The Main Street Academy

Governing Board Meeting

Date and Time

Thursday October 29, 2026 at 9:00 AM EDT

Location

Virtual/Remote

Agenda

		Purpose	Presenter	Time
I.	**Opening Items**			**9:00 AM**
A.	Record Attendance		Tangie Warrior	1 m
B.	Call the Meeting to Order		Tangie Warrior	1 m
C.	Approval of the Agenda	Vote	Tangie Warrior	1 m
D.	Public Comment	Discuss	Tangie Warrior	10 m

- Public comment opportunities are available for the TMSA Governing Board to hear from interested members of the community.
- Board members do not provide responses or engage in direct conversation during public comment.
- Public comments are meant to be school specific/overall student bodycentered, civil, respectful, issues-oriented, factual, and free from individual personal attacks of any sort.

		Purpose	Presenter	Time
II.	**Action Items**			**9:13 AM**
A.	Presentation and Approval of 2025-2026 Audit Report	Vote	Dr. Chad Owes	5 m
B.	Presentation and Approval of 2025-2026 Agreed Upon Procedures Audit Report	Vote	Dr. Chad Owes	5 m
C.	Board Compliance	Vote	C. Jade Rutland, Esq	2 m

Vote to confirm the removal of board members not in compliance with the provisions of Section 2.5. of the TMSA Governing Board Bylaws.

Section 2.5. Qualification. Each Director shall be at least eighteen years of age, may not be an employee of the Corporation, with the sole exception of person(s) reporting directly to the board, or any Educational Management Organization contracted to assist in operating the school. Each Director may not have been convicted of any felonies and must, at least annually or additionally at the request of the Governing Board, undergo a background check.

Section 2.15. Removal. A Director may be removed from office with or without cause, by the vote of two-thirds of the Directors then in office at any meeting of the Governing Board after notice to all Directors of that purpose. A new Director may be elected to fill the unexpired term of any Director who has been removed by the Governing Board as provided in Section 2.6. A Director shall be immediately and automatically removed from office, if they fail to meet the minimum obligations or compliance requirements of a Director.

III.	**Closing Items**			**9:25 AM**
A.	Adjourn Meeting	FYI	Tangie Warrior	1 m

Coversheet

Presentation and Approval of 2025-2026 Audit Report

Section:	II. Action Items
Item:	A. Presentation and Approval of 2025-2026 Audit Report
Purpose:	Vote
Submitted by:	
Related Material:	TMSA FS FOR MANAGEMENT DRAFT 26.pdf TMSA TCWG DRAFT 26[64].pdf

TMSA, INCORPORATED

Financial Statements
and
Independent Auditors' Report

For the Year Ended June 30, 2026

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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, the business-type 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, 2026, and the related Notes to Financial Statements, which 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, the business-type activities, and each major fund of the School, as of June 30, 2026, 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.

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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.

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Report on Other Legal and Regulatory Requirements

Other Matters

Required Supplementary Information

GAAP require that the Management's Discussion and Analysis on pages 4-8, the Budgetary Comparison Schedule – General Fund, Schedules of Proportionate Share of the Net Pension Liability and Contributions, and Notes to Required Supplementary Information on pages 30 through 34, be presented to supplement the basic financial statements. 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 xx, 2026, 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 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.

Alpharetta, Georgia
October xx, 2026

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TMSA, INCORPORATED
MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
June 30, 2026

Management of TMSA, Incorporated, dba the Main Street Academy ("the School"), presents this discussion and analysis of the School's financial activities for the fiscal year ended June 30, 2026. This discussion should be read together with the basic financial statements and accompanying notes.

Overview of the Financial Statements

The School's basic financial statements consist of government-wide financial statements, fund financial statements, and notes to financial statements. The government-wide financial statements present the School's governmental activities and business-type activities using the economic resources measurement focus and accrual basis of accounting. They are designed to provide a broad view of the School's financial position and results of operations.

The governmental fund financial statements use the current financial resources measurement focus and modified accrual basis of accounting and emphasize near-term inflows, outflows, and spendable resources. The proprietary fund financial statements report the enterprise activity using the economic resources measurement focus and accrual basis of accounting. Reconciliations explain the differences between governmental fund amounts and related government-wide amounts. The notes provide additional information necessary to understand the financial statements.

Financial Summary

The following condensed information summarizes the School's government-wide financial position at June 30, 2026 and 2025.

