

LAKWOOD CITY ACADEMY FIVE-YEAR FINANCIAL FORECAST
FISCAL YEARS 2010 THROUGH 2014

- The Academy has projected balances of \$426,834 at June 30, 2010, \$524,887 at June 30, 2011, \$591,164 at June 30, 2012, \$624,399 at June 30, 2013, and \$623,276 at June 30, 2014. This forecast is primarily for the general fund only, but it does include the assumption that any state grants, federal grants, and other funds, that LCA receives, including stimulus funds for Title VI-B, Title I, and State Fiscal Stabilization Funds (SFSF) will be fully expended in the year of receipt.
- This financial forecast and educational plan is based upon the staffing plan that is in place as of May 2010. Any variations in this plan will modify projections. Included in this plan are six full-time teachers, one full-time and one part-time educational aide, one full-time secretary, and one full-time administrator. Additionally, LCA utilizes one full-time guidance counselor paid from SFSF, one full-time coordinator for student intervention and dropout assistance paid from Title I and Title VI-B stimulus funds for the 2009-2010 school year only, two part-time tutors paid from Title I Basic grant funds, and one part-time instructional coach paid from Title I Basic grant funds. All of these personnel are a purchased service from the Lakewood City Schools. Once SFSF funds are discontinued, the guidance counselor will become an expense of the general fund. The forecast anticipates that the coordinator for student intervention and dropout assistance will be funded from the general fund beginning in fiscal year 2011.
- School Foundation revenues are based upon 130 high school and middle school “brick and mortar” students attending the Academy during each identified year, plus 12 “digital” on-site students and 18 “digital” off-site students. For fiscal year 2010, the per pupil amount that the Academy will receive is \$5,769, based upon a per diem rate for student daily attendance, plus an estimated \$22,000 for special education weighted funding. This amount is projected to remain constant in each of the other four fiscal years. The amount used for fiscal year 2010 is closely aligned with the May 2010 foundation settlement statement from the Ohio Department of Education. For fiscal year 2010, there are audit adjustments from fiscal years 2008 and 2009 in the amounts of \$19,497 and \$15,225, respectively, which do not recur in fiscal years 2011 through 2014. Lastly, approximately 6.00% of the foundation payments are coming from SFSF, which is used for the guidance counselor expenditure above. SFSF revenues and expenditures are not included in the operating part of the forecast. In the non-operating part of the forecast, SFSF revenues received in the fiscal year are assumed to be spent in the same fiscal year, thus the reporting of zero net amounts. The SFSF expenditures are shown in the “Disclosure Items for State Fiscal Stabilization Funds” section.
- Purchased Services for regular instruction include the procurement of the identified staff in the second bullet point above and substitute staff from the Lakewood City Schools, and the payment of an estimated \$2,500 for each of the estimated 30 digital students receiving online instruction from TRECA. Additionally, purchased services covers the lunch program, online elective courses and special education services for digital students provided by TRECA, the preparation of financial reports prepared in accordance with generally accepted accounting principles (GAAP), legal services, the lease/management agreement between Lakewood City Academy and Lakewood City Schools, and LNOCA service fees for student and financial accounting services. Four percent inflationary growth is included in each of fiscal years 2011 to 2014.

- The materials and supplies expenditure/budget amounts shown beginning in fiscal year 2008 and beyond was due to the expiration of the federal competitive grant funding after the 2006-2007 school year. The \$14,000 budget amount for fiscal year 2010 includes both instructional and office supplies. Three percent inflationary growth is included for fiscal years 2011 to 2014.
- The equipment budget was implemented in fiscal year 2008 for the same reason as stated above for "Supplies and Materials."
- Other represents the projected cost of the annual audit that is required by the Auditor of State and Ohio Department of Education, and bank charges. Three percent inflationary growth is included for fiscal years 2011 to 2014.

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