

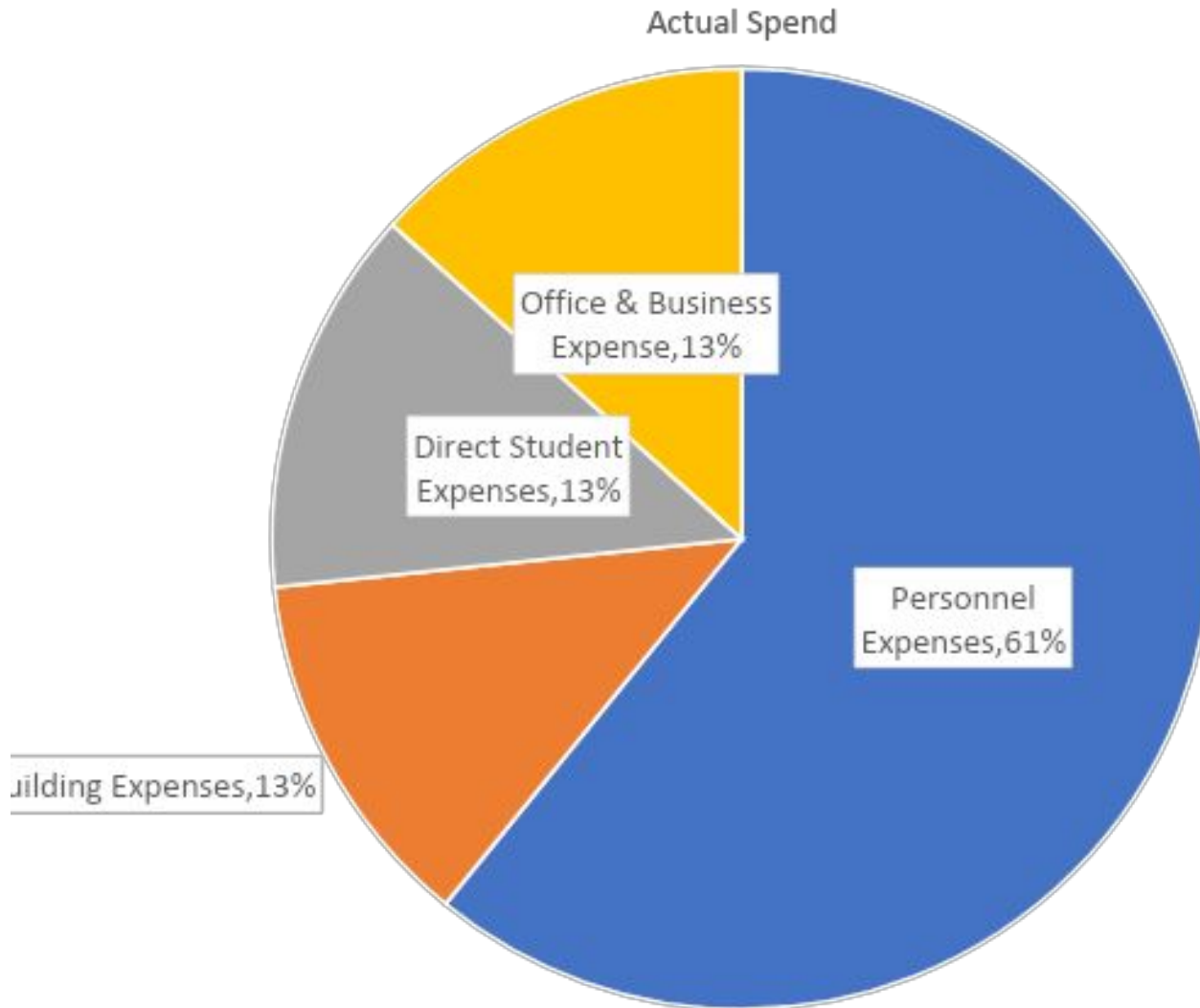


January 2025 Financials

PREPARED BY



- **Our January financials result in:**
 - A **net income** of \$5k, which is \$264k favorable to budget. The position is driven by a leaner staff model at the beginning of the school year, which will level as the year progresses and a billing error from Charles County Public Schools. We expect this variance to decrease in February.
 - **Cash position** of \$150k as of 1/31/2025. We also owe Charles County back for their billing error. We will not receive funds again from CCPS until Q4.
- **CSP Funding** – We are approved for the ~\$280k as a continuation grant and will begin reimbursements once we have access to MAPCS' system
- **Fundraising** – we have \$6k of our \$37k target for this year (16%). Any additional amount received will go towards preparations for our refinancing.
- **FY26 Budget Preview** – we'll begin to talk through what FY26 funding looks like and the anticipated impact it will have



EXPENDITURES

- We've recognized some savings in salaries due to a leaner staffing model in the beginning of the year. We know this will change in Q3 due to a Charles County calculation error.
- Office and business higher due to office supplies for start up of the year, higher than expected insurance rates, and an increase in contracted vendor spending.
- Overall, our expenses are lower at this point in the year than projected. We are working on getting clearer salary information from Charles County for us to understand their calculations and to update our forecast.

