

# Ocean Charter School 2024-25 Budget Presentation

June 27, 2024

# California Economy and School Funding

- Governor Newsom and the Legislature came to an agreement on the 24-25 budget.
- To close the large deficit, other State operations will face cuts while TK-14 was spared from budget cuts.
- The Education rainy day fund is used to avoid cuts to education.
- For the 3<sup>rd</sup> time since Prop 98 was established, the Legislature is suspending obligations for the current school year (23-24). It temporarily sets aside the guaranteed funding formulas allowing the State to allocate less money to education that would normally be required essentially creating an IOU to pay back education later.
- The budget fully funds a statutory COLA of 1.07% for the LCFF, which is greater than the January estimate of 0.76%, but much lower than the estimate of 3.94% from the 2023-24 Enacted Budget.
- The budget includes the deferral of Prop 98 funding: \$3.6B from FY23-24 to FY24-25 and \$246M FY24-25 to FY25-26.

## OCS 2024-25 Budget Assumptions and Highlights

- Enrollment 558
- ADA: 524.52, 94%
- Unduplicated pupil percentage (UPP) 29.7%
- Revenue COLA 1.07%
- Expense COLA 3% on materials and services
- Salary increase 1.5%
- Health & welfare increase 8%
- Federal/State Revenue: Title \$36K, ELOP \$261K, Prop 28/Arts & Music \$32K, Educator effectiveness \$74K, Arts & Music Block grant \$81K, TK Planning \$47K
- Other Revenue: Fundraising \$442K, Aftercare \$328K, Enrichment \$108K
- Operating Net Income \$414K, EBITDA \$607K, Debt Service ratio 1.30
- Cash \$1.4m ~ 16% cash reserve

# Ocean Restricted One-time funds

| Funding Source                           | Deadline  | Allocation     | 20/21 Spent | 21/22 Spent   | 22/23 Spent   | 23/24 Spent   | 24/25 Budget  | 25/26 Budget | 26/27 Budget |
|--|-----------|----------------|-------------|---------------|---------------|---------------|---------------|--------------|--------------|
| ESSER III - 3213                         | 9/30/2024 | \$ 225,422.00  | \$ -        | \$ 141,061.00 | \$ 84,361.01  | \$ (0.01)     | \$ -          | \$ -         | \$ -         |
| ESSER III, 20% LLM - 3214                | 9/30/2024 | \$ 56,356.00   | \$ -        | \$ -          | \$ 56,356.00  | \$ -          | \$ -          | \$ -         | \$ -         |
| In-Person Instruction (IPi) Grant - 7422 | 9/30/2024 | \$ 155,103.00  | \$ -        | \$ 113,836.34 | \$ 41,266.66  | \$ -          | \$ (0.00)     | \$ -         | \$ -         |
| ELO Grant - 7425                         | 9/30/2024 | \$ 145,876.00  | \$ -        | \$ 145,876.00 | \$ -          | \$ -          | \$ -          | \$ -         | \$ -         |
| ELO Grant, 10% Para Reservation - 7426   | 9/30/2024 | \$ 31,884.00   | \$ -        | \$ 7,578.18   | \$ 24,306.00  | \$ (0.18)     | \$ -          | \$ -         | \$ -         |
| Educator Effectiveness - 6266            | 6/30/2026 | \$ 117,818.00  | \$ -        | \$ -          | \$ 23,528.00  | \$ 20,311.30  | \$ 73,978.70  | \$ -         | \$ -         |
| TK Planning Grant - 6053                 | 6/30/2026 | \$ 170,547.00  | \$ -        | \$ -          | \$ 101,397.00 | \$ 22,194.34  | \$ 46,955.66  | \$ -         | \$ -         |
| Arts & Music Block Grant - 6762          | 6/30/2026 | \$ 318,713.00  | \$ -        | \$ -          | \$ 76,997.00  | \$ 102,660.31 | \$ 81,340.18  | \$ 57,715.51 | \$ -         |
|  |           | \$1,221,719.00 | \$ -        | \$ 408,351.52 | \$ 408,211.67 | \$ 145,165.76 | \$ 202,274.54 | \$ 57,715.51 | \$ -         |

