



SAGE OAK
CHARTER SCHOOLS

Second Interim Budget 2024-25



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Presentation Roadmap



Informational



Key Assumptions



Financial Update



The Road Ahead



SAGE OAK

CHARTER SCHOOLS

Background



- ❖ **Required by California Education Code:**
 1. **Annual Budget**: must be adopted by the governing board on or before July 1 (*Education Code Section 42127*).
 2. **First Interim Budget Report** (as of October 31): must be certified by the governing board on or before December 15 (*Education Code Sections 42130 and 42131*).
 3. **Second Interim Budget Report** (as of January 31): must be certified by the governing board on or before March 15 (*Education Code Sections 42130 and 42131*).
- ❖ **Unaudited Actual Financial Report (prior Fiscal Year's)**: presented to the governing for acceptance on or before September 15.

Types of Certifications



1. **Positive Certification**: WILL meet financial obligations for the current and subsequent two fiscal years.
2. **Qualified Certification**: MAY NOT meet financial obligations for the current or two subsequent fiscal years.
3. **Negative Certification**: WILL BE UNABLE to meet financial obligations for the current and the subsequent fiscal year.

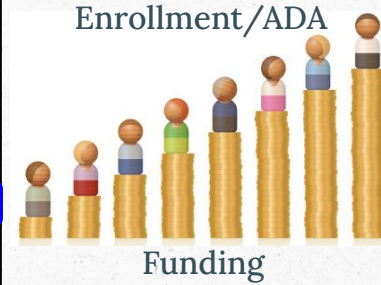
Sage Oak Charter Schools: **Positive Certification**

Projected Enrollment & COLA

Key Budget Assumptions

Sage Oak Charter School - Helendale	SIB 2024-25	2025-26	2026-27
Enrollment	3,885	4,113	4,509
ADA (Average Daily Attendance)	3,869	4,080	4,473
UPP (Unduplicated Pupil Percentage)	42%	43%	43%
COLA (Cost of Living Adjustment)	1.07%	2.43%	3.52%
Sage Oak Charter School - Keppel	FIB 2024-25	2025-26	2026-27
Enrollment	449	468	513
ADA	447	464	509
UPP	47%	47%	47%
COLA	1.07%	2.43%	3.52%
Sage Oak Charter School - Warner	FIB 2024-25	2025-26	2026-27
Enrollment	580	619	678
ADA	577	614	673
UPP	37%	37%	37%
COLA	1.07%	2.43%	3.52%

Consolidated	FIB 2024-25	2025-26	2026-27
Enrollment	4,914	5,200	5,700
ADA (above 99%)	4,893	5,158	5,655
UPP (3-year rolling average)	42%	42%	42%



Investing in our Future

- TK through 8th grade curriculum
 - Projected: \$1.9M
- Upgrading technology and purchases of materials/supplies
 - Projected: \$500K
- One-time, off-schedule employee recognition payment
 - Projected: \$2.3M
- Advanced hirings of positions needed for 2025-26
 - Projected: \$400K

Restricted Grants

- Continued participation in the Title I, Title II, and Title IV part A programs under the Every Student Succeeds Act (ESSA)

- One-time allocations**

- Continued utilization of the following grants:

- Educator Effectiveness Grant
 - Universal Prekindergarten (UPK) Grant
 - A-G Completion Grant

Proj. Use
in 24/25:
\$.45M



- Strategic utilization of the following **large** grants:

- Arts, Music, and Instructional Materials Discretionary Block Grant (\$2.5M) - Expires 6/30/2026
 - Learning Recovery Emergency Block Grant (utilizing for MTSS) (\$2.5M) - Expires 6/30/2028

Proj. Use
in 24/25
\$.8M

\$1.25M

Total



Second Interim Budget

Consolidated 2024-25

** (in millions - rounded) **	SIB 2024-25	FIB 2024-25	Change
Revenue	\$ 69.2	\$ 68.4	\$ 0.8
Expense	\$ 68.2	\$ 64.9	\$ 3.3
Net Income/(Loss)	\$ 1.0	\$ 3.5	(\$ 2.5)
Ending Fund Balance	\$ 25.6	\$ 28.1	(\$ 2.5)
Fund balance (% of expense)	37%	43%	(6.0%)
Days of Potential Cash	137	158	(21)

Second Interim Budget

Helendale

2024-25



SOCS - Helendale			
** (in millions - rounded)**	SIB 2024-25	FIB 2024-25	Change
Revenue	\$ 54.7	\$ 54.1	\$ 0.6
Expense	\$ 54.0	\$ 52.2	\$ 1.8
Net Income/(Loss)	\$ 0.7	\$ 1.9	(\$ 1.2)
Ending Fund Balance	\$ 18.6	\$ 19.8	(\$ 1.2)
Fund balance as a % of expense	35%	38%	(3.0%)
Days of Potential Cash	126	139	(13)

