnel	342,347	342,347	333,423	8,924	-	333,423
Support Services - Administration	974,995	974,995	937,590	37,405	-	937,590
Pupil Health Services	148,717	148,717	151,460	(2,743)	-	151,460
Support Services - Business	128,983	128,983	144,022	(15,039)	-	144,022
Operation of Building Services	628,273	628,273	512,713	115,560	-	512,713
Support Services - IT	50,000	50,000	42,221	7,779	-	42,221
Student Activities	27,908	27,908	60,802	(32,894)	-	60,802
Facilities Acquisition, Construction and Improvement	-	-	436,100	(436,100)	-	436,100
Debt Service	140,250	140,250	231,197	(90,947)	-	231,197
TOTAL EXPENDITURES	6,865,518	6,865,518	7,012,506	(146,988)	-	7,012,506
Excess (Deficiency) of Revenues over Expenditures	882,638	882,638	390,987	(491,651)	-	390,987
OTHER FINANCING SOURCES (USES)						
Proceeds from Borrowing	-	-	-	-	-	-
Refund of Prior Year Expenditures	-	-	-	-	-	-
Refund of Prior Year Receipts	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	882,638	882,638	390,987	(491,651)	-	390,987
FUND BALANCE - JULY 1, 2021	(882,638)	(882,638)	2,388,959	3,271,597	-	2,388,959
FUND BALANCE - JUNE 30, 2022	\$ -	\$ -	\$ 2,779,946	\$ 2,779,946	\$ -	\$ 2,779,946

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

CIRCLE OF SEASONS CHARTER SCHOOL
Notes to Basic Financial Statements
Fiscal Year Ended June 30, 2022

Note 1 – Background and Reporting Entity

The Circle of Seasons Charter School (the “School”) is organized as a nonprofit corporation in Pennsylvania to operate a charter school in accordance with Pennsylvania Act 22 of 1997 (the “Act”) and was operating under a charter school contract through June 30, 2026. The School is located in Fogelsville, Pennsylvania. During the 2021-2022 school year, the School served children in grades K through 8th.

The School’s mission is to nourish and educate students based on the model of natural development. Using Waldorf methods instruction in combination with Howard Gardner’s theory of multiple intelligences, the School provides a whole child approach to learning.

The School has financial accountability and control over all activities related to the students’ education. The School receives funding from local, state and federal government sources and must comply with the requirements of these funding source entities. The reporting entity of the School is based upon criteria set forth by Governmental Accounting Standards Board (“GASB”) Statement No. 14, The Financial Reporting Entity. The financial reporting entity consists of the primary government, organizations for which the primary government is financially accountable, and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete.

The accompanying financial statements present the activities of the School. The School is not a component unit of another reporting entity. The decision to include a potential component unit in the School’s reporting entity is based on several criteria, including legal standing, fiscal dependency and financial accountability. The School has no component units.

Note 2 – Summary of Significant Accounting Policies

The financial statements of the School have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The GASB has issued a codification of governmental accounting and financial reporting standards. This codification and subsequent GASB pronouncements are recognized as U.S. generally accepted accounting principles for state and local governments.

A. Basis of Presentation

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

Government-wide Statements

The statement of net position and the statement of activities display information about the School as a whole. These statements include the financial activities of the overall government, except for fiduciary activities. The government-wide statements provide information about the primary government (the School) and its component units, if any, without displaying funds. These statements also distinguish between the governmental and business-type activities, if any, of the School and between the School and its discretely presented component units, if any. Eliminations have been made to minimize the double-counting of internal activities.

The statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the School and for each function of the School’s governmental activities.

CIRCLE OF SEASONS CHARTER SCHOOL
Notes to Basic Financial Statements
Fiscal Year Ended June 30, 2022

- Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function.
- Indirect expenses – expenses of the School related to the administration and support of the School’s programs, such as personnel and accounting (but not interest on long-term debt) – are allocated to programs based on their percentage of total primary government expenses. Interest expenses are allocated to the programs that manage the capital assets financed with long-term debt.
- Program revenues include charges paid by the recipients of goods or services offered by programs 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, including all taxes, are presented as general revenue.

Fund Financial Statements:

The fund financial statements provide information about the School’s funds, including fiduciary funds and blended component units, if any. Separate statements for each fund category (governmental, proprietary, and fiduciary) are presented. The emphasis of governmental and enterprise fund reporting (enterprise funds are a type of proprietary fund) is on major funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. All other funds are aggregated and reported by fund type.

The school reports the following major governmental fund:

General Fund – The General Fund is the operating fund of the School and accounts for all operating revenues and expenditures of the School.

B. Basis of Accounting

The basis of accounting determines when transactions are reported on the financial statements. The government-wide, proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The School considers all revenue available if they are collected within 60 days after year-end. Expenditures were recorded when the related fund liability is incurred, except for unmatured principal and interest on general long-term debt, which is recognized when due. Claims, judgments and compensated absences are recognized as expenditures only to the extent they are normally expected to be paid from existing unrestricted fund net position. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term liabilities and acquisitions, the School supports certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net position available to finance the program. It is the School’s policy to first apply cost-reimbursement grant resources to such programs, followed by general revenues.

The School has adopted the standards for external financial reporting for all state and local governmental entities, which includes a statement of net position and a statement of activities and changes in net position. It requires the classification of net position into three components – invested in capital assets, net of related debt, restricted, and unrestricted.

CIRCLE OF SEASONS CHARTER SCHOOL
Notes to Basic Financial Statements
Fiscal Year Ended June 30, 2022

- ***Invested in capital assets, net of related debt*** – This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and amortization and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of invested in capital assets, net of related debt. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.
- ***Restricted*** – This component of net position consists of constraints placed on net position use through external constraints imposed by creditors, such as through debt covenants, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation. The School's restricted net position represents receivables that are grantor restricted for federal grant purposes.
- ***Unrestricted net position*** – This component of net position consists of net position that does not meet the definition of "restricted" or "invested in capital assets, net of related debt."

C. Budgets and Budgetary Accounting

The School adopts an annual budget in conformity with the legally enacted budgetary basis, which is not in conformity with GAAP in the budgetary other financing sources include reappropriations from fund equity previously recognized under GAAP.

D. Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

E. Cash

The School's cash consists of cash on hand and demand deposits.

F. Prepaid Expenses

Prepaid expenses include payments to vendors for services applicable to future accounting periods such as rental payments and insurance premiums.

G. Receivables

Receivables primarily consist of amounts due from the Pennsylvania Department of Education for federal, state and local grants and subsidies. Receivables are stated at the amount management expects to collect. As of June 30, 2022, no allowance has been established.

H. Capital Assets

Capital assets, which include a building, building improvements, equipment, and software, are reported in the government-wide financial statements. All capital assets are capitalized at cost and updated for additions and retirements during the year. All assets purchased with a useful life greater than one year and costing more than \$2,500 would be capitalized. This does not include textbooks. The School does not possess any infrastructure. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

CIRCLE OF SEASONS CHARTER SCHOOL
Notes to Basic Financial Statements
Fiscal Year Ended June 30, 2022

I. Deferred Outflows/Inflows of Resources

Statement No. 63 provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in the statement of financial position and related disclosures. In compliance with Statement No. 63, the statement of net position includes four components: assets, deferred outflows of resources, liabilities, and deferred inflows of resources.

