

City of Cape Coral Charter School Authority  
Administration Division

TO: Charter School Authority Governing Board  
THRU: Dr. Lee Bush, Charter School Administrator  
FROM: David Fiorillo, Business Manager  
DATE: February 12, 2012  
SUBJECT: FY 2013 Budget Amendment #1

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Budget amendments are processed periodically in order to make various adjustments to the operating budget. A budget amendment is required in order to increase or decrease revenues and expenditures. This memo is intended to provide the Board with summary information regarding the proposed budget amendment.

**Budget Amendment Summary:**

With the adoption of Budget Amendment #1 the overall budget will increase by \$865,470 or approximately 4% from an adopted budget of \$23,435,077 to \$24,041,662.

The revenue side of the budget is projected to increase \$606,585, while the expense side of the budget is projected to increase by \$865,470. This will impact the unassigned fund balance otherwise known as the reserve account by an additional \$258,885 on top of the adopted budget shortfall of \$132,217 bringing the projected operating deficit on a budgetary basis to **\$391,102**.

It is projected that the undesignated reserve account will finish the year with \$3,015,902 which is 14.4% of the total budget or approximately 1.7 months of operating expenses. This is below the recommended level of reserves for an organization of our size.

**Revenue Adjustments:**

Listed below is information regarding the projected revenue adjustments included in the proposed budget amendment:

- Florida Education Finance Program: Our primary revenue source is the per-student funding our schools receive based on the number of students enrolled in our system. The adopted budget was estimated at \$17.4m which was 97% of the student enrollment projection. The amended budget has been revised to 99.8% of the actual student enrollment level and based on year-to-date funding levels. This increases the revenue for FEFP by \$440,969.
- Public Education Capital Outlay Grant: (PECO) Funding has been decreased by -\$131,145 from \$1,091,781 to \$960,636 for the year. This follows the continuing trend of decreased funding towards capital for charter schools. By comparison this fund received \$1.2m in the FY08-09 operating budget on enrollment levels of ~1500 students. Today the schools have enrollment of more than 3000 students and the funding is under \$1 million. This is the funding source that is designated to support the debt service of the school facilities budgeted at \$3.5 mil next year. The difference between the PECO funds received and the debt service payments is taken out of the general operating budget impacting staffing levels, technology, and core education.

- Contribution/Donations Private Sources: which was previously not included in the budget has been revised up to \$45,000 offsetting nearly half of the cost of additional technology needed to comply with the state mandated testing requirements. The funding was received through various support organizations which include CME, OES, and OMS PTO's and the Charter School Foundation.
- National School Lunch Program: (NSLP) budget has been increased by \$64,000 to reflect a higher percentage of students enrolled in the program.
- AICE Funding: The AICE revenue, based on student pass rates, has been increased by \$127,749 from a projected budget of \$150,000 to a revised actual amount of \$277,749.
- Other Miscellaneous revenues: which was previously not included in the budget has been increased to \$53,500 which includes a \$22K e-rate grant, an NSLP debit card fee with an equal offset in the expense account, and roughly 25% of the \$40,000 net profit of the early bird afterschool program run Cape Coral Parks Department on the school campus equal to \$10,900.
- Student Technology Fees and Reimbursable Charges: (High School Student Mac Program) has been decreased by \$20,000 from \$43,750 to \$23,750 this year based on the actual collection rate of money owed for computers financed and distributed by the high school.. Currently there are a number of student accounts that are currently past due and the schools have had a difficult time collecting funds. The difference between the amount collected and the amount owed will likely be written off as a loss upon completion of this program. That loss is projected to exceed \$50,000.
- VPK Revenue: Has been increased by \$18,296 to \$182,960 since the student class sizes were increased from 18 to 20 students for each school program.

