

Grand Blanc Academy

Financial Statements

June 30, 2021



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Grand Blanc Academy
Members of the Board of Directors and Administration
June 30, 2021

Members of the Board of Directors

Angelo Powell	President
Jennifer Kotwicki	Vice President
Alyssa Stewart	Treasurer
JoAnn McCann	Secretary

Administration

Patty Wood	School Leader
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Independent Auditors' Report

To Management and the Board of Directors
Grand Blanc Academy
Grand Blanc, Michigan

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Grand Blanc Academy, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Academy's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Grand Blanc Academy, as of June 30, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Adoption of New Account Standards

As described in Note 1 to the financial statements, during the year ended June 30, 2021, the Academy adopted GASB Statement No. 84, *Fiduciary Activities*. Our opinions are not modified with respect to this matter.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison schedule, as identified in the table of contents, 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 financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information, because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 21, 2021 on our consideration of Grand Blanc Academy's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Grand Blanc Academy's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Grand Blanc Academy's internal control over financial reporting and compliance.

Yeo & Yeo, P.C.

Flint, Michigan
October 21, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS

MANAGEMENT’S DISCUSSION AND ANALYSIS

Grand Blanc Academy is a preschool through 8th grade Public School Academy located in Grand Blanc, Michigan. This Management’s Discussion and Analysis, a requirement of GASB 34, is intended to be the Grand Blanc Academy administration’s discussion and analysis of the financial results for the fiscal year ended June 30, 2021.

FINANCIAL HIGHLIGHTS OF THE ACADEMY

	Current Fiscal Year	Prior Fiscal Year
State Aid Funding Per Pupil	\$8,111	\$8,111
Enrollment	263	333
General Fund Balance Increase/(Decrease)	\$174,080	(\$244,162)
General Fund Balance as percent of Unrestricted State Aid Revenue	21%	14%
Instructional Expenditures as percent of Total Expenditures	43%	45%

OVERVIEW OF THE FINANCIAL STATEMENTS

U.S. generally accepted accounting principles (GAAP) according to GASB 34 requires the reporting of two types of financial statements: Academy-wide Financial Statements and Fund Financial Statements.

FUND FINANCIAL STATEMENTS:

For the most part, the fund financial statements are comparable to general purpose financial statements. The primary difference is that the Account Groups: General Fixed Assets and General Long-Term Debt are no longer reported. The fund level statements are reported on a modified accrual basis. Only those assets that are “measurable” and “currently available” are reported. Liabilities are recognized to the extent they are normally expected to be paid with current financial resources.

The fund statements are formatted to comply with the legal requirements of the Michigan Department of Education’s “Accounting Manual.” In the State of Michigan, the Academy’s major instruction and instructional support activities are reported in the General Fund. Additional governmental activities are reported in their relevant Special Revenue Funds.

In the fund financial statement, capital assets purchased are reported as expenditures in the year of acquisition. No asset is reported. The issuance of debt is recorded as a financial resource. The current year’s payments of principal and interest on long-term obligations are recorded as expenditures. Future year’s debt obligations are not recorded.

The academy has one kind of fund:

Governmental fund – Most of the Academy’s basic services are included in governmental funds which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Academy’s programs. Because this information does not encompass the additional long-term focus of the academy-wide statements, we provide additional information with the governmental funds statement that explains the relationship (or differences) between them.

ACADEMY WIDE FINANCIAL STATEMENTS:

The Academy-wide financial statements are maintained using the “full accrual” basis. They report all of the Academy’s assets and liabilities, both short and long term, regardless if they are “currently available” or not. For example, assets that are restricted for use in the Debt Funds solely for the payment of long term principal or interest are grouped with unrestricted assets of the General Fund. Capital assets and long-term obligations of the Academy are reported in the Statement of Net Position of the Academy-wide financial statements.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the Academy’s budget for the year. Figure A-1 shows how the various parts of the annual report are arranged and related to one another.

Figure A-1 Organization of Grand Blanc Academy’s Annual Financial Report

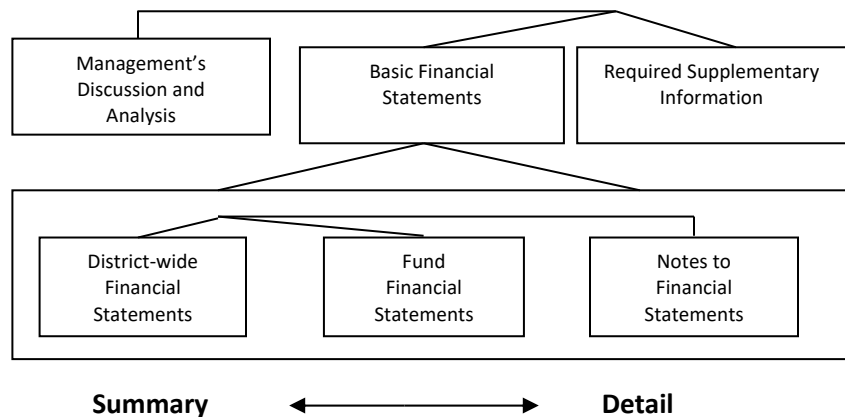


Figure A-2 summarizes the major features of the Academy’s financial statements, including the portion of the Academy’s activities they cover and the types of information they contain. The remainder of this overview section of management’s discussion and analysis highlights the structure and contents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

