

EXECUTIVE SUMMARY – REQUEST APPROVAL OF THE REVISED GENERAL FUND & SPECIAL REVENUE FUND BUDGETS FOR FISCAL YEAR 2018-19

February 25, 2019 – Work Session Agenda Item & Board Meeting Action Item

AGENDA ITEM: Request board of trustee approval of the operating budget for the General Fund, Capital Outlay Fund and Special Revenue Fund of Lake Wales Charter Schools, Inc. for fiscal year 2018-19 (*Resolution 02-2019*). The budgets incorporate changes since the adopted budget in June 2018: student enrollment projections; local, state, federal appropriations and carry-forward awards; personnel; program modifications outlined and summarized in the budget narratives.

The following is a synopsis of the Fiscal Year 2019 revised budget modifications:

- The projected increase in the revised FY19 general fund revenue base is \$714,414 or 2.39% above the FY19 adopted base budget. This revenue base growth accounts for changes in the student FTE count, state and local funding and other revenue sources such as federal Restart monies and funds from displaced students as a result of from Hurricane Maria and Hurricane Irma.
- A key component in the total funding equation for each school and the system is establishing the annual projected student count. The revised FY19 general fund student count is set at 4,424.24 UFTE. As a conservative number, this student projection is an increase of 5.14 students above the adopted student count of 4,419.10, and 14 students below the October 2018 student count of 4,438. (*The FTE chart on page 4 shows actual paid membership by school by year.*)
- The Florida Educational Finance Program (FEFP) funding foundation is the Base Student Allocation (BSA). The BSA remained the same between the 2nd FEFP calculation and the 3rd FEFP calculation \$4,204.42/FTE. The State makes multiple FEFP adjustments in the annual funding cycle and the January 2019-3rd Calc. is reflected in the revised general fund revenue for FY19. In addition to the BSA change, there are categorical funding additions and deductions affecting the student FTE funding allocation compared to the June adopted budget. (*For the BSA, refer to the comparison shown on page 6, lines 3, 4 & 5. On page 6, lines 6 through 20 display the other categorical funding adjustments.*)
- After factoring all state categorical funding adjustments, the revised total funding amount per un-weighted FTE (UFTE) is \$6,926.76. An increase of \$153.61 from the adopted budget base of \$6,773.15. The UFTE per-pupil amount includes projected enrollment, shifts in the population of ESE students and the change in school taxable property taxes and millage rate. (*Refer to page 6 FEFP comparison line 29*)

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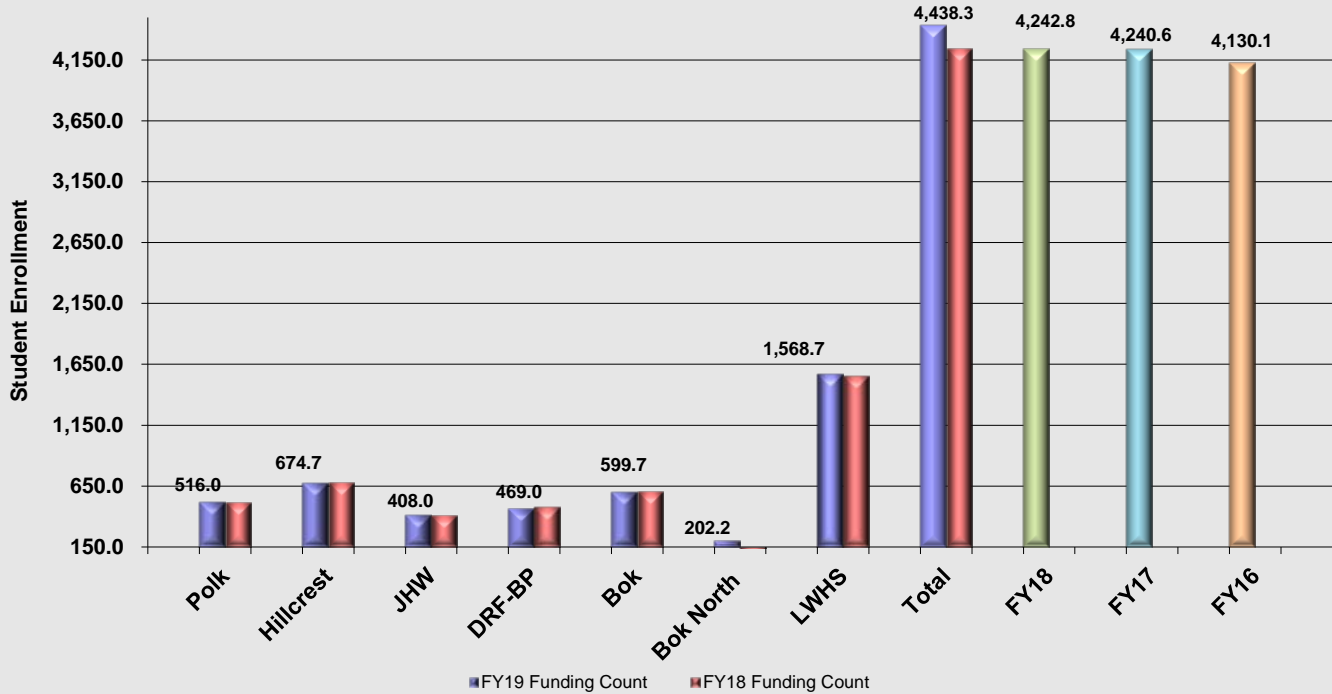
- The FY19 revised budget includes revenues and expenditures associated with other ancillary categorical funds like the high school IB program, certified career education and the advance placement program. The budget revision includes school recognition funding (*school grade bonus funding per FTE*) for eligible schools. One item missing from the budget revision is the expanded Best & Brightest Bonus awards for those staff meeting eligibility requirements for ACT/SAT scoring and those staff meeting evaluation status of “highly effective” and “effective”. Late confirmation of the awards precluded insertion into the revised budget schedule. This award from the state is budget neutral with no impact on the general fund because the state awards received passes through the LWCS system to the recipients covering all applicable tax liability.
- The legislature during the June 2017 special session modified the statewide capital outlay funding for start-up charter schools, with HB 7069 requiring school districts to share discretionary millage revenue with start-up charter schools. The annual recurring funding has shifted between \$50 and \$144 million the last four fiscal years. The constant budget challenge with capital outlay is the fluctuating funding base and insufficient funding to fully cover Bok’s current debt service and lease payment for facilities. Any shortfalls in this funding will be paid out of from the student FEFP funds generated at Bok. (*Refer to page 21 for Bok’s capital outlay funding schedule.*)
- Designated giving received through the LWCS Foundation plays an integral part in the annual resource mix for each school. The projected Foundation funding support is \$1,184,658 in FY19.
- Likewise, the revised general fund expenditure base is increasing \$363,171 or 1.1%. It reflects budget adjustments for compensation across all employee groups, personnel changes, technology investments at various sites, and changes in operating cost to match the enrollment and instructional requirements. Bok North is the only school to have the intercompany chargeback to Administration amended down along with a inter agency loan from the system balance its budget. The budget narratives in the budget packet provide a condensed overview of the base budget resources and investments at the each location. (*Refer to the narratives on pages 9 – 16.*)
- The FY19 revised expenditure base includes staff compensation adjustments of a 3% increase paid in November 2018.

