The Main Street Academy

Budget and Finance Committee Meeting

Date and Time

Tuesday November 11, 2025 at 4:30 PM EST

Location

2861 Lakeshore Drive
College Park, Georgia 30337
(Library Media Center)

Remote Attendance Option:
https://us06web.zoom.us/s/83088479379?pwd=fbVlsWLX4do1lBxYfzAbTdOaPETQ2A.1
Passcode:tmsa

Agenda

		Purpose	Presenter	Time
I.	**Opening Items**			**4:30 PM**
	A. Record Attendance			1 m
	B. Call the Meeting to Order			
	C. Approve Minutes	Approve Minutes	Tangie Warrior	1 m
II.	**Budget and Finance Committee**			**4:32 PM**

		Purpose	Presenter	Time
A.	Presentation of Monthly Financial Statements	FYI	Eric Smith, CFO	15 m
B.	Presentation of the Annual Financial Audit Year End June 30, 2025	Discuss	Eric Smith	15 m
C.	Presentation of the FCS Annual Agreed Upon Procedures Audit Year End June 30, 2025	Discuss	Dr. Chad Owes	15 m
D.	Executive Director Report	Discuss	Dr. Chad Owes	20 m

III. Other Business

IV. Closing Items

A.	Adjourn Meeting	Vote	Tangie Warrior	

Coversheet

Presentation of Monthly Financial Statements

Section:	II. Budget and Finance Committee
Item:	A. Presentation of Monthly Financial Statements
Purpose:	FYI
Submitted by:	
Related Material:	September 25 (FY26) Prelim Financial Snapshot.pdf

THE MAIN STREET ACADEMY
FINANCIAL STATEMENT SNAPSHOT
As of 9/30/2025

Year-to-Date

	Actual	Budget	$ Over/(Under)
Income	2,819,400	2,848,818	(29,418)
Expense	2,715,841	2,811,372	(95,531)
Surplus/(Deficit) *	103,559	37,446	66,113

Current Month (September 2025)

	Actual	Budget	$ Over/(Under)
Income	967,850	949,606	18,244
Expense	876,295	931,909	(55,614)
Surplus/(Deficit) **	91,555	17,697	73,858

YTD Cash On Hand Details

Cash On Hand (A)	Snap shot	2,996,995
Total YTD Expenses Annualized (B)		16,295,046
Cash On Hand Days (A/B * 365)		67 YTD
Days Cash on Hand for prior 12 months		81.02

YTD Expense Ratios (General fund only)

DOE COA (NEW)			OLD COA			Historical %	Best Practice
10-1000 · INSTRUCTION	1,531,734	57%	INST	1,855,382	68%	61%	70%
10-2100 · PUPIL SERVICES	129,073	5%	INST				
10-2210 · IMPROVEMENT OF INSTRUCT SERVICE	23,453	1%	INST				
10-2220 · EDUCATIONAL MEDIA SERVICES	32,053	1%	MEDIA / IT	32,053	1%	3%	
10-2230 · FEDERAL GRANT ADMINISTRATION	-	0%	INST				
10-2300 · GENERAL ADMINIISTRATION	8,678	0%	BOARD	8,678	0%	5%	
10-2400 · SCHOOL ADMINISTRATION	442,774	16%	SA	442,774	16%	12%	15%
10-2500 · SUPPORT SERVICES - BUSINESS	29,938	1%	INST				
10-2600 · MAINT & OPER - PLANT SERVICES	328,629	12%	FACILITY / MOP	370,668	14%	19%	15%
10-2900 · FUNDRAISING ACTIVITIES	(318)	0%	FACILITY / MOP				
10-3100 · SCHOOL NUTRITION PROGRAM	141,184	5%	INST				
10-3300 · ASP OPERATIONS	42,357	2%	FACILITY / MOP				
10-4000 · FACILITIES ACQ & CONST SERVICES	-	0%	NA	-	0%	0%	
10-5000 · OTHER OUTLAYS	-	0%	FACILITY / MOP				
10-5100 · DEBT SERVICES	-	0%	INST				
Total General Fund Expense	2,709,555	100%		2,709,555	100%	100%	100%

				As of 9/30/2025
ASSETS				
	Current Assets			
		Checking/Savings		2,996,995
		Accounts Receivable		-
		Other Current Assets		75,962
	Total Current Assets			3,072,957
	Other Assets -Deferred Outflows -Pension			3,250,612
	Fixed Assets			4,033,890
TOTAL ASSETS				10,357,460
LIABILITIES & EQUITY				
	Liabilities			
	Current Liabilities			
		Accounts Payable		136,142
		Credit Cards		0
		Other Current Liabilities		119,609
		Total Current Liabilities		255,751
		Long Term Liabilities Pension		10,911,714
	Total Liabilities			11,167,465
	Equity			(810,006)
TOTAL LIABILITIES & EQUITY				10,357,460
				-

SCSC Comprehension Performance Framework

	Our Ratio	Meet Standard	Approach Standard	Failed	Determination of Compliance Points
Current Ratio = Current Assets/Current Liability	12.02	>1	0.9 - 1.00	< or = 0.9	15
(Unrestricted Day Cash = Cash / Total Expense * 365)	81	>45	15-45	<15	15
(Enrollment Variance = (Actual - project)/Projection)	0%	" = or < 2%	2 - 8%	> 8 %	15
Annual Debt to Income (DTI) = Total Annual Debt Payments (Debt Service)/Total Revenue	4.00%	< 5%	5-15%	> 15%	15
(Repayment Debt on Timely manner)	Yes	Yes		No	10
Efficiency Margin = Change in net assets / total revenue	5.00%	> 0%	(0.01) - (10)%	< (10)%	15
Debt to Assets = (Total liability-Net Pension liabilities)/Total Assets (fixed assets + capital outlay)	78%	< 95%	95-100%	> 100%	15
SCSC Determination of Compliance Total Points:					100

SCSC Determination of Compliance

Meets Financial Per	80-100 pts
Does not meet Finar	70-79 pts
Falls far below Fina	0-69 pts