Deferred outflows of resources represent 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.

Deferred inflows of resources represent 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.

J. Advertising Costs

All costs associated with advertising and promotions are expenses in the year incurred.

K. Income Tax Status

The School is exempt from federal income taxes under Section 501 (c)(3) of the Internal Revenue Service Code. The School did not have any unrelated business taxable income in the fiscal year presented. The School has reviewed the tax positions for each of the open tax years (2018-19 through 2020-21) or expected to be taken in its 2021-22 tax return and has concluded that there are no significant uncertain tax positions that would require recognition in the financial statements.

L. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Public-School Employees' Retirement System (PSERS) and additions to/deductions from PSERS' fiduciary net position have been determined on the same basis as they are reported by PSERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

M. Other Postemployment Benefits

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEBs, and OPEB expense, information about the fiduciary net position of the Public-School Employees' Retirement System (PSERS) and additions to/deductions from PSERS' fiduciary net position have been determined on the same basis as they are reported by PSERS. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

N. Net Position

Net position represents the difference between assets plus deferred outflows and liabilities plus deferred inflows. Net position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the School or through external restrictions imposed by creditors, grantors, laws or regulations of other governments.

The School applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

CIRCLE OF SEASONS CHARTER SCHOOL
Notes to Basic Financial Statements
Fiscal Year Ended June 30, 2022

O. Fund Balance

The Governmental Accounting Standards Board has established accounting and financial reporting standards for all governments that report governmental funds. They established criteria for classifying fund balances in the following specifically defined classifications:

- **Nonspendable** fund balance includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
- **Restricted** fund balance includes amounts that are restricted externally by creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation.
- **Committed** fund balance includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. Commitments may be changed or lifted only by the government taking the same formal action that imposed that constraint originally. The School's highest level of decision making is the Board of Directors.
- **Assigned** fund balance comprises amounts intended to be used by the government for specific purposes. Intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. The School expresses this intent through board action and has not delegated this authority.
- **Unassigned** fund balance is the residual classification for the general fund and includes all amounts not contained in the other classifications.

P. Implementation of New Accounting Standards

The Governmental Accounting Standards Board (GASB) has issued the following standards that were scheduled to take effect for fiscal year 2021-2022:

GASB Statement No. 87, *Leases*

GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*

GASB Statement No. 93, *Replacement of Interbank Offered Rates*

GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No.*

GASB Statement No. 98, *The Annual Comprehensive Financial Report*

The School has already adopted and implemented all applicable above referenced Statements.

Q. Future Changes in Accounting Standards

The Governmental Accounting Standards Board (GASB) has issued the following standards with future effective dates:

GASB Statement 91, *Conduit Debt Obligations* –Effective for fiscal year 2022-2023

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements* - Effective for fiscal year 2022-2023

CIRCLE OF SEASONS CHARTER SCHOOL
Notes to Basic Financial Statements
Fiscal Year Ended June 30, 2022

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* - Effective for fiscal year 2022-2023

GASB Statement No. 99, *Omnibus 2022* – Effective for fiscal year 2022-2023

GASB Statement No. 100, *Accounting Changes and Error Corrections* – an amendment of GASB Statement No. 62 – Effective for fiscal year 2023-2024

GASB Statement No. 101, *Compensated Absences* – Effective for fiscal year 2024-2025

The School will evaluate the impact each of these pronouncements may have on its financial statements and will implement them as applicable.

Note 3 – Reconciliation of Government-wide and Fund Financial Statements

A. *Explanation of Differences between Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances and the Statement of Activities*

Due to the differences in the measurement focus and basis of accounting used on the government fund statements and School-wide statements certain financial transactions are treated differently. The basic financial statements contain a full reconciliation of these items. The differences between the governmental funds statement of revenues, expenditures and changes in fund balance and the statement of activities fall into one of three broad categories.

The amounts shown in columns on the following page represent:

- a) Long-term revenue differences arise because governmental funds report revenues only when they are considered “available”, whereas the statement of activities reports revenues when earned. Differences in long-term expenses arise because governmental funds report on a modified accrual basis whereas the accrual basis of accounting is used on the statement of activities.
- b) Capital related differences include (1) the difference between proceeds for the sale of capital assets reported on governmental fund statements and the gain or loss on the sale of assets as reported on the statement of activities, and (2) the difference between recording an expenditure for the purchase of capital items in the governmental fund statements, and capitalization and recording of depreciation or amortization expense on those items as recorded in the statement of activities.
- c) Long-term debt transaction differences occur because long-term debt proceeds are recorded as revenue and both interest and principal payments are recorded as expenditures in the governmental fund statements. In the statement of activities, long-term debt proceeds are recorded as a liability; principal payments are recorded as a reduction of liabilities.

CIRCLE OF SEASONS CHARTER SCHOOL
Notes to Basic Financial Statements
Fiscal Year Ended June 30, 2022

	TOTAL GOVERN- MENTAL FUNDS	LONG- TERM REVENUES/ EXPENSES	CAPITAL RELATED ITEMS	LONG-TERM DEBT TRANSACTIONS	TOTAL FOR STATEMENT OF ACTIVITIES
REVENUES AND OTHER SOURCES					
LOCAL SOURCES:					
Revenues from Student Activities	\$ 3,752	\$ -	\$ -	\$ -	\$ 3,752
Miscellaneous	5,056	119,544	-	-	124,600
Contributions and Donations	19,446	-	-	-	19,446
Local Education Agencies	6,940,110	-	-	-	6,940,110
INTERMEDIATE SOURCES:					
Operating and Capital Grants and Contributions	107,613	-	-	-	107,613
STATE SOURCES:					
Operating and Capital Grants and Contributions	18,651	-	-	-	18,651
FEDERAL SOURCES:					
Operating and Capital Grants and Contributions	308,865	-	-	-	308,865
OTHER FINANCING SOURCES (USES)					
Proceeds from Borrowing	-	-	-	-	-
TOTAL REVENUES	<u>7,403,493</u>	<u>119,544</u>	<u>-</u>	<u>-</u>	<u>7,523,037</u>
EXPENDITURES/EXPENSES					
Instruction	4,162,978	(19,206)	(4,338)	-	4,139,434
Instructional Student Support	484,883	(2,003)	-	-	482,880
Admin. & Fin'l Support Services	1,081,612	(1,882)	-	-	1,079,730
Oper. & Maint. of Plant Services	512,713	2,589	(4,350)	-	510,952
Other Support Services	42,221	-	-	-	42,221
Facilities Acquisition, Construction & Improvement	436,100	(1,983)	(434,117)	-	-
Student Activities	60,802	-	-	-	60,802
Capital Outlay	-	-	-	-	-
Debt Service	231,197	-	-	(54,187)	177,010
Depreciation/Amortization - Unallocated	-	-	177,713	-	177,713
TOTAL EXPENDITURES/EXPENSES	<u>7,012,506</u>	<u>(22,485)</u>	<u>(265,092)</u>	<u>(54,187)</u>	<u>6,670,742</u>
NET CHANGE FOR THE YEAR	<u>\$ 390,987</u>	<u>\$ 142,029</u>	<u>\$ 265,092</u>	<u>\$ 54,187</u>	<u>\$ 852,295</u>

Note 4 – Stewardship, Compliance, and Accountability

A. Compliance with finance related legal and contractual provisions

The School has no material violations of finance related legal and contractual provisions.