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- Subsequent to the adoption of the 2018-19 budget and the start of the school year, a capital outlay fund was created to capture and record capital project and debt service activities of Bok South campus. The transactions were previously recorded in the General Fund. The Capital Outlay fund accounts for the capital expenditures (construction cost) along with the debt service for the Bok South campus. These expenditures are separated from the general fund to keep the one-time costs from normal operations of the school functions. The revised budget accounts for the ongoing construction of the Bok South Administration building \$2,680,208.00. To complete the construction, revenues insurance proceeds (\$980,208) along with the board approval of the uses of the FSU grant agreement monies (\$500,000) and the State Appropriation from HB5001 (\$1.2 million) is need to fund the project. The Bok South PECO revenues \$294,000 along with and debt service are recorded and paid from the Capital Outlay Fund. *(Refer to the Bok Administration building project on page 20.)*
- The special revenue fund accounts for the activity of our federal entitlement grants, competitive grants and the National School Lunch Program (NSLP). The federal programs listed under special revenues in FY18 includes Title I, Title I, Title II, Title III, Title IX, IDEA, IDEA Pre-K, ROTC and Carl Perkins. The projected 7% increase in the federal funding from the adopted budget represents the reconciliation between actual and projected carryforward funds from FY2017-18 and the delayed release of federal funds. The majority of the grants expenditure base funds staff across the system and the revision includes base adjustments for compensation and instructional staff and supplemental personnel to support student instruction. The Bok North expected \$550,000 has not been included in the revised budget as the FDOE has not released the DOE 200. *(Refer to page 18 for grant and food service activity by school and system consolidated totals.)*
- The financial success of the food service operations continues to strengthen with a projected operating surplus of \$78,800 at June 30, 2019. All food service surplus funds are restricted for future food service operations. The projected revenue of \$2,896,614 incorporates projected patterns in NSLP reimbursable meal activity and ancillary food service revenue sources. On the other side of the equation, the expenditures are projected to be \$2,817,814 which includes a contracted service payment adjustment for meal patterns, contingencies for ongoing maintenance of the food service equipment, continued capital outlay upgrades and indirect cost recovery.

LAKE WALES CHARTER SCHOOLS

FY19 - UnWeighted FTE Enrollment Analysis *(Projected Funding FTE)*



	<u>October Count</u>	<u>February Count</u>	<u>FY19 Funding Count</u>	<u>FY18 Funding Count</u>
Polk	258.00 ^A	258.00 ^E	516.00	519.52
Hillcrest	337.35 ^A	337.35 ^E	674.70	677.64
JHW	204.00 ^A	204.00 ^E	408.00	412.73
DRF-BP	234.50 ^A	234.50 ^E	469.00	471.06
Bok	299.83 ^A	299.83 ^E	599.66	605.94
Bok North	101.10 ^A	101.10 ^E	202.20	0
LWHS	784.35 ^A	784.35 ^E	1,568.70	1,555.89
Total	2,219.13 ^A	2,219.13 ^E	4,438.26	4,242.78
FY18	2,121.39 ^A	2,121.39 ^A	4,242.78	
FY17	2,120.31 ^A	2,120.31 ^A	4,240.62	
FY16	2,081.49 ^A	2,048.62 ^A	4,130.11	

A = Audited; UA = Unaudited; E = Estimated

Historical Base Student Allocation & Total Per Student Allocation & FRS Rates

Year	StateWide		LWCS		FRS Employer Contribution Rates		FRS Employee Contribution Rates		BSA Increase
	Base Student Allocation	Per Student Total Allocation	Base Student Allocation	Per Student Total Allocation	Regular	DROP	Regular	DROP	
	2009-2010	\$ 3,630.62	\$ 6,873.07	\$ 3,630.62	\$ 6,342.65	9.85%	10.91%		
2010-2011	\$ 3,623.76	\$ 6,811.71	\$ 3,623.76	\$ 6,309.97	10.77%	12.25%			
2011-2012	\$ 3,479.22	\$ 6,348.58	\$ 3,479.22	\$ 5,793.76	4.91%	4.42%	3.00%	0.00%	
2012-2013	\$ 3,582.98	\$ 6,386.75	\$ 3,582.98	\$ 5,901.78	5.18%	5.44%	3.00%	0.00%	
2013-2014	\$ 3,752.30	\$ 6,761.09	\$ 3,752.30	\$ 6,260.93	6.95%	12.84%	3.00%	0.00%	\$ 169.32
2014-2015	\$ 4,031.77	\$ 6,890.44	\$ 4,031.77	\$ 6,339.29	7.37%	12.28%	3.00%	0.00%	\$ 279.47
2015-2016	\$ 4,154.45	\$ 7,107.33	\$ 4,154.45	\$ 6,538.15	7.26%	12.88%	3.00%	0.00%	\$ 122.68
2016-2017	\$ 4,160.71	\$ 7,204.58	\$ 4,160.71	\$ 6,541.92	7.52%	12.93%	3.00%	0.00%	\$ 6.26
2017-2018	\$ 4,203.95	\$ 7,297.08	\$ 4,203.95	\$ 6,605.60	7.92%	13.26%	3.00%	0.00%	\$ 43.24
2018-2019	\$ 4,204.42	\$ 7,428.79	\$ 4,204.42	\$ 6,926.76	8.26%	14.03%	3.00%	0.00%	\$ 0.47

LAKE WALES CHARTER SCHOOLS, INC
Funding Summary
FY19 Revised Budget Compared to FY19 Adopted