#### **Expenditure Adjustments:**

- Personnel Budget: which includes all staff members, substitutes, and the corresponding benefits, retirement, overtime, add pays, unemployment, FICA, Medicare, leave payouts, workers compensation has been decreased to \$13,837,313, a decrease of \$55,950. The personnel budget makes up 66% of the total expenditures. There are no staffing level changes included in the budget amendment. Individual line item adjustments in the personnel budget are due to a reduction of unemployment charges and leave buyout payments; however the cost for workers compensation was increased.
- Building Maintenance: City of Cape Coral Facilities Division began to charge facilities overhead in addition to the labor and material charged to individual work requests for building repair or maintenance. This was a new fee and unexpected. Last quarter October to December of 2012 the school submitted approximately \$6,000 worth of work requests to the city, and in addition the city submitted another \$13,000 of work requested on behalf of the charter school. Originally the facilities overhead fee was \$67,000 for the quarter. This has since been revised down to \$40,000, still nearly a 200% markup. Ongoing discussions are taking place regarding the allocation of the facilities overhead fee. In the mean time the schools need to revise the facilities budget accordingly to account for the increased fees. The proposed budget increases the building maintenance account by \$160,000 to account for this change.

Keep in mind that the school facilities are fully owned by the City of Cape Coral and the schools are currently making debt service payment equal to the full amount of the debt issued by the city on behalf of the charter schools. In addition, the current terms of the lease agreement, stipulate that the schools are fully responsible for any and all maintenance to the facilities. The school administration feels strongly that since the schools do not receive equity in the buildings which are fully funded by the schools, the City should incur the cost of facility maintenance.

- Technology: The prior year budget had funds allocated toward technology and subsequently spent on teacher computers for Oasis Middle School, and student computers at Oasis Elementary School. The expenditure actually posted in this fiscal year and the adopted budget did not include that encumbrance. In addition, due to State mandated testing requirements, additional technology was needed to ensure compliance with the new testing requirements. This cost was partially offset with significant contributions from the various school support organizations. The technology budget for computer equipment and accessories is being adjusted from \$104,827 to \$272,827 (an increase of \$168,000).
- Buildings: In December 2012 the Governing Board approved the purchase of the four modular buildings on the Christa McAuliffe campus. The cost was \$48,000 and was included under the buildings line item on the budget amendment.
- Debt Service (budgeted under Building Rental and Leases): there have been two separate bonds issued on behalf of the Charter School Authority by the City of Cape Coral. The first bond was issued in 2007 (\$33 million) for the construction of Oasis Elementary, Oasis Middle, and Christa McAuliffe Elementary buildings. The principle and interest payments were prefunded 12 months in advance and have been paid monthly to the city since 2009. In 2011 a second bond for (\$17 million) was issued for the construction of Oasis High School and the Oasis Expansion Project. Beginning last month the schools began to make payments to the city to prefund the bond account similar to the 2007 bond payment structure. This amendment increases the current year building rental and lease budget by \$478,691 from \$2,196,465 to \$2,675,156.
- Campus Security: Additional effort was made this year to secure our schools buildings. This included a multi-prong approach which included single point of entry at all facilities, an increased police presence between having a school resource officer (SRO) on site, and allowing CCPD to use Christa McAuliffe Elementary as a sub-station. In addition we have focused improving paging systems, repairing camera systems, and adding security fences as needed. The majority of these items were not budgeted for this year. This budget amendment includes funding for the various items listed above. The SRO was budgeted at \$20,000 and facilities improvements are budgeted at \$30,000.
- Equipment Repair: As the school buildings and equipment begin to age we have had some unexpected repair work with regards to our HVAC and kitchen equipment. A number of the larger more expensive building equipment is now off warranty and some are already beyond the useful life. There are funds budgeted for equipment repair at \$56,000 however we are anticipating that this account will need an additional \$34,000 bringing the total budget to \$90,000 to cover the cost of two data room split system replacements and two major repairs of the building HVAC equipment at Oasis Middle and Christa McAuliffe.

## **Cost Back to the City of Cape Coral:**

The administration feels that it's important to understand the fiscal relationship with regards to the City of Cape Coral. The Authority was founded on the premise that the schools would not impact the general fund tax rate in Cape Coral, which is true today. There are a number of expenses that are incurred by the Authority with regards to services provided by the City of Cape Coral that are included in the original charter documentation, agreed upon through written contracts or lease agreements.

