

**Ocean Academy Charter School
Exhibit 15b Budget Narrative**

Budget Summary - Detailed Line Item Narrative - Year One of Operations

2017-2018

Line #1	Enrollments	
Line #2	District of Residence - Lakewood	160
Line # 3	Non-Resident District - 0	
Line #4	Total Enrollment:	160 Students
Line #11	Equalization/Local Levy Aid – Local Share	
Line #12	Equalization/Local Levy Aid – State Share	
Line #13	Total Equalization/Local Levy Aid	\$2,128,493
Line #15	Categorical Special Education Aid	
Line #16	Categorical Security Aid	
Line #17	Total Categorical Aid (lines 15 an 16)	
Line #24	Total General Fund (Lines 10, 13, 22,):	\$2,128,493
Line #40	Total Revenues (Lines 24, 39):	\$2,128,493
Line #41	Expenditures – General Fund	

Line #42 Instruction

Line #43 Teacher Salaries: \$465,500
 Payroll for 9.5 teachers at an average salary of approximately \$49,000 per year with at least 3 teachers having dual certification including special education or Spanish.
 \$22,167 for August Professional Development period, \$44,334 per month for 10 months.
 Salary estimate consistent with wage scale for Lakewood Public Schools. (Lakewood details: Step BA Step 1, \$45,689, BA Step 8 \$49,909, MA 15 Step 6 \$52,089 Board minutes 08-26-15, <http://www.lakewoodpiners.org/domain/27> Retrieved 6/29/2016)
 Note: there will be 3 teachers added each year until the school completes adding the eighth grade.
 For planning purposes: Salary increases for existing teachers of 5% per year plus the addition of 3 teachers at \$49,000 each per year.

	Salaries	# of positions	Total
K Teacher	49,000	4	196,000
1st Grade Teacher	49,000	3	147,000
2nd Grade Teacher	49,000	2	98,000
Physical Education/ Health Teacher	24,500	0.5	24,500
Total Line 43		9.5	465,500

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Line #44 Other Salaries for Instruction: \$198,000
 Payroll for 9 Assistant Teachers/Aides at an average salary of \$22,000 per year.
 \$9,429 for August Professional Development period, \$18,857 per month for 10 months.
 Salary estimate consistent with wage scale for Lakewood Public Schools. (Lakewood details:
 Step Step 1 60 hours, \$17,910, Step 12, Praxis \$18,243 Board minutes 05-13-15,
<http://www.lakewoodpiners.org/domain/27> Retrieved 6/29/2016)
 For planning purposes: Salary increases of 5% per year plus the addition of 3 Assistant
 Teachers/Aides at \$22,000 each per year.

	Salaries	# of positions	Total
K Assistant Teachers/Aides	22,000	4	88,000
1st Grade Assistant Teachers/Aides	22,000	3	66,000
2nd Grade Assistant Teachers/Aides	22,000	2	22,000
Total Line 44		9	198,000

Line #45 Purchased Professional/Technical Services: \$101,000
 \$10,100 per month for 10 months

Student Assessment Services	18,000
Classroom Instructional assessment and strategies	25,000
Educational Consultants	53,000
Assembly speakers	5,000
Total Line 45	101,000

For planning purposes increases \$3,000 per year.

Line #46 Other Purchased Services: \$20,000

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Purchased services including rental of instructional equipment at approximately \$2,000/month for 10 months.

For planning purposes increases \$5,000 per year

Line #47 General Supplies: \$50,000

General supplies such as periodicals, paper, copy supplies, writing implements, notebooks; videos and CDs, educational software, manipulatives and other teaching materials, special paper and construction materials. Estimate based upon instructional supplies and materials expenses of approximately \$275 per student for the year or approximately \$2,000 in August and \$3,900 per month for the school year of 2015-2016.