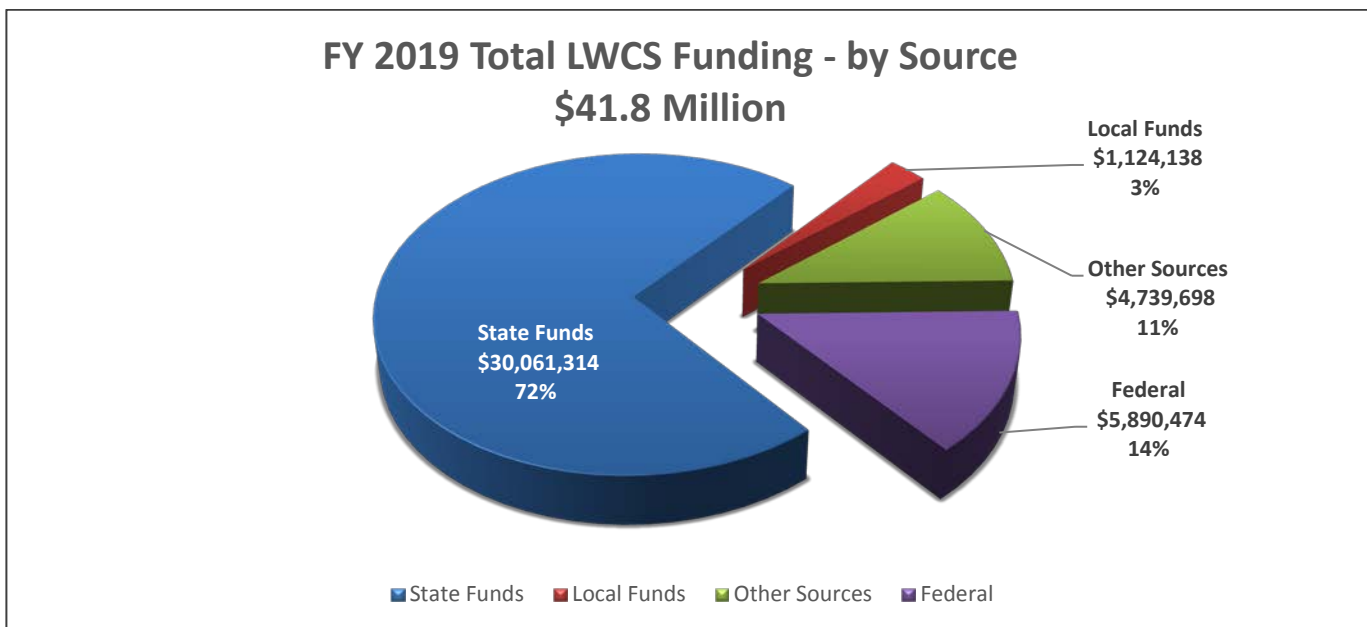
	FY18/19 Adopted Budget	FY18/19 Revised Budget	Difference	Percent	
	-A-	-B-	-C-	-D-	
<u>FEFP FORMULA COMPONENTS</u>					
1	K-12 Unweighted FTEs - (UFTE)	4,419.10	4,424.24	5.14	0.12%
2	K-12 Weighted FTEs - (WFTE)	4,601.56	4,606.29	4.73	0.10%
3	State Base Student Allocation (BSA)	\$ 4,204.42	\$ 4,204.42	-	0.00%
4	(x) District Cost Differential (DCD)	0.9708	0.9708	-	0.00%
5	LWCS Base Funding	\$ 4,081.65	\$ 4,081.65	-	0.00%
<u>FEFP DETAIL</u>					
6	WFTE x BSA x DCD (Base FEFP)	18,781,972	18,801,256	19,284	0.10%
7	ESE Guarantee	940,523	1,579,198	638,675	67.91%
8	Supplemental Academic Instruction	1,140,397	1,142,767	2,370	0.21%
9	Class Size Reduction	4,668,168	4,670,975	2,807	0.06%
10	.748 Mill Compression	1,153,822	1,153,132	(690)	-0.06%
11	Safe Schools	220,182	221,557	1,375	0.62%
12	Transportation	809,292	827,212	17,920	2.21%
13	Instructional Materials	350,558	347,040	(3,518)	-1.00%
14	Reading Allocation	179,756	180,301	545	0.30%
15	Digital Classroom Allocation	76,291	76,829	538	0.71%
16	Discretionary Lottery	7,351	14,246	6,895	93.80%
17	Additional Allocation of Funds	-	-	-	0.00%
18	Mental Health Assistance Allocation	101,515	102,141	-	-
19	Funding Compression Allocation	324,044	328,731	-	-
20	Teacher Classroom Supply Assistance	67,077	76,156	9,079	0.00%
21	TOTAL STATE FEFP	28,820,948	29,521,541	695,280	2.41%
<u>Local Property Taxes</u>					
22	School Taxable Value	37,626,658,457	37,626,658,457	-	0.00%
23	Required Local Effort	4.013	4.075	0.062	-
24	Basic Discretionary Local Effort (Millage)	0.748	0.748	-	-
25	Supplemental Discretionary Local Effort	0.000	0.000	-	-
<u>Local Property Taxes</u>					
26	Basic Discretionary Local Effort (0.748/.0748)	1,110,290	1,124,111	13,821	1.24%
27	Supplemental Discretion Local Effort	-	-	-	0.00%
28	Total Local Property Taxes	1,110,290	1,124,111	13,821	1.24%
29	Total FEFP	\$ 29,931,238	\$ 30,645,652	714,414	2.39%
30	TOTAL FUNDING PER UNWEIGHTED FTE	\$ 6,773.15	\$ 6,926.76	\$ 153.61	2.27%
31	TOTAL FUNDING w/o TRANSPORTATION	\$ 29,121,946	\$ 29,818,440	696,494	2.39%
32	TOTAL FUNDING PER UFTE w/o TRANSPORTATION	\$ 6,590.02	\$ 6,739.79	\$ 149.77	2.27%

Lake Wales Charter Schools, Inc.

Revised Budget in Brief for Fiscal Year 2019

Revenue - Governmental Funds							
Sources	Actual FY 2015	Actual FY 2016	Actual FY 2017	Actual FY 2018	Budget FY 2019	Change FY18 - FY19	% Change
General Fund	\$ 28,297,988	\$ 29,473,696	\$ 31,139,271	\$ 35,042,175	\$ 32,950,510	\$ (2,091,665)	-5.97%
Capital Fund					\$ 2,974,640	\$ 2,974,640	
Special Revenue Fund	\$ 4,895,367	\$ 5,130,720	\$ 4,922,657	\$ 5,523,208	\$ 5,890,474	\$ 367,266	6.2%
Total Governmental Funds	\$ 33,193,355	\$ 34,604,416	\$ 36,061,928	\$ 40,565,383	\$ 41,815,624	\$ 1,250,241	3.08%

Where the money comes from...



State Funds – includes base student allocation and other state categorical funding (CSR, ESE guarantee, safe schools, instructional materials, discretionary lottery, .748 Mill equalization. State revenue can also include bonus funds where applicable for School Recognition, IB and advance placement funds.

Federal – includes Title I, Title II, Title III, Title IX, IDEA, Carl Perkins, ROTC and National School Lunch Program funding.

Local Funds – includes the local property tax revenues

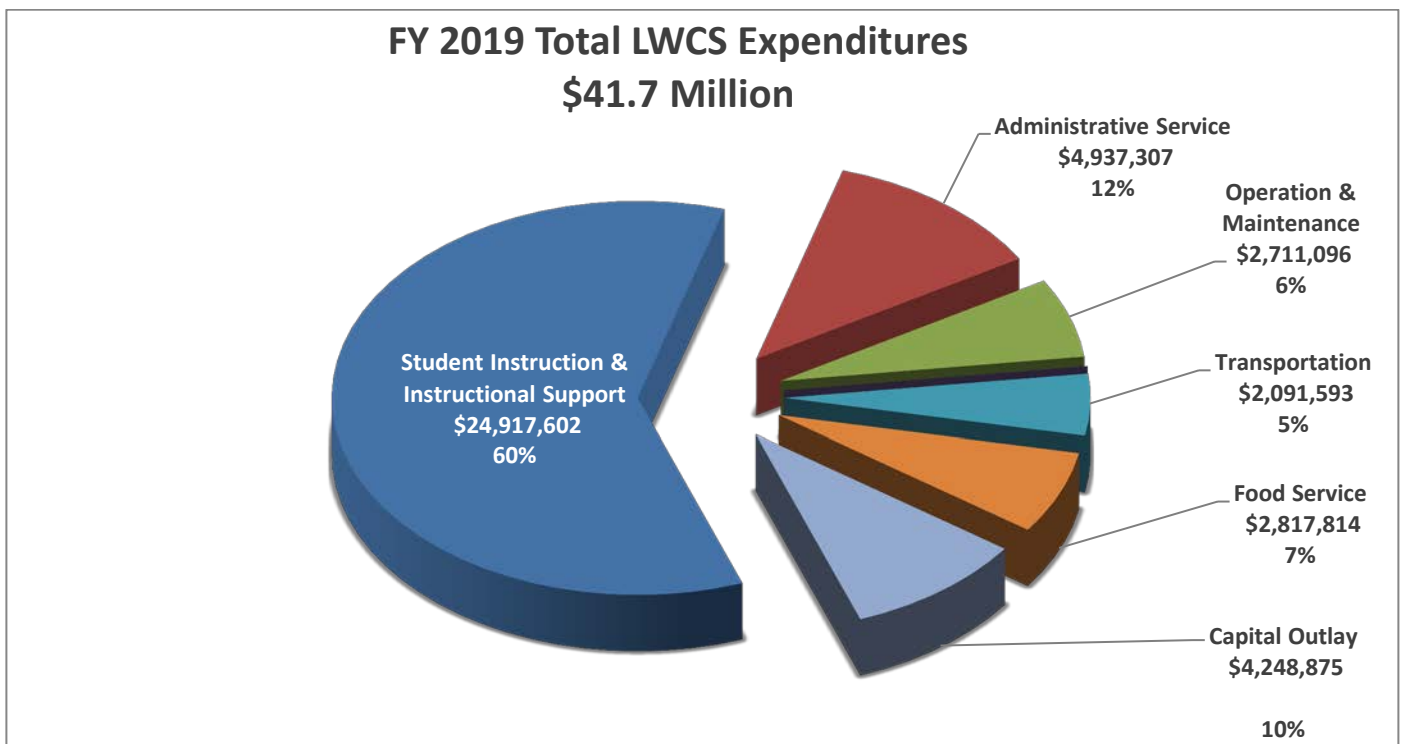
Other Sources – includes Pre-K and After-school programs, Capital Outlay, PECO, food service sales, & support from the LWCS Foundation.