Figure A – 2 Major Features of the Academy-Wide and Fund Financial Statements

	Academy-wide statements	Fund Financial Statements
Scope	Entire academy (except fiduciary funds)	All activities of the academy that are not fiduciary
Required financial statements	* Statement of net position * Statement of activities	* Balance sheet * Statement of revenues, expenditures and changes in fund balances
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included
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 the related liability is due and payable

FINANCIAL ANALYSIS OF THE ACADEMY AS A WHOLE

	Current Fiscal Year	Prior Fiscal Year
Ending General Fund Balance	\$544,563	\$370,483
Total General Fund Revenue	\$3,812,261	\$3,767,014
State Aid Foundation Allowance as percent of Academy Revenues	68%	81%
Total Cost of Instructional Programs	\$1,561,907	\$1,777,097
Total Cost of Support/Operational Services	\$1,528,244	\$1,665,295
Support/Operational Services as percent of Total Expenditures	42%	42%
Total Expenditures transferred to Debt Service	\$498,276	\$496,340
Transfer to Debt Service as percent of Total Expenditures	14%	13%

ACADEMY GOVERNMENTAL ACTIVITIES

Summary of Net Position:

The following summarizes the net position at fiscal year ended June 30, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Assets		
Current Assets	\$ 1,720,134	\$ 1,838,397
Capital Assets	3,301,473	3,447,457
Less: Accumulated Depreciation	<u>(142,767)</u>	<u>(145,984)</u>
Capital Assets, Net Book Value	<u>3,158,706</u>	<u>3,301,473</u>
Total Assets and Deferred Outflows	<u>\$ 4,878,840</u>	<u>\$ 5,139,870</u>
Liabilities		
Current Liabilities	\$ 555,396	\$ 850,974
Long-term Liabilities	<u>3,162,389</u>	<u>3,421,203</u>
Total Liabilities and Deferred Inflows	<u>\$ 3,717,785</u>	<u>\$ 4,272,177</u>
Net Position		
Invested in Capital Assets, Net of Related Debt (Deficit)	\$ (3,683)	\$ (119,730)
Restricted for Food Service	-	-
Restricted for Debt Service	618,865	616,940
Unrestricted	<u>545,873</u>	<u>370,483</u>
Total Net Position	<u>\$ 1,161,055</u>	<u>\$ 867,693</u>

Results of Operations:

For the fiscal year ended June 30, 2021 and 2020, the Academy wide results of operations were:

	2021		2020	
	Amount	% of Total	Amount	% of Total
General Revenue:				
State of Michigan Aid - All Sources	\$ 2,593,535	64.84%	\$ 2,643,411	66.69%
Other	1,387	0.03%	32,669	0.82%
Total General Revenue	2,594,922	64.87%	2,676,080	67.51%
Program Revenue:				
Charges for Services	904	0.02%	13,520	0.34%
Operating Grants - Federal and State	1,404,281	35.11%	1,274,283	32.15%
Total Program Revenue	1,405,185	35.13%	1,287,803	32.49%
Total Revenue	4,000,107	100.00%	3,963,883	100.00%
Expenses:				
Instruction and Instructional Services	1,629,778	43.94%	1,772,987	42.82%
Support Services	1,596,983	43.05%	1,729,787	41.77%
Food Service	200,636	5.41%	339,451	8.20%
Community Services	856	0.02%	407	0.01%
Interest on Long-term Debt	281,132	7.58%	298,151	7.20%
Total Expenses	3,709,385	100.00%	4,140,783	100.00%
Change in Net Position	<u>\$ 290,722</u>		<u>\$ (176,900)</u>	

During the fiscal year ended June 30, 2021, the Academy's net position increased by \$290,722 as compared to a net decrease of \$176,900 in the prior fiscal year. The most significant difference between prior year and current year is the total general fund revenue increased but total general fund expenditures decreased due to the CARES Act federal funds.

State of Michigan Aid and Other Factors affecting Revenue

The State of Michigan aid is determined by the following variables:

- Per Student, Foundation Allowance: Annually, the State of Michigan sets the per student foundation allowance. The Grand Blanc Academy foundation allowance was \$8,111.
- Student Enrollment: The Academy's student enrollment for the fall count of 2020-21 was 263 students. To calculate total state aid to be provided by the foundation allowance, a system (Section 25) where the funding follows the student was used. This means adjustments were made to the current year fall count when students enrolled or unenrolled until the current year winter count to calculate the adjusted fall count. A blend of 75% of the adjusted current year fall count and 25% of the prior year spring count is multiplied by the Academy's foundation allowance.
- Total Section 25 adjustment was -0.43 FTE or -\$3,488.
- The Academy continues to receive federal monies in the way of ESSER Act funding. These funds are to be used to deliver a continued high quality academic program and response to COVID-19. Additional federal funding is available during the 2021-22 and 2022-23 fiscal years.

Subsequent to year end June 30, 2021, preliminary student enrollments for 2021-22 indicate that the 2021 fall student enrollment is anticipated to be higher than 2020-21 level.

GENERAL FUND BUDGETARY HIGHLIGHTS

The Uniform Budget Act of the State of Michigan requires that the local Board of Directors approve the original budget for the upcoming fiscal year prior to July 1, the start of the fiscal year. Over the course of the year, the Academy revised the annual operating budget two times. These budget amendments fall into several categories:

Changes were made in the second and fourth quarters to account change in student enrollment, federal funding, and changes in assumptions (e.g. staffing changes, instructional, transportation, food services and community services) since the original budget was adopted.