B. Deficit fund balance or net position of individual funds

The School has no deficit fund balances and no deficit net position.

C. Excess of expenditures over appropriations in individual funds

The General Fund, which has a legally adopted budget, had an excess of expenditures over appropriations.

D. Budgetary Compliance

The School's only legally adopted budget is for the General Fund. All budgetary transfers were made within the last nine months of the fiscal year. The School does not have any outstanding encumbrances at June 30, 2022.

CIRCLE OF SEASONS CHARTER SCHOOL
Notes to Basic Financial Statements
Fiscal Year Ended June 30, 2022

Note 5 – Detailed Notes on All Funds and Account Groups

Assets

Cash

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the School's deposits may not be returned to the School. The School monitors custodial credit risk by periodically reviewing the Federal Deposit Insurance Corporation's ("FDIC") limits and the published credit ratings of its depository banks. Accounts are insured by the FDIC up to \$250,000 for all accounts kept at one financial institution. Under Pennsylvania Act 72, financial institutions pledge collateral on a pooled basis to secure public deposits in excess of FDIC insurance limits. The School has not elected for its accounts to be covered under this act. As of June 30, 2022, the custodial risk is as follows:

Uninsured and uncollateralized	\$	-
Collateralized with securities held by the pledging financial institution		-
Uninsured and collateral held by the pledging bank's trust department not in the School's name		1,784,696
TOTAL	\$	<u>1,784,696</u>

Reconciliation to Financial Statements

Uninsured Amount above	\$	1,784,696
Plus: Insured Amount		250,000
Deposits in Transit		-
Less: Outstanding Checks		<u>(116,296)</u>
Carrying Amount - Cash Balances		1,918,254
Plus: Petty Cash		146
Less: Certificates of Deposit Considered Investments by School Code		-
TOTAL CASH PER FINANCIAL STATEMENTS	\$	<u>1,918,400</u>

Investments

Permitted investments for Pennsylvania Schools are defined in the Public-School Code of 1949, as amended by Act 10 of 2016, as:

1. United States Treasury Bills;
2. Short-term obligations of the United States Government or its agencies or instrumentalities;
3. Deposits in savings accounts, time deposits or share accounts of institutions insured by the F.D.I.C., and,
4. Obligations, participations or other instruments of any Federal Agency, instrumentality or United States government sponsored enterprise, including those issued or fully guaranteed as the principal and interest by Federal agencies, instrumentalities or United States government sponsored enterprises, if the debt obligations are rated at least "A" or its equivalent by at least two nationally recognized statistical ratings organizations.

CIRCLE OF SEASONS CHARTER SCHOOL
Notes to Basic Financial Statements
Fiscal Year Ended June 30, 2022

5. Repurchase agreements with respect to United States Treasury bills or obligations, participations or other instruments of or guaranteed by the United States or any Federal agency, instrumentality or United States government sponsored enterprise.
6. Negotiable certificates of deposit or other evidences of deposit, with a remaining maturity of three years or less, issued by a nationally or State-chartered bank, a Federal or State savings and loan association or a State-licensed branch of a foreign bank. For obligations with a maturity of one year or less, the debt obligations of the issuing institution or its parent must be rated in the top short-term rating category by at least two nationally recognized statistical ratings organizations. For obligations with a maturity in excess of one year, the senior debt obligations of the issuing institution or its parent must be rated at least "A" or its equivalent by at least two nationally recognized statistical ratings organizations.
7. Bills of exchange or time drafts drawn on and accepted by a commercial bank, otherwise known as bankers' acceptances, if the bankers' acceptances do not exceed 180 days maturity and the accepting bank is rated in the top short-term category by at least two nationally recognized statistical ratings organizations.
8. Commercial paper issued by corporations or other business entities organized in accordance with Federal or State law, with a maturity not to exceed 270 days, if the paper is rated in the top short-term category by at least two nationally recognized statistical ratings organizations.
9. Shares of an investment company registered under the Investment Company Act of 1940, whose shares are registered under the Securities Act of 1933 and, if all of the following conditions are met:
 - The investments of the company are the authorized investments listed above.
 - The investment company is managed in accordance with 17 CFR 270.2a-7 (related to money market funds).
 - The investment company is rated in the highest category by a nationally recognized rating agency.
10. Savings or demand deposits placed in accordance with the following conditions:
 - The money is initially deposited and invested through a federally insured institution having a place of business in this Commonwealth, which is selected by the public corporation or municipal authority.
 - The selected institution arranges for the redeposit of the money in savings or demand deposits in one or more financial institutions insured by the Federal Deposit Insurance Corporation, or the account of the public corporation or municipal authority.
 - The full amount of principal and any accrued interest of each such deposit is insured by the Federal Deposit Insurance Corporation.
 - On the same date that the money is redeposited pursuant to above, the selected institution receives an amount of deposits from customers of other financial institutions equal to or greater than the amount of money initially invested through the selected institution by the public corporation or municipal authority.

CIRCLE OF SEASONS CHARTER SCHOOL
Notes to Basic Financial Statements
Fiscal Year Ended June 30, 2022

Fair Value Reporting

The School categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant observable inputs.

As of June 30, 2022, the School did not have any investments.

Due from Other Governments

Due from other governments represent receivables for revenues earned by the School. As of June 30, 2022, the following amounts are due from other governmental units:

Due From	General Fund
Local	\$ 563,433
State	6,548
Federal	<u>332,652</u>
TOTAL	<u>\$ 902,633</u>

Capital Assets

Capital asset balances and activity for the year ending June 30, 2022, were:

	BEGINNING BALANCE	INCREASES	DECREASES	ENDING BALANCE
GOVERNMENTAL ACTIVITIES:				
Capital Assets not being depreciated:				
Land	\$ 239,043	\$ -	\$ -	\$ 239,043
TOTAL CAPITAL ASSETS NOT BEING DEPRECIATED OR AMORTIZED	<u>239,043</u>	<u>-</u>	<u>-</u>	<u>239,043</u>
Capital Assets being depreciated:				
Building & Improvements	5,687,214	434,118	-	6,121,332
Furniture and Equipment	98,601	8,688	-	107,289
TOTAL CAPITAL ASSETS BEING DEPRECIATED OR AMORTIZED	<u>5,785,815</u>	<u>442,806</u>	<u>-</u>	<u>6,228,621</u>
Less Accumulated Depreciation/Amortization for:				
Building & Improvements	(1,139,943)	(164,202)	-	(1,304,145)
Furniture and Equipment	(50,945)	(13,511)	-	(64,456)
TOTAL ACCUMULATED DEPRECIATION/AMORTIZATION	<u>(1,190,888)</u>	<u>(177,713)</u>	<u>-</u>	<u>(1,368,601)</u>
TOTAL CAPITAL ASSETS BEING DEPRECIATED NET OF ACCUMULATED DEPRECIATION/AMORTIZATION	<u>4,594,927</u>	<u>265,093</u>	<u>-</u>	<u>4,860,020</u>
GOVERNMENTAL ACTIVITIES CAPITAL ASSETS, NET OF ACCUMULATED DEPRECIATION/AMORTIZATION	<u>\$ 4,833,970</u>	<u>\$ 265,093</u>	<u>\$ -</u>	<u>\$ 5,099,063</u>

CIRCLE OF SEASONS CHARTER SCHOOL
Notes to Basic Financial Statements
Fiscal Year Ended June 30, 2022

***DEPRECIATION EXPENSE WAS CHARGED TO GOVERNMENTAL FUNCTIONS AS FOLLOWS:**

Regular Programs	\$	-
Other Programs		-
Special Education		-
Guidance Services		-
Psychological Services		-
Social Services		-
Support Services - Instructional Staff		-
Support Services - Administration		-
Board Services		-
Legal Services		-
Office of the Executive Director Services		-
Community Relations Services		-
Office of the Principal Services		-
Pupil Health Services		-
Support Services - Business		-
Operation of Building Services		-
Student Transportation Services		-
Support Services - Central		-
System-Wide Technology Services		-
Human Resources		-
Temporary Services		-
Student Activities		-
Depreciation/Amortization - Unallocated		<u>177,713</u>
TOTAL DEPRECIATION FOR GOVERNMENTAL ACTIVITIES	\$	<u>177,713</u>

Deferred Outflows and Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflow of resources, represents a consumption of net position or fund balance that applies to a future period(s) and thus, will not be recognized as an outflow of resources (expense/expenditure) until then. The School has the following items that qualify for reporting in this category:

Deferred Outflows related to Pensions (See detailed Pension Note)	\$	224,420
Deferred Outflows related to OPEB (See detailed OPEB Note)		<u>17,049</u>
TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$	<u>241,469</u>

In addition to liabilities, the statement of financial 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 for fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

CIRCLE OF SEASONS CHARTER SCHOOL
Notes to Basic Financial Statements
Fiscal Year Ended June 30, 2022

The School has the following items that qualify for reporting in this category.

Deferred Inflows related to Pensions (See detailed Pension Note)	\$ 490,000
Deferred Inflows related to OPEB (See detailed OPEB Note)	20,000
Deferred Inflows related to Deferred Revenue	2,219
TOTAL DEFERRED INFLOWS OF RESOURCES	\$ 512,219

Long-Term Liabilities

Long-term liabilities balances and activity for the year ended June 30, 2022 were:

	BEGINNING BALANCE	ADDITIONS	REDUCTIONS	ENDING BALANCE	AMOUNTS DUE WITHIN ONE YEAR
GOVERNMENTAL ACTIVITIES:					
<i>General Obligation Debt:</i>					
Fixed Rate Term Loan	\$ -	\$ -	\$ -	\$ -	\$ -
Construction Fixed Rate Term Loan	-	-	-	-	-
Commercial Term Note	4,649,537	-	90,499	4,559,038	93,764
Bank Line-of-Credit	-	-	-	-	-
<i>Total General Obligation Debt</i>	<u>4,649,537</u>	<u>-</u>	<u>90,499</u>	<u>4,559,038</u>	<u>93,764</u>
<i>Other Liabilities:</i>					
Compensated Absences	35,070	12,588	35,070	12,588	-
Unfunded OPEB	84,000	-	8,000	76,000	-
Unfunded Pension	1,920,000	-	606,000	1,314,000	-
<i>Total Other Liabilities</i>	<u>2,039,070</u>	<u>12,588</u>	<u>649,070</u>	<u>1,402,588</u>	<u>-</u>
TOTAL GOVERNMENTAL ACTIVITY					
LONG-TERM LIABILITIES	\$ 6,688,607	\$ 12,588	\$ 739,569	\$ 5,961,626	\$ 93,764

Payments on the fixed rate term loans and line-of-credit are made by the General Fund. Total interest paid during the year by the General Fund was \$177,010.

Commercial Term Note

On June 4, 2021, the School entered into fixed term note agreement with Peoples Security Bank and Trust Company for \$4,649,537. The purpose of this loan was to pay off the construction and fixed rate term loans the School had with Reinvestment Fund, Inc., which were used in the purchase and construction of the School's building. The loan is secured by the mortgage on the building. The interest rate is fixed at 3.55% with quarterly principal and interest payments. The loan matures in May of 2026 with a balloon payment of \$4,306,788. The outstanding debt service requirements at June 30, 2022 are:

FISCAL YEAR	PRINCIPAL	INTEREST
2023	\$ 93,764	\$ 162,587
2024	97,148	159,600
2025	100,652	155,623
2026	4,267,474	174,903
TOTAL OUTSTANDING	\$ 4,559,038	\$ 652,713

CIRCLE OF SEASONS CHARTER SCHOOL
Notes to Basic Financial Statements
Fiscal Year Ended June 30, 2022

Bank Line of Credit

On January 7, 2019, the School entered into a \$200,000 line-of-credit with Peoples Security Bank & Trust. The line-of-credit, which requires monthly payments of interest and renews on a year-to-year basis and is secured by a mortgage on the building acquired by the School. As of June 30, 2022, there was no outstanding balance on the line-of-credit.

Compensated Absences

Paid Time-Off Days

Circle of Seasons Charter School provides paid leave benefits (herein referred to as Paid Time Off or PTO) to all full-time employees for periods of temporary absence due to illnesses, injuries or personal needs.

Full-time salaried employees receive 10 to 20 paid PTO days from July 1 to June 30. PTO days must be approved in accordance with the guidelines established by COS. If the employee does not use all of their days by June 30, they may carry over 5 days and will be paid out at their daily rate.

In accordance with GASB Statement No. 16, the portion of unused PTO earned at June 30, 2022, that will use currently available financial resources is \$0, including fica tax and retirement contributions.

The remaining unused paid time-off earned at June 30, 2022, of \$12,588, including fica tax and retirement contributions is recorded as a long-term liability in the governmental activities' column of the government-wide statement of net position.

Defined Benefit Pension Plans

General Information about the Pension Plan

Plan Description

PSERS is a governmental cost-sharing multiple-employer defined benefit pension plan that provides retirement benefits to public school employees of the Commonwealth of Pennsylvania. The members eligible to participate in the System include all full-time public-school employees, part-time hourly public-school employees who render at least 500 hours of service in the school year, and part-time per diem public school employees who render at least 80 days of service in the school year in any of the reporting entities in Pennsylvania. PSERS issues a publicly available financial report that can be obtained at www.psers.pa.gov.

