

Key Biscayne Charter High School
Draft Budget Overview
 May 27, 2009

In summary, the school would be self funded. The projections are that the school would receive funding of approximately \$49.1M during the first 15 years of operation, with an estimated total cost of \$46.7M - including \$10.5M of facility's amortization and maintenance - providing an estimated surplus of approximately 2.4M.

As with any new enterprise - particularly a nonprofit - the school would need financial assistance for the start-up operations and facilities. The main reasons for the need of financial assistance are the controlled slow build up of school's enrollment, delay in reimbursement of advanced programs (AP and IB) and capital outlay funding not available until after the 3rd year of operation. For operations only, the school would need working capital estimated at \$415,000, which could be paid back after the fourth year of operation. Including facilities, the need for working capital would increase by approximately \$2.2M, which would be paid back during the life of the 15 years loan / bond. Total working capital needed, including facilities, is estimated at \$2.6M.

School enrollment and personnel:

Enrollment	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6 - 15
Grade 9	75	75	100	100	100	100
Grade 10	0	75	75	100	100	100
Grade 11			75	75	100	100
Grade 12				75	75	100
Total	75	150	250	350	375	400
Personnel						
Principal	1	1	1	1	1	1
Administrative Staff	1	1	2	2	2	2
College Counselor		0.5	1	1	1	1
IB coordinator / Counselor	0	0.25	1	1	1	1
IB CAS Coordinator & Admin.	0	0.25	1	1	1	1
Teachers	4	8	12	16	17	18
ESE Teachers	1	1	2	2	3	3
Total teachers	5	9	14	18	20	21
Total faculty	6	11	18	22	24	25
Students/Faculty ratio	13	14	14	16	16	16
Students / Cert. Teach	15	17	18	19	19	19
Teacher Supplements for EE	3	6	10	14	15	16

Operating budget:

	Year 1	Year 2	Year 3	Year 4	Year 5	Y. 6 - 10	Y. 11 - 15	Y. 1- 15
Students	75	150	250	350	375	400	400	5,200
FTE Revenue	\$464,700	\$952,635	\$1,658,665	\$2,425,423	\$2,808,870	\$16,377,382	\$18,577,093	\$43,264,766
Total Expenses (excl. facil.)	\$670,410	\$1,108,923	\$1,737,232	\$2,181,350	\$2,375,843	\$13,202,266	\$14,837,990	\$36,114,013
P&L Operations	-\$205,710	-\$156,288	-\$78,567	\$244,073	\$433,027	\$3,175,116	\$3,739,102	\$7,150,753

See <http://www.fldoe.org/fefp/pdf/fefpdist.pdf> for details on school funding.

Other revenue:

State and Federal grants, allocated to charter schools for implementation and program design, as well as capital outlay funding available to charter schools after their 3rd year of operation, will contribute to school funding. See documents of reference for implementation grants and capital outlay. It would also be expected for the school to do fundraising, estimated at \$200 per students.

Other revenue	Year 1	Year 2	Year 3	Year 4	Year 5	Y. 6 - 10	Y. 11 - 15	Y. 1- 15
Grants	\$275,000	\$50,000	\$0	\$0	\$0	\$0	\$0	\$325,000
Capital Outlay	\$0	\$0	\$0	\$281,750	\$301,875	\$1,610,000	\$1,610,000	\$3,803,625
Fundraising	\$15,000	\$30,750	\$52,531	\$75,382	\$82,786	\$475,764	\$538,284	\$1,270,497
After school Prog.	\$24,000	\$24,600	\$25,215	\$25,845	\$26,492	\$142,729	\$161,485	\$430,366
Total other	\$314,000	\$105,350	\$77,746	\$382,978	\$411,152	\$2,228,494	\$2,309,769	\$5,829,489

In addition, it would be expected for the PTSA and afterschool programs to raise additional revenue. At a minimum, PTSA's goal would be to raise and equivalent of \$200 per students each year.

Estimated Profit and Loss (without facilities):

	Year 1	Year 2	Year 3	Year 4	Year 5	Y. 6 - 10	Y. 11 - 15	Y. 1- 15
Estimated P&L	\$108,290	-\$50,938	-\$821	\$627,051	\$844,179	\$5,403,609	\$6,048,871	\$12,980,242

Additional opportunities for raising revenue, such as naming rights or contributions from major donors or foundations, will be sought by the school.

Cash Flow (without facilities):

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Y. 6 - 10	Y. 11 - 15
Cash Flow	-\$38,787	-\$117,335	-\$144,782	-\$114,329	\$541,920	\$909,706	\$5,112,978	\$5,809,154
Accumulated	-\$38,787	-\$156,122	-\$300,904	-\$415,233	\$126,687	\$1,036,393	\$6,149,371	\$11,958,526

Facilities cost:

For planning purposes, we estimate school's construction to be \$7,000,000. This amount would be expected to be capitalized using a 15 years loan at 4% interest rate for a yearly cost of principal and interest of \$621,000. This payment could be reduced to \$349,588 in the event the school project qualifies for an interest free loan under the federal stimulus package.

	Year 1	Year 2	Year 3	Year 4	Year 5	Y. 6 - 10	Y. 11 - 15	Y. 1- 15
Facility construction	\$6,000,000							
Furnit. & Fixtures	\$1,000,000							
Loan	\$7,000,000							
	Year 1	Year 2	Year 3	Year 4	Year 5	Y. 6 - 10	Y. 11 - 15	Y. 1- 15
Principal	\$349,588	\$363,571	\$378,114	\$393,239	\$408,968	\$2,303,708	\$2,802,813	\$7,000,000
Interest	\$271,750	\$257,767	\$243,224	\$228,099	\$212,370	\$802,982	\$303,877	\$2,320,068
Amortization	\$621,338	\$621,338	\$621,338	\$621,338	\$621,338	\$3,106,689	\$3,106,689	\$9,320,068
Maintenance	\$70,000	\$71,750	\$73,544	\$75,382	\$77,267	\$416,294	\$470,998	\$1,255,235
Total Facilities	\$691,338	\$693,088	\$694,882	\$696,720	\$698,605	\$3,522,983	\$3,577,687	\$10,575,303

Total Budget, including facilities:

	Year 1	Year 2	Year 3	Year 4	Year 5	Y. 6 - 10	Y. 11 - 15	Y. 1- 15
Operations	\$108,290	-\$50,938	-\$821	\$627,051	\$844,179	\$5,403,609	\$6,048,871	\$12,980,242
Facilities	-\$691,338	-\$693,088	-\$694,882	-\$696,720	-\$698,605	-\$3,522,983	-\$3,577,687	-\$10,575,303
P&L	-\$583,048	-\$744,026	-\$695,702	-\$69,669	\$145,575	\$1,880,626	\$2,471,184	\$2,404,939

Cash Flow (with facilities):

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Y. 6 - 10	Y. 11 - 15
Cash Flow	-\$38,787	-\$808,673	-\$837,870	-\$809,210	-\$154,800	\$211,101	\$1,589,995	\$2,231,467
Accumulated	-\$38,787	-\$847,460	-\$1,685,330	-\$2,494,540	-\$2,649,340	-\$2,438,239	-\$848,244	\$1,383,223

See detailed operating [budget here](#).