Second Interim Budget

Keppel
2024-25



SOCS - Keppel			
** (in millions - rounded) **	SIB 2024-25	FIB 2024-25	Change
Revenue	\$ 6.4	\$ 6.2	\$ 0.2
Expense	\$ 6.2	\$ 5.3	\$ 0.9
Net Income/(Loss)	\$ 0.2	\$ 0.9	(\$ 0.7)
Ending Fund Balance	\$ 2.9	\$ 3.7	(\$ 0.8)
Fund balance as a % of expense	47%	70%	(23%)
Days of Potential Cash	173	255	(82)

Second Interim Budget

Warner
2024-25



SOCS - Warner			
(in millions - rounded)	SIB 2024-25	FIB 2024-25	Change
Revenue	\$ 8.1	\$ 8.1	\$ 0.0
Expense	\$ 8.0	\$ 7.4	\$ 0.6
Net Income/(Loss)	\$ 0.1	\$ 0.7	(\$ 0.6)
Ending Fund Balance	\$ 4.0	\$ 4.6	(\$ 0.6)
Fund balance as a % of expense	50%	62%	(12%)
Days of Potential Cash	184	227	(43)



Cash Flow Statement 2024-25 (FIB)

Sage Oak - Helendale

	Year Ending 06/30/2025	Month Ending 07/31/2024	Month Ending 08/31/2024	Month Ending 09/30/2024	Month Ending 10/31/2024	Month Ending 11/30/2024	Month Ending 12/31/2024	Month Ending 01/31/2025	Month Ending 02/28/2025	Month Ending 03/31/2025	Month Ending 04/30/2025	Month Ending 05/31/2025	Month Ending 06/30/2025
	SIB 2024-25	Actual	Actual	Actual	Actual	Actual	Actual	Actual	SIB 2024-25	SIB 2024-25	SIB 2024-25	SIB 2024-25	SIB 2024-25
Cash Balance													
Beginning Cash	13,399,381	13,399,381	16,381,814	21,492,343	18,182,258	18,661,110	18,718,330	18,683,777	19,767,336	20,828,862	22,148,984	23,458,375	24,703,410
Net Cash for Period													
REVENUES	54,716,013	(12,737)	2,379,068	2,596,721	4,359,596	4,148,152	4,284,888	4,746,429	5,879,465	6,371,717	5,922,859	5,808,275	8,231,580
EXPENDITURES	54,003,415	1,942,210	3,679,397	4,283,419	4,229,945	3,908,659	4,728,720	4,213,370	4,201,323	4,201,323	4,201,323	4,201,323	10,212,403
Net Cash for Period	712,598	(1,954,947)	(1,300,329)	(1,686,698)	129,651	239,493	(443,832)	533,059	1,678,142	2,170,394	1,721,536	1,606,952	(1,980,823)
Accounts Receivable	4,891,661	(4,058,459)	(27,685,635)	800,060	(1,225,908)	(308,576)	(30,691)	(452,156)	5,743,563	6,190,718	5,755,616	5,696,999	14,466,130
Accounts Payable	4,240,639	123,840	(21,142,289)	(486,772)	(691,979)	(313,565)	629,477	130,482	4,192,834	4,192,834	4,192,834	4,192,834	9,220,109
Lease Liability from Debt	67,849	0	0	67,849	0	0	0	0	0	0	0	0	0
Deferred Revenue/Prepaid Expenses	5,100,111	\$16.4M	132,488	(404,404)	(184,728)	(177,284)	(250,889)	(32,138)	934,113	1,147,613	1,150,636	1,142,249	1,152,350
Cash at End of Period	18,628,917		21,492,343	18,182,258	18,661,110	18,718,330	18,683,777	19,767,336	20,828,862	22,148,984	23,458,375	24,703,410	18,628,917
Days Cash on Hand	126	111	145	123	126	127	126	134	141	150	159	167	126





Cash Flow Statement 2024-25 (FIB)