- Fiscal Services: This includes support from various city departments such as the City Attorney, Procurement, Budget, Human Resources, Information Technology, and the City Managers Offices. This agreement only covers the labor cost of City personnel all equipment and material are funded directly by the Authority. This agreement currently stand as \$55/per student based on historical usage budgeted at \$165,000 annually. This agreement does not cover the cost of the schools bookkeeper, employee background checks, information technology equipment, data line charges, and miscellaneous postage, travel, and phone charges. All together these charges are budgeted at \$236,625.
- City Facilities Division: As mentioned earlier the revised projection of facilities maintenance provided by the City was originally budgeted at \$125,000 but with the increased cost of the Facilities overhead the budget was increased to \$285,000, or by \$160,000. In addition to the City Facilities Division work order charges, the schools also employ three in-house maintenance workers at a budget of \$163,670 and outsource additional work to third party vendors for work either the City or in-house staff cannot complete such as HVAC repairs.
- Property Insurance Cost: The Authority, as stipulated in the lease agreement, covers the full cost of property insurance on the facilities owned by the City of Cape Coral. This is budgeted at \$317,000.
- Building Lease Agreements: The terms of the building lease agreement stipulate that the schools shall make payment equal to the monthly interest on the variable rate or any other form of debt issued by the City for the construction of each, every, and any building, facility or improvement plus one dollar. Simply put the Authority will make payments equal to the amount of debt the City has issued on behalf of the Authority. This year the payment is budgeted at \$2,675,156 and FY 13-14 this amount will be budgeted at \$3,473,838.

The funding our schools received from PECO (budgeted at \$960,636) should support this the schools debt, but due to cuts at the State level this fund currently only supports about 35% of the total capital funding needed. By comparison Lee County Schools receives \$82 million through the 1.5 mil Capital Improvement Fund to support \$42 million in school debt or about 200% of the total long term debt issued. This is the funding our school system has been actively lobbying for.

## **Capital Funding Lobbying Effort:**

State Level: For the past three years schools administration has been actively lobbying to change the F.S.1002.33 amending the "discretion" the local school have to return funds collected from our parents to the schools in which their children attend.

County Level: The school administration has been working closely with the local county superintendent, board members, charter school parents, and Cape Coral City Council lobbying for

the county to use the “discretion” currently given to them under F.S. 1002.33 to share the capital dollars with municipal charter schools.

City Level: The schools have been had active discussions with the City Manager and Finance Director with regards to modification of the existing lease agreement between the schools and the city. The schools administration has requested a lease modification with regards to property insurance and facilities maintenance.

The schools position is that since the City is receiving the benefit of equity in the school facilities that are being fully funded by the Authority and the City has an obligation to either pay the property insurance and basic facilities maintenance or share the equity accumulated in the facilities with the Authority. Currently the existing lease agreement does not give the Authority either.

**Forward looking funding statement:**

Understanding the Authority is currently using reserve funds to balance the budget it is paramount that immediate actions are taken to secure the long term financial stability of the schools. There a number of scenarios that can take assist with that goal.

- Identify a revenue source that can supplement the shortfall in PECO dollars at either the State or County level.
- Offset a portion of the capital expenses though lease modification with the City of Cape Coral even though that might have an impact on the City’s tax rate.
- Adjust down the schools level of service with respect to the student education provided by the Authority.

On a positive note at the state level there is awareness building with respect to the ongoing capital needs of charter schools, however there is still no stable funding source in place at this time. In addition, the governor recently indicated that he would like to see per student funding increased 1.2 billion this next year which would have a positive impact on our primary revenue source (FEFP).

Other items for consideration include soon to be enacted provisions under the Affordable Care Act that would require employers’ to provide basic health care coverage to all employees’ by 2014. Currently only about 2/3<sup>rd</sup>s of the Authority’s staff is currently covered by basic health insurance and at current rates this changes could increase the cost of health care paid by the employer by almost \$1 million dollars annually.

**Budget Amendment Summary:**

Attachment #1 provides a detail line item budget with regard to accounts that will be impacted by the budget amendment. Attachment #2 is a memo previously given to the board regarding our lobbying efforts with regards to Municipal Capital Funding. Attachment #3 is a five year projection of maintenance, property insurance and school resource officers (SRO) costs. The school administration has requested assistance from the City for the items numbered 1-4 and highlighted in red. This will likely be presented through the City Manager Office to Council through the Burton Model and presented as a Cape Coral millage rate impact. If approved this change could be enacted through a modification of the current City/School lease agreement. It is staff’s recommendation that the Governing Board approves the budget amendment and we will be available to answer any question you might have.