Benefits Provided

PSERS provides retirement, disability, and death benefits. Members are eligible for monthly retirement benefits upon reaching (a) age 62 with at least 1 year of credited service; (b) age 60 with 30 or more years of credited service; or (c) 35 or more years of service regardless of age. Act 120 of 2010 (Act 12) preserves the benefits of existing members and introduced benefit reductions for individuals who become new members on or after July 1, 2011. Act 120 created two new membership classes, Membership Class T-3 (Class T-E) and Membership Class T-F (Class T-F). To qualify for normal retirement, Class T-E and Class T-F members must work until age 65 with a minimum of 3 years of service or attain a total combination of age and service that is equal to or greater than 92 with a minimum of 35 years of service. Benefits are generally equal to 2% or 2.5%, depending upon membership class, of the member's final average salary (as defined in the Code) multiplied by the number of years of credited service. For members whose membership started prior to July 1, 2011, after completion of five years of service, a member's right to the defined benefits is vested and early retirement benefits may be elected. For Class T-E and Class T-F members, the right to benefits is vested after ten years of service.

CIRCLE OF SEASONS CHARTER SCHOOL
Notes to Basic Financial Statements
Fiscal Year Ended June 30, 2022

Participants are eligible for disability retirement benefits after completion of five years of credited service. Such benefits are generally equal to 2% or 2.5%, depending upon membership class, of the member's final average salary (as defined in the code) multiplied by the number of years of credited service, but not less than one-third of such salary nor greater than the benefit the member would have had at normal retirement age. Members over normal retirement age may apply for disability benefits.

Death benefits are payable upon the death of an active member who has reached age 52 with at least one year of credited service (age 65 with at least three years of credited service for Class T-E and Class T-F members) or who has at least five years of credited service (ten years for Class T-E and Class T-F members). Such benefits are actuarially equivalent to the benefit that would have been effective if the member had retired on the day before death.

Contributions

Member Contributions:

The contributions rates based on qualified member compensation for virtually all members are presented below:

Member Contributions Rates				
Membership Class	Continuous Employment Since	Defined Benefit (DB) Contribution Rate	DC Contribution Rate	Total Contribution Rate
T-C	Prior to July 22, 1983	5.25%	N/A	5.25%
				6.25%
T-C	On or after July 22, 1983	6.25%	N/A	6.25%
T-D	Prior to July 22, 1983	6.50%	N/A	6.50%
T-D	On or after July 22, 1983	7.50%	N/A	7.50%
T-E	On or after July 1, 2011	7.50% base rate with shared risk provision	N/A	7.50%
T-F	On or after July 1, 2011	10.30% base rate with shared risk provision	N/A	10.30%
T-G	On or after July 1, 2019	5.50% base rate with shared risk provision	2.75%	8.25%
T-H	On or after July 1, 2019	4.50% base rate with shared risk provision	3.00%	7.50%
DC	On or after July 1, 2019	N/A	7.50%	7.50%

Shared Risk Program Summary				
Membership Class	Defined Benefit (DB) Base Rate	Shared Risk Increment	Minimum	Maximum
T-E	7.50%	+/- 0.50%	5.50%	9.50%
T-F	10.30%	+/- 0.50%	8.30%	12.30%
T-G	5.50%	+/- 0.75%	2.50%	8.50%
T-H	4.50%	+/- 0.75%	1.50%	7.50%

Employer Contributions:

The school districts' contractually required contributions rate for the fiscal year ended June 30, 2022 was 33.99% of covered payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount of finance any unfunded accrued liability. Contributions to the pension plan from the School were \$87,420 for the year ended June 30, 2022.

*The defined contribution rate of 0.15% is an estimated rate. It is recommended employers use the actual defined contributions made to the PSERS defined contribution plan. This may impact contributions made to the pension plan.

CIRCLE OF SEASONS CHARTER SCHOOL
Notes to Basic Financial Statements
Fiscal Year Ended June 30, 2022

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

At June 30, 2022, the School reported a liability of \$1,314,000 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by rolling forward the System's total pension liability as of June 30, 2020 to June 30, 2021. The School's proportion of the net pension liability was calculated utilizing the employer's one-year reported contributions as it relates to the total one-year reported contributions. At June 30, 2022, the School's proportion was 0.0032 percent, which was a decrease of 0.0007% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2022, the School recognized pension expense of \$87,420. At June 30, 2022, the School reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Difference between expected and actual experience	\$ 1,000	\$ 17,000
Changes in assumptions	64,000	-
Net difference between projected and actual investment earnings	-	209,000
Changes in proportions	72,000	264,000
Difference between employer contributions and proportionate share of total contributions	-	-
Contributions subsequent to the measurement date	87,420	-
TOTAL	\$ 224,420	\$ 490,000

\$87,420 reported as deferred outflows of resources related to pensions resulting from School contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:	Amount
2023	\$ (74,000)
2024	(110,000)
2025	(68,000)
2026	-
Thereafter	-
TOTAL	\$ (252,000)

CIRCLE OF SEASONS CHARTER SCHOOL
Notes to Basic Financial Statements
Fiscal Year Ended June 30, 2022

Changes in Actuarial Assumptions

The total pension liability at June 30, 2021 was determined by rolling forward the System's total pension liability at June 30, 2020 to June 30, 2021 using the following actuarial assumptions, applied to all periods included in the measurement:

- Valuation Date – June 30, 2020
- Actuarial cost method – Entry Age Normal – level % of pay.
- Investment return – 7.00%, includes inflation at 2.50%
- Salary growth – Effective average of 4.50%, comprised of inflation of 2.50% and 2.00% for real wage growth and for merit or seniority increases.
- Mortality rates were based on a blend of 50% PubT-2010 and 50% PubG-2010 Retiree Tables for Males and Females, adjusted to reflect PSERS' experience and projected using a modified version of the MP-2020 Improvement Scale.
- The discount rate used to measure the Total Pension Liability decreased from 7.25% as of June 30, 2020 to 7.00% as of June 30, 2021.
- Demographic and economic assumptions approved by the Board for use effective with the June 30, 2021 actuarial valuation:
 - Salary growth rate – decreased from 5.00% to 4.50%
 - Real wage growth and merit or seniority increases (components for salary growth) – decreased from 2.75% and 2.25% to 2.50% and 2.00%, respectively.
 - Mortality rates – Previously based on the RP-2014 Mortality Tables for Males and Females, adjusted to reflect PSERS' experience and projected using a modified version of the MP-2015 Mortality Improvement Scale. Effective with the June 30, 2021 actuarial valuation, mortality rates are based on a blend of 50% PubT-2010 and 50% PubG-2010 Retiree Tables for Males and Females, adjusted to reflect PSERS' experience and projected using a modified version of the MP-2020 Improvement Scale.

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study that was performed for the five-year the period ending June 30, 2020.

The long-term expected rate of return on pension plan investment was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The pension plan's policy in regard to the allocation of invested plan assets is established and may be amended by the Board. Plan assets are managed with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the pension.