GA DOE Comprehensive Performance Framework 2019

	Our Ratio	Meet Standard	Not Meet Standard
Current Ratio = Current Assets/Current Liability	12.02	> 1.00	<1.00
(Unrestricted Day Cash = Cash / Total Expense * 365)	81	> 45 days	< 45 days
(Repayment Debt on Timely manner)	Yes	Yes	No
Debt to Assets = Total liability/Total Assets (fixed assets + capital outlay)	78%	< 95%	> 95%
Audit Report	Unmodified Opinion	Unmodifed opinion and/or no finding and/or no going concerns	Modifed opinion and/or findings and/or going concerns

Coversheet

Presentation of the Annual Financial Audit Year End June 30, 2025

Section:	II. Budget and Finance Committee
Item:	B. Presentation of the Annual Financial Audit Year End June 30, 2025
Purpose:	Discuss
Submitted by:	
Related Material:	TMSA FS25 Final Report.pdf TMSA Final TCWG 25 Final w Highlights.pdf

TMSA, Incorporated

Financial Statements
and
Independent Auditors' Report

For the Year Ended June 30, 2025

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30000 Mill Creek Ave, Ste 340
Alpharetta, GA 30022
www.marshalljones.com
404 231 2001

marshalljones
certified public accountants

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
TMSA, Incorporated

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the governmental activities and each major fund of TMSA, Incorporated ("the School"), a Georgia not-for-profit organization and component unit of the Fulton County Board of Education, as of and for the year ended June 30, 2025, and the related Notes to 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 financial position of the governmental activities and each major fund of the School, as of June 30, 2025, and the respective changes in financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America ("GAAP").

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS"), and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the 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 opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with GAAP; 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.

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 the School's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. 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 GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the School's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Other Legal and Regulatory Requirements

Other Matters

Required Supplementary Information

GAAP require that the Management's Discussion and Analysis and Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Governmental Funds, Schedules of Proportionate Share of the Net Pension Liability and Contributions be presented to supplement the basic financial statements with related notes. Such information is the responsibility of management, and although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential

part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, 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 3, 2025, on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance.

Marshall Jones

Alpharetta, Georgia
October 3, 2025

TMSA, INCORPORATED
MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
June 30, 2025

The Board of Directors of TMSA, Incorporated ("the School"), offers readers of the School's financial statements this narrative overview and analysis of the financial activities of the School for the fiscal year ended June 30, 2025. We encourage readers to consider the information presented here in conjunction with the School's financial statements.

Financial Highlights

- Total GASB revenues for the year ended June 30, 2025 were $12,241,096.

- At the close of the current fiscal year, the School reports an ending fund balance of $2,737,278. The general fund balances increased by $1,190,609 from the previous year end general fund balance and is presented as the result of the net change in fund balance for the year ended June 30, 2025.

- As of June 30, 2025, the School reported total days cash on hand of 95 days.

Overview of the 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 three components: a) government-wide financial statements, b) fund financial statements, and c) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

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 fiscal year. All changes in net position are reported as soon as the underlying events giving rise to the changes occur, regardless of the timing of related cash flows.

Both of the government-wide financial statements distinguish functions of the School that are principally supported by Fulton County, the State of Georgia, and federal funding sources (governmental activities). Basic instruction, exceptional instruction, and school administration are examples of the School's governmental activities. All funds are used to fulfill the mission of the School.

(Continued)

Overview of the Financial Statements (Continued)

Government-Wide Financial Statements (Continued)

The government-wide financial statements include only the School itself, which is a component unit of the Fulton County Board of Education ("the School System"). The School System includes the operations of the School in their operational results.

Fund Financial Statements

A *fund* is a group of related accounts that are 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. All of the operations of the School are presented in governmental funds only.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund Balance Sheet and the Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate the comparison between governmental funds and governmental activities.

The School maintains individual governmental funds. Information is presented separately in the governmental fund Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances. The general fund is considered to be a major fund.

The School adopts an annual appropriated budget for its entire operations. Budgetary comparison schedules have been provided to demonstrate compliance with this budget and can be found as required supplementary information to the basic financial statements.

Notes to 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.

(Continued)

Financial Summary and Detailed Analyses (Continued)

Government-Wide Financial Statement Analysis

Net position may serve over time as a useful indicator of a government's financial position. In the case of the School, liabilities and deferred inflows exceeded assets and deferred outflows by $902,629 as of June 30, 2025.

Total Assets and Deferred Outflows	$ 10,368,408
Total Liabilities and Deferred Inflows	11,271,037
Total Net Position	$ (902,629)

The School's revenues are predominantly from the Fulton County Board of Education, based on student enrollment and awards from state and federal sources.

Revenues	
State funds	$10,983,786
Federal funds	714,398
Contributions	39,964
Other	247,263
Total Revenues	11,985,411
Expenditures	
Instruction	6,633,571
Support services	4,187,194
Non-instructional services	407,939
Other non-cash	527,930
Loss on disposals	38,822
Total Expenditures	11,795,456
General Revenues	
Interfund transfers	136,397
Total General Revenues	136,397
Change in Net Position	$ 326,352

(Continued)

Financial Summary and Detailed Analyses (Continued)

Financial Analysis of the Government's Funds

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 year.

The School's governmental fund ("the General Fund") reported an ending fund balance of $2,737,278. For the year ended June 30, 2025, the School's revenues and other financing sources ($12,121,808) exceeded the School's expenditures ($10,931,199) by ($1,190,609).

General Fund Budgetary Highlights

Budgeted revenues were higher than actual revenues by $203,013 primarily due to over budgeted state funds. Actual expenditures were higher than budgeted expenditures by $185,520 due to the higher expense in instruction.

Capital Assets

As of June 30, 2025, the School's investment in capital assets for its governmental activities totaled $4,021,195 (net of accumulated depreciation). This investment in capital assets includes the building and improvements to School facility. Additional information on the School's capital assets can be found in Note 3 of this report.

Economic Factors and Events Affecting Operations

A majority of the School's funding is determined by the number of enrolled students. The School is forecasting enrollment to remain steady for the 2025/2026 school year.

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 TMSA, Incorporated, at 2861 Lakeshore Drive, College Park, Georgia 30337.