Lake Wales Charter Schools, Inc.

Revised Budget in Brief for Fiscal Year 2019

Expenditures - Governmental Funds							
Sources	Actual FY 2015	Actual FY 2016	Actual FY 2017	Actual FY 2018	Budget FY 2019	Change	% Change
General Fund	\$ 28,100,587	\$ 28,896,661	\$ 30,380,449	\$ 29,768,819	\$ 32,950,510	\$ 3,181,691	10.7%
Capital Fund				\$ 2,803,276	\$ 2,962,103	\$ 158,827	5.7%
Special Revenue Fund	\$ 5,105,367	\$ 5,236,415	\$ 5,042,073	\$ 5,641,091	\$ 5,811,674	\$ 170,583	3.0%
Total Governmental Funds	\$ 33,205,954	\$ 34,133,076	\$ 35,422,522	\$ 38,213,186	\$ 41,724,287	\$ 3,511,101	9.2%

Where the money goes...



All expenditure divisions include a share of fringe benefit costs based on staffing FTE which includes health, dental, life insurance, long-term disability, FICA, workers compensation insurance, FRS retirement and unemployment compensation charges.

Administrative Services – includes Board of Trustees, General & School Administration, Fiscal Services, Central Services, Community Services/Athletics and Operating Transfers.

Operation & Maintenance – includes activities of ongoing management, repairs and preventative maintenance of buildings & grounds, utility cost, building & liability insurance.

Debt Service – includes P&I payments for Bok property & improvements, buses and administration office.

Transportation – includes personnel, fuel, insurance, and vehicle lease payments for the system operated bus service for ESE and regular students.

Food Service – includes personnel, supplies, utility cost, repairs and maintenance and contracted management service for food service.

Capital Outlay – represents capital expenditures (furniture, fixtures, equipment, buildings & improvements) of the system.

POLK AVENUE ELEMENTARY – 1351
REVISED BUDGET NARRATIVE
FY 2018-19

Polk Avenue Elementary (PAE) will continue to operate under the “Leader in Me” platform. The Leader in Me signifies our belief that educating the whole child is critical in helping the student discover the leader within them and empowering them to become a responsible citizen. One primary goal at PAE this school year will be to address the English Language Arts (ELA) barrier of our students. A large number of our impoverished and Hispanic population arrive at PAE with limited language arts skills. This deficiency effects reading and other necessary skills for student success.

Projected Enrollment:

Our revised budget is based on an enrollment of 515. Our current enrollment is 519. Lack of sufficient historic data of the population, has created a challenge in forecasting the enrollment for school year 2018-19. As a precaution, the FTE student membership numbers in this budget are set at conservative levels.

Revenues:

- We are very thankful to the friends of Polk Avenue who continue to give to help us to make improvements that would otherwise not be possible. These improvements include increased technology to enhance student engagement and prepare for digital assessments and coding, programming for improved culture and climate, and beautification projects to increase student and faculty pride in our school.
- The Revised budget includes two new revenue lines, which add a total of \$23,109 to the General Fund Budget. These revenue lines both stem from major storms that hit in the previous school year. They are Restart Funds which are federal funds to help offset costs incurred after Hurricane Irma and Emergency Aid funds which are related to displaced students from Hurricane Maria.

Expenditures:

- The revised budget reflects the board approved 3% salary increases & pay for performance.
- An ESOL teaching position was created to meet the needs of our population that is coming with very limited English.
- Embedded in the budget is an allocation for an additional phonics instructional program for K-2 as well as a new writing curriculum for all grades.
- A band position was created for our 4th and 5th graders to have band instruction weekly
- K Support will be funded again this year to continue this vital program for our school.
- Our 4th/5th Grade Academy was established to meet the needs of our higher achieving students.
- Foundation strategies found in “Teach Like a Champion” & “Leader in Me” continue to be a focus to help our teachers facilitate learning at the highest level possible.
- A set aside of \$30,000 has been set aside for new classroom furniture.

Capital Expenditures:

- PAE will be upgrading the infrastructure at the school purchased through the General fund with help from E-RATE revenue.

HILLCREST ELEMENTARY – 1361
REVISED BUDGET NARRATIVE
FY 2018-19

Projected Enrollment:

The budget was built on 670 students but hopes to maintain 680 or higher for additional revenue. The additional revenue will be used to cover any unforeseen needs of our teachers and facilities.

Revenues:

- The Revised budget includes two new revenue lines, which add a total of \$20,440 to the General Fund Budget. These revenue lines both stem from major storms that hit in the previous school year. They are Restart Funds which are federal funds to help offset costs incurred after Hurricane Irma and Emergency Aid funds which are related to displaced students from Hurricane Maria.

Instructional and Administration:

- Our goal is to have 100% of our staff highly qualified and in place by the first day of school.
- There will be some savings with new staff that came in at a lower rate on the salary schedule compared to the adopted budget.
- There are 2 teachers who are wrapping up temporary teacher certification, which will result in a savings in the interim.
- We consolidated two music teacher positions into one and saved one full year's salary plus benefits.
- Per a request for a special project at JHW our AP agreed to transfer to JHW. This transfer eliminated the AP salary/benefits which allowed us to purchase needed materials for our school.
- The revised budget reflects the board approved 3% salary increases & pay for performance.

Technology and Curriculum Upgrades:

- Continue with technology and rigorous curriculum implementation in classrooms.
- Continue to provide professional development in the classroom for teachers in need.
- Continue replacing and upgrading computers, promethean board, projectors and bulbs, laptops, and printers as needed while continuing to monitor the blended learning implementation for all students.

Expenditures:

- Plant operations increased slightly, due to raising costs of utilities.
- We will be adding a K-Academy to support accelerated incoming K students with a mixture of retained K students to add strength and acceleration to our K Support initiative.
- We purchased a new science curriculum, updated the Media Center and added more security to create a safer environment for our students and staff.