CIRCLE OF SEASONS CHARTER SCHOOL
Notes to Basic Financial Statements
Fiscal Year Ended June 30, 2022

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Public Equity	27.0%	5.2%
Private Equity	12.0%	7.3%
Fixed Income	35.0%	1.8%
Commodities	10.0%	2.0%
Absolute Return	8.0%	3.1%
Infrastructure/MLPs	8.0%	5.1%
Real Estate	10.0%	4.7%
Cash	3.0%	(0.1%)
Financing (LIBOR)	(13.0%)	(0.1%)
TOTAL	100.0%	

The above was the Board's adopted asset allocation policy and best estimates of geometric real rates of return for each major asset class as of June 30, 2021.

Discount Rate

The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position as projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the School's proportionate share of the net pension liability to changes in the discount rate

The following presents the net pension liability, calculated using the discount rate of 7.25%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
School's proportionate share of the net pension liability	<u>\$ 1,724,000</u>	<u>\$ 1,314,000</u>	<u>\$ 967,000</u>

Pension plan fiduciary net position

Detailed information about PSERS' fiduciary net position is available in PSERS Comprehensive Annual Financial Report which can be found on the System's website at www.psers.pa.gov.

CIRCLE OF SEASONS CHARTER SCHOOL
Notes to Basic Financial Statements
Fiscal Year Ended June 30, 2022

Other Post-Employment Benefits

General Information about the Health Insurance Premium Assistance Program

Health Insurance Premium Assistance Program

The System provides Premium Assistance, which is a governmental cost sharing, multiple-employer other postemployment benefit plan (OPEB) for all eligible retirees who qualify and elect to participate. Employer contribution rates for Premium Assistance are established to provide reserves in the Health Insurance Account that are sufficient for the payment of Premium Assistance benefits for each succeeding year. Effective January 1, 2002 under the provisions of Act 9 of 2001, participating eligible retirees are entitled to receive premium assistance payments equal to the lesser of \$100 per month or their out-of-pocket monthly health insurance premium. To receive premium assistance, eligible retirees must obtain their health insurance through either their school employer or the PSERS' Health Option Program. As of June 30, 2020, there were no assumed future benefit increases to participating eligible retirees.

Premium Assistance Eligibility Criteria

Retirees of the System can participate in the Premium Assistance program if they satisfy the following criteria:

- Have 24 ½ or more years of service, or
- Are a disability retiree, or
- Have 15 or more years of service and retired after reaching superannuation age, and
- Participate in the HOP or employer-sponsored health insurance program.

Pension Plan Description

PSERS is a governmental cost-sharing multiple-employer defined benefit pension plan that provided retirement benefits to public school employees of the Commonwealth of Pennsylvania. The members eligible to participate in the System include all full-time public-school employees, part-time hourly public-school employees who render at least 500 hours of service in the school year, and part-time per diem public school employees who render at least 80 days of service in the school year in any of the reporting entities in Pennsylvania. PSERS issues a publicly available financial report that can be obtained at www.psers.pa.gov.

Benefits Provided

Participating eligible retirees are entitled to receive premium assistance payments equal to the lesser of \$100 per month or their out-of-pocket monthly health insurance premium. To receive premium assistance, eligible retirees must obtain their health insurance through either their school employer or the PSERS' Health Options Program. As of June 30, 2021, there were no assumed future benefit increases to participating eligible retirees.

Employer Contributions:

The school districts' contractually required contributions rate for the fiscal year ended June 30, 2022 was 0.80% of covered payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the OPEB plan from the School/Center were \$2,049 for the year ended June 30, 2022.

CIRCLE OF SEASONS CHARTER SCHOOL
Notes to Basic Financial Statements
Fiscal Year Ended June 30, 2022

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

At June 30, 2022, the School reported a liability of \$76,000 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by rolling forward the System's total OPEB liability as of June 30, 2020 to June 30, 2021. The School's proportion of the net OPEB liability was calculated utilizing the employer's one-year reported covered payroll as it relates to the total one-year reported covered payroll. At June 30, 2022, the School's proportion was 0.0032%, which was a decrease of 0.0007% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2022, the School/Center recognized OPEB expense of \$,2049. At June 30, 2022, the School reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Difference between expected and actual experience	\$ 1,000	\$ -
Changes in assumptions	8,000	1,000
Net difference between projected and actual investment earnings	-	-
Changes in proportions	6,000	19,000
Difference between employer contributions and proportionate share of total contributions	-	-
Contributions subsequent to the measurement date	2,049	-
TOTAL	\$ 17,049	\$ 20,000

\$2,049 reported as deferred outflows of resources related to OPEBs resulting from School contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30:	Amount
2023	\$ (2,000)
2024	1,000
2025	-
2026	-
Thereafter	\$ (1,000)

Actuarial Assumptions

The total OPEB liability at June 30, 2021 was determined by rolling forward the System's total OPEB liability at June 30, 2020 to June 30, 2021 using the following actuarial assumptions, applied to all periods included in the measurement:

- Actuarial cost method – Entry Age Normal – level % of pay.
- Investment return – 2.18% - S&P 20 Year Municipal Bond Rate

CIRCLE OF SEASONS CHARTER SCHOOL
Notes to Basic Financial Statements
Fiscal Year Ended June 30, 2022

- Salary growth – Effective average of 4.5%, comprised of inflation of 2.50% and 2.00% for real wage growth and for merit or seniority increases.
- Premium Assistance reimbursement is capped at \$1,200 per year.
- Assumed Healthcare cost trends were applied to retirees with less than \$1,200 in premium assistance per year.
- Mortality rates were based on a blend of 50% PubT-2010 and 50% PubG-2010 Retiree Tables for Males and Females, adjusted to reflect PSERS’ experience and projected using a modified version of the MP-2020 Improvement Scale.
- Participation rate:
 - Eligible retirees will elect to participate Pre age 65 at 50%
 - Eligible retirees will elect to participate Pre age 65 at 70%

The actuarial assumption used in the June 30, 2020 valuation were based on the results of an actuarial experience study that was performed for the five year the period ending June 30, 2015.

The following assumptions were used to determine the contribution rate:

- The results of the actuarial valuation as of June 30, 2019 determined the employer contribution rate for fiscal year 2021.
- Cost Method: Amount necessary to assure solvency of Premium Assistance through the third fiscal year after the valuation date.
- Asset valuation method: Market Value.
- Participation rate: 63% of eligible retirees are assumed to elect premium assistance.
- Mortality Tables for Males and Females, adjusted to reflect PSERS’ experience and projected using a modified version of the MP-2015 Mortality Improvement Scale.

Investments consist primarily of short-term assets designed to protect the principal of the plan assets. The expected rate of return on OPEB plan investments was determined using the OPEB asset allocation policy and best estimates of geometric real rates of return for each asset class.

The OPEB plan’s policy in regard to the allocation of invested plan assets is established and may be amended by the Board. Under the program, as defined in the retirement code employer contribution rates for Premium Assistance are established to provide reserves in the Health Insurance Account that are sufficient for the payment of Premium Assistance benefits for each succeeding year.