TMSA, INCORPORATED
STATEMENT OF NET POSITION
June 30, 2025

	Governmental Activities
Assets	
Cash and cash equivalents	**$ 2,959,873**
Accounts receivable	**89,218**
Prepaid expenditures	**47,510**
Capital assets, non-depreciable	**298,000**
Capital assets, depreciable, net	**3,723,195**
Total Assets	**7,117,796**
Deferred Outflows of Resources	
Deferred outflows related to pension	**3,250,612**
Total Deferred Outflows of Resources	**3,250,612**
Total Assets and Deferred Outflows of Resources	**$ 10,368,408**
Liabilities	
Accounts payable	**$ 159,339**
Other accrued payable	**199,984**
Long-term liabilities:	
Net pension liability	**9,099,986**
Total Liabilities	**9,459,309**
Deferred Inflows of Resources	
Net difference between projected and actual earnings on pension plan investments	**1,811,728**
Total Deferred Inflows of Resources	**1,811,728**
Net Position	
Unrestricted net position	**(5,229,831)**
Restricted net position	**306,007**
Net investment in capital assets	**4,021,195**
Total Net Position	**(902,629)**
Total Liabilities, Deferred Inflows of Resources, and Net Position	**$ 10,368,408**

This financial statement should only be read in connection with the accompanying independent auditors' report and notes to financial statements.

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TMSA, INCORPORATED
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2025

Functions	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Net Revenue (Expense) and Changes in Net Position — Primary Government: Governmental Activities	Primary Government: Business-Type Activities	Total
Governmental Activities:						
Instruction	$ 6,633,571	$ -	$10,836,662	$4,203,091	$ -	**$4,203,091**
Support Services:						
Pupil	758,559	-	638,752	(119,807)	-	**(119,807)**
Improvement of instructional staff	110,814	-	-	(110,814)	-	**(110,814)**
Educational media	150,163	-	-	(150,163)	-	**(150,163)**
General administration	62,873	-	-	(62,873)	-	**(62,873)**
School administration	1,816,963	-	-	(1,816,963)	-	**(1,816,963)**
Business administration	126,342	-	-	(126,342)	-	**(126,342)**
Maintenance and operation	1,161,480	-	147,124	(1,014,356)	-	**(1,014,356)**
Operations of Non-Instructional Services:						
Food services	407,939	52,058	234,673	(121,208)	-	**(121,208)**
Depreciation	419,753	-	-	(419,753)	-	**(419,753)**
Amortization of lease asset	108,177	-	-	(108,177)	-	**(108,177)**
Loss on disposals	38,822	-	-	(38,822)	-	**(38,822)**
Total Governmental Activities	11,795,456	52,058	11,857,211	113,813	-	**113,813**
Business-Type Activities						
Enterprise fund	119,288	255,685	-	-	136,397	**136,397**
Total Business-Type Activities	119,288	255,685	-	-	136,397	**136,397**
Total Primary Government	$11,914,744	$307,743	$11,857,211	113,813	136,397	**250,210**
General Revenues						
Interfund transfer				136,397	(136,397)	**-**
Contributions				39,964	-	**39,964**
Other income				36,178	-	**36,178**
Total General Revenues				212,539	(136,397)	**76,142**
Change in Net Position				326,352	-	**326,352**
Net position, beginning of year				(1,228,981)	-	**(1,228,981)**
Net Position, End of Year				$ (902,629)	$ -	**$ (902,629)**

This financial statement should only be read in connection with the accompanying independent auditors' report and notes to financial statements.

TMSA, INCORPORATED
BALANCE SHEET – GOVERNMENTAL FUNDS
June 30, 2025

	General Fund
Assets	
Cash and cash equivalents	**$2,959,873**
Accounts receivable	**89,218**
Prepaid expenditures	**47,510**
Total Assets	**$3,096,601**
Liabilities	
Accounts payable	**$ 159,339**
Other accrued payable	**199,984**
Total Liabilities	**359,323**
Fund Balances	
Nonspendable fund balance	**47,510**
Restricted fund balance	**306,007**
Unassigned fund balance	**2,383,761**
Total Fund Balances	**2,737,278**
Total Liabilities and Fund Balances	**$3,096,601**

This financial statement should only be read in connection with the accompanying independent auditors' report and notes to financial statements.

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TMSA, INCORPORATED
RECONCILIATION OF THE
BALANCE SHEET – GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
June 30, 2025

Total Fund Balances for Governmental Funds	**$ 2,737,278**
Total net position reported for governmental activities in the Statement of Net Position is different because:	
Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds. Those assets consist of:	
Capital assets, net	**4,021,195**
Deferred inflows of resources related to pension	**(1,811,728)**
Deferred outflows of resources related to pension	**3,250,612**
Certain liabilities are not reported in the fund financial statement because they are not due and payable, but they are presented in the Statement of Net Position as follows:	
Net pension liability	**(9,099,986)**
Total Net Position of Governmental Activities	**$ (902,629)**

This financial statement should only be read in connection with the accompanying independent auditors' report and notes to financial statements.

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TMSA, INCORPORATED
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES – GOVERNMENTAL FUNDS
For the Year Ended June 30, 2025

	Total
Revenues	
State funds	**$10,983,786**
Federal funds	**714,398**
Contributions	**39,964**
Other	**247,263**
Total Revenues	**11,985,411**
Expenditures	
Instruction	**6,228,216**
Support Services:	
Pupil	**758,559**
Improvement of instructional staff	**110,814**
Educational media	**150,163**
General administration	**62,873**
School administration	**1,816,963**
Business administration	**126,342**
Maintenance and operation	**1,161,480**
School nutrition	**407,939**
Capital outlay	**107,850**
Total Expenditures	**10,931,199**
Excess of Revenues over Expenditures	**1,054,212**
Other Financing Sources	
Operating transfers in	**136,397**
Total Other Financing Sources	**136,397**
Net Change in Fund Balances	**1,190,609**
Fund balances, beginning of year	**1,546,669**
Fund Balances, End of Year	**$ 2,737,278**

This financial statement should only be read in connection with the accompanying independent auditors' report and notes to financial statements.