	2026	2025	Change
Assets			
Other assets	$ 3,494,911	$ 3,096,601	$ 398,310
Capital assets, net	3,834,678	4,021,195	(186,517)
Lease asset, net	156,838	-	156,838
Total Assets	**7,486,427**	**7,117,796**	**368,631**
Deferred outflows of resources	2,935,347	3,250,612	(315,265)
Total Assets and Deferred Outflows	**10,421,774**	**10,368,408**	**53,366**
Liabilities			
Other liabilities	376,243	359,323	16,920
Long-term liabilities	7,097,789	9,099,986	(2,002,197)
Total Liabilities	**7,474,032**	**9,459,309**	**(1,985,277)**
Deferred inflows of resources	3,111,494	1,811,728	1,299,766
Total Liabilities and Deferred Inflows	**10,585,526**	**11,271,037**	**(685,511)**
Net Position			
Net investment in capital assets	3,833,410	4,021,195	(187,785)
Restricted net position	319,520	306,007	13,513
Unrestricted net position	(4,316,682)	(5,229,831)	913,149
Total Net Position	**$ (163,752)**	**$ (902,629)**	**$ 738,877**

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TMSA, INCORPORATED
MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
June 30, 2026

Financial Summary (Continued)

At June 30, 2026, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by $163,752, compared with $902,629 at June 30, 2025. The deficit in net position improved by $738,877. The improvement was principally reflected in a $913,149 increase in unrestricted net position, partially offset by a $187,785 decrease in net investment in capital assets.

Cash increased to $3,353,406. The School's proportionate share of the Teachers Retirement System of Georgia net pension liability decreased from $9,099,986 to $6,979,975, while pension-related deferred inflows of resources increased from $1,811,728 to $3,111,494. The School's net position improved partly due to the reduction in pension-related obligations and growth in unrestricted net position. While pension accounting continues to have a substantial impact on the government-wide financial statements, the School's increasing cash reserves, strong general fund balance, and improved unrestricted net position indicate positive financial stewardship of public funds and continued strengthening of the organization's overall financial condition.

The following table summarizes the School's government-wide results of operations for fiscal years 2026 and 2025.

	2026	2025	Change
Governmental Revenues			
State funds	$11,065,839	$10,983,786	$ 82,053
Federal funds	266,180	714,398	(448,218)
Total Governmental Revenues	**11,332,019**	**11,698,184**	**(366,165)**
Expenses			
Instruction	5,843,482	6,633,571	(790,089)
Support services	4,197,967	4,187,194	10,773
Non-instructional services	633,957	407,939	226,018
Depreciation and amortization (unallocated)	338,466	566,752	(228,286)
Total Expenses	**11,013,872**	**11,795,456**	**(781,584)**
General Revenues			
Enterprise fund	47,552	136,397	(88,845)
Contributions and others	373,178	287,227	85,951
Total General Revenues	**420,730**	**423,624**	**(2,894)**
Change in Net Position	**$ 738,877**	**$ 326,352**	**$ 412,525**

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TMSA, INCORPORATED
MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
June 30, 2026

Detailed Analyses

Government-Wide Results

Total revenues of governmental revenues and other revenues were $11,979,632 in fiscal year 2026, a decrease of $261,464 from fiscal year 2025. Federal Title I fund decreased $448,218 due to the authorizing district changing the Title I eligibility threshold from 40% to 50% for free and reduced-price lunches. State funding increased $82,053 and other revenues increased $85,951.
Expenses were $11,013,872 in fiscal year 2026, a decrease of $781,584 from fiscal year 2025. Instruction expenses decreased by $790,089 due to a reduction in staffing, resulting in a decrease in instructional salary expenses. Non-instructional-services expense increased by $226,018 due to increased student participation in the lunch program. General revenues and transfers included $47,552 in after-school program revenue, net related expenses, which was transferred to governmental activities, and $373,178 in contributions and other revenues.

The enterprise fund reported operating revenues of $274,435 and operating expenses of $226,883, resulting in operating income of $47,552. The operating income decreased by $88,846, primarily due to the increased personnel costs. The operating income was transferred to governmental activities, leaving no ending enterprise fund net position.

Major Funds

The general fund reported a total fund balance of $3,158,960 at June 30, 2026, an increase of $421,682 from $2,737,278 at June 30, 2025. The June 30, 2026 balance consisted of $81,987 of nonspendable fund balance, $319,520 of restricted fund balance, and $2,757,453 of unassigned fund balance.

The School's management attributes the favorable operating performance to continued demand for services, effective cost management, and operating expenditures remaining below revenue growth. Consistent with the school's charter contract, any surplus funds remaining at the close of each fiscal year will be used to enhance the Charter School's academic program.

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TMSA, INCORPORATED
MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
June 30, 2026

Significant Capital Asset and Long-Term Financing Activity

At June 30, 2026, the School reported capital assets, net, of $3,834,678, consisting of land of $298,000 and depreciable capital assets, net, of $3,536,678. Capital asset additions during fiscal year 2026 were $137,691 related to building improvements, computer equipment, and classroom furniture; depreciation expense was $324,208, and no disposals or transfers were reported.

The School entered a 48-month copier lease during fiscal year 2027, which was accounted for as a right-of-use lease asset and related lease liability under Governmental Accounting Standards Board ("GASB") Statement No. 87. As of June 30, 2026, the net right-of-use lease asset was $156,838, and the related lease liability was $158,106. Lease amortization expense for fiscal year 2026 was $14,258.

The School's other significant long-term obligation is its proportionate share of the Teachers Retirement System of Georgia net pension liability. The liability decreased from $9,099,986 at June 30, 2025 to $6,979,975 at June 30, 2026.