# OCS 2024-25 Multi-Year Budget Summary

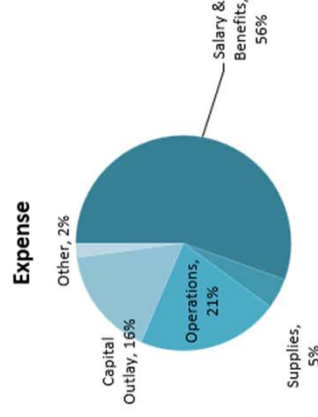
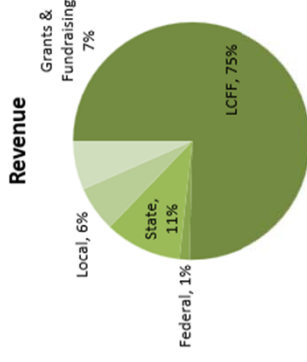
## OCEAN CHARTER SCHOOL

### Multi-Year Budget Summary

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|   | 2023-24          | 2024-25 Forecast   | 2025-26            | 2026-27            |
|---|------------------|--------------------|--------------------|--------------------|
| Total Enrollment                                  | 567              | 558                | 558                | 558                |
| ADA   | 533.46           | 524.52             | 524.52             | 524.52             |
| % Free and Reduced                                | 20%              | 20%                | 20%                | 20%                |
| % English Language Learners                       | 5%               | 5%                 | 5%                 | 5%                 |
| % Unduplicated Low Income, EL, Foster Youth       | 30%              | 30%                | 30%                | 30%                |
| <b>INCOME</b>                                     |                  |                    |                    |                    |
| 8011-8098 - Local Control Funding Formula Sources | 5,961,512        | 5,996,324          | 6,151,712          | 6,341,149          |
| 8100-8299 - Federal Revenue                       | 112,634          | 106,581            | 106,581            | 106,581            |
| 8300-8599 - Other State Revenue                   | 664,388          | 822,758            | 615,881            | 571,103            |
| 8600-8799 - Other Local Revenue                   | 538,580          | 488,389            | 436,139            | 436,139            |
| Grants/Fundraising                                | 517,143          | 523,046            | 523,046            | 523,046            |
| 8999 - Other Prior Year Adjustment                | 19,204           | -                  | -                  | -                  |
| <b>TOTAL INCOME</b>                               | <b>7,813,460</b> | <b>7,877,048</b>   | <b>7,833,308</b>   | <b>7,977,968</b>   |
| <b>EXPENSE</b>                                    |                  |                    |                    |                    |
| 1000 - Certificated Salaries                      | 1,863,563        | 1,987,242          | 2,096,923          | 2,118,400          |
| 2000 - Classified Salaries                        | 1,696,926        | 1,689,043          | 1,731,269          | 1,800,520          |
| 3000 - Employee Benefits                          | 1,165,296        | 1,278,541          | 1,343,923          | 1,424,659          |
| 4000 - Supplies                                   | 455,814          | 406,944            | 409,114            | 410,888            |
| 5000 - Operating Services                         | 1,910,489        | 1,908,247          | 1,902,832          | 1,951,253          |
| 6000 - Capital Outlay                             | 1,466,217        | 1,464,128          | 1,463,265          | 1,462,069          |
| 7000 - Other Outgo                                | 198,155          | 192,750            | 187,236            | 181,611            |
| <b>TOTAL EXPENSE</b>                              | <b>8,756,460</b> | <b>8,926,894</b>   | <b>9,074,562</b>   | <b>9,349,400</b>   |
| <b>NET INCOME</b>                                 | <b>(943,000)</b> | <b>(1,049,846)</b> | <b>(1,241,253)</b> | <b>(1,371,431)</b> |
| Ending Cash Balance                               | 2,176,637        | 1,393,100          | 1,915,494          | 2,254,667          |