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TMSA, INCORPORATED
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2025

Net Change in Fund Balances – Total Governmental Funds	**$1,190,609**
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, assets are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation expense:	
Capital outlays	**107,850**
Depreciation expense	**(419,753)**
Loss on disposals	**(38,822)**
The amortization of the lease asset related to the lease payment are recorded as expenses in the Statement of Activities:	
Amortization of lease asset	**(108,177)**
Rent payments are reported as an expenditure in government funds, but the payment reduces the long-term lease liability in the Statement of Activities:	
Lease liability retirement	**115,456**
Payment of pension expenses is reported as an expenditure in governmental funds, but payments reduce long-term liabilities in the Statement of Activities:	
Pension expense	**(520,811)**
Change in Net Position - Governmental Activities	**$ 326,352**

This financial statement should only be read in connection with the accompanying independent auditors' report and notes to financial statements.

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TMSA, INCORPORATED
STATEMENT OF NET POSITION – PROPRIETARY FUNDS
June 30, 2025

	Enterprise Fund
ASSETS	
Due from general fund	**$ -**
Total Assets	**$ -**
LIABILITIES	
Due to general fund	**$ -**
Total Liabilities	**-**
NET POSITION	
Unrestricted	**-**
Total Net Position	**-**
Total Liabilities and Net Position	**$ -**

This financial statement should only be read in connection with the accompanying independent auditors' report and notes to financial statements.

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TMSA, INCORPORATED
STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN NET POSITION – PROPRIETARY FUNDS
For the Year Ended June 30, 2025

	Enterprise Fund
Operating Revenues	
Charges for services	**$ 255,685**
Total Operating Revenues	**255,685**
Operating Expenses	
Instruction	**119,288**
Total Operating Expenses	**119,288**
Operating Income	**136,397**
Interfund Transfer	**136,397**
Change in Net Position	**-**
Net position, beginning of year	**-**
Net Position, End of Year	**$ -**

This financial statement should only be read in connection with the accompanying independent auditors' report and notes to financial statements.

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TMSA, INCORPORATED
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

TMSA, Incorporated ("the School"), dba The Main Street Academy, a Georgia not-for-profit organization, was established in 2010. The School was granted a charter by the Fulton County Board of Education ("the School System") pursuant to O.C.G.A § 20-2-2060 *et seq*., the Charter Schools Act of 1998 to provide educational services to students in grades Kindergarten through 8th. In 2025, the Georgia Department of Education approved the School's charter application for an additional three-year term (July 1, 2025 through June 30, 2028).

Basis of Presentation

The financial statements of the School have been prepared in conformity with accounting principles generally accepted in the United States ("GAAP") as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing government accounting and financial reporting principles. GASB has issued a codification of governmental accounting and financial reporting standards.

Government-Wide and Fund Financial Statements

The government-wide financial statements (Statement of Net Position and Statement of Activities) report on the School as a whole. The Statement of Activities demonstrates the degree to which the direct expenses of the School's function are offset by program revenues.

The fund financial statements (Balance Sheet – Governmental Funds and Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds) report on the School's General Fund.

Fund Accounting

The School uses funds to maintain its financial records during the fiscal year. A fund is a fiscal and accounting entity with a self-balancing set of accounts. All of the operations of the School are presented in governmental funds only.

Governmental Funds

Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Fund liabilities are assigned to the fund from which they will be liquidated. The School reports the difference between governmental fund assets and liabilities and deferred inflows of resources as fund balance. The School reports the following major governmental funds:

General Fund
The general fund accounts for all financial resources except those required to be accounted for in another fund. The general fund's balance is available to the School for any purpose provided it is expended or transferred according to the general laws of the State of Georgia.

(Continued)

TMSA, INCORPORATED
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation (Continued)

Proprietary Funds

Enterprise Fund
The enterprise fund accounts for operations which are financed and operated in a manner similar to private business enterprises. The costs of providing goods or services on a continuing basis are financed or recovered primarily through user charges. The School's enterprise fund results from its after school child care operation.

Measurement Focus

Government-wide Financial Statements

The Statement of Net Position and the Statement of Activities are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred regardless of the timing of the related cash flows. Grants and similar items are recognized as soon as all eligibility requirements imposed by the provider have been met.

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the School considers revenues to be available if they are collected within 60 days of the end of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

(Continued)

TMSA, INCORPORATED
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. At the fund reporting level, the governmental funds use the modified accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of unavailable revenue, and in the presentation of expenses versus expenditures.

Revenue

The School is primarily funded by the School System based on a rate per student calculated by the School System. Resources provided in this manner are considered to be non-exchange transactions and are recognized in the fiscal year when use of the funds is first permitted. Other funding obtained through the School System, such as Title I resources, or funding obtained directly from the federal government are also considered non-exchange transactions and are recognized in the fiscal year in which certain matching or expenditure requirements are met, such as resources obtained for a specific purpose or as a qualifying reimbursement, etc.

Certain charges for services, such as for food services, are considered exchange transactions and are recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded when the exchange takes place and in the fiscal year in which the resources are measurable and become available.

Unearned Revenue

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred. On the modified accrual basis, expenditures generally are recognized in the accounting period in which the related fund liability is incurred and due, if measurable.

(Continued)

TMSA, INCORPORATED
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, and Fund Equity

Cash and Cash Equivalents

The School considers all highly liquid investment instruments purchased with a maturity of three months or less to be cash equivalents.

Credit Risk

The School maintains its cash accounts at financial institutions in which amounts up to $250,000 per institution are insured by the Federal Deposit Insurance Corporation (FDIC). As of June 30, 2025, the School held an uninsured cash balance of $2,460,011.

Accounts Receivable

Accounts receivable, including federal government and other receivables, are stated at face value with no allowance for doubtful accounts. The School evaluates receivables annually for bad debts using the direct write-off method. This method differs from GAAP which requires providing an allowance for expected credit losses. Variances caused by using the direct write-off method instead of the method prescribed by GAAP are not considered to be significant.

Capital Assets

Capital assets are stated at cost. Depreciation has been calculated on such assets using the straight-line method over the following estimated useful lives:

Type of Asset	Useful Life
Building	40 years
Technology and equipment	3 years
Leasehold improvements	3 years
Furniture and fixtures	3 years

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 Teachers Retirement System of Georgia (“TRS”) and additions to/deductions from TRS’s fiduciary net position have been determined on the same basis as they are reported to TRS. 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.

(Continued)

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TMSA, INCORPORATED
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, and Fund Equity (Continued)

Interfund Balances

The School sometimes advances resources to other funds that will not be repaid in the current period. The fund balance of the loaning governmental fund is reserved at the fund reporting level to indicate it is not available for expenditure.