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## Attachments

C: Victoria Bateman, Finance Director  
Sheena Milliken, Mgt/Budget Administrator  
Steve Hook, Principal  
Jacquelin Collins, Principal  
Kevin Beckman, Principal  
Kim Lunger, Principal

## ATTACHMENT #1

<u>Object Level Descriptions -REVENUE</u>	<u>CY Budget</u>	<u>CY Actual</u>	<u>YE Projection</u>	<u>BA#1</u>	<u>%</u>
533261 NSLP Reimbursement Lunch	362,833	221,460	420,833	58,000	2.0%
533262 NSLP Reimbursement Breakfast	12,500	25,264	48,500	36,000	0.2%
535750 FEFP-FL Ed Fin Prog St Shared	17,459,031	9,003,296	17,900,000	440,969	86.7%
535751 FI Teacher Lead Prog St Shared	27,710	32,232	32,232	4,522	0.2%
535752 School Recog Funds St Shared			-	-	0.0%
535753 VPK Program State Shared	164,664	96,130	182,960	18,296	0.9%
535754 Charter Sch Cap Outly St Share	1,091,781	509,664	960,636	(131,145)	4.7%
535756 Title II-A Funding St Shared	37,000	8,603	37,000	-	0.2%
535757 AICE Revenue State Shared	150,000	277,749	277,749	127,749	1.3%
547801 Student Lunch Serv Charges	573,069	289,826	543,069	(30,000)	2.6%
547803 Transportation Service Charges	20,000	6,840	10,000	(10,000)	0.0%
547804 Student Technology Fee	33,750	11,628	18,750	(15,000)	0.1%
561102 Short term investment income	4,000	2,383	4,000	-	0.0%
566101 Contrib/Donation Private Sourc		2,070	45,000	45,000	0.2%
569101 Other Miscellaneous Revenue		110		-	0.0%
569103 Book Sales Misc Revenue		13,694	13,694	13,694	0.1%
569104 Lost/Damaged/Sold Textbooks		229	-	-	0.0%
569110 Reimbursable Charges	10,000	47	5,000	(5,000)	0.0%
569116 Oth Misc Rev/Reimbursable Chrg	81,735	44,767	81,735	-	0.4%
569901 Other Miscellaneous Revenues		20,497	53,500	53,500	0.3%
SUB TOTAL REV	20,028,073	10,566,488	20,634,658	606,585	
599940 Unassigned Balances	3,407,004	-	3,407,004		
REV TOTAL	23,435,077	10,566,488	24,041,662	606,585	100.0%