OPEB - Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	79.8%	(0.1%)
US Core Fixed Income	17.5%	(0.7%)
Non-US Developed Fixed	2.7%	(0.3%)
TOTAL	100.0%	

CIRCLE OF SEASONS CHARTER SCHOOL
Notes to Basic Financial Statements
Fiscal Year Ended June 30, 2022

The above was the Board's adopted asset allocation policy and best estimates of geometric real rates of return for each major asset class as of June 30, 2021.

Discount Rate

The discount rate used to measure the total OPEB liability was 2.18%. Under the plan's funding policy, contributions are structured for short-term funding of Premium Assistance. The funding policy sets contribution rates necessary to assure solvency of Premium Assistance through the third fiscal year after the actuarial valuation date. The Premium Assistance account is funded to establish reserves that are sufficient for the payment of Premium Assistance benefits for each succeeding year. Due to the short-term funding policy, the OPEB plan's fiduciary net position was not projected to be sufficient to meet projected future benefit payments, therefore the plan is considered a "pay-as-you-go" plan. A discount rate of 2.18% which represents the S&P 20-year Municipal Bond Rate at June 30, 2021, was applied to all projected benefit payments to measure the total OPEB liability.

Sensitivity of the System Net OPEB Liability to Change in Healthcare Cost Trend Rates

Healthcare cost trends were applied to retirees receiving less than \$1,200 in annual Premium Assistance. As of June 30, 2021, retirees Premium Assistance benefits are not subject to future healthcare cost increases. The annual Premium Assistance reimbursement for qualifying retirees is capped at a maximum of \$1,200. As of June 30, 2021, 93,392 retirees were receiving the maximum amount allowed of \$1,200 per year. As of June 30, 2020, 611 members were receiving less than the maximum amount allowed of \$1,200 per year. The actual number of retirees receiving less than the \$1,200 per year cap is a small percentage of the total population and has a minimal impact on Healthcare Cost Trends as depicted below.

The following presents the net OPEB liability for June 30, 2021, calculated using current Healthcare cost trends as well as what the System net OPEB liability would be if the health cost trends were 1-percentage point lower or 1-percentage point higher than the current rate:

	Dollar Amounts in Thousands		
	Current Trend		
	1% Decrease	Rate	1% Increase
System Net OPEB liability	\$ 76,000	\$ 76,000	\$ 76,000

Sensitivity of the School's proportionate share of the net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability, calculated using the discount rate of 2.66%, as well as what the net OPEB Liability would be if it were calculated using a discount rate that is 1-percentage point lower (1.66%) or 1-percentage-point higher (3.66%) than the current rate:

	1% Decrease	Current Discount	1% Increase
	1.18%	Rate	3.18%
	2.18%	Rate	3.18%
School's proportionate share of net OPEB liability	\$ 87,000	\$ 76,000	\$ 67,000

CIRCLE OF SEASONS CHARTER SCHOOL
Notes to Basic Financial Statements
Fiscal Year Ended June 30, 2022

Defined Contribution Retirement Plan Alternative to Pennsylvania School Employees' Retirement System

All new employees (hired on or after July 1, 2016) whether or not they were previously members of PSERS will be enrolled in the alternative retirement program and are not eligible to be enrolled in PSERS. All current employees (hired prior to July 1, 2016) of the Charter School who are currently members of PSERS shall remain members of PSERS but can contribute to the alternative retirement plan without the School matching those contributions. In the 2022 fiscal year, the School contributed \$161,277 to the plan.

Note 6 – Risk Management

The School is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The School carries commercial insurance for such risks. There has been no significant reduction in insurance coverage from inception in any of the School's policies.

Note 7 – Local Educational Agencies Revenues

Charter Schools are funded by the local public-school districts in which each student resides. The rate per student is determined annually and is based on the budgeted total expenditure per average daily membership of the prior school year for each school district. The annual rate is paid monthly by each sending school district and is prorated if a student enters or leaves during the year. Total tuition revenue from other local education agencies was \$6,940,110.

Note 8 – Government Grants and Reimbursement Programs

The School participates in numerous state and federal grant and reimbursement programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs and reimbursement programs for retirement expenses, and facility lease costs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the School has not complied with the rules and regulations governing the grants and reimbursement programs, refunds of any money received may be required and the collectability of any related receivables may be impaired. In the opinion of the School, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies.

Note 9 – Contingencies

From time to time the School is a party to legal proceedings including claims involving employment and other matters. The School carries insurance coverage against all such claims. Any such claims are vigorously defended by the School and its indemnities. Management believes that such legal proceedings to which it may become party to would not have a material adverse effect upon its financial position or results of operations. According to the School's legal counsel, as of June 30, 2022, there was no material pending or threatened litigation.

Note 10 – Restricted Net Position

Invested in Capital Assets, Net of Related Debt

The component of this restriction in the governmental activities' column is total capital assets (net of depreciation and amortization) of \$5,099,063 less related debt of \$4,559,038.

Other Restrictions

This restriction of \$332,652 pertains to federal grant receivables at year-end.

CIRCLE OF SEASONS CHARTER SCHOOL
Notes to Basic Financial Statements
Fiscal Year Ended June 30, 2022

Note 11 – Governmental Fund Balances

Detailed information about aggregated fund balances:

Nonspendable Fund Balance

Prepaid Expenditures	\$ 26,071
Security Deposit	<u>1,000</u>
TOTAL	<u><u>\$ 27,071</u></u>

Restricted Fund Balance

Restricted for use in Federal Programs is \$332,652.

Assigned Fund Balance

The Board has assigned \$2,420,223 of the school fund balance to be used for the following purpose:

Debt Service	\$ 2,420,223
TOTAL	<u><u>\$ 2,420,223</u></u>

The School's highest level of decision making is the Board of Directors.

A resolution of the Board of Directors is required to establish, modify or rescind a fund balance commitment or assignment.

As of June 30, 2022, there was no unassigned fund balance.

Note 12 – Subsequent Events

On March 13, 2020, the President of the United States declared a national emergency concerning the novel coronavirus disease (COVID-19) outbreak.

The full impact of the coronavirus continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the School's financial condition and future results of operations. Management is actively monitoring the situation and its impact on the School's financial condition. Given the daily evolution of the coronavirus and the global responses to curb its spread, the School is currently not able to estimate the effects of the coronavirus on its results of operations and financial condition.

While the School considers these disruptions to be temporary, if it continues, the situation could have an adverse effect on the School's future operations.

Subsequent events have been evaluated through November 11, 2022, which is the date the financial statements were available to be issued.



November 11, 2022

Board of Trustees
Circle of Seasons Charter School
8380 Mohr Lane
Fogelsville, PA 18051

**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**

We have audited the basic financial statements of the governmental activities and the general fund of The Circle of Seasons Charter School, as of and for the year ended June 30, 2022, which collectively comprise the Circle of Seasons Charter School's basic financial statements and have issued our report thereon dated November 11, 2022. 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.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Circle of Seasons Charter School's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Circle of Seasons Charter School's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Circle of Seasons Charter School's internal control over financial reporting.