Fund Balances

Fund balances are divided into five categories as defined by GASB 54, as follows:

Nonspendable
Fund balances classified as nonspendable are permanently nonspendable by decree of the donor, such as an endowment, or funds that are not in a spendable form, such as prepaid expenses or inventory on hand.

Restricted
Fund balances classified as restricted are legally restricted under legislation, bond authority, or grantor contract.

Committed
Fund balances classified as committed are commitments of future funds for specific purposes passed by the Board of Directors.

Assigned
Fund balances classified as assigned are funds that are intended by management to be used for a specific purpose, including encumbrances.

Unassigned
Fund balances classified as unassigned are funds available for any purpose.

When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the School's policy to use restricted amounts first and then unrestricted amounts as they are needed

Net Position

Accounting standards require a Statement of Net Position and a Statement of Activities. It requires the classification of net position into three components – net investment in capital assets; restricted; and unrestricted. These calculations are defined as follows:

Net Investment in Capital Assets
This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and related long-term debt.

(Continued)

TMSA, INCORPORATED
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, and Fund Equity (Continued)

Net Position (Continued)

Restricted
This component of net position results from constraints placed on net position by creditors, grantors, contributors, and other external parties, including those constraints placed on net position by law through constitutional provisions of enabling legislation adopted by the School.

Unrestricted
This component of net position consists of those assets that do not meet the definition of net investment in capital assets and restricted net position.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that may affect the financial statements. Accordingly, actual results could differ from those estimates.

Budgets and Budgetary Accounting

Budgets are adopted on a basis consistent with GAAP for nongovernmental entities. An annual budget is adopted for the operations of the School.

Income Taxes

The School is a not-for-profit organization exempt from federal income taxes under Internal Revenue Code Section 501(c)(3). However, income from certain activities not directly related to the School's tax-exempt purpose is subject to taxation as unrelated business income.

The School only recognizes the tax benefit from an uncertain tax position taken or expected to be taken in a tax return if the tax position is more likely than not to be sustained upon an examination, based on the technical merits of the position. Management has analyzed tax positions taken for filings with the Internal Revenue Service and all state jurisdictions where the School operates. Management believes that income tax filing positions would be sustained upon examination and does not anticipate that any adjustments would result in a material adverse effect on the School's financial condition, results of operations or cash flows. Accordingly, the School has not recorded any reserves, or related accruals for interest and penalties for uncertain income tax positions at June 30, 2025.

The School is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The School believes it is no longer subject to income tax examinations for years prior to 2022.

(Continued)

TMSA, INCORPORATED
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Subsequent Events

The School has evaluated subsequent events through the filing date of this report. No events have occurred that would require disclosure in these notes.

NOTE 2 – CONCENTRATIONS

Revenue

For the year ended June 30, 2025, the School received a significant portion of its annual revenue from the School System as a part of its charter agreement which is paid to the School in monthly installments.

NOTE 3 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2025 is summarized below:

Description	June 30, 2024	Additions	Disposals	Transfers	**June 30, 2025**
Building	$ 1,120,188	$ -	$ -	$ -	**$ 1,120,188**
Land	298,000	-	-	-	**298,000**
Technology and equipment	2,447,645	-	(994,499)	-	**1,453,146**
Leasehold and other improvements	4,738,190	107,850	-	45,976	**4,892,016**
Furniture	66,818	-	(5,450)	-	**61,368**
Construction in progress	45,976	-	-	(45,976)	**-**
Total	8,716,817	107,850	(999,949)	-	**7,824,718**
Less: Accumulated Depreciation	(4,344,897)	(419,753)	961,127	-	**(3,803,523)**
Capital Assets, net	$ 4,371,920	$ (311,903)	$ (38,822)	$ -	**$ 4,021,195**

NOTE 4 – RETIREMENT PLAN

Plan Description

All teachers of the School as defined in §47-3-60 of the *Official Code of Georgia Annotated* ("O.C.G.A.") and certain other support personnel as defined by §47-3-63 are provided a pension through TRS. TRS, a cost-sharing multiple-employer defined benefit pension plan, is administered by the TRS Board of Trustees ("TRS Board"). Title 47 of the *O.C.G.A.* assigns the authority to establish and amend the benefit provisions to the State Legislature. TRS issues a publicly available financial report that can be obtained at www.trsga.com/publications.

(Continued)

TMSA, INCORPORATED
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

NOTE 4 – RETIREMENT PLAN (Continued)

Benefits Provided

TRS provides service retirement, disability retirement, and death benefits. Normal retirement benefits are determined as 2% of the average of the employee's two highest paid consecutive years of service, multiplied by the number of years of creditable service up to 40 years. An employee is eligible for normal service retirement after 30 years of creditable service, regardless of age, or after 10 years of service and attainment of age 60. Ten years of service is required for disability and death benefits eligibility. Disability benefits are based on the employee's creditable service and compensation up to the time of disability. Death benefits equal the amount that would be payable to the employee's beneficiary had the employee retired on the date of death. Death benefits are based on the employee's creditable service and compensation up to the date of death.

Contributions

Per Title 47 of *O.C.G.A.*, contribution requirements of active employees and participating employers, as actuarially determined, are established and may be amended by the TRS Board. Pursuant to *O.C.G.A.* §47-3-63, the employer contributions for certain full-time public school support personnel are funded on behalf of the employer by the State of Georgia. Contributions are expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Employees were required to contribute 6.00% of their annual pay during fiscal year 2025. The School's contractually required contribution rate for the year ended June 30, 2025, was 20.78% of the School's annual payroll. The School's contributions to TRS were $1,138,230 for the year ended June 30, 2025.

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

At June 30, 2025, the School reported a net pension liability of $9,099,986.

The net pension liability was measured as of June 30, 2024. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of June 30, 2023. An expected total pension liability as of June 30, 2024, was determined using standard roll-forward techniques.