Currently Known Facts, Decisions, or Conditions

A significant portion of the School's funding is based on student enrollment. Accordingly, student enrollment, state, federal, and local per-pupil funding continue to be important factors affecting operating revenues. The School's current charter term extends through June 30, 2028. The management of the School is not aware of any currently known facts, decisions, or conditions that are expected to have a significant adverse effect on the School's overall financial position during fiscal year 2027. There is always a level of uncertainty when it relates to funding, as legislative and local decisions via the charter school authorizer affect the overall budget. However, several factors will continue to influence operating results and financial condition.

Student enrollment remains the primary driver of the School's state and local funding. Management will continue to monitor enrollment trends and student retention, as fluctuations in enrollment directly impact per-pupil funding and operating revenues. Based on current projections, enrollment is expected to remain stable during fiscal year 2027.

The School continues to pursue federal, state, and private grant opportunities to support instructional programs, student services, technology initiatives, capital improvements, and other strategic priorities. Management will monitor changes in grant funding availability and compliance requirements that could affect future program revenues and expenditures.

Personnel costs represent the School's largest operating expenditure. Management will continue evaluating staffing levels, compensation plans, employee benefits, and recruitment and retention needs to ensure the School remains competitive in the educational labor market while maintaining fiscal responsibility.

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Currently Known Facts, Decisions, or Conditions (Continued)

The School will continue to assess facility maintenance requirements, capital improvement needs, and long-term infrastructure planning. Routine maintenance and targeted capital projects may be undertaken as resources permit to preserve and enhance educational facilities and support continued enrollment growth.

Management will continue to evaluate lease obligations and other contractual commitments to ensure facility and operational needs are met while maintaining financial flexibility.

The School expects enterprise activities to remain self-supporting during fiscal year 2027. Revenues generated through enterprise operations are expected to continue covering related operating costs, with any excess resources available to support the School's educational mission through transfers to governmental activities as authorized and appropriate.

The general fund reported a positive fund balance at June 30, 2026, providing a strong financial foundation entering fiscal year 2027. Management anticipates maintaining adequate reserves to address unforeseen expenditures, revenue fluctuations, strategic initiatives, and future capital needs while continuing to deliver high-quality educational programs and services.

Overall, management believes the School is well-positioned financially and expects to maintain sound fiscal operations during fiscal year 2027 while continuing to monitor economic conditions, enrollment trends, governmental funding levels, and operational needs.

TMSP, Incorporated, dba the Main Street Preschool ("TMSP"), a nonprofit organization, was established in January 2026 for the purpose of developing and operating a pre-kindergarten educational program. As of June 30, 2026, TMSP had not commenced operations and, therefore, did not provide programmatic and educational services during the fiscal year. TMSP remains in the planning and developmental stages, with activities focused on evaluating the feasibility of the program, identifying suitable facilities, and assessing operational requirements. At this time, management has not established a definitive timeline for program implementation. Future operational plans and information regarding TMSP's operations and development will be disclosed as significant milestones are achieved and plans become finalized. TMSP may need to be consolidated with the School for financial reporting purposes.

Contacting the School's Financial Management

This financial report is designed to provide interested parties with a general overview of the School's finances. Questions concerning the information presented in this report should be addressed to TMSA, Incorporated, 2861 Lakeshore Drive, College Park, Georgia 30337.

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TMSA, INCORPORATED
STATEMENT OF NET POSITION
June 30, 2026

	Governmental Activities
Assets	
Cash and cash equivalents	**$ 3,353,406**
Accounts receivable	**39,518**
Related party receivable	**20,000**
Prepaid expenses	**81,987**
Capital assets, non-depreciable	**298,000**
Capital assets, depreciable, net	**3,536,678**
Lease asset, net	**156,838**
Total Assets	**7,486,427**
Deferred Outflows of Resources	
Deferred outflows related to pension	**2,935,347**
Total Deferred Outflows of Resources	**2,935,347**
Total Assets and Deferred Outflows of Resources	**$ 10,421,774**
Liabilities	
Accounts payable	**$ 39,078**
Other accrued payable	**296,873**
Lease liability, current	**40,292**
Long-term liabilities:	
Lease liability, net of current	**117,814**
Net pension liability	**6,979,975**
Total Liabilities	**7,474,032**
Deferred Inflows of Resources	
Deferred inflows related to pension	**3,111,494**
Total Deferred Inflows of Resources	**3,111,494**
Net Position	
Net investment in capital assets	**3,833,410**
Restricted net position	**319,520**
Unrestricted net position	**(4,316,682)**
Total Net Position	**(163,752)**
Total Liabilities, Deferred Inflows of Resources, and Net Position	**$ 10,421,774**