The Academy's revenues from General Fund operations exceeded expenditures by \$174,080 for the fiscal year ended June 30, 2021.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets

The Academy's net investment in capital assets decreased by \$142,767 during the fiscal year. This can be summarized as follows:

	<u>Beginning Balance 6/30/20</u>	<u>Additions</u>	<u>Disposals</u>	<u>Ending Balance 6/30/21</u>
<i>Depreciable Capital Assets</i>				
Buildings and additions	4,378,908	-	-	4,378,908
Site Improvements	202,008	-	-	202,008
Equipment and Furniture	640,371	-	-	640,371
<i>Non-Depreciable Capital Assets</i>				-
Land	665,287	-	-	665,287
Less: Accumulated Depreciation	<u>2,585,101</u>	<u>142,767</u>	-	<u>2,727,868</u>
Net Investment in Capital Assets	<u>\$ 3,301,473</u>	<u>\$ (142,767)</u>	<u>\$ -</u>	<u>\$ 3,158,706</u>

Depreciation Expense

GASB 34 requires Public School Academies to maintain a record of annual depreciation expense and accumulated depreciation. The net increase in accumulated depreciation expense is a reduction in net assets in the entity wide financial statements. Depreciation is not recognized in the fund financial statements and has been noted as a reconciling item in the Academy's financial statements.

For fiscal year ended June 30, 2021, the net increase in accumulated depreciation was \$142,767.

Depreciation expense is recorded on a straight-line basis over the estimated useful lives of assets. In accordance with U.S. generally accepted accounting principles (GAAP), depreciation expense is recorded based on the original cost of the asset, less an estimated salvage value.

Debt, Principal Payments

A summary of long-term debt service activities is as follows.

	<u>Balance 6/30/2020</u>	<u>New Financings</u>	<u>Principal Payments</u>	<u>Balance 6/30/2021</u>
Certificates of Participation	\$ 3,355,000	\$ -	\$ 245,000	\$ 3,110,000
Total Long-term Obligations	<u>\$ 66,203</u>	<u>\$ -</u>	<u>\$ 13,814</u>	<u>\$ 52,389</u>

ECONOMIC FACTORS BEARING ON THE ACADEMY'S FUTURE

The Preliminary Budget for the 2021-22 Fiscal Year was adopted by the Board of Directors in June 2021. Few definite factors were known as the budget was being drafted, and others were unknown and needed to be projected with management's best estimates based on perceived interest from the community. Some key factors and estimates used in the 2020-21 budget preparation process include:

- State Aid Foundation increase is estimated at \$100 per pupil. The state aid foundation allowance for fiscal year 2021-22 will be \$8,700 per pupil.
- Enrollment projections of 270 students in grades Preschool – 8th grade.
- Continued improvement of academic achievement through changes in academic programs.

Since the Academy's revenue is heavily dependent on State funding and the health of the State's School Aid Fund, the actual revenue received depends on the State's ability to collect revenues to fund its appropriation to School Districts and Public School Academies. The State periodically holds revenue-estimating conferences to estimate what the State's available resources will be throughout the remainder of its fiscal year. In spite of the current economic uncertainties we remain cautiously confident that the State will find the resources to sufficiently fund current appropriations.

CONTACTING THE ACADEMY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our students, parents and creditors with a general overview of the Academy's finances and to demonstrate the Academy's accountability for the money it receives. If you have questions about this report or need additional information, contact the Academy's office at 5135 E. Hill Rd. Grand Blanc, MI 48439.

BASIC FINANCIAL STATEMENTS

Grand Blanc Academy
Statement of Net Position
June 30, 2021

	Governmental Activities
Assets	
Cash	\$ 384,737
Due from other governmental units	596,094
Investments	720,865
Prepaid items	18,438
Capital assets not being depreciated	665,287
Capital assets - net of accumulated depreciation	2,493,419
Total assets	\$ 4,878,840
Liabilities	
Accounts payable	\$ 145,966
State aid anticipation note payable	145,457
Accrued expenditures	263,973
Noncurrent liabilities	
Due within one year	265,436
Due in more than one year	2,896,953
Total liabilities	3,717,785
Net Position	
Net deficit investment in capital assets	(3,683)
Restricted for	
Debt service	618,865
Unrestricted	545,873
Total net position	\$ 1,161,055

See Accompanying Notes to the Financial Statements

Grand Blanc Academy
Statement of Activities
For the Year Ended June 30, 2021

	Program Revenues			Net (Expense) Revenue and Changes in Net Position
Expenses	Charges for Services	Operating Grants and Contributions		
Functions/Programs				
Governmental activities				
Instruction	\$ 1,629,800	\$ -	\$ 1,035,103	\$ (594,697)
Supporting services	1,595,869	904	182,279	(1,412,686)
Food services	200,639	-	186,899	(13,740)
Community services	856	-	-	(856)
Interest on long-term debt	281,132	-	-	(281,132)
Total governmental activities	\$ 3,708,296	\$ 904	\$ 1,404,281	(2,303,111)
General revenues				
State aid - unrestricted				2,593,535
Interest and investment earnings				335
Other				1,052
Total general revenues				2,594,922
Change in net position				291,811
Net position - beginning, as restated				869,244
Net position - ending				\$ 1,161,055