Sage Oak - Keppel

	Year Ending 06/30/2025	Month Ending 07/31/2024	Month Ending 08/31/2024	Month Ending 09/30/2024	Month Ending 10/31/2024	Month Ending 11/30/2024	Month Ending 12/31/2024	Month Ending 01/31/2025	Month Ending 02/28/2025	Month Ending 03/31/2025	Month Ending 04/30/2025	Month Ending 05/31/2025	Month Ending 06/30/2025
	SIB 2024-25	Actual	Actual	Actual	Actual	Actual	Actual	Actual	SIB 2024-25	SIB 2024-25	SIB 2024-25	SIB 2024-25	SIB 2024-25
Cash Balance													
Beginning Cash	2,675,785	2,675,785	2,736,888	2,974,086	3,124,209	2,747,450	2,868,323	2,758,851	2,842,100	2,676,973	2,404,286	1,772,996	3,423,590
Net Cash for Period													
REVENUES	6,369,658	(9,156)	275,829	387,477	450,893	466,338	489,426	504,207	688,225	772,381	696,803	686,634	960,601
EXPENDITURES	6,181,581	210,284	381,981	516,431	472,348	417,434	500,899	438,609	479,718	479,718	479,718	479,718	1,324,723
Net Cash for Period	188,077	(219,440)	(106,152)	(128,954)	(21,455)	48,904	(11,473)	65,598	208,507	292,663	217,085	206,916	(364,122)
Accounts Receivable	540,730	37,926	(14,227,239)	130,650	(248,214)	(55,127)	(3,652)	(11,656)	3,246,306	3,451,178	3,542,233	1,486,142	3,192,183
Accounts Payable	184,686	216,689	(13,855,141)	503,396	(584,698)	46,192	(49,856)	14,988	2,770,638	2,688,893	2,594,678	2,871,659	2,967,248
Lease Liability from Debt	9,568	0	0	9,568	0	0	0	0	0	0	0	0	0
Deferred Revenue/Prepaid Expenses	414,708	101,780	(28,748)	(103,237)	(18,820)	(29,350)	(51,795)	(8,993)	102,034	196,935	\$1.8M	58,161	97,561
Cash at End of Period	2,932,094	2,736,888	2,974,086	3,124,209	2,747,450	2,868,323	2,758,851	2,842,100	2,676,973	2,404,286		3,423,590	2,932,094
Days Cash on Hand	173	162	176	184	162	169	163	168	158	142	105	202	173





Cash Flow Statement 2024-25 (FIB)

Sage Oak - Warner

	Year Ending 06/30/2025	Month Ending 07/31/2024	Month Ending 08/31/2024	Month Ending 09/30/2024	Month Ending 10/31/2024	Month Ending 11/30/2024	Month Ending 12/31/2024	Month Ending 01/31/2025	Month Ending 02/28/2025	Month Ending 03/31/2025	Month Ending 04/30/2025	Month Ending 05/31/2025	Month Ending 06/30/2025
	SIB 2024-25	Actual	Actual	Actual	Actual	Actual	Actual	Actual	SIB 2024-25	SIB 2024-25	SIB 2024-25	SIB 2024-25	SIB 2024-25
Cash Balance													
Beginning Cash	10,801,262	10,801,262	11,127,228	4,093,972	4,514,742	4,053,232	4,006,549	3,865,232	4,005,813	3,967,335	4,086,831	3,088,433	4,721,559
Net Cash for Period													
REVENUES	8,128,438	322,809	295,260	650,835	666,732	513,818	616,888	640,074	837,783	917,045	855,199	838,035	973,960
EXPENDITURES	8,014,026	279,649	540,410	679,041	647,580	548,231	667,786	626,933	622,386	622,386	622,386	622,386	1,534,852
Net Cash for Period	114,412	43,160	(245,150)	(28,206)	19,152	(34,413)	(50,898)	13,141	215,397	294,659	232,813	215,649	(560,892)
Accounts Receivable	7,136,517	107,965	(7,230,556)	136,987	(206,746)	0	(4,220)	(55,214)	3,125,159	3,227,925	3,273,598	3,145,141	1,616,479
Accounts Payable	205,127	285,785	(13,986,018)	669,047	(666,137)	14,694	(54,167)	76,438	2,814,380	3,014,004	2,002,725	4,555,584	1,478,792
Lease Liability from Debt	(9,568)	0	0	9,568	0	0	0	0	(3,686)	(3,573)	(3,443)	(3,894)	(4,540)
Deferred Revenue/Prepaid Expenses	60,446	104,986	(32,644)	(92,652)	(21,271)	(26,964)	(40,472)	(4,212)	60,590	42,331	\$3M	10,929	16,720
Cash at End of Period	4,035,161	11,127,228	4,093,972	4,514,742	4,053,232	4,006,549	3,865,232	4,005,813	3,967,335	4,086,831		4,721,559	4,035,161
Days Cash on Hand	184	507	186	206	185	182	176	182	181	186	141	215	184



Light at the End of the Tunnel or an Oncoming Train?

The Uncertainties We Face:

- Changing political landscape
- Policy shifts affecting charter school funding
- Funding deferrals
- The economy
- Economic fluctuations
- Inflationary pressures
- Global conflicts

Proactive Steps: How Sage Oak Stays Strong

- ✓ Robust financial reserves
- ✓ Strong cash position
- ✓ Sustained enrollment growth
- ✓ Leveraging one-time grants
- ✓ Commitment to positive net revenue
- ✓ Ongoing risk assessments