2024-25 Revenue and Expense By Category



**OCEAN CHARTER 24-25 BUDGET ASSUMPTIONS (changes since 5.28.24 Finance Committee meeting are in blue overall assumptions are compared to the 23-24 forecast)**

- Enrollment – 558, ADA rate – 94%
- Revenue COLA – 1.07% based on May Revised, up from 0.76% (approx. \$18K in additional LCFF revenue)
- Grant Revenues included:
  - ELO-P - \$261,187
    - Revised version includes \$3K in additional ELOP revenue due to expense adjustments including \$5K for Sports (kitchen staff snack prep time already included).
    - 24-25 entitlement - \$171,355, carryover from 23-24 - \$112,938, carry over to 25-26 \$23K, carryover allowed to up to 2 years.
  - Educator Effectiveness - \$73,979
    - Total entitlement - \$117,818, 22-23 allocation - \$23,528, Funds to be spent by 6/30/2026.
  - State Mental Health – \$41,809 removed from budget due to uncertainty of option 1 revenue structure.
  - TK Planning Grant - \$46,955.66
    - Revised version includes \$10K in additional TK funds due to expense adjustments
    - Total entitlement \$170,547, 22-23 allocation \$101,397, 23-24 allocation \$22,194
- Universal meals funded
- Known staffing updates included
- Fundraising - \$441,661

| Object Code                                    | Description                     | 2024-25           |
|--|---------------------------------|-------------------|
| <b>8695: Contributions &amp; Events</b>        |                                 |                   |
| 8695   | Annual Family Giving            | 325,000           |
| 8695   | Silent Auction                  | 55,000            |
| 8695   | Winter Faire (including raffle) | 30,000            |
| 8695   | OCS Store                       | 10,000            |
| 8695   | Beach Clean-A Thon              | 1,000             |
| 8695   | Book Fair                       | 2,147             |
| 8695   | Dinners Out                     | 1,638             |
| 8695   | Grades (8th) - moved to 8696    | 4,705             |
| 8695   | Produce delivery                | 1,094             |
| 8695   | Other Fundraising               | 11,076            |
| <b>Total, 8695: Contributions &amp; Events</b> |                                 | <b>\$ 441,661</b> |

- Aftercare & enrichment revenue - \$436,139 – Revised assumption includes \$7K in additional enrichment service costs resulting in increased enrichment revenue.
- Interest and Dividend income – added \$41,250 (\$500K @4.5% + \$750K @2.5%)
- Expense COLA – 3% applies to materials and services.

- Salary Increases – All staff including OCTA Schedule increased by 1.5% and OCTA STEP & Column movement included
- OCTA Band breakup 12-15 and 16-19 with a 1.5% increase included (~\$15K increase)
- Increase in house and contracted sub costs to match 23-24 actuals – increase of \$18K
- STRS Employer rate – 19.10%
- Health & Welfare rate – 8% increase included
- Maintain reductions made to one-time positions previously funded with COVID and Learning Loss in 21-22 and 22-23: Keeping TK(2) and Kinder aides(3) and other aides(7) which are a combination of intervention and classroom assistants – maintain 12 out of 12 aides from 23-24.
- Specialties program assumes 2 staff at estimate rates (all new hires must have credential; any existing employees need to be enrolled June 30, 2024)
- Field trip expense increased by \$10K as it previously did not include Games events.
- ExED Fee multi-year contract: 24-25 Management fees \$145,500 and 25-26 \$150,000 down from \$148,000 and 157,772. 24-25 CALPADS services fee \$17,100
- Line of credit balance at year-end – Zero
- Prop 1D loan payments - \$466,074
- Over-allocation fee \$148,145
- Total Net Income (with \$1.4M site depreciation) -\$1,049,846
- Net Income – OPERATING - \$414,282 - increased by \$26K
- Debt service coverage ratio – 1.30 – previously 1.25 (Hanmi requirement 1.25)
- Cash Balance as of 6/30/25 - \$1,393,100– decreased by \$134K
- Cash Reserve (Cash balance as a % of total expenses) – 16% - decreased by 1%