Federal Programs:

- An increase in our Title 1 Allocation enabled us to free up general fund dollars, which helps in the overall general fund budget.

Gifts and Donations/ Additional Revenue:

- We received over \$7,000 in Lake Ashton grants to support teacher needs and we are constantly looking for new donors and grants to support teacher needs and initiatives.
- Grant dollars have assisted Hillcrest in purchasing STEM equipment for our students in the Student Acceleration program.
- We will continue after school program and Pre-K program which will continue to increase our revenue for the school year.
- ERATE funding will help offset some technological costs for school operations.

JANIE HOWARD WILSON ELEMENTARY -1401
REVISED BUDGET NARRATIVE
FY 2018-19

Projected Enrollment

The revised budget is based on a projected 406.12 FTE student membership. An actual measure of the FTE student membership numbers will be taken during survey 3 and revenues will be adjusted in the FEP 4th calculation of the fiscal period, if necessary.

Instruction & Administration

- The Revised budget includes two new revenue sources, which add a total of \$15,551 to the General Fund Budget. These revenue lines both stem from major storms that hit in the previous school year. Restart Funds available offset costs incurred after Hurricane Irma and Emergency Aid funds which are related to displaced students from Hurricane Maria.
- The revised budgets reflects savings in salary and benefits due to pending teacher certifications & new staff that came in at a lower rate on the salary schedule compared to the adopted budget.
- After analyzing YTD actuals, we were able to reduce spending for supplies and contracted services which resulted in a savings of approximately \$35,000 to the general fund.
- The savings mentioned above were primarily allocated to Sub salaries & Professional Development for those new hires.
- We have implemented online curriculum which resulted in a savings of \$34,000 by eliminating the need for textbooks.

Capital Expenditures

- In a continual effort to upgrade our school technology, we will use \$14,000 of the savings to purchase 35 additional chrome books, software licenses and a charging cart
- Use the \$5,000 to purchase classroom furniture
- Upgraded technology infrastructure utilizing E-Rate allocation funds.

Curriculum Updates

- Implemented the **STEM Scopes** curriculum for science, which was adopted and implemented by the PCSB
- Implemented the **Ticket-to-Read** curriculum for after-school tutoring for reading.

Business Partnerships and Grants

- Continue to utilize the Polk State College STEM grant - "Polk Girls in STEM", and various other grant resources to support the environmental focus curriculum.
- Continue to collaborate with environmental experts from various businesses and nonprofit agencies to support environmental studies initiative focus.
- Continue to seek grants, donors, i.e., **DonorsChoose.org**, and other resources to fund Environmental Studies and other school initiatives.

DALE R. FAIR BABSON PARK ELEMENTARY – 1421
REVISED BUDGET NARRATIVE
FY 2018-19

Enrollment

Our revised budget is based on a 469 FTE student membership which reflects no change from the adopted budget.

Revenues:

- The Revised budget includes a new revenue line, which adds \$11,515 to the General Fund Budget. This line stems from the Restart Funds which are federal funds to help offset costs incurred after Hurricane Irma.

Expenditures:

- The revised budget reflects a change in personnel based upon our school needs. We removed an unfilled ½ time primary support teacher and replaced it with a full time paraprofessional.
- Personnel and salary adjustments were updated in the revised budget including an increase in our substitute expenses as well as moving a Title I staff member from being funded through Title I at 39% to 100% Title I funding.
- The revised budget provides funds for the state adopted math series.
- ESE Professional and Technical Services were increased in the revised budget.
- Instruction and Curriculum Development expenses were increased in the revised budget for writing materials.
- Polk County Sheriff Deputy support, Guardian supplements, benefits, and miscellaneous supplies adjustments were made in the Operation of Plant expenses for the School Safety funds.

Capital Expenditures:

- Capital Expenditure expenses were increased in the revised budget for purchase of MacBook Pros for teachers to replace dated laptops and a mobile cart with Chromebooks was added.
- A cabinet for our relocated art department was purchased.
- An additional locked safety gate and fencing were purchased for an interior hallway on campus.

Gifts and Donations/ Additional Revenue:

- Our After School Care program and Pre K program were removed from the General fund into their own accounting fund.
- Dale R. Fair Babson Park Elementary continues to pursue and maintain strong Business partnerships & Grant opportunities in order to provide Professional Development opportunities.

EDWARD BOK ACADEMY MIDDLE SCHOOL – 1601
REVISED BUDGET NARRATIVE
FY 2018-2019

The goal of Bok Academy is to provide all students with relevant learning experiences in an engaging environment through high quality instruction in all classrooms.

Projected Enrollment:

The revised budget was built on 599 with hopes to maintain 600 or higher.

Revenues

- Over \$50,000 in Grant Awards have been received since July of 2018.
- The new revenue sources have been added to the Bok South General Fund revised budget totaling \$19,738. These revenue sources both stem from the result of two major storms that hit in the previous school year. They are Restart Funds which are federal funds to help offset costs incurred after Hurricane Irma and Emergency Aid funds which are related to displaced students from Hurricane Maria.
- In the Revised Budget the PECO/LCI funding were moved from the General Fund and recorded in a Capital Outlay Fund (391). The Capital Outlay Revenues as well as expenditures such as the mortgage for the Bok South campus and other capital expenditures will be record in Fund 391.

Expenditures:

- The revised budget reflects the board approved 3% salary increases & pay for performance.
- To help reduce costs, Bok continues to partnership with Lake Wales High School sharing Performing Arts Instructional Staff.
- We will continue to provide in-house technology repairs and technology professional development to Staff.
- For the 18/19 school year, Bok Academy has decided to contract with an outside cleaning service with a portion of this expense covered by a foundation donation.

Capital Expenditures:

- We will continue with Apple implementation and maintain our Apple Distinguished Program status.
- We will utilize E-Rate funding to offset infrastructure costs.

Gifts and Donations/ Additional Revenue:

- Bok Academy continues to pursue and maintain strong Business partnerships & Grant opportunities. This includes both monetary and in-kind donations.
- Bok Academy continues to pursue grants to fund all academic programs.

BOK ACADEMY NORTH MIDDLE SCHOOL – 1621
REVISED BUDGET NARRATIVE
FY 2018-2019

Bok Academy North (BAN) is established to replicate the original Edward W. Bok middle school. Like EWBA, reading and math will remain the highest priority for both students and staff. In that this is a replication, the start-up budget incorporates EWBA revenue and expenditure patterns experienced and sharing resources where applicable.

Projected Enrollment:

The Revised Budget was built on 202 6TH grade students.

Revenues

- In addition to the FEFP revenues generated by the student membership, the Revised Budget reflects a \$100,000 in foundation revenue and a \$127,000 “inter-agency loan” in the aid of opening the school. As Start-up monies (CSP grant) and other revenue sources are realized, the budgeted loan amount will be reduced. In the absence of the loan the School budget will not balance.

Expenditures:

- The revised budget reflects the board approved 3% salary increases & pay for performance where applicable.
- To help reduce costs, Bok North has many shared positions with Bok South.
- The transportation charges have been increased to reflect actual usage.

Capital Expenditures:

- The capital expenses are front loaded as with any start-up. On top of the expense to build out the classrooms, BAN has also accounted for phones, computers/laptops, server, wireless access points, Apple TV's, student iPads & MacBooks, among other things.