<u>Object Level Descriptions- EXPENSES</u>	<u>CY Budget</u>	<u>CY Actual</u>	<u>YE Projection</u>	<u>BA#1</u>	<u>%</u>
611110 Administrator/Principal Salary	520,816	210,140	520,816	-	2.5%
612120 Classroom Teacher Salary	6,739,588	2,592,554	6,739,588	-	32.1%
612130 Oth Certified Personnel Salary	366,653	156,840	366,653	-	1.7%
612140 Sub Paraprofessional	30,950		-	(30,950)	0.0%
612150 Aides Salary	629,990	281,054	629,990	-	3.0%
612160 Other Support Personnel Salary	1,692,242	837,864	1,692,242	-	8.0%
613140 Substitute Teacher Salary/Wag	209,950	107,027	209,950	-	1.0%
614101 Overtime	10,000	4,171	10,000	-	0.0%
615101 Special Pay/Add Pay	336,200	142,168	336,200	-	1.6%
615107 Employee Recognition/Bonus	15,050	13,900	15,050	-	0.1%
621101 FICA Taxes	618,078	259,864	618,078	-	2.9%
621102 Medicare Taxes	144,573	60,850	144,573	-	0.7%
622110 Florida Retirement System(FRS)	516,393	216,665	516,393	-	2.5%
623101 Life,Health,Disability Insur	1,825,200	706,922	1,825,200	-	8.7%
623106 Cobra Insurance Subsidy				-	0.0%
624101 Workers Compensation	106,927	38,229	126,927	20,000	0.6%
624102 Unemployment	40,000	12,185	25,000	(15,000)	0.1%
624103 Leave Payout	85,000	16,428	55,000	(30,000)	0.3%
624105 Employee Assistance Pgm (EAP)	5,653	2,435	5,653	-	0.0%
631312 Accounting & Auditing	80,700	47,878	80,700	-	0.4%
631399 Other Professional Services	287,422	120,102	200,000	(87,422)	1.0%
634107 Med Exam/New Hire/General		2,565	3,000	3,000	0.0%
634119 Employee Health Clinic Charges	4,000	975	2,000	(2,000)	0.0%
634120 Outside Services	201,500	75,558	201,500	-	1.0%
640101 Food And Mileage (City)		2,741		-	0.0%
640105 Travel Costs	40,000	6,003	15,000	(25,000)	0.1%
641101 Communication Service	6,000	3,648	6,000	-	0.0%
641102 Telephone Service	65,000	38,872	78,500	13,500	0.4%
641103 Telecommunication Service			-	-	0.0%
641104 Postage & Shipping	7,000	3,352	7,000	-	0.0%
643202 Electric	525,000	239,126	500,000	(25,000)	2.4%
643203 Water & Sewer	48,000	18,724	38,000	(10,000)	0.2%
643205 Propane Fuel	28,000	12,038	25,000	(3,000)	0.1%
644101 Building Rental/Leases	2,196,465	1,112,481	2,675,156	478,691	12.7%
644102 Equipment Rental/Leases	258,560	125,822	235,000	(23,560)	1.1%
644103 Copy & Fax Machine Rent/Lease	53,800	25,913	53,800	-	0.3%
644199 Other Rentals/Leases	-	-	-	-	0.0%
645101 Insurance	401,500	186,435	436,000	34,500	2.1%
646101 Tires	-	568	-	-	0.0%
646102 Equip Repair/Maintenance	54,000	44,730	71,000	17,000	0.3%
646103 Building Maintenance	107,500	170,138	315,000	207,500	1.5%
646104 Diesel Fuel	145,000	94,480	188,961	43,961	0.9%
646105 Parts Repair/Maintenance	-	2,617	5,000	5,000	0.0%
646106 Unleaded Fuel	4,500	1,755	4,500	-	0.0%
646108 Other Repairs & Maint.	5,265	7,340	7,340	2,075	0.0%
647101 Printing	3,550	3,333	3,550	-	0.0%
648101 Advertising	6,000	794	6,000	-	0.0%
649102 Bank Fees	12,000	10,288	22,000	10,000	0.1%
649103 Various Fees	89,000	7,513	71,000	(18,000)	0.3%
652101 Office Supplies	82,500	47,884	82,500	-	0.4%
652113 Uniforms	6,000	2,324	5,000	(1,000)	0.0%
652116 Small Equipment	100,650	57,437	100,650	-	0.5%
652117 Janitorial Supplies	58,000	46,565	78,000	20,000	0.4%



652119	Food And Beverage	597,275	290,925	553,275	(44,000)	2.6%
652121	Computer Equip/Accessory	104,827	203,936	272,827	168,000	1.3%
652122	Computer Software/License	103,702	105,598	113,702	10,000	0.5%
652128	Operating Supplies - Charter S	152,311	87,564	152,311	-	0.7%
652129	Textbooks	155,000	151,863	155,000	-	0.7%
652130	Periodicals	2,000	589	2,000	-	0.0%
652139	School A La Carte Food	20,000	34,168	64,000	44,000	0.3%
652199	Other Operating Mat & Supplies		288	576	576	0.0%
654101	Books Pubs Subscript & Membrshp	4,000	6,441	9,100	5,100	0.0%
655101	Training & Seminars	20,000	4,610	10,000	(10,000)	0.0%
655102	In-House Training	10,000	6,500	6,500	(3,500)	0.0%
656101	Discounts Taken/Lost				-	0.0%
662101	Buildings		48,000	48,000	48,000	0.2%
662601	Improvements Other Than Bldgs	-	-	-	-	0.0%
662602	Leasehold Improvements	131,000	125,924	161,000	30,000	0.8%
664101	Equipment	56,000	70,456	90,000	34,000	0.4%
664102	Vehicles	1,000		-	(1,000)	0.0%
666101	Library Books	14,000	397	14,000	-	0.1%
666102	Scholastic Book Fair	19,000	14,014	19,000	-	0.1%
671100	Principal Expense - Debt			-	-	0.0%
672101	Debt Interest Expense			-	-	0.0%
					-	
	EXP SUB TOTAL	20,160,290	9,330,569	21,025,760	865,470	100.0%
699901	Unassigned Fund Balance	3,274,787	-	3,015,902	(258,885)	12.5%
	EXP TOTAL	23,435,077	9,330,569	24,041,662	865,470	3.7%
	PROJECTED NET	(132,217)		(391,102)	(258,885)	