See Accompanying Notes to the Financial Statements

Grand Blanc Academy
Governmental Funds
Balance Sheet
June 30, 2021

	Major Funds		Nonmajor	Total
	General Fund	Debt Service	Governmental Funds	Governmental Funds
Assets				
Cash	\$ 383,427	\$ -	\$ 1,310	\$ 384,737
Due from other funds	5,100	-	-	5,100
Due from other governmental units	596,094	-	-	596,094
Investments	-	720,865	-	720,865
Prepaid items	18,438	-	-	18,438
Total assets	\$ 1,003,059	\$ 720,865	\$ 1,310	\$ 1,725,234

See Accompanying Notes to the Financial Statements

Grand Blanc Academy
Governmental Funds
Balance Sheet
June 30, 2021

	Major Funds		Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	Debt Service		
Liabilities				
Accounts payable	\$ 145,966	\$ -	\$ -	\$ 145,966
State aid anticipation note payable	145,457	-	-	145,457
Due to other funds	-	5,100	-	5,100
Accrued expenditures	167,073	-	-	167,073
 Total liabilities	 458,496	 5,100	 -	 463,596
Fund Balance				
Non-spendable				
Prepaid items	18,438	-	-	18,438
Restricted for				
Debt service	-	715,765	-	715,765
Committed for				
Student activities	-	-	1,310	1,310
Unassigned	526,125	-	-	526,125
 Total fund balance	 544,563	 715,765	 1,310	 1,261,638
 Total liabilities and fund balances	 \$ 1,003,059	 \$ 720,865	 \$ 1,310	 \$ 1,725,234

See Accompanying Notes to the Financial Statements

Grand Blanc Academy
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
June 30, 2021

Total fund balances for governmental funds	\$ 1,261,638
Total net position for governmental activities in the statement of net position is different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	
Capital assets not being depreciated	665,287
Capital assets - net of accumulated depreciation	2,493,419
Certain liabilities are not due and payable in the current period and are not reported in the funds.	
Accrued interest	(96,900)
Long-term liabilities applicable to governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities.	
Certificates payable	(3,110,000)
Capital leases	<u>(52,389)</u>
Net position of governmental activities	<u><u>\$ 1,161,055</u></u>

See Accompanying Notes to the Financial Statements

Grand Blanc Academy
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2021

	Major Funds		Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	Debt Service		
Revenues				
Local sources	\$ 1,344	\$ 43	\$ 904	\$ 2,291
State sources	3,091,594	-	10,410	3,102,004
Federal sources	698,226	-	176,489	874,715
Interdistrict sources	21,097	-	-	21,097
Total revenues	<u>3,812,261</u>	<u>43</u>	<u>187,803</u>	<u>4,000,107</u>
Expenditures				
Current				
Education				
Instruction	1,561,907	-	-	1,561,907
Supporting services	1,528,244	-	-	1,528,244
Student activities	-	-	1,145	1,145
Food services	-	-	192,281	192,281
Community services	820	-	-	820
Debt service				
Principal	13,814	245,000	-	258,814
Interest and other expenditures	29,738	259,094	-	288,832
Total expenditures	<u>3,134,523</u>	<u>504,094</u>	<u>193,426</u>	<u>3,832,043</u>
Excess (deficiency) of revenues over expenditures	<u>677,738</u>	<u>(504,051)</u>	<u>(5,623)</u>	<u>168,064</u>
Other Financing Sources (Uses)				
Transfers in	-	498,276	5,382	503,658
Transfers out	(503,658)	-	-	(503,658)
Total other financing sources (uses)	<u>(503,658)</u>	<u>498,276</u>	<u>5,382</u>	<u>-</u>
Net change in fund balances	174,080	(5,775)	(241)	168,064
Fund balances - beginning, as restated	370,483	721,540	1,551	1,093,574
Fund balances - ending	<u>\$ 544,563</u>	<u>\$ 715,765</u>	<u>\$ 1,310</u>	<u>\$ 1,261,638</u>

See Accompanying Notes to the Financial Statements

Grand Blanc Academy
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2021

Net change in fund balances - Total governmental funds \$ 168,064

Total change in net position reported for governmental activities in the statement of activities is 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 and reported as depreciation expense.

Depreciation expense (142,767)

Expenses are recorded when incurred in the statement of activities.

Interest 7,700

Bond and note proceeds and capital leases are reported as financing sources in the governmental funds and thus contribute to the change in fund balance. In the statement of net position, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds but reduces the liability in the statement of net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. When debt refunding occurs, the difference in the carrying value of the refunding debt and the amount applied to the new debt is reported the same as regular debt proceeds or repayments, as a financing source or expenditure in the governmental funds. However, in the statement of net position, debt refunding may result in deferred inflows of resources or deferred outflows of resources, which are then amortized in the statement of activities.

Repayments of long-term debt 258,814

Change in net position of governmental activities \$ 291,811

Grand Blanc Academy
Notes to the Financial Statements
June 30, 2021

Note 1 - Summary of Significant Accounting Policies

The accounting policies of the Grand Blanc Academy (Academy) conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The following is a summary of the Academy's significant accounting policies:

Reporting Entity

The Academy was formed as a charter school academy pursuant to the Michigan School Code of 1976, as amended by Act No. 362 of the Public Acts of 1993 and Act No. 416 of the Public Acts of 1994.

The Academy operates under a contract with Eastern Michigan University to charter a public school academy thru June 30, 2024. The contract requires the Academy to act exclusively as a governmental agency and not undertake any action inconsistent with its status as an entity authorized to receive state aid funds pursuant to the state constitution. Eastern Michigan University is the fiscal agent for the Academy and is responsible for overseeing the Academy's compliance with the contract and all applicable laws. The Academy pays Eastern Michigan University three percent of state aid foundation as administrative fees. The total administrative fee paid to Eastern Michigan University during 2021 was \$77,606.