Gifts and Donations/ Additional Revenue:

- While BAN is a new school this year that has not stopped the staff from writing and receiving grants. Since July 1st, BAN has already received \$7,837 in grants and donations.

**LAKE WALES HIGH SCHOOL – 1721
REVISED BUDGET NARRATIVE
FY 2018-19**

A school grade of B, and four years of the highest increase in the 4-yr Federal Graduation Rate in the county (from 70% to 92%) is a testament to the budgetary objectives maintained over the last six years. The budget includes funding a data analyst position to assist the administration in making every effort to maintain the B grade.

Projected Enrollment:

The Revised Budget is based on a 1,563 FTE student membership.

Revenues:

- The Revised Budget includes two new revenue sources, which add a total of \$56,423 to the General Fund Budget. This revenue stem from major storms that hit in the previous school year. They are Restart Funds which are federal funds to help offset costs incurred after Hurricane Irma and Emergency Aid funds which are related to displaced students from Hurricane Maria.
- The adopted budget includes a draw of \$630,000 on the foundation; Principal's Discretionary fund, that will be used to cover specific expenses discussed with the donors to enhance the high school. The private funding will enable us to enhance our offerings by continuing to invest in an instructional coach, academic coaches, a full time college counselor, enhanced professional development and technology support. The Herndon garden project was also completed using restricted funds for that project.

Expenditures:

- The Revised Budget reflects the board approved 3% salary increases & pay for performance.
- Due to the Marjory Stoneman Douglas High School Public Safety Act, the budget reflects the typical amount for our SRO plus an additional \$45,000 for Guardians or Part Time Officers if needed.
- The revised budget includes a set aside for possible legal fees and student specific para towards an ongoing ESE student situation discussed with the board.
- The safe school allocation for LWHS is \$78,321; the cost of a Sentinel and a SRO is approximately \$104,000. In addition, LWHS has invested another \$15,000 towards camera upgrades and making the school better prepared to manage an emergency evacuation, and reunification process for students.

Capital Expenditures:

- Capital expenditures are projected to be at \$640,000. We have been replacing Promethean boards in classrooms, new Chromebooks, replenish furniture, a new sound system at Legion Field, a new audio visual system in the auditorium, a set aside for the gymnasium, and other upgrades as needed.

CENTRAL ADMINISTRATION – 9000
REVISED BUDGET NARRATIVE
FY 2018-19

Revenues:

- Overall revenues decreased by \$129,305 with the majority of the decrease attributable a reduction in the Central Office Administrative Chargeback fees collected from the Schools. Projected increases in E-rate and other funding sources such as federal indirect cost helps to keep the Chargeback cost down.
- Foundation revenue contributions to pay for a consulting agreement for Leadership Planning Support were added to the budget.
- Capital Outlay revenues approved in the adopted budget within General Fund have been removed and recorded in the Capital Outlay Fund (391).
- The Central Office administration works diligently to keep costs down to help relieve the financial load on the schools.

Expenditures:

- Similar to the school budgets, the Central Admin adopted budget reflects the board approved salary increases of 3%.
- The Human Resource director salary, service functions which impacts our system-wide been added with the position be split between the Central Office general fund (\$25,000) and a federal project.
- A consulting contractual agreement with Bellwether Education Partner for Instructional Leadership Planning Support increased the Broad's function budget line subsequent to the adopted budget by \$68,000.
- The increase seen in the General Administration function is primarily due to an increase in legal services related to the Bok North/McLaughlin proposal.
- The Facilities & Acquisition function recognizes in the new Capital Outlay Fund (391) projects the expenditures to rebuild the Bok South Administration Building. Separate project schedules identify the budgeted resources and cost associated with the projects as of January 31, 2019.
- The transportation budget continues to maintain routing for twenty-nine buses routes. The new buses purchased at the start of the school year continue to drive the usual operation and maintenance cost downward.
- The debt service budget included in the adopted budget for principal & interest cost from the loan amortization schedules for the Bok campus mortgage have been removed and add to the Capital Outlay fund.
- The operating transfer function reflects a budgetary set-aside for potential unforeseen financial emergencies in the upcoming fiscal year.

LAKE WALES CHARTER SCHOOLS, Inc.
FY18-19 Revised General Fund Budget
 All School Sites & Administration