## ATTACHMENT #2

City of Cape Coral Charter School Authority

Administration Division

TO: Charter School Authority Governing Board  
THRU: Dr. Lee Bush, Charter School Administrator  
FROM: David Fiorillo, Business Manager  
DATE: April 1, 2012  
SUBJECT: Municipal Charter School Capital Funding

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Currently there is an inequity in capital funding between Charter Schools-in-a-municipality and traditional public schools in the state of Florida. This is equal to a 1.5 million dollar difference in the FY 11-12 operating budget. Currently state supported capital funding only covers 40% of the debt issued by the Charter School Authority and is projected to drop to 28% in FY 2013-14, even though the cost of construction of the Authority's school facilities was a fraction the cost of construction in a traditional Lee County public school. The administration staff strongly believes that City of Cape Coral Charter Authority should have equal funding with regards to capital as all the surrounding public schools.

For the past two years the Authority has lobbied unsuccessfully at the state level to remove the discretion given to counties with regards to sharing capital funding. Unfortunately there is only a small group of municipal charter schools and during debate over the past two years we frequently discovered that we were fighting both the "For Profit" charter schools systems and the public school systems.

Currently local school districts (Lee County Schools) have the discretion to share capital money with charter schools (F.S. 1002.33). Although some counties have used this discretion to further municipal charter schools, Lee County Schools has chosen not to. We are requesting that school districts share capital funding in a proportionate manner with ONLY municipality sponsored charter schools systems.

There are only eleven (11) municipal schools in Florida and they are some of the most progressive schools in the state. Instead of private companies creating competition with the public schools to advance education, these are municipal schools competing with county schools. The eleven (11) municipal schools systems were founded through the same charter application process as the other 525 charter schools in the state. However, the municipality owns the buildings and the debt associated with the school buildings, not a charter management firm.

We believe that municipal run public schools should have the same access to capital dollars as county schools. Since counties have been able but unwilling to share capital dollars this amendment proposes that it is required. The fiscal impact of this change is minimal to the

county schools but substantial to the municipalities. There was a study done by the DOE that supports this.

### **Supporting Information:**

Discretionary Capital Improvement Millage (DCIM) to Charter Schools:

**Fair Tax:** The DCIM tax is paid by the families of our students. None of the DCIM tax paid comes back to the Charter Schools or Municipal Charter Schools in which they attend. Shared State Education Funding: Florida Education Funding Programs such as Title programs, Teacher Lead Funding, School Recognition Funds, and FEFP allocations **are all currently shared equally** in Florida. Why is “Capital Funding” the only revenue source not shared with all public schools equally?

**Impact:** There is a nominal impact to the school district budget but a substantial impact to the Municipal Charter School budget if the DCIM were allocated proportionately. (Charter Schools Report, FDOE- Dated 1.1.12)

i.e. Lee County’s total budget is \$1.4 billion and \$82 million comes from (DCIM). If Lee County allocated this fund with the Municipal Charters **.001%** would be reduced from the overall operating budget or 1.8% off the DCIM revenue source of the operating budget. The positive impact to the Oasis Schools would be an increase of 15% in the overall operating budget allowing the schools cover the majority of the ongoing capital debt expense associated with the educational facilities.

**Currently:** Because Municipal Charter Schools don’t receive any DCIM, capital expenses are supplemented with FEFP funding. This leaves less funding for core education expenses. Core education expenses would include the number of teachers, support staff, technology hardware and software, textbooks, and transportation costs to name a few.

**Potential Consequences:** If Charter Schools were to fail, the cost to educate the students currently enrolled in Charter Schools by the LEA’s would exceed the cost of distributing the DCIM. In some cases, high performing charter schools are exceeding the educational standards provided by traditional public schools system. If those charter schools were to not exist, students may not have the opportunity to receive the same quality of education in the future.