Items Kristy and Ayanthy are working on from Finance Committee meeting on 5.28:

- Identify more ELOP expenses including potentially sub coverage for aftercare [still working on this](#)
- Run Health & Welfare at 10% and 12% from 8% [10% = \\$10K increase from the 8%. Increase; 12% = \\$20K increase](#)
- OCTA band breakup scenario at 1.5% from 1% - increase of approx. \$15K [included in budget](#)
- Aftercare and Enrichment program revenue to be broken out [gross revenue included in budget](#)
  - [Aftercare revenue \\$323K](#)
  - [Enrichment class revenue \\$108K](#)

**OCEAN CHARTER SCHOOL**

*Multi-Year Budget Detail*

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|  | 2023-24          | 2024-25<br>Forecast |
|--|------------------|---------------------|
| Enrollment   | 567              | 558                 |
| ADA  | 533.46           | 524.52              |
| ADA %  |                  | 94%                 |
| UPP  |                  | 26%                 |
| <b>Income</b>  |                  |                     |
| <b>8011-8098 · Local Control Funding Formula Sources</b>       |                  |                     |
| 8011 Local Control Funding Formula                             | 2,154,762        | 2,175,848           |
| 8012 Education Protection Account                              | 1,794,529        | 1,783,319           |
| 8019 Local Control Funding Formula - Prior Year                | (59,308)         | -                   |
| 8096 In Lieu of Property Taxes                                 | 2,010,856        | 1,977,157           |
| 8098 In Lieu of Property Taxes, Prior Year                     | 60,673           | -                   |
| <b>Total 8011-8098 · Local Control Funding Formula Sources</b> | <b>5,961,512</b> | <b>5,936,324</b>    |
| <b>8100-8299 · Federal Revenue</b>                             |                  |                     |
| 8181 Special Education - Federal (IDEA)                        | -                | -                   |
| 8221 Child Nutrition - Federal                                 | 77,025           | 70,922              |
| 8223 CACFP Supper  | -                | -                   |
| 8291 Title I   | 18,476           | 18,476              |
| 8292 Title II  | 7,133            | 7,133               |
| 8294 Title III   | -                | -                   |
| 8295 Title IV, SSAE  | 10,000           | 10,000              |
| 8296 Title IV, PCSGP   | -                | -                   |
| 8297 Facilities Incentive Grant                                | -                | -                   |
| 8299 All Other Federal Revenue                                 | (0)              | -                   |
| <b>Total 8100-8299 · Other Federal Income</b>                  | <b>112,634</b>   | <b>106,531</b>      |
| <b>8300-8599 · Other State Revenue</b>                         |                  |                     |
| 8520 Child Nutrition - State                                   | 186,176          | 180,110             |
| 8550 Mandate Block Grant                                       | 10,241           | 10,702              |
| 8560 Lottery Revenue   | 138,774          | 136,412             |
| 8587 State Grant Pass-Through                                  | -                | -                   |
| 8591 SB740   | -                | -                   |
| 8592 State Mental Health                                       | -                | -                   |
| 8593 After School Education & Safety                           | -                | -                   |
| 8594 Supplemental Categorical Block Grant                      | -                | -                   |
| 8595 Expanded Learning Opportunity Program                     | 143,177          | 261,187             |
| 8596 Prop 28 Arts & Music                                      | 33,053           | 32,071              |
| 8599 State Revenue - Other                                     | 152,968          | 202,275             |
| <b>Total 8300-8599 · Other State Income</b>                    | <b>664,388</b>   | <b>822,758</b>      |
| <b>8600-8799 · Other Local Revenue</b>                         |                  |                     |
| 8631 Sale of Equipment & Supplies                              | -                | -                   |