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

TMSA, INCORPORATED
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2026

Functions	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Net Revenue (Expense) and Change in Net Position: Primary Government: Governmental Activities	Primary Government: Business-Type Activities	Total
Governmental Activities:						
Instruction	$ 5,843,482	$ -	$10,881,642	$ 5,038,160	$ -	**$ 5,038,160**
Support Services:						
Pupil services	630,724	-	195,644	(435,080)	-	**(435,080)**
Improvement of instructional staff	23,439	-	-	(23,439)	-	**(23,439)**
Educational media	179,834	-	-	(179,834)	-	**(179,834)**
General administration	46,744	-	-	(46,744)	-	**(46,744)**
School administration	1,970,021	-	-	(1,970,021)	-	**(1,970,021)**
Business administration	114,757	-	-	(114,757)	-	**(114,757)**
Maintenance and operation	1,230,492	-	55,210	(1,175,282)	-	**(1,175,282)**
Student transportation	1,956	-	-	(1,956)	-	**(1,956)**
Operations of Non-Instructional Services:						
School nutrition	633,957	68,955	367,745	(197,257)	-	**(197,257)**
Depreciation (unallocated)	324,208	-	-	(324,208)	-	**(324,208)**
Amortization of lease asset (unallocated)	14,258	-	-	(14,258)	-	**(14,258)**
Total Governmental Activities	11,013,872	68,955	11,500,241	555,324	-	**555,324**
Business-Type Activities:						
Enterprise fund	226,883	274,435	-	-	47,552	**47,552**
Total Business-Type Activities	226,883	274,435	-	-	47,552	**47,552**
Total Primary Government	$11,240,755	$343,390	$11,500,241	555,324	47,552	**602,876**
General Revenues and Transfers						
Interfund transfer				47,552	(47,552)	**-**
Contributions				33,209	-	**33,209**
Other income				102,792	-	**102,792**
Total General Revenues and Transfers				183,553	(47,552)	**136,001**
Change in Net Position				738,877	-	**738,877**
Net position, beginning of year				(902,629)	-	**(902,629)**
Net Position, End of Year				$ (163,752)	$ -	**$ (163,752)**

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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, 2026

	General Fund
Assets	
Cash and cash equivalents	**$ 3,353,406**
Accounts receivable	**39,518**
Related party receivable	**20,000**
Prepaid expenditures	**81,987**
Total Assets	**$ 3,494,911**
Liabilities	
Accounts payable	**$ 39,078**
Other accrued payable	**296,873**
Total Liabilities	**335,951**
Fund Balances	
Nonspendable fund balance	**81,987**
Restricted fund balance	**319,520**
Unassigned fund balance	**2,757,453**
Total Fund Balances	**3,158,960**
Total Liabilities and Fund Balances	**$ 3,494,911**

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

TMSA, INCORPORATED
RECONCILIATION OF THE
BALANCE SHEET – GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
June 30, 2026

Total Fund Balances for Governmental Funds	**$ 3,158,960**
Total net position reported for governmental activities in the Statement of Net Position is different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:	
Capital assets, net	**3,834,678**
Lease asset, net	**156,838**
Deferred outflows and inflows of resources related to pension are applicable to future periods and, therefore, are not reported in the funds:	
Deferred inflows of resources related to pension	**(3,111,494)**
Deferred outflows of resources related to pension	**2,935,347**
Certain liabilities are not reported in the fund financial statements because they are not due and payable, but they are presented in the Statement of Net Position as follows:	
Net pension liability	**(6,979,975)**
Lease liability	**(158,106)**
Total Net Position of Governmental Activities	**$ (163,752)**

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

TMSA, INCORPORATED
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES – GOVERNMENTAL FUNDS
For the Year Ended June 30, 2026

	General Fund
Revenues	
State funds	**$11,065,839**
Federal funds	**266,180**
Contributions	**33,209**
Other	**339,969**
Total Revenues	**11,705,197**
Expenditures	
Instruction	**6,211,241**
Support Services:	
Pupil services	**644,709**
Improvement of instructional staff	**23,439**
Educational media	**190,711**
General administration	**60,729**
School administration	**2,073,615**
Business administration	**114,757**
Maintenance and operation	**1,238,262**
Student transportation	**1,956**
School nutrition	**633,957**
Capital outlay	**137,691**
Total Expenditures	**11,331,067**
Excess of Revenues over Expenditures	**374,130**
Other Financing Sources	
Transfers in	**47,552**
Total Other Financing Sources	**47,552**
Net Change in Fund Balances	**421,682**
Fund balances, beginning of year	**2,737,278**
Fund Balances, End of Year	**$ 3,158,960**

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

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, 2026

Net Change in Fund Balances – Total Governmental Funds	**$ 421,682**
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlay 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 outlay	**137,691**
Depreciation expense	**(324,208)**
The amortization of the lease asset related to the lease payment is recorded as expense in the Statement of Activities:	
Amortization of lease asset	**(14,258)**
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	**9,703**
Governmental funds report pension contributions as expenditures. However, in the Statement of Activities, pension expense is measured in accordance with GASB 68:	
Pension contribution in excess of pension expense	**508,267**
Change in Net Position – Governmental Activities	**$ 738,877**