For planning purposes: \$300 per student per year each year

Line #48 Textbooks: \$90,000

Textbook allowance at approximately \$500 per student for 160 students. Cash Flow anticipates programming out receipt and payment for textbooks in August, September, November, and February of the school year receiving them as needed for curriculum and lesson delivery. \$20,000 to be paid in August, and \$17,333 in September for the first deliveries of materials, and approximately \$26,333 in November and February for additional materials.

For planning purposes: Subsequent purchases of \$600 per student per year

Line #49 Miscellaneous Expenses: \$5,000

Admission and other participant expenses associated with off-site student activities at \$500 per month for 10 months.

Line #50 Total Instructional Expenses: \$929,500

Line #51 Administrative

Line #52 Salaries –Administration: \$155,000

Salary for one Director (\$90,000) for 12 months

Salary for one School Business Administrator (65,000) for 12 months

Total of \$12,917 per month for 12 months

Salary increases of 5% per year

Line #53 Salaries of Administrative Professionals: \$35,000

Salary for one Administrative Assistant with clerical, computer, basic bookkeeping and general office management skills. Estimate consistent with public sector union wage scale, starting salary for mid-level administrative staff. At approximately \$2,917 per month for 12 months.

Salary increases of 5% per year

Line #54 Total Benefit Expenditures: \$289,967

Group health insurance, all applicable federal and state payroll taxes and workman’s compensation insurance at approximately 33% of total salaries.

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	FICA	TPAF	Workers Comp	Unemploy.	Disability	Health	Total % of benefits
Salaries	0.0765	0.055	0.012	0.0025	0.001	0.18	0.33
881000							
Total Dollars	67396.5	48455	10572	2202.5	881	160460	289967

Note: Health benefits: See Enclosed Quote from Fortitude Insurance Group. For year one planned at single coverage only. Utilized Horizon Direct Access. No Dental or Vision included in above. Benefits planned at \$4,457 for administrative personnel for July, and August at 18,264 including administrative personnel and 2 weeks for teacher and assistant teacher/aide professional development in August and \$26,724 for each month for the balance of the year Annual increases projected at 15% per year.

Line #55 Purchased Professional/Technical Service (Consultants): \$68,000
 Planned at approximately \$20,000 during the planning period and \$5,200 per month for the school year of 10 months.

55.1 - Legal \$3,000
 55.2 Other \$65,000

Curriculum Development	6,000
Audit- see enclosed estimate	14,000
Supervisory/Professional Services	25,000
OnCourse Admin & Class Data Programs (see estimate)	20,000
Total Line 55.2	65,000

For planning purposes: Total Costs to remain constant for future years with the exception of the OnCourse costs which will decrease to \$14,312 per year (see estimates), changes will occur within line items

Line #56 Other Purchased Services: \$16,060
 \$10,000 during the Planning Period and approximately \$556 per month for 10 months.

Accounting system	10,060
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Technology Support	4,000
Admin. Travel	2,000
Total Costs	16,060

For planning purposes: Total costs to remain constant for future years

Line #57 Communications/Telephone/Internet: \$16,000
Telephone, internet and web-hosting service, postage and postage equipment rental and service.
At approximately \$1,455 per month for 11 months.
For planning purposes: Costs to increase 5% per year

Line #58 Supplies and Materials: \$15,500
Administrative office supplies including writing implements, file folders, envelope, and letterhead/printed documents at approximately \$1,000 in the planning period, \$1,450 per month for 10 months September-June.

Line #59 Judgments Against Charter Schools: n/a

Line #60 Interest on Current Loans \$11,000
See Enclosed Loan letter from Grand Bank.
Interest payments on a \$180,000 loan @ 6% (simple). Interest payments due beginning July 2015 at \$917 per month for 12 months.

Line #61 Interest for Lease Purchase Agreements: n/a

Line #62 Mortgage Payments Interest: n/a

Line #63 Miscellaneous Expenses: \$10,000
Goods and services not classified elsewhere at \$1,000 in August and \$900 per month for 10 months.