**OCEAN CHARTER SCHOOL**

*Multi-Year Budget Detail*

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|   | 2023-24          | 2024-25 Forecast |
|---|------------------|------------------|
| 8634 Food Service Sales                                   | -                | -                |
| 8650 Leases & Rentals                                     | -                | -                |
| 8660 Interest & Dividend Income                           | 18,050           | 41,250           |
| 8662 Net Increase (Decrease) in Fair Value of Investments | -                | -                |
| 8681 Intra-Agency Fee Income                              | -                | -                |
| 8682 Childcare & Enrichment Program Fees                  | 485,530          | 436,139          |
| 8689 All Other Fees & Contracts                           | -                | -                |
| 8692 Grants   | 3,000            | 3,000            |
| 8694 In Kind Donations                                    | -                | -                |
| 8695 Contributions & Events                               | 435,758          | 441,661          |
| 8696 Other Fundraising                                    | 78,385           | 78,385           |
| 8697 E-Rate   | -                | 11,000           |
| 8698 SELPA Grants   | -                | -                |
| 8699 All Other Local Revenue                              | 35,000           | -                |
| 8792 Transfers of Apportionments - Special Education      | -                | -                |
| <b>Total 8600-8799 · Other Income-Local</b>               | <b>1,055,723</b> | <b>1,011,435</b> |
| <b>Prior Year Adjustments</b>                             |                  |                  |
| 8999 Other Prior Year Adjustment                          | 19,204           | -                |
| <b>Total Prior Year Adjustments</b>                       | <b>19,204</b>    | <b>-</b>         |
| <b>TOTAL INCOME</b>                                       | <b>7,813,460</b> | <b>7,877,048</b> |
| <b>Expense</b>  |                  |                  |
| <b>1000 · Certificated Salaries</b>                       |                  |                  |
| 1110 Teachers' Salaries                                   | 1,474,612        | 1,556,030        |
| 1120 Teachers' Hourly                                     | -                | -                |
| 1170 Teachers' Salaries - Substitute                      | 102,311          | 105,128          |
| 1175 Teachers' Salaries - Stipend/Extra Duty              | 32,923           | 61,320           |
| 1211 Certificated Pupil Support - Librarians              | -                | -                |
| 1213 Certificated Pupil Support - Guidance & Counseling   | 419              | -                |
| 1215 Certificated Pupil Support - Psychologist            | -                | -                |
| 1299 Certificated Pupil Support - Other                   | 8,797            | 10,248           |
| 1300 Certificated Supervisors' & Administrators' Salaries | 244,500          | 254,515          |
| 1900 Other Certificated Salaries                          | -                | -                |
| <b>Total 1000 · Certificated Salaries</b>                 | <b>1,863,563</b> | <b>1,987,242</b> |
| <b>2000 · Classified Salaries</b>                         |                  |                  |
| 2111 Instructional Aide & Other Salaries                  | 423,502          | 391,517          |
| 2121 After School Staff Salaries                          | 133,839          | 169,538          |
| 2131 Classified Teacher Salaries                          | 596,838          | 564,003          |
| 2200 Classified Support Salaries                          | 149,146          | 160,380          |
| 2300 Classified Supervisors' & Administrators' Salaries   | -                | -                |