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

TMSA, INCORPORATED
STATEMENT OF NET POSITION – PROPRIETARY FUND
June 30, 2026

	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	**$ -**

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

TMSA, INCORPORATED
STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN NET POSITION – PROPRIETARY FUND
For the Year Ended June 30, 2026

	Enterprise Fund
Operating Revenues	
Charges for services	**$ 274,435**
Total Operating Revenues	**274,435**
Operating Expenses	
Instruction	**226,883**
Total Operating Expenses	**226,883**
Operating Income	**47,552**
Interfund Transfer (Out)	**(47,552)**
Change in Net Position	**-**
Net position, beginning of year	**-**
Net Position, End of Year	**$ -**

DRAFT

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

TMSA, INCORPORATED
NOTES TO FINANCIAL STATEMENTS
June 30, 2026

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

TMSA, Incorporated ("TMSA"), 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 functions 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.

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:

(Continued)

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TMSA, INCORPORATED
NOTES TO FINANCIAL STATEMENTS
June 30, 2026

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation (Continued)

Governmental Funds (Continued)

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.

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)

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TMSA, INCORPORATED
NOTES TO FINANCIAL STATEMENTS
June 30, 2026

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 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.

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.

(Continued)

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TMSA, INCORPORATED
NOTES TO FINANCIAL STATEMENTS
June 30, 2026

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, and Fund Equity (Continued)

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, 2026, the School held an uninsured cash balance of $2,852,097.

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 and determined that no allowance was considered necessary.

Related Party Receivable

TMSA has a receivable of $20,000 from the Main Street Preschool ("TMSP"). Management expects the receivable to be collected after TMSP is open and operating.

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
Building improvements	30 years
Technology and equipment	3-5 years
Furniture and fixtures	3-5years

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, 2026

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 nonspendable 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 non-spendable 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:

(Continued)

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TMSA, INCORPORATED
NOTES TO FINANCIAL STATEMENTS
June 30, 2026

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, and Fund Equity (Continued)

Net Position (Continued)

Net Investment in Capital Assets
This component of net position consists of capital assets, including restricted capital assets, lease asset (right-to use asset), net of accumulated depreciation and amortization of lease, and reduced by the outstanding balances of lease liabilities and other long-term debt.

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 or enabling legislation adopted by the School.

Unrestricted
This component of net position consists of net position 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.

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, 2026.

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 June 30, 2023.

(Continued)

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TMSA, INCORPORATED
NOTES TO FINANCIAL STATEMENTS
June 30, 2026

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgets and Budgetary Accounting

The School adopts an annual budget for its funds on a basis consistent with GAAP as applied to governmental entities, which is on the modified accrual basis of accounting. The School's annual budget is approved by the Board in July based on projected enrollment and preliminary revenue information provided by the School System ("the Proposed Budget"). Following the official enrollment count and receipt of revised revenue information from the School System, management evaluates whether amendments to the approved budget are necessary ("the Final Budget"). Budget amendments, when required, are presented to the Board for approval. Proposed Budget, Final Budget and Actual comparisons are presented as required supplementary information.

Subsequent Events

The School has evaluated subsequent events through the date the financial statements were issued. Any significant events that have occurred through that date are included in these notes.

NOTE 2 – CONCENTRATIONS

Revenue

For the year ended June 30, 2026, the School received a significant portion, approximately 92% 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, 2026 is summarized below:

Description	June 30, 2025	Additions	**June 30, 2026**
Building	$ 1,120,188	$ -	**$ 1,120,188**
Land	298,000	-	**298,000**
Technology and equipment	1,453,146	73,711	**1,526,857**
Building improvements	4,892,016	5,700	**4,897,716**
Furniture	61,368	58,280	**119,648**
Total	7,824,718	137,691	**7,962,409**
Less: Accumulated Depreciation	(3,803,523)	(324,208)	**(4,127,731)**
Capital Assets, net	$ 4,021,195	$ (186,517)	**$ 3,834,678**

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TMSA, INCORPORATED
NOTES TO FINANCIAL STATEMENTS
June 30, 2026

NOTE 4 – ADOPTION OF NEW ACCOUNTING PRONOUNCEMENT

For the fiscal year ended June 30, 2026, the School adopted GASB Statement Number 103 ("GASB 103"), *Financial Reporting Model Improvements*. GASB 103 is effective for fiscal years beginning after June 15, 2025 and was adopted by the School as of July 1, 2025, as required.

GASB 103 was issued to improve key components of the financial reporting model to enhance the effectiveness of financial statements in providing information useful for decision-making and assessing accountability. Among other changes, GASB 103:

- Reduces the required elements of Management's Discussion and Analysis ("MD&A") and clarifies that MD&A should be limited to those elements to avoid unnecessary duplication of information presented elsewhere in the financial statements;
- Requires budgetary comparison information to be presented only as required supplementary information, and no longer permits its presentation as a basic financial statement, along with a required variance column between proposed and final budget amounts, and an explanation of significant variances in the notes to required supplementary information;
- Replaces the categories of special items and extraordinary items with a single category of unusual or infrequent items, to be disclosed in the notes to the financial statements; and
- Establishes new presentation and disclosure requirements for certain other elements of the financial reporting model.