	Polk Avenue Elementary		Hillcrest Elementary		Janie Howard Wilson Elementary		DRF Babson Park Elementary		EB Middle School		Bok North Middle School		Lake Wales High School		Administration		Combined Total		Consolidated	
	FY19 General Fund ¹	FY19 General Fund ²	FY19 General Fund ¹	FY19 General Fund ²	FY19 General Fund ¹	FY19 General Fund ²	FY19 General Fund ¹	FY19 General Fund ²	FY19 General Fund ¹	FY19 General Fund ²	FY19 General Fund ¹	FY19 General Fund ²	FY19 General Fund ¹	FY19 General Fund ²	FY19 General Fund ¹	FY19 General Fund ²	FY19 General Fund ¹	FY19 General Fund ²	Eliminate FY19 Intercompany Transactions	Total FY19 General Fund ²
REVENUES																				
State and local sources	\$ 3,676,271	\$ 3,696,722	\$ 4,767,425	\$ 4,777,055	\$ 3,002,711	\$ 3,033,182	\$ 3,344,818	\$ 3,390,572	\$ 4,057,831	\$ 3,990,531	\$ 1,333,879	\$ 1,303,216	\$ 9,985,682	\$ 10,280,299			\$ 30,168,617	\$ 30,471,582	\$ -	\$ 30,471,582
Contributions and other revenue	67,500	38,535	133,400	132,088	20,000	36,052	138,267	16,640	251,730	129,060	100,000	227,000	1,037,000	1,327,388	3,866,917	3,737,613	5,614,814	5,644,376	(3,165,448)	2,478,928
Total Revenues	3,743,771	3,735,257	4,900,825	4,909,143	3,022,711	3,069,234	3,483,085	3,407,217	4,309,561	4,119,591	1,433,879	1,530,216	11,022,682	11,607,687	3,866,917	3,737,613	35,783,431	36,115,958	(3,165,448)	32,950,510
EXPENDITURES																				
Instruction	2,637,446	2,575,179	3,560,389	3,442,480	1,882,543	1,748,153	2,406,106	2,323,517	2,515,165	2,561,701	750,364	769,170	6,469,311	6,425,668			20,221,324	19,843,868	-	19,843,868
Pupil Personnel Services	34,930	36,272	45,878	37,872	23,415	16,174	28,862	29,062	92,205	91,966	38,086	29,762	492,333	626,027	84,684	88,752	840,393	955,887	-	955,887
Instructional Media	71,972	73,972	52,270	119,391	38,185	38,707	76,823	77,423	735	1,500			10,600	10,600			250,589	321,593	-	321,593
Instruction & Curriculum Development	16,737	16,737		4,864	44,579	50,362	58,182	27,083			39,203				32,866	33,786	191,567	132,832	-	132,832
Instructional Staff Training			59,092	59,573	1,700	6,700	200	1,300	8,500	3,000	3,200	500	85,716	150,216			168,408	221,289	-	221,289
Instructional Related Technology	45,343	48,510	13,048	19,500	37,159	14,740	3,620	3,500	60,587	51,051	7,000	32,064	45,181	14,500	228,522	253,476	440,460	437,341	-	437,341
Board of Education	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	11,000	10,000	5,000	5,000	15,000	16,000	33,250	101,450	106,250	174,450	-	174,450
General Administration															430,587	476,104	430,587	476,104	-	476,104
School Administration	343,702	345,825	417,186	305,654	347,659	397,871	344,934	350,395	332,648	319,800	269,866	274,535	928,112	988,268			2,984,107	2,982,348	-	2,982,348
Facilities Acquisition & Construction																				
Fiscal Services	19,890	20,007	26,130	26,130	15,795	15,795	18,291	18,291	23,361	23,634	7,600	7,600	61,035	61,152	383,612	381,069	555,714	553,678	-	553,678
Central Services													86,165	111,760	86,165	111,760	86,165	111,760	-	111,760
Transportation	3,100	3,000	2,060	1,000			500	500	5,060	7,000	3,000	2,000	14,900	59,900	2,046,666	2,018,193	2,075,286	2,091,593	-	2,091,593
Operation of Plant	267,720	244,770	294,546	341,941	263,950	252,392	203,360	203,701	274,438	381,839	120,300	149,050	1,045,190	992,675	120,759	130,967	2,590,263	2,697,335	-	2,697,335
Maintenance of Plant				13,761																
Administrative Related Technology															56,090	56,987	56,090	56,987	-	56,987
Community Services/Athletics			12,573				66,000		20,017	14,607			339,300	372,300			437,890	386,307	-	386,307
Debt Service															348,965	67,070	348,965	67,070	-	67,070
Operating Transfers	281,078	308,153	332,298	367,756	352,109	375,183	230,246	255,705	874,423	600,248	49,000	147,809	1,183,402	1,249,529			3,302,556	3,304,383	(3,165,448)	138,935
Capital Expenditures	11,353	52,332	74,855	158,721	5,117	144,657	35,461	106,240	91,422	53,245	120,400	112,726	332,602	640,852	14,751	17,999	685,961	1,286,772	-	1,286,772
Total Expenditures	3,743,771	3,735,257	4,900,825	4,909,143	3,022,711	3,069,234	3,483,085	3,407,217	4,309,561	4,119,591	1,413,019	1,530,216	11,022,682	11,607,687	3,866,917	3,737,613	35,762,571	36,115,958	(3,165,448)	32,950,510
Net Changes in Fund Balance	-	-	-	-	0	-	-	-	-	-	20,860	-	-	-	-	-	20,860	-	-	-
Beginning Fund balance - July 1,	1,016,012	1,016,012	2,184,847	2,184,847	1,476,859	1,476,859	1,063,112	1,063,112	243,663	243,663	-	20,860	1,117,984	1,117,984	(2,633,432)	(2,633,432)	4,469,045	4,469,045	-	4,469,045
Est. Ending Fund balance - June 30,	\$ 1,016,012	\$ 1,016,012	\$ 2,184,847	\$ 2,184,847	\$ 1,476,859	\$ 1,476,859	\$ 1,063,112	\$ 1,063,112	\$ 243,663	\$ 243,663	\$ 20,860	\$ 20,860	\$ 1,117,984	\$ 1,117,984	\$ (2,633,432)	\$ (2,633,432)	\$ 4,469,045	\$ 4,469,045	\$ -	\$ 4,469,045
Est. Unassigned Fund balance ratio	27.14%	27.20%	44.58%	44.51%	48.86%	48.12%	31.78%	31.35%	5.65%	5.91%	1.45%	1.36%	10.14%	9.63%			9.44%			13.56%
FFFP Budgeted Enrollment	510	515	670	674.70	402	406.12	469	469	600	598.68	200	197.18	1,565	1,563.56			4,416	4,424.24		
Actual FFPF Funded Count	516.00	0	674.70	0	408.00	0	469.00	0	599.66	0	202	0	1,568.70	0			4,438	0		

^E Estimate
¹ Approved for adoption by board of trustees - June 18, 2018
² Revised budget presented for approval by Board of Trustees - February 25, 2019.
³ Beginning Fund Balance represents Unassigned balance as of July 1, 2018.

LAKE WALES CHARTER SCHOOLS, Inc.
FY18-19 Revised Special Revenue Fund Budget

All School Sites & Administration

	Polk Avenue Elementary		Hillcrest Elementary		Janie Howard Wilson Elementary		DRF Babson Park Elementary		Edward Bok Middle School		Bok North Middle School		Lake Wales High School		Administration		Total		
	FY19 Special Revenue Fund 1	FY19 Special Revenue Fund 2	FY19 Special Revenue Fund 1	FY19 Special Revenue Fund 2	FY19 Special Revenue Fund 1	FY19 Special Revenue Fund 2	FY19 Special Revenue Fund 1	FY19 Special Revenue Fund 2	FY19 Special Revenue Fund 1	FY19 Special Revenue Fund 2	FY19 Special Revenue Fund 1	FY19 Special Revenue Fund 2	FY19 Special Revenue Fund 1	FY19 Special Revenue Fund 2	FY19 Special Revenue Fund 1	FY19 Special Revenue Fund 2	FY19 Special Revenue Fund 1	FY19 Special Revenue Fund 2	
REVENUES																			
Federal - Title I	\$ 230,535	\$ 231,078	\$ 283,855	\$ 304,338	\$ 195,014	\$ 191,118	\$ 125,646	\$ 154,224	\$ 86,099	\$ 102,594	\$ 24,380	\$ 31,724	\$ 203,982	\$ 205,229	\$ 350,000	\$ 348,373	\$ 1,475,131	\$ 1,568,678	
Federal - IDEA	83,181	99,455	86,209	69,483	100,873	100,872	66,597	87,194	40,333	53,079		19,074	185,464	183,924	213,048	204,705	775,705	817,786	
Federal - IDEA Pre K															\$ 14,013			\$ 14,013	
Federal - Title I, Part C, Migrant																14,402		14,402	
Federal - Title II															\$ 254,610	\$ 275,282	\$ 254,610	\$ 275,282	
Federal - Title III, Part A, ELL															50,275	53,011	50,275	53,011	
Federal- Title IV															\$ 101,930	\$ 101,930	\$ 101,930	\$ 101,930	
Federal - ROTC													\$ 70,000	\$ 60,000			\$ 70,000	\$ 60,000	
Federal - Title X, Part C, Homeless															\$ 36,750	\$ 33,075	\$ 36,750	\$ 33,075	
Federal - C. Perkins													\$ 31,088	\$ 55,683			\$ 31,088	\$ 55,683	
Federal - Title 1- SIG Part A																	\$ -	\$ -	
Federal - NSLP																	\$ 2,796,682	\$ 2,521,189	
State and local sources																	337,480	375,425	
Total Revenues	313,716	330,533	370,064	373,821	295,887	291,990	192,243	241,418	126,432	155,673	50,798	490,534	504,836	4,140,775	3,941,405	5,929,651	5,890,474		
EXPENDITURES																			
Instruction	313,716	330,533	370,064	373,821	295,887	291,990	192,243	241,418	126,432	155,673	24,380	50,798	490,534	504,836	65,888	106,658	1,854,764	2,055,727	
Pupil Personnel Services															146,293	181,418	146,293	181,418	
Instructional Media																	-	-	
Instruction & Curriculum Development															558,333	472,764	558,333	472,764	
Instructional Staff Training															166,528	163,487	166,528	163,487	
Board of Education																	-	-	
General Administration															63,352	56,138	63,352	56,138	
School Administration																	-	-	
Facilities Acquisition & Construction																	-	-	
Fiscal Services																	-	-	
Food Service															2,838,789	2,817,814	2,838,789	2,817,814	
Transportation															6,219	64,327	6,219	64,327	
Operation of Plant																	-	-	
Maintenance of Plant																	-	-	
Community Services																	-	-	
Total Expenditures	313,716	330,533	370,064	373,821	295,887	291,990	192,243	241,418	126,432	155,673	50,798	490,534	504,836	3,845,402	3,862,605	5,634,278	5,811,674		
Net Changes in Fund Balance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	295,373	78,800	295,373	78,800	
Beginning Fund balance - July 1,	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,159,411	1,454,784	1,159,411	1,454,784	
Est. Ending Fund balance - June 30,	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,454,784	\$ 1,533,584	\$ 1,454,784	\$ 1,533,584	