Line #64 Total Administrative Expenses: \$684,527

Line #66 Salary of Custodian: \$28,000
\$2,545 per month August - June
Increase 5% per year

Line #67 Purchased Professional/Technical Service (Consultants): \$70,000
at approximately \$7,000 per month for the school year.

Child Study Team Services	25,000
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Nursing Services	40,000
Counseling Services	5,000
Total Line 67	70,000

\$9,420 per month September - June

Line #68 Other Purchased Services \$25,000
 Non-custodial cleaning services, electrical and non-routine and specialized repair, copy machine lease, and maintenance of facilities - \$2,500 per month for the school year

Line #69 Rental of Land and Buildings: \$227,000
 Monthly lease/rental cost for facility; \$1,000 in the pre-planning period for the months March - June 2017, \$1,500 per month July & August, and \$22,250 for remaining 10 months of the school year. (Approximately 9% of the total budget)
 For planning purposes rent increases year over year planned at +25% yr2, +20% yr3, + 10% yr 4

Line #70 Property, Liability and Fidelity \$35,337
 Insurance coverage excluding fringe benefits for employees at \$2,945 /month for the fiscal year.
 For planning purposes increases year over year planned at +10%

Line #71 Supplies and Materials \$10,000
 Approximately \$1,000 per month for 10 months.

Nurse's technology	2,000
Nurses Equipment (cots, refrigerator, locked cabinets, etc.	5,000
Other Materials & Supplies	3,000
Total Line 71	10000

Planned at \$10,000 per year for the next three years

Line #72 Transportation – Other than to/from School \$5,000
 Transportation for off-site field trips. Two trips for the year at \$2,500.00 each

Line #73 Non-Mandated Transportation – to/from School – n/a

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Line #74 Energy Costs \$19,500
Gas and electric charges at \$250 per month July & August, \$1,900 per month for the balance of the year.
Planned at 10% increase per year

Line #75 Miscellaneous Expense: \$10,000
Student needs not provided by home; supplies for parent meetings, special items not included in supplies and material line or goods and services nor classified elsewhere at approximately \$1,000 per month for 10 months.

Line #76 Total Support Services Expense: \$429,837

Line # 77 Capital Outlay

Line #78 Instructional Equipment: \$49,400

3 computers/per classroom @ 450.00 each for 9 classrooms	12,150
9 printers @ 250.00	2,250
Instructional furniture	15,000
Tablets for Student Use \$200 Each (100 total)	20,000
Total Line 78	49,400

Plan on programming out costs to survey teachers before purchasing. \$25,000 in August, \$3,000 in September and \$10,000 October.

Line #79 Non-instructional Equipment: \$19,500

Non-instructional equipment	
Administrative Software	5,000
Admin. Computers/printer	7,000
Admin. Furniture	7,500
Total Line 79	19,500

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\$2,500 in pre-opening period for 1 SBA/finance computer and 1 administrative computer and other to be determined, \$14,000 in September, \$3,000 in October

Line #80	Purchase of Land/Improvements	\$5,000
	Building and land improvements including signage and playground facilities, and other necessary capital items addressing the appearance and functionality of the structure and site not included in the construction.	
	\$2,500 in September and November	
Line #81	Lease Purchase Agreements-Principal: n/a	
Line #82	Mortgage Payments-Principal: n/a	
Line #83	Building Purchase Other Than Lease Payments: n/a	
Line #84	Miscellaneous Expenses:	\$3000
	Anticipated expenditures for capital improvements and services not classified elsewhere at \$300/month for the school year.	
Line #85	Total Capital Outlay:	\$76,900
Line #86	Total General Fund (Lines 50, 64, 76, 85):	
Line #106	Total Expenditures:	\$2,052,764
Line #108	Ending Fund Balance (Lines 6 + 40 -10 -106):	\$75,729