The Academy is governed by an appointed five-member Board of Directors. The accompanying financial statements have been prepared in accordance with criteria established by the Governmental Accounting Standards Board for determining the various governmental organizations to be included in the reporting entity. These criteria include significant operational financial relationships that determine which of the governmental organizations are a part of the Academy's reporting entity, and which organizations are legally separate component units of the Academy. The Academy has no component units.

Academy-wide Financial Statements

The Academy's basic financial statements include both Academy-wide (reporting for the Academy as a whole) and fund financial statements (reporting the Academy's major funds). The Academy-wide financial statements categorize all nonfiduciary activities as either governmental or business type. All of the Academy's activities are classified as governmental activities.

The statement of net position presents governmental activities on a consolidated basis, using the economic resources measurement focus and accrual basis of accounting. This method recognizes all long-term assets and receivables as well as long-term debt and obligations. The Academy's net position is reported in three parts (1) net investment in capital assets, (2) restricted net position, and (3) unrestricted net position. The Academy first utilizes restricted resources to finance qualifying activities.

The statement of activities reports both the gross and net cost of each of the Academy's functions. The functions are also supported by general government revenues (certain intergovernmental revenues, investments and earnings, etc.). The statement of activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function. Operating grants include operating-specific and discretionary (either operating or capital) grants.

The net costs (by function) are normally covered by general revenue (state sources and federal sources, interest income, etc.). The Academy does not allocate indirect costs. In creating the Academy-wide financial statements the Academy has eliminated interfund transactions.

The Academy-wide focus is on the sustainability of the Academy as an entity and the change in the Academy's net position resulting from current year activities.

Grand Blanc Academy
Notes to the Financial Statements
June 30, 2021

Fund Financial Statements

Major individual governmental funds are reported as separate columns in the fund financial statements.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Academy considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Unrestricted state aid, intergovernmental grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. All other revenue items are considered to be available only when cash is received by the government.

The Academy reports the following major governmental funds:

General Fund – The General Fund is used to record the general operations of the Academy pertaining to education and those operations not required to be provided for in other funds.

Debt Service Fund – Debt Service Funds are used to record interest, and other revenue and the payment of interest, principal, and other expenditures on long-term debt.

Additionally, the Academy reports the following fund types:

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted to expenditures for specified purposes. The Academy's Special Revenue Funds includes Food Service and Student Activities.

Assets, Liabilities and Equity

Receivables and Payables – Generally, outstanding amounts owed between funds are classified as “due from/to other funds”. These amounts are caused by transferring revenues and expenses between funds to get them into the proper reporting fund. These balances are paid back as cash flow permits.

The Academy considers all accounts receivable to be fully collectible; accordingly, no allowance for uncollectible amounts is recorded.

Investments – Investments are stated at fair value based on a quoted market price. Certificates of deposit are stated at cost which approximates fair value.

Prepaid Items – Certain payments to vendors reflect costs applicable to future fiscal years and are recorded as prepaid items in both Academy-wide and fund financial statements.

Grand Blanc Academy
Notes to the Financial Statements
June 30, 2021

Capital Assets – Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair market value at the date of donation. The Academy defines capital assets as assets with an initial individual cost in excess of \$5,000. Costs of normal repair and maintenance that do not add to the value or materially extend asset lives are not capitalized. The Academy does not have infrastructure assets. Buildings, equipment, and vehicles are depreciated using the straight-line method over the following useful lives:

Buildings and additions	20-50 years
Site improvements	10-20 years
Equipment and furniture	5-10 years

Long-term Obligations – In the Academy-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the Academy's fund financial statements, the face amount of the debt issued is reported as other financing sources. Premiums received on debt issuance are reported as other financing sources while discounts are reported as other financing uses.

Fund Equity – In the fund financial statements, governmental funds report fund balance in the following categories:

Non-spendable – amounts that are not available in a spendable form.

Restricted – amounts that are legally imposed or otherwise required by external parties to be used for a specific purpose.

Committed – amounts that have been formally set aside by the Board of Directors for specific purposes. A fund balance commitment may be established, modified, or rescinded by a resolution of the Board of Directors.

Assigned – amounts intended to be used for specific purposes, as determined by the board of directors. The Board of Directors has granted the Chief Administrative Officer the authority to assign funds. Residual amounts in governmental funds other than the general fund are automatically assigned by their nature.

Unassigned – all other resources; the remaining fund balances after non-spendable, restrictions, commitments and assignments.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Academy's policy is to consider restricted funds spent first.

When an expenditure is incurred for purposes for which committed, assigned, or unassigned amounts could be used, the Academy's policy is to consider the funds to be spent in the following order: (1) committed, (2) assigned, (3) unassigned.

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

Grand Blanc Academy
Notes to the Financial Statements
June 30, 2021

Eliminations and Reclassifications

In the process of aggregating data for the statement of net position and the statement of activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the “grossing up” effect on assets and liabilities within the governmental activities column.

Adoption of New Accounting Standards

Statement No. 84, *Fiduciary Activities* improves the guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The focus of the criteria includes the following: (1) is the government controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. The four fiduciary funds that should be reported, if applicable: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds. Custodial funds generally will report fiduciary activities that are not held in a trust or similar arrangement that meets specific criteria.