# OCEAN CHARTER SCHOOL

## Multi-Year Budget Detail

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|  | 2023-24          | 2024-25<br>Forecast |
|--|------------------|---------------------|
| 2400 Classified Office Staff Salaries            | 393,601          | 403,605             |
| 2900 Other Classified Salaries                   | -                | -                   |
| <b>Total 2000 · Classified Salaries</b>          | <b>1,696,926</b> | <b>1,689,043</b>    |
| <b>Total 1000-2000 · Salaries</b>                | <b>3,560,489</b> | <b>3,676,285</b>    |
| <b>3000 · Employee Benefits</b>                  |                  |                     |
| 3111 STRS - State Teachers Retirement System     | 455,187          | 485,073             |
| 3212 PERS - Public Employee Retirement System    | -                | -                   |
| 3213 PARS - Public Agency Retirement System      | -                | -                   |
| 3311 OASDI - Social Security                     | 71,026           | 70,471              |
| 3331 MED - Medicare                              | 50,470           | 53,306              |
| 3401 H&W - Health & Welfare                      | 511,601          | 562,761             |
| 3501 SUI - State Unemployment Insurance          | 1,736            | 1,838               |
| 3601 Workers' Compensation Insurance             | 56,025           | 60,161              |
| 3751 OPEB, Active Employees                      | -                | -                   |
| 3901 Other Retirement Benefits                   | 14,582           | 44,929              |
| 3902 Other Benefits                              | 4,669            | -                   |
| <b>Total 3000 · Employee Benefits</b>            | <b>1,165,296</b> | <b>1,278,541</b>    |
| <b>Total 1000-3000 · Salaries &amp; Benefits</b> | <b>4,725,785</b> | <b>4,954,826</b>    |
| <b>4000 · Supplies</b>                           |                  |                     |
| 4111 Core Curricula Materials                    | 7,000            | 7,000               |
| 4211 Books & Other Reference Materials           | 15,386           | 15,386              |
| 4311 Student Materials                           | 84,332           | 92,012              |
| 4351 Office Supplies                             | 11,114           | 11,114              |
| 4371 Custodial Supplies                          | 31,386           | 27,619              |
| 4391 Food (Non Nutrition Program)                | 22,552           | 20,937              |
| 4392 Uniforms                                    | 3,711            | 1,626               |
| 4393 PE & Sports Equipment                       | 7,038            | 4,000               |
| 4395 Before & After School Program Supplies      | 4,377            | 4,405               |
| 4399 All Other Supplies                          | 27,487           | 20,000              |
| 4390 Other Supplies                              | 65,165           | 50,968              |
| 4411 Non Capitalized Equipment                   | 20,000           | 15,000              |
| 4711 Nutrition Program Food & Supplies           | 221,431          | 187,845             |
| 4713 CACFP Supper Food & Supplies                | -                | -                   |
| <b>Total 4000 · Supplies</b>                     | <b>455,814</b>   | <b>406,944</b>      |
| <b>5000 · Operating Services</b>                 |                  |                     |
| 5211 Travel & Conferences                        | 34,500           | 9,594               |
| 5311 Dues & Memberships                          | 20,803           | 23,736              |
| 5451 General Insurance                           | 234,175          | 209,173             |
| 5511 Utilities                                   | 103,741          | 106,853             |