The adoption of GASB 103 represents a change in accounting principle in accordance with GASB Statement Number 100, *Accounting Changes and Error Corrections*. The adoption of GASB 103 did not result in any restatement of beginning net position or fund balance, as the changes relate primarily to the presentation of, and disclosures within, the basic financial statements and required supplementary information rather than to the recognition or measurement of financial statement elements.

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TMSA, INCORPORATED
NOTES TO FINANCIAL STATEMENTS
June 30, 2026

NOTE 5 – LEASE

The School accounts for leases under GASB Statement Number 87, *Leases*, ("GASB 87"), which establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. This requires the lessee to recognize a lease liability and an intangible right-to-use asset.

In March 2026, the School entered a 48-month, non-cancelable lease with Canon for a copy machine. The lease requires monthly payments of $3,940 and expires in February 2030.

The weighted-average discount rate is based on the discount rate implicit in the lease. If the implicit rate is not readily determinable from the lease, the School estimates an applicable incremental borrowing rate. The incremental borrowing rate was estimated to be approximately 5% at the lease implementation date. At June 30, 2026, the School reports a right-to-use lease asset of $171,096, net of accumulated amortization of $14,258, and a lease liability of $158,106 in the Statement of Net Position.

Future minimum lease payments are as follows:

Years ending June 30	
2027	**$ 47,283**
2028	**47,283**
2029	**47,283**
2030	**31,521**
Less: Imputed interest	**(15,264)**
Total lease liability	**$ 158,106**

NOTE 6 – 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)

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TMSA, INCORPORATED
NOTES TO FINANCIAL STATEMENTS
June 30, 2026

NOTE 6 – 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. 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 2026. The School's contractually required contribution rate for the year ended June 30, 2026, was 21.91% of the School's annual payroll. The School's contributions to TRS were $1,138,143 for the year ended June 30, 2026.

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

At June 30, 2026, the School reported a net pension liability of $6,979,975.

The net pension liability was measured as of June 30, 2025. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of June 30, 2024. An expected total pension liability as of June 30, 2025, 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, 2025. At June 30, 2025, the School's proportion was 0.032962%, which was a decrease of 0.003243% from its proportion measured as of June 30, 2024. For the year ended June 30, 2026, the School recognized pension expense of $770,787.

(Continued)

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TMSA, INCORPORATED
NOTES TO FINANCIAL STATEMENTS
June 30, 2026

NOTE 6 – RETIREMENT PLAN (Continued)

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

At June 30, 2026, the School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Differences between expected and actual experience	$ 1,211,600	$ 9,286
Net difference between projected and actual earnings on pension plan investments	-	2,040,832
Changes in proportion and differences between School contributions and proportionate share of contributions	231,766	968,562
Changes in assumptions	216,127	92,814
School contributions subsequent to the measurement date	1,275,854	-
	$ 2,935,347	$ 3,111,494

The School's contributions subsequent to the measurement date of $1,275,854 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, 2027. 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
2027	$ 699,218
2028	(964,601)
2029	(819,213)
2030	(367,405)

Actuarial Assumptions

The total pension liability as of June 30, 2025, was determined by an actuarial valuation as of June 30, 2024, 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)

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TMSA, INCORPORATED
NOTES TO FINANCIAL STATEMENTS
June 30, 2026

NOTE 6 – RETIREMENT PLAN (Continued)

Actuarial Assumptions (Continued)

The Mortality rates are as follows: The Pub-2010 Teachers Headcount Weighted Below-Median Employee Table, with ages set forward one year and adjusted 106%, projected generationally with the MP-2021 Projection Scale is used for both males and females while in active service. Rates of improvement have been reduced by 20% for all years prior to the ultimate rate. For those not in active service, the Pub-2010 Benefit Weighted Family of Tables projected generationally with the MP-2021 Projection Scale are used. Rates of improvement have been reduced by 20% for all years prior to the ultimate rate. Further adjustments are used for post-retirement mortality assumptions as follows:

Participant Type	Membership Table	Set Forward/Setback	Adjustment to Rates
Service retirees	Teachers Healthy Below-Median Annuitant	Male: +1; Female: +1	Male: 105%; Female: 110%
Disability retirees	Teachers Disabled	Male: +3; Female: +3	Male: 106%; Female: 106%
Beneficiaries	Teachers Below-Median Contingent Survivors	Male: +1; Female: -1	Male: 100%; Female: 102%

The actuarial assumptions used in the June 30, 2024 valuation were based on the results of an actuarial experience study for the period July 1, 2018 – June 30, 2023. 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.

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset class	Target allocation	Long-term expected real rate of return*
Fixed income	30.00%	1.90%
Domestic large equities	43.20%	9.30%
Domestic small equities	4.30%	13.00%
International developed market equities	12.30%	9.30%
International emerging market equities	5.20%	11.30%
Alternatives	5.00%	11.40%
	100.00%	

*Rates are shown net of inflation.