Upcoming Accounting and Reporting Changes

Statement No. 87, *Leases* increases the usefulness of the District's financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. A lessee will be required to recognize a lease liability and an intangible right-to-use a lease asset, and a lessor will be required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about the District's leasing activities. The requirements of this Statement are effective for the fiscal year ending June 30, 2022.

Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period* enhances the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and to simplify accounting for interest cost incurred before the end of a construction period. It requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reporting in a business-type activity or enterprise fund. Interest cost incurred before the end of a construction period should be recognized as an expenditure for financial statements prepared using the current financial resources measurement. The requirements of this Statement are effective for the fiscal year ending June 30, 2022.

Statement No. 91, *Conduit Debt Obligations* provides a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. This statement is effective for the year ending June 30, 2023.

Statement No. 93, *Replacement of Interbank Offered Rates* establishes accounting and financial reporting requirements related to the replacement of IBORs in hedging derivative instruments and leases. It also identifies appropriate benchmark interest rates for hedging derivative instruments. The requirements of this Statement apply to the financial statements of all state and local governments.

Grand Blanc Academy
Notes to the Financial Statements
June 30, 2021

The requirements of this Statement apply to the financial statements of all state and local governments. This statement is effective for the year ending June 30, 2022.

Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements* improves financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in this Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement. This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this Statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. This statement is effective for the year ending June 30, 2023.

Statement No. 96, *Subscription-Based Information Technology Arrangements*, is based on the standards established in Statement No. 87 *Leases*. This statement (1) defines a SBITA as a contract that conveys control of the right to use a SBITA vendor's IT software, alone or in combination with tangible capital assets, as specified in the

contract for a period of time in an exchange or exchange-like transaction (2) requires governments with SBITAs to recognize a right-to-use subscription asset, an intangible asset, and a corresponding subscription liability, and (3) provides guidance related to outlays other than subscription payments, including implementation costs, and requirements for note disclosures related to a SBITA. This statement is effective for the year ending June 30, 2023.

The Academy is evaluating the impact that the above pronouncements will have on its financial reporting.

Note 2 - Stewardship, Compliance, and Accountability

Budgetary Information

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America and state law for the General and Special Revenue Funds. All annual appropriations lapse at fiscal year end, thereby canceling all encumbrances. These appropriations are reestablished at the beginning of the year.

The budget document presents information by fund and function. The legal level of budgetary control adopted by the governing body is the function level. State law requires the Academy to have its budget in place by July 1. The Academy is not considered in violation of the law if reasonable procedures are in use by the Academy to detect violations.

The Chief Administrative Officer is authorized to transfer budgeted amounts within functions in any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Directors.

Grand Blanc Academy
Notes to the Financial Statements
June 30, 2021

Budgeted amounts are as originally adopted or as amended by the Board of Directors throughout the year. Individual amendments were not material in relation to the original appropriations.

Excess of Expenditures over Appropriations

During the year, the Academy incurred expenditures in certain budgetary funds which were in excess of the amounts appropriated as follows:

Function	Final Budget	Amount of Expenditures	Budget Variances Over (Under)
General Fund			
Added needs	\$ 722,371	\$ 722,477	\$ 106
Pupil	150,219	159,991	9,772
Debt - principal	-	13,814	13,814
Debt - interest and fiscal charges	24,940	29,738	4,798

Note 3 - Deposits and Investments

The breakdown between deposits and investments for the Academy is as follows:

Deposits (checking, savings accounts, money markets, certificates of deposit)	\$ 384,737
Investments in securities, mutual funds, and similar vehicles	<u>720,865</u>
Total	<u>\$ 1,105,602</u>

As of yearend, the Academy had the following investments:

Investment	Fair Value	Maturities	Rating	Rating Organization
First American Treasury Obligation Fund - Class D	<u>\$ 720,865</u>	8 days	AAAm	Standard & Poor's

Interest rate risk – The Academy has a formal investment policy to manage its exposure to fair value losses arising from changes in interest rates.

Credit risk – State statutes authorize the Academy to make deposits in the accounts of federally insured banks, credit unions, and savings and loan associations that have an office in Michigan; the Academy is allowed to invest in U.S. Treasury or Agency obligations, U.S. government repurchase agreements, bankers' acceptances, commercial paper rated prime at the time of purchase that matures not more than 270 days after the date of purchase, mutual funds, and investment pools that are composed of authorized investment vehicles. The Academy has no investment policy that would further limit its investment choices.

Concentration of credit risk – The Academy has no policy that would limit the amount that may be invested with any one issuer.

Custodial credit risk – deposits – In the case of deposits, this is the risk that in the event of a bank failure, the Academy's deposits may not be returned to it. The Academy does not have a deposit policy for custodial credit risk. As of yearend, \$136,407 of the Academy's bank balance of \$386,407 was exposed to custodial credit risk.

Grand Blanc Academy
Notes to the Financial Statements
June 30, 2021

Custodial credit risk – investments – For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. There is no custodial credit risk related to the Academy’s investments as of year end.

The investments have been allocated by the trustee, U.S. Bank N.A., as follows in accordance with the financing agreements related to the Participation Notes:

Name of Account	Balance at June 30, 2020	Restriction
Certificate account	\$ 225,137	Principal and interest due on certificates
Reserve fund	<u>495,728</u>	Security for lender, will be applied to final payment
	<u>\$ 720,865</u>	

Note 4 - Fair Value Measurements

The Academy 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 unobservable inputs.