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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

CIRCLE OF SEASONS CHARTER SCHOOL

Compliance and Other Matters

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

Purpose of this Report

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

Respectfully submitted,

Hutchinson, Gillahan & Freeh, P.C.

November 11, 2022

REQUIRED SUPPLEMENTARY INFORMATION

CIRCLE OF SEASONS CHARTER SCHOOL
Schedule of the School's Proportionate Share of the Net Pension Liability
Last 10 Fiscal Years**

	Fiscal Year Ended June 30,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
School's Proportionate of the Net Pension Liability	0.0032%	0.0039%	0.0036%	0.0037%	0.0035%	0.0044%	0.0061%	0.0046%	-	-
School's Proportionate Share of the Net Pension Liability	\$ 131,400	\$ 1,920,000	\$ 1,684,000	\$ 1,776,000	\$ 1,729,000	\$ 2,181,000	\$ 2,642,000	\$ 1,821,000	-	-
School's Covered Employee Payroll	\$ 252,536	\$ 451,484	\$ 526,157	\$ 517,039	\$ 501,916	\$ 463,960	\$ 786,160	\$ 584,369	-	-
School's Proportionate Share of the Net Pension Liability as a percentage of its Covered Employee Payroll	520.32%	425.26%	320.06%	343.49%	344.48%	470.08%	336.06%	311.62%	-	-
Plan Fiduciary Net Pension as a percentage of the Total Pension Liability	63.67%	54.32%	55.66%	54.00%	51.84%	50.14%	54.36%	57.24%	-	-

** Due to the recent reporting requirement implementation, this schedule is shown to prospectively using information available at the implementation date.

CIRCLE OF SEASONS CHARTER SCHOOL
Schedule of School Contributions to the Pension Plan
Last 10 Fiscal Years**

	Fiscal Year Ended June 30,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually Required Contributions	\$ 87,420	\$ 153,196	\$ 175,996	\$ 167,255	\$ 162,160	\$ 135,476	\$ 170,050	\$ 353,501	\$ 119,392	-
Contributions in Relation to Contractually Required Contributions	(87,420)	(153,196)	(175,996)	(167,255)	(162,160)	(135,476)	(170,050)	(353,501)	(119,392)	-
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 49,349	\$ 40,865	\$ -	-
School's Covered Payroll	252,536	451,484	526,157	517,039	501,916	463,960	786,160	584,369	-	-
Plan Fiduciary Net Pension as a percentage of the Total Pension Liability	34.62%	33.93%	33.45%	32.35%	32.31%	29.20%	21.63%	27.77%	-	-

** Due to the recent reporting requirement implementation, this schedule is shown to prospectively using information available at the implementation date.

CIRCLE OF SEASONS CHARTER SCHOOL
Schedule of the School's Proportionate Share of the Net OPEB Liability
Last 10 Fiscal Years**

	Fiscal Year Ended June 30,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
School's Proportionate of the Net OPEB Liability	0.0032%	0.0039%	0.0036%	0.0037%	0.0035%	-	-	-	-	-
School's Proportionate Share of the Net OPEB Liability	\$ 76,000	\$ 84,000	\$ 77,000	\$ 77,000	\$ 71,000	-	-	-	-	-
School's Covered Employee Payroll	\$ 252,536	\$ 451,484	\$ 526,157	\$ 517,039	\$ 501,916	-	-	-	-	-
School's Proportionate Share of the Net OPEB Liability as a percentage of its Covered Employee Payroll	30.09%	18.61%	14.63%	14.89%	14.15%	-	-	-	-	-
Plan Fiduciary Net Pension as a percentage of the Total OPEB Liability	5.30%	5.56%	5.56%	5.56%	5.47%	-	-	-	-	-

** Due to the recent reporting requirement implementation, this schedule is shown to prospectively using information available at the implementation date.

CIRCLE OF SEASONS CHARTER SCHOOL
Schedule of School Contributions to the OPEB Plan
Last 10 Fiscal Years**

	Fiscal Year Ended June 30,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually Required Contributions	\$ 2,049	\$ 3,729	\$ 4,420	\$ 4,308	4,240	-	-	-	-	-
Contributions in Relation to Contractually Required Contributions	(2,049)	(3,729)	(4,420)	(4,308)	(4,240)	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	-	-	-	-	-	-
School's Covered Payroll	252,536	451,484	526,157	517,039	501,916	-	-	-	-	-
OPEB Contributions as a Percentage Of Covered-Employee Payroll	0.81%	0.83%	0.84%	0.83%	0.84%	-	-	-	-	-

** Due to the recent reporting requirement implementation, this schedule is shown to prospectively using information available at the implementation date.

SUPPLEMENTARY INFORMATION

CIRCLE OF SEASONS CHARTER SCHOOL
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended June 30, 2022

REVENUES

LOCAL SOURCES:

Interest/Dividends	\$ -	
Revenues from Student Activities	3,752	
Revenue Received from Intermediate Sources - Federal	107,613	
Health Services	-	
Revenue Received from Other LEAs	6,940,110	
Contributions/Fundraising	19,446	
Fees	-	
Miscellaneous	<u>5,056</u>	
TOTAL LOCAL SOURCE REVENUE		\$ 7,075,977

STATE SOURCES:

Health	6,112	
Other	<u>12,539</u>	
TOTAL STATE SOURCE REVENUE		18,651

FEDERAL SOURCES:

Title I	69,085	
Title II	9,927	
Title III	798	
Title IV	10,000	
ESSER II	189,000	
ESSER III	<u>30,055</u>	
TOTAL FEDERAL SOURCE REVENUE		<u>308,865</u>

TOTAL REVENUES **\$ 7,403,493**

CIRCLE OF SEASONS CHARTER SCHOOL
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended June 30, 2022

EXPENDITURES

Instruction	\$	3,094,727
Special Program		1,068,251
Pupil Personnel		26,194
Pupil Personnel - Guidance		189,823
Pupil Personnel - Psychological Services		48,701
Pupil Personnel - Speech		68,705
Support Services - Legal Services		54,072
CEO		177,663
Office of the Principal Services		355,671
Other Administrative Services		350,184
Pupil Health Services		151,460
Support Services - Business		144,022
Operation of Building Services		512,713
Support Services - IT		42,221
Student Activities		60,802
Facilities Acquisition, Construction and Improvement		436,100
Debt Service		231,197
		231,197
TOTAL EXPENDITURES		\$ 7,012,506

EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		\$ 390,987
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OTHER FINANCING SOURCES (USES)

Proceeds from Borrowing	\$	-
Refund of Prior Year Expenditures		-
Refund of Prior Year Receipts		-
		-
TOTAL OTHER FINANCING SOURCES		\$ -

NET CHANGE IN FUND BALANCE		\$ 390,987
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FUND BALANCE - JULY 1, 2021		2,388,959
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FUND BALANCE - JUNE 30, 2022		\$ 2,779,946
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