Revenue Update

- **Blueprint Funding:** Frederick County won a declaratory ruling with the state board of education that pushed districts to follow the spirit of Blueprint Funding and asked districts to ensure that per pupil funding for charters is commensurate with the traditional public schools
 - To show good faith on behalf of the charters, FCPS (MAPCS and their lawyers) agreed to allow charters to pay a proportional amount of the SpEd Overage Cost
 - **Result:** we would expect to see a small increase in the PSA rate for FY26, but after speaking with Charles County Public Schools, it doesn't seem that this will be the case
- **State Budget Landscape:** the initial state budget was running a deficit of \$3bn, which means that all publicly funded programs will likely take a hit in FY26
- **Bottom Line:** we've been running an incredibly tight margin in order to run the program we currently have. As of today, it seems like that margin will only get tighter. This means that we have some very important decisions to make about what expenses can actually stay in FY26



QUESTIONS?

Please contact your EdOps Finance Team:

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Income Statement



YTD Actuals	Actual	Budget	Variance
Operating Revenue			
Contributions	9,013	21,583	(12,571)
Grant Revenue	-	141,047	(141,047)
Rental Revenue	5,542	-	5,542
Per Pupil Funding	1,775,642	1,939,292	(163,650)
Total Operating Revenue	1,790,197	2,101,923	(311,725)
Expenditures			
Salaries	700,937	1,108,593	407,656
Employee Benefits and taxes	276,161	372,268	96,107
Other Staff Expenses	9,252	-	(9,252)
Rent and Occupancy	202,710	200,544	(2,165)
Direct Student Expenses	215,298	343,206	127,908
Office and Business	216,431	121,640	(94,791)
Contingency	-	-	-
Interest	51,390	58,461	7,071
Depreciation	123,438	167,039	43,601
Total Expenditures	1,795,617	2,371,752	576,135
Net Income	(5,420)	(269,829)	264,410

REVENUE

- Our total budgeted enrollment was 250 and we've strategically planned for student attrition. The variance in our per pupil funding is due to slightly less revenue in Q1 and Q2.
- Our CSP grant was just approved and is reimbursement-based. We won't see grant revenue until early in the calendar year.
- We budgeted for \$37k in fundraising and have only received \$6k so far this year. We are 16% to goal.

EXPENDITURES

- Savings in salaries due to a leaner staffing model in the beginning of the year. We expect that variance to decrease in Q3 when Charles County updates their calculations.
- Office and business higher due to office supplies for start up of the year, higher than expected insurance rates, and an increase in contracted vendor spending.

Balance Sheet



	Jan'25	Jun'24	Variance
Assets			
Cash	149,582	518,432	(368,851)
Accounts Receivable	86	-	86
Other Current Assets	16,523	18,859	(2,336)
Facilities, Net	2,140,331	1,766,206	374,125
Operating Fixed Assets, Net	192,223	133,311	58,912
Total Assets	2,498,745	2,436,809	61,936
Liabilities and Equity			
Accounts Payable	239,003	465,344	(226,341)
Other Current Liabilities	1,324	17,386	(16,062)
Long term liabilities	2,438,667	2,128,908	309,759
Total Liabilities	2,678,994	2,611,638	67,356
Equity -Unrestricted Net Assets	(180,249)	(174,829)	(5,420)
Total Equity	(180,249)	(174,829)	(5,420)
Total Liabilities and Equity	2,498,745	2,436,809	61,936

ASSETS

- Cash lands at \$150k at the end of January. We received Q2 per-pupil funds from CCPS in November and we will not receive another cash infusion from CCPS until April.
- Facilities increase accounts for construction payments for building work
- Operating fixed assets captures Kitchen furniture and other furniture to open

LIABILITES

- Because of close monitoring of our payables, we have a significantly smaller balance as compared to June 2024. This will also decrease further in February.
- Other current liabilities include accrued expenses, accrued salaries, and unearned revenue.
- Long term liability is our debt for the construction on the building.