^E Estimate

¹ Adopted budget presented for approval by board of trustees - June 2018.

² Revised budget presented to board of trustees - February 25 2019.

³ Fund Balance represents Restricted balance as of July 1, 2018.

LAKE WALES CHARTER SCHOOLS, Inc.
FY18-19 Revised Subsidiary Program Budget

	Polk Avenue Elementary		Hillcrest Elementary		DRF Babson Park Elementary		Lake Wales High School		Combined Total	
	FY19 General Fund ¹	FY19 General Fund ²	FY19 General Fund ¹	FY19 General Fund ²	FY19 General Fund ¹	FY19 General Fund ²	FY19 General Fund ¹	FY19 General Fund ²	FY19 General Fund ¹	FY19 General Fund ²
REVENUES										
PreK Program-Revenue	\$ 60,000	\$ 60,000	\$ 68,400	\$ 68,400	\$ 67,500	\$ 68,400	\$ 200,000	\$ 210,000	\$ 395,900	\$ 406,800
After School Program-Revenue	-	-	65,000	107,600	66,000	66,000	-	-	\$ 131,000	\$ 173,600
Total Revenues	60,000	60,000	133,400	176,000	133,500	134,400	200,000	210,000	526,900	580,400
EXPENDITURES										
Instruction	71,371	71,371	34,484	60,442	67,680	68,400	211,962	216,800	385,497	417,013
Community Services/Athletics	-	-	12,573	24,332	66,000	66,000	-	-	78,573	90,332
Total Expenditures	71,371	71,371	47,057	84,774	133,680	134,400	211,962	216,800	464,070	507,345
Net Changes in Fund Balance	(11,371)	(11,371)	86,343	91,226	(180)	-	(11,962)	(6,800)	62,830	73,055
Beginning Fund balance - July 1,	61,379	61,379	177,589	177,589	162,180	162,180	94,341	94,341	495,489	495,489
Est. Ending Fund balance - June 30,	\$ 50,008	\$ 50,008	\$ 263,932	\$ 268,815	\$ 162,000	\$ 162,180	\$ 82,379	\$ 87,541	\$ 558,319	\$ 568,544

¹ Approved for adoption by board of trustees - June 18, 2018

² Revised budget presented for approval by Board of Trustees - February 25, 2019.

³ Beginning Fund Balance represents Unassigned balance as of July 1, 2018.

Edward W. Bok Academy
Administration Building Construction Budget

	Budget
1 State Appropriation HB5001	\$ 1,200,000.00
2 Bok North- FSU Agreement	\$ 500,000.00
3 Insurance Proceeds	\$ 980,208.00
4 Total Funding for Project	\$ 2,680,208.00
 Construction Costs:	
5 Sitework/ Concrete	\$ 281,881.00
6 Masonry/ Metals/ Carpentry	\$ 412,376.00
7 Thermal/Moisture	\$ 203,184.00
8 Openings/Finishes/Specialties	\$ 582,720.00
9 Equipment/Mechanical/Electrical	\$ 532,988.00
10 General Conditions	\$ 171,558.00
11 Contractor Fee	\$ 116,030.00
12 Misc. Outside Agreement	\$ 138,000.00
	\$ 2,438,737.00
 Non-Construction Related Costs:	
13 Portable Expense/ Rental	\$ 75,960.00
14 Architect/Construction Mgmt	\$ 65,511.00
15 Supplies/Furnishings	\$ 100,000.00
	\$ 241,471.00
16 Total Project Cost	\$ 2,680,208.00

Lake Wales Charter Schools, Inc.
Charter School Capital Outlay Funding for Bok Academy
FY 2008-09 - FY2018-19

Source of Funds	(FTE)	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year
		2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
		Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Projected ¹
Source of Funds		374.93	540.34	541.5	540.00	558.13	572.00	590.98	591.72	599.00	606.46	600.00
FLDOE- per FTE Capital Outlay Allocation ²		\$ 611.28	\$ 555.59	\$ 452.23	\$ 389.52	\$ 281.31	\$ 472.89	\$ 333.48	\$ 160.95	\$ 280.91	182.31	490.72
FLDOE- (OEF) Middle School Allocation		\$ -	\$ 300,205	\$ 244,880	\$ 210,343	\$ 157,005	\$ 270,495	\$ 197,081	\$ 95,237	\$ 168,268	\$ 110,563	\$ 294,432
Local Capital Improvement (LCI) Allocation											73,760	
Capital Outlay for FTE > 500 ³		-	12,529	-	-	-	-	-	-	-	-	-
Total Sources		-	312,734	244,880	210,343	157,005	270,495	197,081	95,237	168,268	184,323	294,432
Use of Funds												
Debt Service - (FY09 & 10=Interest only; P&I thereafter) ⁴		159,539	259,200	352,255	352,626	352,404	294,155	282,000	282,000	282,000	282,000	282,000
Portable lease payments (FY10=11 months; FY11=full yr.)		-	26,180	28,560	28,560	28,560	28,560	28,560	28,560	28,560	64,560	64,560
Total Uses		159,539	285,380	380,815	381,186	380,964	322,715	310,560	310,560	310,560	346,560	346,560
Balance (Deficit)/Surplus Source of Funding		\$ (159,539)	\$ 27,354	\$ (135,935)	\$ (170,843)	\$ (223,959)	\$ (52,220)	\$ (113,479)	\$ (215,323)	\$ (142,292)	\$ (162,237)	\$ (52,128)
State Charter School Capital Outlay Funding Allocation by Year			\$ 56,112,461	\$ 56,112,463	\$ 55,074,535	\$ 55,209,106	\$ 90,604,553	\$ 75,000,000	\$ 50,000,000	\$ 75,000,000	\$ 50,000,000	\$ 144,965,115
Funded Charter Schools based on school ID number		288	304	362	383	432	473	487	535	556	562	600

¹ FY18 projected funding is based on FY16-17 allocation and reduced for the additional funded charter schools.

² Bok was not eligible for capital outlay funding during first year of operation.

³ Florida statutes changed the funding formula to cap the administrative fee at 5.0% for LWCS system after FY2010.

⁴ The original debt service through USDA was refinanced in March 2014 with Citizens Bank & Trust.

⁵ The Debt service schedule reflects the first 10 years of the loan's 20 year amortization period, the loan contains a rate adjustment in years 11 and 16.