The Academy has the following recurring fair value measurements as of June 30, 2021:

- U.S. Treasury securities of \$720,865 are valued using quoted market prices (Level 1 inputs)

Note 5 - Capital Assets

A summary of the changes in governmental capital assets is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities				
Capital assets not being depreciated				
Land	\$ 665,287	\$ -	\$ -	\$ 665,287
Capital assets being depreciated				
Buildings and additions	4,378,908	-	-	4,378,908
Site improvements	202,008	-	-	202,008
Equipment and furniture	640,371	-	-	640,371
Total capital assets being depreciated	5,221,287	-	-	5,221,287
Less accumulated depreciation for				
Depreciable assets	2,585,101	142,767	-	2,727,868
Net capital assets being depreciated	2,636,186	(142,767)	-	2,493,419
Net capital assets	<u>\$ 3,301,473</u>	<u>\$ (142,767)</u>	<u>\$ -</u>	<u>\$ 3,158,706</u>

Grand Blanc Academy
Notes to the Financial Statements
June 30, 2021

Depreciation expense was charged to activities of the Academy as follows:

Governmental activities	
Instruction	\$ 67,871
Support services	66,505
Food services	8,355
Community services	<u>36</u>
Total governmental activities	<u>\$ 142,767</u>

Note 6 - Interfund Receivable and Payable and Transfers

Individual interfund receivable and payable balances at year end were:

Receivable Fund	Payable Fund	Amount
General Fund	Debt Service	<u>\$ 5,100</u>

The outstanding balances between funds result mainly from the time lag between the dates that transactions are recorded in the accounting system and payments between funds are made.

Management does not anticipate individual interfund balances to remain outstanding for periods in excess of one year.

Interfund transfers were made during the year, from the General Fund to the Debt Service Fund totaling \$498,276 to cover the required debt payments and from the General Fund to the Food Service Fund of \$5,382 to cover operating shortfalls.

Note 7 - Leases

Operating Leases

The Academy leased copiers under noncancelable operating lease. Total costs for the lease was \$9,782 for the year. The future minimum lease payments for the lease are as follows:

Year ending June 30,		
2022	\$	8,112
2023		8,112
2024		8,112
2025		8,112
2026		<u>2,028</u>
Total	<u>\$</u>	<u>34,476</u>

Grand Blanc Academy
Notes to the Financial Statements
June 30, 2021

Capital Leases

The Academy has capital leases for equipment. The future minimum lease payments are as follows:

Year ending June 30,	
2022	\$ 20,646
2023	20,646
2024	<u>20,152</u>
Total minimum lease payments	61,444
Less amount representing interest	<u>9,055</u>
Present value of minimum lease payments	<u>\$ 52,389</u>
Assets	
Computer equipment and furniture	\$ 72,931
Less accumulated depreciation	<u>21,526</u>
Total	<u>\$ 51,405</u>

Note 8 - Long-Term Debt

The Academy issued Series 2000 Certificates of Participation totaling \$5,605,000 to provide for the acquisition and construction of their facilities. The Certificates are direct obligations and pledge the full faith and credit of the Academy.

Long-term obligation activity is summarized as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Amount Due Within One Year
Bonds and notes payable					
Certificates of Participation	\$ 3,355,000	\$ -	\$ 245,000	\$ 3,110,000	\$ 250,000
Other Liabilities					
Capital lease	<u>66,203</u>	<u>-</u>	<u>13,814</u>	<u>52,389</u>	<u>15,436</u>
Total	<u>\$ 3,421,203</u>	<u>\$ -</u>	<u>\$ 258,814</u>	<u>\$ 3,162,389</u>	<u>\$ 265,436</u>

Under the bond agreement, the Academy has granted a security interest in an amount equal to 20% of the state school aid revenues to secure the bond payments. The interest rate on outstanding obligations is 7.61%. Principal payments range from \$250,000 to \$455,000. The final payment is due February 1, 2030.

Future principal and interest requirements for bonded debt are as follows:

Year Ending June 30,	Principal	Interest
2022	\$ 250,000	\$ 241,025
2023	270,000	221,650
2024	295,000	200,725
2025	315,000	177,863
2026	340,000	153,450
2027-2030	<u>1,640,000</u>	<u>329,375</u>
Total	<u>\$ 3,110,000</u>	<u>\$ 1,324,088</u>

The Certificates of Participation are payable from the Debt Service Fund. As of yearend, the fund had a balance of \$715,765 to pay this debt. Future debt and interest will be payable from future state aid payments. Final maturity on these Certificates of Participation is in February 2030.

Interest expenditures related to the certificates for the year ended June 30, 2021, in the Debt Service fund, were \$259,094.

Grand Blanc Academy
Notes to the Financial Statements
June 30, 2021

State Aid Anticipation Note

The Academy issues state aid anticipation notes in advance of state aid collections, depositing the proceeds in the General Fund. These notes are necessary because the Academy receives state aid from October through the following August for its fiscal year ending June 30th. The Academy is required to pledge 100% of their state aid, October through August, or until the note is repaid, whichever is longer.

Short-term debt activity for the year was as follows:

	Beginning Balance	Proceeds	Repayments	Ending Balance
State aid anticipation note	\$ 334,552	\$ 800,000	\$ 989,095	\$ 145,457

Note 9 - Risk Management

The Academy is exposed to various risks of loss related to property loss, torts, errors and omissions. The Academy has purchased commercial insurance for general liability, property and casualty. Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage in the past three fiscal years.