The School's proportion of the net pension liability was based on contributions to TRS during fiscal year ended June 30, 2024. At June 30, 2024, the School's proportion was 0.036205%, which was a decrease of 0.002898% from its proportion measured as of June 30, 2024. For the year ended June 30, 2025, the School recognized pension expense of $1,656,247. At June 30, 2025, the School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

(Continued)

TMSA, INCORPORATED
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

NOTE 4 – RETIREMENT PLAN (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension (Continued)

	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Differences between expected and actual experience	$ 1,029,727	$ 27,198
Net difference between projected and actual earnings on pension plan investments	-	1,268,734
Changes in proportion and differences between School contributions and proportionate share of contributions	449,613	515,796
Changes in assumptions	633,042	-
School contributions subsequent to the measurement date	1,138,230	-
	$ 3,250,612	$1,811,728

The School's contributions subsequent to the measurement date of $1,138,230 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Years ending June 30,	Amount
2026	$ 232,307
2027	1,182,299
2028	(635,654)
2029	$ (478,298)

Actuarial Assumptions

The total pension liability as of June 30, 2024, was determined by an actuarial valuation as of June 30, 2023, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary increases	3.00 – 8.75%, average, including inflation
Investment rate of return	6.90%, net of pension plan investment expense, including inflation
Post-retirement benefit increases	1.50% semi-annually

(Continued)

TMSA, INCORPORATED
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

NOTE 4 – RETIREMENT PLAN (Continued)

Actuarial Assumptions (Continued)

Post-retirement mortality rates for service retirements and beneficiaries were based on the Pub-2010 Teachers Headcount Weighted Below Median Healthy Retiree mortality table (ages set forward one year and adjust 106%) with the MP-2019 Projection scale applied generationally. The rates of improvement were reduced by 20% for all years prior to the ultimate rate. Post-retirement mortality rates for disability retirements were based on the Pub-2010 Teachers Mortality Table for Disabled Retirees (ages set forward one year and adjusted 106%) with the MP-2019 Projection scale applied generationally. The rates of improvement were reduced by 20% for all years prior to the ultimate rate. The Pub-2010 Teachers Headcount Weighted Below Median Employee mortality table with ages set forward one year and adjusted 106% as used for death prior to retirement. Future improvement in mortality rates was assumed using the MP-2019 projection scale generationally. These rates of improvement were reduced by 20% for all years prior to the ultimate rate.

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2013 – June 30, 2018.

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected nominal returns, net of pension plan investment expense and the assumed rate of 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.

Asset class	Target allocation	Long-term expected real rate of return*
Fixed income	30.00%	1.50%
Domestic large equities	46.40%	9.10%
Domestic small equities	1.10%	13.00%
International developed market equities	13.60%	9.10%
International emerging market equities	3.90%	11.10%
Alternatives	5.00%	10.60%
	100.00%	

*Rates are shown net of inflation.

(Continued)

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TMSA, INCORPORATED
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

NOTE 4 – RETIREMENT PLAN (Continued)

Discount Rate

The discount rate used to measure the total net pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer and State of Georgia contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plans' fiduciary net position was 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 School's proportionate share of the net pension liability calculated using the discount rate of 6.90%, as well as what the School's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.90%) or 1-percentage-point higher (7.90%) than the current rate:

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
School's proportionate share of the net pension liability	$ 15,662,897	$ 9,099,986	$ 3,742,641

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued TRS financial report which is publicly available at www.trsga.com/publications.

These notes should only be read in connection with the accompanying financial statements and independent auditors' report.

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TMSA, INCORPORATED
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL – GENERAL FUND – (UNAUDITED)
For the Year Ended June 30, 2025

	Budgeted Amounts	Actual Amounts	**Over (Under) Budget**
Revenues			
State funds	$ 11,173,803	$10,983,786	**$ (190,017)**
Federal funds	772,272	714,398	**(57,874)**
Contributions	31,882	39,964	**8,082**
Other	210,467	247,263	**36,796**
Total Revenues	12,188,424	11,985,411	**(203,013)**
Expenditures			
Instruction	5,963,459	6,228,216	**264,757**
Support services:			
Pupil	622,261	758,559	**136,298**
Improvement of instructional staff	170,083	110,814	**(59,269)**
Educational media	220,803	150,163	**(70,640)**
General administration	87,270	62,873	**(24,397)**
School administration	1,692,520	1,816,963	**124,443**
Business administration	176,634	126,342	**(50,292)**
Maintenance and operation	1,060,775	1,161,480	**100,705**
School nutrition	472,787	407,939	**(64,848)**
Capital outlay	279,087	107,850	**(171,237)**
Total Expenditures	10,745,679	10,931,199	**185,520**
Excess/Deficit	1,442,745	1,054,212	**(388,533)**
Other Financing Sources			
Operating transfers in	202,316	136,397	**(65,919)**
Total Other Financing Sources	202,316	136,397	**(65,919)**
Net Change in Fund Balances	$ 1,645,061	1,190,609	**$ (454,452)**
Fund balances, beginning of year		1,546,669	
Fund Balances, End of Year		$ 2,737,278	

This supplementary schedule should only be read in connection with the accompanying independent auditors' report and notes to financial statements.

TMSA, INCORPORATED
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHERS RETIREMENT SYSTEM OF GEORGIA
For the Years Ended June 30, 2016 through 2025

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
School's proportion of the net pension liability	.036205%	.039103%	.036079%	.034802%	.033685%	.031754%	.034771%	.027771%	.023661%	.028822%
School's proportionate share of the net pension liability	$9,099,986	$11,544,885	$11,715,549	$ 3,078,005	$ 8,159,825	$ 6,827,969	$ 6,398,556	$ 5,161,326	$ 4,881,528	$ 4,387,863
School's covered-employee payroll during the measurement period	$5,477,526	$ 5,661,126	$ 5,489,870	$ 4,816,959	$ 4,528,085	$ 4,413,344	$ 3,974,785	$ 3,611,410	$ 3,867,498	$ 3,701,170
School's proportionate share of the net pension liability as a percentage of its covered-employee payroll	166.13%	203.93%	213.40%	63.90%	180.2%	154.7%	161.0%	142.9%	126.2%	118.6%
Plan fiduciary net position as a percentage of the total pension liability	80.86%	76.29%	72.85%	92.03%	77.01%	78.56%	80.27%	79.33%	76.06%	84.44%

Note: *Schedule is intended to show information for the last ten (10) fiscal years.*

This supplementary schedule should only be read in connection with the accompanying independent auditors' report and notes to financial statements.