(Continued)

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TMSA, INCORPORATED
NOTES TO FINANCIAL STATEMENTS
June 30, 2026

NOTE 6 – RETIREMENT PLAN (Continued)

Discount Rate

The discount rate used to measure the total 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 plan's 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	$ 13,212,543	$ 6,979,975	$ 1,880,645

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.

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

TMSA, INCORPORATED
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE – GENERAL FUND (UNAUDITED)
For the Year Ended June 30, 2026

	Proposed Budget	Final Budget	**Increase (Decrease) – Proposed to Final Budget**	Actual Amounts	**Actual Over (Under) Final Budget**
Revenues					
State funds	$10,677,872	$10,677,872	**$ -**	11,065,839	**387,967**
Federal funds	220,000	220,000	**-**	266,180	**46,180**
Contributions	28,857	28,857	**-**	33,209	**4,352**
Other	224,000	224,000	**-**	339,969	**115,969**
Total Revenues	11,150,729	11,150,729	**-**	11,705,197	**554,468**
Expenditures					
Instruction	6,457,161	6,457,161	**-**	6,211,241	**(245,920)**
Support services:					
Pupil services	525,625	525,625	**-**	644,709	**119,084**
Improvement of instructional staff	128,665	128,665	**-**	23,439	**(105,226)**
Educational media	145,713	145,713	**-**	190,711	**44,998**
General administration	85,574	85,574	**-**	60,729	**(24,845)**
School administration	1,731,083	1,731,083	**-**	2,073,615	**342,532**
Business administration	161,084	161,084	**-**	114,757	**(46,327)**
Maintenance and operation	1,230,567	1,230,567	**-**	1,238,262	**(2,427)**
Student transportation	-	-	**-**	1,956	**1,956**
School nutrition	509,384	509,384	**-**	633,957	**124,573**
Capital outlay	8,842	8,842	**-**	137,691	**128,849**
Total Expenditures	10,983,698	10,983,698	**-**	11,331,067	**347,369**
Excess of Revenues Over Expenditures	167,031	167,031	**-**	374,130	**207,099**
Other Financing Sources					
Transfers in	65,989	65,989	**-**	47,552	**(18,437)**
Total Other Financing Sources	65,989	65,989	**-**	47,552	**(18,437)**
Net Change in Fund Balances	$ 233,020	$ 233,020	**$ -**	421,682	**$ 188,662**
Fund balances, beginning of year				2,737,278	
Fund Balances, End of Year				$ 3,158,960	

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 PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHERS RETIREMENT SYSTEM OF GEORGIA
For the Years Ended June 30, 2017 through 2026

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
School's proportion of the net pension liability	.032962%	.036205%	.039103%	.036079%	.034802%	.033685%	.031754%	.034771%	.027771%	.023661%
School's proportionate share of the net pension liability	$6,979,975	$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
School's covered-employee payroll during the measurement period	$5,823,158	$5,477,526	$ 5,645,150	$ 5,489,875	$ 4,837,779	$ 4,528,085	$ 4,413,344	$ 3,974,785	$ 3,611,410	$ 3,867,498
School's proportionate share of the net pension liability as a percentage of its covered-employee payroll	119.87%	166.13%	204.51%	213.40%	63.62%	180.20%	154.71%	160.98%	142.92%	126.22%
Plan fiduciary net position as a percentage of the total pension liability	84.65%	80.86%	76.29%	72.85%	92.03%	77.01%	78.56%	80.27%	79.33%	76.06%

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

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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 CONTRIBUTIONS
TEACHERS RETIREMENT SYSTEM OF GEORGIA
For the Years Ended June 30, 2017 through 2026

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Contractually required contributions	$ 1,275,854	$ 1,138,230	$ 1,127,901	$ 1,096,877	$ 958,364	$ 863,053	$ 932,981	$ 830,730	$ 607,078	$ 551,892
Contributions in relation to the contractually required contribution	$ 1,275,854	$ 1,138,230	$ 1,127,901	$ 1,096,877	$ 958,364	$ 863,053	$ 932,981	$ 830,730	$ 607,078	$ 551,892
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
School's covered-employee payroll	$ 5,823,158	$ 5,477,526	$ 5,645,150	$ 5,489,875	$ 4,837,779	$ 4,528,085	$ 4,413,344	$ 3,974,785	$ 3,611,410	$ 3,867,498
Contributions as a percentage of covered-employee payroll	21.91%	20.78%	19.98%	19.98%	19.81%	19.06%	21.14%	20.90%	16.81%	14.27%

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

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

TMSA, INCORPORATED
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2026

NOTE 1 – SIGNIFICANT VARIANCES FROM PROPOSED BUDGET TO FINAL BUDGET

The School did not amend its budget during the year. Accordingly, the proposed budget and final budget are the same, and there were no variances between the proposed and final budgets.