Note 10 - Contingent Liabilities

Amounts received or receivable from grantor agencies are subjected to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of costs which may be disallowed by the grantor cannot be determined at this time although the Academy expects such amounts, if any, to be immaterial.

Note 11 - Management Service Agreement

The Academy operates under an Education Services Agreement with CS Partners, LLC (CSP) and CSP Management Inc. doing business as Partner Solutions (PS). Under the terms of this agreement, CSP provides a variety of services including management of operational areas, academic program support and compliance. The Academy is obligated to pay CSP nine to ten percent of applicable revenues. Additionally, PS provides staffing for teachers, administrators and other individuals who provide educational programs at the Academy. The Academy is responsible for reimbursing PS for all costs incurred for providing staffing.

The total charged for these management services amounted to approximately \$260,000 for the year ended June 30, 2021. As of June 30, 2021, \$17,829 was prepaid to CSP and \$16,116 was owed to PS.

Note 12 - Change in Accounting Principle

As indicated in Note 1, Governmental Accounting Standards Board Statement 84 has been adopted. The standard requires this change be applied retroactively. The impact of this change is to increase beginning net position in the statement of activities as of July 1, 2020 by \$1,551, restating it from \$867,693 to \$869,244. The student activities fund balance as of July 1, 2020 was restated by \$1,551, restating it from \$0 to \$1,551. Total governmental fund balance was restated by \$1,551, restating it from \$1,092,023 to \$1,093,574.

REQUIRED SUPPLEMENTARY INFORMATION

Grand Blanc Academy
Required Supplementary Information
Budgetary Comparison Schedule - General Fund
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Over (Under) Budget
	Original	Final		
Revenues				
Local sources	\$ 16,500	\$ 1,500	\$ 1,344	\$ (156)
State sources	3,208,894	3,248,511	3,091,594	(156,917)
Federal sources	430,594	744,231	698,226	(46,005)
Interdistrict sources	20,156	19,173	21,097	1,924
	<u>3,676,144</u>	<u>4,013,415</u>	<u>3,812,261</u>	<u>(201,154)</u>
Total revenues				
Expenditures				
Instruction				
Basic programs	858,908	1,024,971	839,430	(185,541)
Added needs	722,067	722,371	722,477	106
Supporting services				
Pupil	118,832	150,219	159,991	9,772
Instructional staff	42,420	192,188	176,339	(15,849)
General administration	391,729	362,887	358,152	(4,735)
School administration	188,274	219,181	210,395	(8,786)
Business	26,700	24,200	1,278	(22,922)
Operations and maintenance	274,085	271,888	222,457	(49,431)
Pupil transportation services	390,000	380,184	311,050	(69,134)
Central	93,120	111,234	88,582	(22,652)
Athletics	6,530	3,500	-	(3,500)
Community services	1,400	1,929	820	(1,109)
Debt service				
Principal	-	-	13,814	13,814
Interest	24,940	24,940	29,738	4,798
	<u>3,139,005</u>	<u>3,489,692</u>	<u>3,134,523</u>	<u>(355,169)</u>
Total expenditures				
Excess of revenues over expenditures	537,139	523,723	677,738	154,015

Grand Blanc Academy
Required Supplementary Information
Budgetary Comparison Schedule - General Fund
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Over (Under) Budget
	Original	Final		
Other Financing Sources (Uses)				
Transfers out	\$ (489,349)	\$ (523,276)	\$ (503,658)	\$ (19,618)
Net change in fund balance	47,790	447	174,080	173,633
Fund balance - beginning	<u>370,483</u>	<u>370,483</u>	<u>370,483</u>	<u>-</u>
Fund balance - ending	<u>\$ 418,273</u>	<u>\$ 370,930</u>	<u>\$ 544,563</u>	<u>\$ 173,633</u>

OTHER SUPPLEMENTARY INFORMATION

Grand Blanc Academy
Other Supplementary Information
Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2021

	<u>Special Revenue Funds</u>		Total Nonmajor Governmental Funds
	<u>Food Service Fund</u>	<u>Student Activities Fund</u>	
Assets			
Cash	\$ -	\$ 1,310	\$ 1,310
Fund Balance			
Committed for Student activities	\$ -	\$ 1,310	\$ 1,310

Grand Blanc Academy
Other Supplementary Information
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2021

	Special Revenue Funds		Total Nonmajor Governmental Funds
	Food Service Fund	Student Activities Fund	
Revenues			
Local sources	\$ -	\$ 904	\$ 904
State sources	10,410	-	10,410
Federal sources	176,489	-	176,489
Total revenues	<u>186,899</u>	<u>904</u>	<u>187,803</u>
Expenditures			
Current			
Education			
Food services	192,281	-	192,281
Student activities	-	1,145	1,145
Total expenditures	<u>192,281</u>	<u>1,145</u>	<u>193,426</u>
Excess (deficiency) of revenues over expenditures	(5,382)	(241)	(5,623)
Other Financing Sources (Uses)			
Transfers in	<u>5,382</u>	-	<u>5,382</u>
Net change in fund balance	-	(241)	(241)
Fund balances - beginning, as restated	<u>-</u>	<u>1,551</u>	<u>1,551</u>
Fund balance - ending	<u><u>\$ -</u></u>	<u><u>\$ 1,310</u></u>	<u><u>\$ 1,310</u></u>