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|  | 2023-24          | 2024-25<br>Forecast |
|--|------------------|---------------------|
| 5521 Security Services                     | -                | -                   |
| 5531 Housekeeping Services                 | 191,937          | 193,746             |
| 5599 Other Facility Operations & Utilities | 86,853           | 79,459              |
| 5611 School Rent - Private Facility        | -                | -                   |
| 5613 School Rent - Prop 39                 | -                | -                   |
| 5619 Other Facility Rentals                | -                | -                   |
| 5621 Equipment Lease                       | 34,120           | 30,000              |
| 5631 Vendor Repairs                        | 6,706            | 6,907               |
| 5812 Field Trips & Pupil Transportation    | 78,000           | 78,000              |
| 5821 Legal                                 | 43,225           | 33,225              |
| 5823 Audit                                 | 24,994           | 28,350              |
| 5831 Advertisement & Recruitment           | 5,000            | 5,150               |
| 5841 Contracted Substitute Teachers        | 109,014          | 102,103             |
| 5842 Special Education Services            | -                | -                   |
| 5843 Non Public School                     | -                | -                   |
| 5844 After School Services                 | 23,995           | 15,554              |
| 5849 Other Student Instructional Services  | 51,962           | 43,000              |
| 5852 PD Consultants & Tuition              | 41,646           | 102,578             |
| 5854 Nursing & Medical (Non-IEP)           | 5,682            | 11,862              |
| 5859 All Other Consultants & Services      | 217,391          | 239,945             |
| 5861 Non Instructional Software            | 50,019           | 45,520              |
| 5865 Fundraising Cost                      | 38,804           | 39,968              |
| 5871 District Oversight Fees               | 59,601           | 59,363              |
| 5872 Special Education Fees (SELPA)        | 363,530          | 357,438             |
| 5881 Intra-Agency Fees                     | -                | -                   |
| 5895 Bad Debt Expense                      | -                | -                   |
| 5898 Uncategorized Expense                 | -                | -                   |
| 5899 All Other Expenses                    | 36,004           | 36,508              |
| 5911 Office Phone                          | 10,827           | 11,152              |
| 5913 Mobile Phone                          | -                | -                   |
| 5921 Internet                              | 24,870           | 25,616              |
| 5923 Website Hosting                       | 9,350            | 9,631               |
| 5931 Postage & Shipping                    | 2,167            | 2,195               |
| 5999 Other Communications                  | 1,574            | 1,621               |
| <b>Total 5000 · Operating Services</b>     | <b>1,910,489</b> | <b>1,908,247</b>    |
| <b>6000 · Capital Outlay</b>               |                  |                     |
| 6901 Depreciation Expense                  | 1,466,217        | 1,464,128           |
| 6911 Amortization Expense - Lease Assets   | -                | -                   |
| 6912 Amortization Expense - Other          | -                | -                   |

**OCEAN CHARTER SCHOOL***Multi-Year Budget Detail*

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|  | 2023-24          | 2024-25<br>Forecast |
|--|------------------|---------------------|
| 6999 Capital Outlay                        | -                | -                   |
| <b>Total 6000 · Capital Outlay</b>         | <b>1,466,217</b> | <b>1,464,128</b>    |
| <b>7000 · Other Outgo</b>                  |                  |                     |
| 7438 Interest Expense                      | 198,155          | 192,750             |
| <b>Total 7000 · Other Outgo</b>            | <b>198,155</b>   | <b>192,750</b>      |
| <b>TOTAL EXPENSE</b>                       | <b>8,756,460</b> | <b>8,926,894</b>    |
| <b>NET INCOME</b>                          | <b>(943,000)</b> | <b>(1,049,846)</b>  |
| <b>Beginning Cash Balance</b>              | 2,197,451        | 2,176,637           |
| <b>Cash Flow from Operating Activities</b> |                  |                     |
| Net Income                                 | (943,000)        | (1,049,846)         |
| Change in Accounts Receivable              |                  | -                   |
| Prior Year Accounts Receivable             | 1,417,403        | 749,719             |
| Current Year Accounts Receivable           | (749,719)        | (941,934)           |
| Change in Due from                         | (21)             | -                   |
| Change in Accounts Payable                 | 4,679            | (5,518)             |
| Change in Due to                           | (367,326)        | (646,955)           |
| Change in Accrued Vacation                 | -                | -                   |
| Change in Payroll Liabilities              | (64,714)         | -                   |
| Change in Prepaid Expenditures             | (34,253)         | (79,807)            |
| Change in Deposits                         | -                | -                   |
| Change in Deferred Revenue                 | (461,612)        | -                   |
| Change in Other Long Term Assets           | -                | -                   |
| Change in Other Long Term Liabilities      | -                | -                   |
| Depreciation Expense                       | 1,465,606        | 1,464,128           |
| <b>Cash Flow from Investing Activities</b> |                  |                     |
| Capital Expenditures                       | (20,263)         | -                   |
| <b>Cash Flow from Financing Activities</b> |                  |                     |
| Source - Sale of Receivables               | -                | -                   |
| Use - Sale of Receivables                  | -                | -                   |
| Source - Loans                             | -                | -                   |
| Use - Loans                                | (267,594)        | (273,325)           |
| <b>Ending Cash Balance</b>                 | <b>2,176,637</b> | <b>1,393,100</b>    |