### **Future Options:**

Although the efforts at the state level have failed thus far there are other options to consider regardless if the Board chooses to pursue lobbying efforts at the state level.

- Lobby the County for the difference between DCIM and the PECO. (Est. at \$1.5 million)
- The schools could lobby the City to cover the full cost of maintenance insurance requirements on the facilities, as they are city owned. Do not lobby for additional funds rather renegotiate some of the existing contractual relationships between the two organizations that could help offset inequities in the cost of capital. (Est. at \$500-700K annually)

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**ATTACHMENT #3**

**Cape Coral Charter School Authority AIP Maintenance, SRO, and Property Insurance 2013-2017**

<b>In-House Maintenance Operations Costs</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>Total</b>
634120 Outside Services	15,000	15,000	15,000	15,000	15,000	15,000
640101 Food And Mileage (City)	250	250	250	250	250	1,250
640105 Travel Costs	1,269	1,000	1,000	1,000	1,000	5,269
641103 Telecommunication Servi	1,500	1,500	1,500	1,500	1,500	7,500
644102 Equipment Rental/Leases	250	250	250	250	250	1,250
646102 Equip Repair/Maintenance	50,000	50,000	50,000	50,000	50,000	250,000
646103 Building Maintenance	35,000	20,000	50,000	20,000	20,000	145,000
646105 Parts Repair/Maintenance	1,000	1,000	1,000	1,000	1,000	5,000
646106 Unleaded Fuel	1,500	1,500	1,500	1,500	1,500	7,500
646108 Other Repairs & Maint.	2,000	2,000	2,000	2,000	2,000	10,000
652116 Small Equipment	6,401	6,401	6,401	6,401	6,401	32,006
652128 Operating Supplies - Ch	40,000	40,000	40,000	40,000	40,000	200,000
652199 Other Operating Mat & S	7,500	7,500	7,500	7,500	7,500	37,500
664101 Equipment	2,000	2,000	2,000	2,000	2,000	10,000
664102 Vehicles	-	-	25,000	-	-	25,000
<b>Sub Total</b>	<b>163,670</b>	<b>148,401</b>	<b>203,401</b>	<b>148,401</b>	<b>148,401</b>	<b>812,275</b>

**In-house Maintenance Staff Cost**

Personnel	152,113	156,676	161,377	166,218	171,205	807,589
<b>Sub Total</b>	<b>152,113</b>	<b>156,676</b>	<b>161,377</b>	<b>166,218</b>	<b>171,205</b>	<b>807,589</b>

**School Resource Officer**

50% School Resource Officer (School)	50,000	51,000	52,020	53,060	54,122	260,202
50% School Resource Officer (City)	50,000	51,000	52,020	53,060	54,122	260,202
<b>Sub Total</b>	<b>100,000</b>	<b>102,000</b>	<b>104,040</b>	<b>106,121</b>	<b>108,243</b>	<b>520,404</b>

**City Facilities Division Cost Estimate**

184004 City Labor	83,088	83,088	83,088	83,088	83,088	415,440
184004 City Materials	34,260	34,260	34,260	34,260	34,260	171,300
184004 City Facilities Overhead*	270,000	270,000	270,000	270,000	270,000	1,350,000
<b>Sub Total</b>	<b>387,348</b>	<b>387,348</b>	<b>387,348</b>	<b>387,348</b>	<b>387,348</b>	<b>1,936,740</b>

**Property Insurance Cost Estimate**

645101 Building Insurance	317,000	329,680	342,867	356,582	370,845	1,716,974
<b>Sub Total</b>	<b>317,000</b>	<b>329,680</b>	<b>342,867</b>	<b>356,582</b>	<b>370,845</b>	<b>1,716,974</b>

**Requested in lieu of equity in the buildings**

1.) 50% of a SRO	50,000	51,000	52,020	53,060	54,122	260,202
2.) City Facilities W.O. Charges	117,348	117,348	117,348	117,348	117,348	586,740
3.) Facilities Overhead	270,000	270,000	270,000	270,000	270,000	1,350,000
4.) Building Insurance	317,000	329,680	342,867	356,582	370,845	1,716,974
<b>Total</b>	<b>754,348</b>	<b>768,028</b>	<b>782,235</b>	<b>796,990</b>	<b>812,315</b>	<b>3,913,916</b>