NOTE 2 – SIGNIFICANT VARIANCES FROM FINAL BUDGET TO ACTUAL

For purposes of these notes, a variance is considered significant if it exceeds both $120,000 and 15% of the final budgeted amount. Based on this threshold, the following variances from the budget to actual amounts were considered significant:

School Administration
Actual expenditures exceeded the budget by $342,532 (20%), from a budget of $1,731,083 to actual expenditures of $2,073,615. The unfavorable variance was primarily attributable to higher costs for professional services and computer software during the fiscal year.

School Nutrition
Actual expenditures exceeded the budget by $124,573 (24%), from a budget of $509,384 to actual expenditures of $633,957. The unfavorable variance was primarily attributable to increased student participation in the daily breakfast and lunch programs, which resulted in higher food costs.

Capital Outlay
Actual expenditures exceeded the budget by $128,849 (1,457%), from a budget of $8,842 to actual expenditures of $137,691. The unfavorable variance was primarily attributable to unanticipated purchases of classroom furniture and computer equipment.

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TMSA, INCORPORATED
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2026

NOTE 3 – CHANGES OF ASSUMPTIONS

On November 18, 2015, the Board adopted recommended changes to the economic and demographic assumptions utilized by TRS. 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 on 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%.

On January 22, 2025, the Board adopted recommended changes to various assumptions and methods utilized by the System. Primary among the changes were updates to rates of mortality, retirement, disability, and withdrawal.

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

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, the business-type activities and each major fund of TMSA, Incorporated ("the School"), as of and for the year ended June 30, 2026, 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 xx, 2026.

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 School'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.

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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 School'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 School's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Alpharetta, Georgia
October xx, 2026

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October x, 2026

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, 2026, and have issued our report thereon dated October x, 2026. 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 June 29, 2026, 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.

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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. Non-material misstatements that we identified as a result of our audit procedures that were brought to the attention of, and corrected by, management were adjustments to June 30, 2026 receivables ($23,780), amortization ($10,275), and accrued salaries payable ($50,162).

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

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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

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Coversheet

Presentation and Approval of 2025-2026 Agreed Upon Procedures Audit Report

Section: II. Action Items
Item: B. Presentation and Approval of 2025-2026 Agreed Upon Procedures Audit Report
Purpose: Vote
Submitted by:
Related Material: TMSA 2026 AUP Final.pdf

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certified public accountants

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors and Management of
TMSA, Incorporated 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 TMSA, Incorporated ("the School"), solely to assist you in evaluating whether the School is in compliance with each requirement set forth by the Fulton County Board of Education ("FCBOE") applicable for the year ended June 30, 2026. The School's management is responsible for its compliance with those requirements.

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, 2026. Additionally, FCBOE has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. 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 for the year ended June 30, 2026.

   Finding: Inspection of filing documents on the Georgia Secretary of State website found that the School had a current non-profit certificate on file for the fiscal year ended June 30, 2026.

2) Procedure: Determine whether all governance board members have a current background check with fingerprinting for the year ended June 30, 2026.

   Finding: Inspection of supporting documentation, including paid invoices where background checks with fingerprinting were ordered found that all board members relevant to the fiscal year ended June 30, 2026, have had a current background check with fingerprinting performed.

3) Procedure: Determine whether the School has the insurance coverage required in the charter agreement for the year ended June 30, 2026.

   Finding: Inspection of supporting documentation including insurance contracts and charter agreement confirmed that the School maintained insurance coverage that is consistent with the charter agreement for the fiscal year ended June 30, 2026.

4) Procedure: Determine whether a safety plan exists for the year ended June 30, 2026.

   Finding: Inspection of supporting documentation found that a safety plan exists for the year ended June 30, 2026.

5) Procedure: Determine whether personnel records for all applicable employees of the School are recorded in the FCBOE "HR Atlas" human resources database.

   Finding: Compared the 46 employees paid on the June 30, 2026 check date to HR Atlas and found all 46 were recorded.

6) Procedure: 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].	112 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.	10.40	Liquidity ratio is greater than 1.
Sustainability ratio is measured as unrestricted net assets divided by average monthly expenses.	2.92 months*	Sustainability ratio indicates more than a 2-month reserve.
Debt to Asset ratio is measured as total liabilities (excluding net pension liability and lease 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.	3.97%	Occupancy Expense is less than 15% of total revenue.

(Continued)

Ratio/Measurement	Calculation/Result	Requirement
Total Margin is measured as net income divided by total revenues.	0.06	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 is not delinquent with debt service payments.
Total debt level recorded at fiscal year end June 30, 2026	$ -0-	n/a
Enrollment Variance is measured as the difference between budgeted and actual enrollment divided by total budgeted enrollment.	5.61 %	Enrollment Variance is within +/- 10% of budgeted enrollment.

*Calculation uses fund financial statement data, as defined in the School's annual audit report as of June 30, 2026.

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 or review engagement, the objectives of which would be the expression of an opinion or conclusion, respectively, on compliance with certain requirements set forth by FCBOE. Accordingly, we do not express such an opinion or conclusion. 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 to 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 28, 2026
Alpharetta, Georgia