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TMSA, INCORPORATED
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
TEACHERS RETIREMENT SYSTEM OF GEORGIA
For the Years Ended June 30, 2016 through 2025

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contributions	$ 1,138,230	$ 1,127,901	$ 1,096,877	$ 958,364	$ 863,053	$ 932,981	$ 830,730	$ 607,078	$ 551,892	$ 528,157
Contributions in relation to the contractually required contribution	$ 1,138,230	$ 1,127,901	$ 1,096,877	$ 958,364	$ 863,053	$ 932,981	$ 830,730	$ 607,078	$ 551,892	$ 528,157
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
School's covered-employee payroll	$ 5,477,526	$ 5,661,126	$ 5,489,870	$ 4,816,959	$ 4,528,085	$ 4,413,344	$ 3,974,785	$ 3,611,410	$ 3,867,498	$ 3,701,170
Contributions as a percentage of covered-employee payroll	20.78%	19.98%	19.98%	19.81%	19.06%	21.14%	20.90%	16.81%	14.27%	14.27%

Note: *Schedule is intended to show information for the last ten (10) fiscal years.*

This supplementary schedule should only be read in connection with the accompanying independent auditors' report and notes to financial statements.

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TMSA, INCORPORATED
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2025

NOTE 1 – CHANGES OF ASSUMPTIONS

On November 18, 2015, the board adopted recommended changes to the economic and demographic assumptions utilized by the System. Primary among the changes were the updates to rates of mortality, retirement, disability, withdrawal and salary increases. The expectation of retired life mortality was changed from the RP-2000 tables to the RP-2000 White Collar Mortality Table with future mortality improvement projected to 2025 with the Society of Actuaries' projection scale BB (set forward one year for males).

On May 15, 2019, the Board adopted recommended changes from the smoothed valuation interest rate methodology that has been in effect since June 30, 2009, to a constant interest rate method. In conjunction with the methodology, the long-term assumed rate of return in assets (discount rate) has been changed from 7.50% to 7.25%, and the assumed annual rate of inflation has been reduced from 2.75% to 2.50%.

In 2019 and later, the expectation of retired life mortality was changed to the Pub-2010 Teachers Headcount Weighted Below Median Healthy Retiree mortality table from the RP-2000 Mortality Tables. In 2019, rates of withdrawal, retirement, disability and mortality were adjusted to more closely reflect actual experience.

On May 11, 2022, the Board adopted recommended changes to the long-term assumed rate of return and payroll growth assumption utilized by the system. The long-term assumed rate of return was changed from 7.25% to 6.90%, and the payroll growth assumption was changed from 3.00% to 2.50%.

These notes should only be read in connection with the accompanying independent auditors' report and required supplementary information.

30000 Mill Creek Ave, Ste 340
Alpharetta, GA 30022
www.marshalljones.com
404 231 2001

marshalljones
certified public accountants

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

To the Board of Directors of
TMSA, Incorporated

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of TMSA, Incorporated ("the School"), as of and for the year ended June 30, 2025, and the related Notes to Financial Statements, which collectively comprise the School's basic financial statements as listed in the table of contents, and have issued our report thereon dated October 3, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School's internal control over financial reporting ("internal control") as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the 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 was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies.

Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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.

Marshall Jones

Alpharetta, Georgia
October 3, 2025

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30000 Mill Creek Ave, Ste 340
Alpharetta, GA 30022
www.marshalljones.com
404 231 2001

marshalljones
certified public accountants

October 3, 2025

The Main Street Academy
2861 Lakeshore Drive
College Park, Georgia 30337

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of The Main Street Academy, Inc. (the "Organization" or "School") as of and for the year ended June 30, 2025, and have issued our report thereon dated October 3, 2025. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated August 4, 2025, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America, as applied to government units. The Government Accounting Standards Board is the accepted standard setting body for establishing government and financial reporting principles. Our audit of the financial statements does not relieve you or management of its respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, as part of our audit, we considered the internal control of the Organization solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are not required to design procedures for the purpose of identifying other matters to communicate to you. We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm, and our network firms have complied with all relevant ethical requirements regarding independence.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by Organization is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during the year. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are depreciation and its retirement plan. We evaluated the key factors and assumptions used to develop the estimates and determined that they are reasonable in relation to the basic financial statements taken as a whole.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit. We received full cooperation of management and believe that we were given direct and unrestricted access to the Organization's books and records.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole, whose effects in the current and prior periods, as determined by management, are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. There were no uncorrected misstatements.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. There were no material misstatements that we identified as a result of our audit procedures that were brought to the attention of, and corrected by, management.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the Organization's financial statements or the auditors' report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations (other than with its outsourced accounting firm DMJPS CPAs and Advisors) with other accountants regarding auditing and accounting matters for the year under audit.

Management has relied upon a specialist in evaluating GASB 68 (pension accounting) and have adequatntely considered the qualifications of the specialist in determining the amounts and disclosures used in the financial statements and underlying accounting records.

Other Significant Matters, Findings or Issues

In the normal course of our professional association with the Organization, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating conditions affecting the entity, and operating plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the Organization's auditors.

This report is intended solely for the information and use of those charged with governance, and management of the Organization and is not intended to be and should not be used by anyone other than these specified parties.

Marshall Jones

Coversheet

Presentation of the FCS Annual Agreed Upon Procedures Audit Year End June 30, 2025

Section: II. Budget and Finance Committee
Item: C. Presentation of the FCS Annual Agreed Upon Procedures Audit Year End June 30, 2025
Purpose: Discuss
Submitted by:
Related Material: TMSA 2025 AUP Final.pdf

30000 Mill Creek Ave, Ste 340
Alpharetta, GA 30022
www.marshalljones.com
404 231 2001

marshalljones
certified public accountants

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors and Management of
TMSA, Inc. and
Fulton County Board of Education

We have performed the procedures enumerated below, which were agreed to by the Board of Directors and Management of The Main Street Academy, Inc. ("the School"), solely to assist you in evaluating the status of certain compliance requirements set forth by the Fulton County Board of Education ("FCBOE") applicable for the year ended June 30, 2025.

The School has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of evaluating whether the School is in compliance with each requirement set forth by FCBOE for the year ended June 30, 2025. Additionally, FCBOE has agreed to and acknowledged that the procedures performed are appropriate for their purposes. This report may not be suitable for any other purposes. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report, and as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and the associated findings are as follows:

1) Procedure: Determine whether a current certificate of non-profit status is on file with the Georgia Secretary of State's Office relative to the year under audit.

   Finding: Inspection of filing documents on the Georgia Secretary of State website confirmed that the School had a current non-profit certificate on file for the fiscal year ended June 30, 2025.

2) Determine whether all governance board members have a current background check with fingerprinting relative to the year under audit.

   Finding: Inspection of supporting documentation including paid invoices where background checks with fingerprinting were ordered confirmed that all board members relevant to the fiscal year ended June 30, 2025 have had a current background check with fingerprinting performed.

3) Determine whether the School has the insurance coverage required in the charter agreement relative to the year under audit.

   Finding: Inspection of supporting documentation including insurance contracts and charter agreement confirmed that the School maintains insurance coverage that is consistent with the charter agreement for the fiscal year ended June 30, 2025.

4) Determine whether a safety plan exists.

   Finding: Inspection of supporting documentation confirmed that a safety plan exists.

5) Determine whether personnel records for all applicable employees of the School are accurately maintained and supported in the FCS "HR Atlas" human resources database.

   Finding: Tests performed confirmed that 31 of the 31 applicable employees paid (for check date 6/30/2025) were recorded in HR Atlas.

6) Calculate financial ratios and measurements provided in the performance framework required by HB 430.

   Finding: The results are presented in the table below. All calculations were made using government-wide financial statement data, as defined in the School's annual audit report, except where noted otherwise.

Ratio/Measurement	Calculation/Result	Requirement
Unrestricted Days Cash is calculated as unrestricted cash divided by [(total expenses-depreciation)/365]	95 days	45 days cash and one-year trend is positive.
Liquidity ratio is the current ratio, which is measured as current assets divided by current liabilities.	8.62	Liquidity ratio is greater than 1.
Sustainability ratio is measured as unrestricted net assets divided by average monthly expenses.	2.62 months*	Sustainability ratio indicates more than a 2 month reserve.
Debt to Asset Ratio is measured as total liabilities (excluding net pension liability) divided by total assets	0.05	Debt to Asset ratio is less than 0.95.
Debt Service Coverage ratio is measured as net income, excluding depreciation, amortization, interest, and taxes divided by total debt service payments.	n/a	Debt Service Coverage ratio is greater than 1.
Occupancy Expense is measured as total occupancy costs divided by total revenue. Occupancy costs are defined as rent, taxes and insurance on building, depreciation and amortization expense.	4.95%	Occupancy costs are less than 15% of total revenue.

(Continued)

Ratio/Measurement	Calculation/Result	Requirement
Total Margin is measured as net income divided by total revenues.	0.03	Total margin is positive.
Is the School in default of any loan covenant(s) or payments?	The School is not in default of any loan covenants. The School is not delinquent with any debt service payments.	The School is not in default of loan covenant(s) and/or is not delinquent with debt service payments.
Total debt level recorded at fiscal year end June 30, 2025	$ -0-	n/a
Enrollment Variance is measured as the difference between budgeted and actual enrollment divided by total budgeted enrollment.	0.48%	Actual enrollment is within +/- 10% of budgeted enrollment.

*Calculation uses fund financial statement data defined in the School's annual audit report

We were engaged by the School to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on compliance with certain requirements set forth by the FCBOE. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the School and meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the Board of Directors and Management of the School and FCBOE and is not intended to be and should not be used by anyone other than these specified parties.

Marshall Jones

October 23, 2025
Alpharetta, Georgia

Coversheet

Executive Director Report

Section: II. Budget and Finance Committee
Item: D. Executive Director Report
Purpose: Discuss
Submitted by:
Related Material: TMSA ED Finance Presentation 11-11-25.pdf

The Main Street Academy

Finance Committee Meeting

Executive Director's Report

Meeting Date: November 11, 2025

Presented By: Dr. Chad Owes, Executive Director

Agenda

- ❑ Fundraising – Giving Tuesday
- ❑ PTO Financial Report
- ❑ Grant Updates
- ❑ Annual Audit Report
- ❑ Agreed Upon Procedures

Fundraising

- TMSA's Primary Giving Campaign
  Goal: $100,000

- Giving Tuesday
  December 2, 2025
  Goal: $25,000





Grant Updates

- Air & Space Force Association Grant – *Pending Review*
- Boost Grant for After-School Programs – *Denied*
- USDA Farm to School Grant – *Pending Review*
- GA Aquarium Ocean Guardian Program – *$3000 awarded*
- AFCRA - Play it Forward Grant – *Pending Review*
- School Security Grant – *$47,000 awarded*
- Top State for Talent Grant – *Pending Review*
- Title IV Flight Simulator Grant – *$35,000 awarded*
- State Facility Grant – *Application Release Pending*
- Gold Grant – *Pending Review*

PTO Financial Update

Yearly Financial Audit - Completed

- No Findings
- Zero Auditor Suggested Adjusted Journal Entries
- No Recommendations for Further Action
- At the close of the last fiscal year, the School reports an ending fund balance of $2,737,278
- The general fund balances increased by $1,190,609 from the previous year-end general fund balance

Yearly FCS Agreed Upon Procedures Audit - Completed

- No Findings
- No Recommendations for Further Action
- All Ratios In Compliance with Recommended Ratios

Increase Day-to-Day Operating Spend Authority of the Executive Director to $100,000

- Many and various recurring monthly expenses exceed the current $25,000 spending threshold
  - Building & Liability Insurance
  - Maintenance & Operations
  - Employee Health Insurance
  - Teacher Retirement System Payment
  - Textbooks and Curriculum
- The Board Treasurer will receive notification of expenses exceeding $50,000

Facilities, Maintenance, & Operations

- Capital Improvement Projects – None
- Open Request for Proposals & Bids – None

Recommendations requiring Board Action

- Approval of the 2025 Annual Independent Financial Audit
- Approval of the Fulton County School Agreed-Upon Procedures Audit
- Increase Day-to-Day Operating Spend Authority of the Executive Director