

Capital Trust Authority, Inc.
Meeting of the Board of Directors

Thursday, June 24, 2025

9:00AM.

**315 Fairpoint Drive
Gulf Breeze, FL 32561**

Meeting called by: Denis A. McKinnon, III

Type of meeting: Regular

Facilitator: Chris Kemp
Chairman

Note Taker: Connie Beargie
Office Administrator

Attendees: Chris Kemp (Chairman), Christy Larkins (Secretary), Deborah Roche (Asst. Secretary), Mayor JB Schluter, Burt Snooks, Cherry Fitch, Bobby Potomski, Kareem Spratling (General Counsel), Samantha Abell (City Manager), and Denis McKinnon, III (Executive Director).

Please bring: Attached supplements

Agenda

<u>Item:</u>	<u>Description:</u>	<u>Presenter:</u>
1.	Call to Order	Chris Kemp
2.	Minutes – May 22, 2025	Denis McKinnon, III
3.	Award Resolution 22-25 – Capstone Academy	Denis McKinnon, III
4.	Award Resolution 23-25 – The Learning Center	Denis McKinnon, III
5.	Inducement Resolution 24-25 – Pineapple Cove Classical Academy @ West Melbourne	Denis McKinnon, III
6.	Officer Elections	Denis McKinnon, III
7.	Pipeline Report	Denis McKinnon, III
8.	Adjourn	Chris Kemp

**MINUTES OF THE
CAPITAL TRUST AUTHORITY, INC.**

The 36th meeting of the Capital Trust Authority, Inc., Gulf Breeze, Florida, was held at 315 Fairpoint Dr, Gulf Breeze, Florida and on Tuesday, May 27th, 2025 at 9:00 a.m.

The following Board Members were present: Chris Kemp (Chairman), Burt Snooks (Board Member), Harry Wilder (Board Member), Cherry Fitch (Board Member) and Mayor JB Schluter (Board Member). Also attending were Denis McKinnon (Executive Director), Connie Beargie (Office Administrator and Samantha Abell (City Manager). Attending via teleconference was Kareem Spratling (BMO) and special guests Richard Moreno (Building Hope), Stan Brading (Quality Senior Housing), and Wes Olson (Raymond James).

AGENDA ITEM:

Authority Minutes from May 8th, 2025

DISCUSSION:

No discussion.

MOTION/ACTION:

Mayor JB Schluter made a motion to approve the minutes as presented. Cherry Fitch seconded. Vote for approval was 5-0.

AGENDA ITEM:

Inducement Resolution 15-25 – Capstone Academy

DISCUSSION:

Capstone Academy is new charter school to be located in Ft. Myers, Florida. The purpose of the bonds is to purchase and rebrand the current Athenian Academy. Athenian Academy is not performing and is in default. Athenian Academy investors have approached Gustavo Prats, a known manager of other successful charter schools to take over operations.

Chris Kemp asked what contributing factors will lead to the school's success after the rebranding of the school. Wes Olson replied that the school's enrollment is good, they have increased the number of transfer students, they will have an infusion of new capital, new management and the community is favorable. Chris Kemp asked why the current investors did

not fire the management company. Wes Olson replied that Gus Prats is in the process of discovering why the school is failing including looking at the certification of the teachers, discovering inefficiencies in outdated enrollment procedures, system controls, marketing to the community.

Cherry Fitch asked how many Athenian Academies are currently in operation. Wes Olson replied that the flagship campus is Pinellas Count. Wes stated that it has been around longer and it is performing well.

MOTION/ACTION:

Mayor JB Schluter made a motion to approve Resolution 15-25 as presented. Cherry Fitch seconded. Vote for approval was 5-0.

AGENDA ITEM:

Award Resolution 16-25 – AcadeMir Charter High School West Campus

DISCUSSION:

The purpose of the AcadeMir Charter High School West Campus financing is for a new charter school to be located in Miami, Florida. The financing will include improvements to the existing preparatory campus and improvements to the existing West Campus. The new campus will accommodate approximately 1600 students in grades 6-12.

Denis McKinnon stated that the question posed at inducement regarding the wetland mitigation has returned with favorable conditions.

Cherry Fitch stated she appreciates the agricultural school as it is appropriate for the community.

MOTION/ACTION:

Cherry Fitch made a motion to approve Resolution 16-25 as presented. Harry Wilder seconded. Vote for approval was 5-0.

AGENDA ITEM:

Award Resolution 17-25 – LLT Academy

DISCUSSION:

Literacy, Leadership, Technology Academy (LLT) is an existing charter school located in Ruskin, Florida. The purpose of the bonds is to finance a 19,600 square foot multipurpose wing for grades K-8 including a gymnasium, locker rooms, additional classrooms, office and storage space.

Denis McKinnon stated the school is a C rated school, consistently outperforming area schools.

Cherry Fitch noted the school provides retirement benefits for their teachers.

MOTION/ACTION:

Mayor JB Schluter made a motion to approve Resolution 17-25 as presented. Cherry Fitch seconded. Vote for approval was 5-0.

AGENDA ITEM:

Award Resolution 18-25 – QSH / St. Augustine

DISCUSSION:

QSH St. Augustine is an existing 501c3 organized to own and operate senior healthcare facilities nationwide. The purpose of the bonds is to convert an existing assisted living facility located in St. Augustine, Florida into a geriatric behavioral health hospital. The seller of the property will hold a subordinated taxable bond.

Stan Brading stated he and everyone at QSH is very excited about this project.

MOTION/ACTION:

Cherry Fitch made a motion to approve Resolution 18-25 as presented. Harry Wilder seconded. Vote for approval was 5-0.

AGENDA ITEM:

Award Resolution 19-25 – QSH / Grand Villa

DISCUSSION:

QSH Grand Villa is an existing 501c3 organized to own and operate senior healthcare facilities nationwide. The purpose of the bonds is to finance 6 senior living facilities located in New Port Richey, Sarasota, Clearwater, Palm Coast, Deland and Boynton, Florida.

Chris Kemp asked if we have received financials for all 6 locations. Denis McKinnon replied that we have received a great deal of financials for all the locations, too much to distribute. Stan Berlin stated the feasibility study covers all aspects of the projects, including cash flow and future occupancy numbers.

Harry Wilder asked if there are any issues or questions from inducement. Denis replied that all questions have been addressed and answered.

Burt Snooks asked why the current owners are selling. Denis McKinnon replied that the facilities are currently owned by an insurance company and they are ready to sell and reallocate their finances.

MOTION/ACTION:

Harry Wilder made a motion to approve Resolution 14-25 as presented. Mayor JB Schluter seconded. Vote for approval was 5-0.

AGENDA ITEM:

Inducement Resolution 20-25 – UF Health

DISCUSSION:

UF Health is a component of the University of Florida. It includes a network of healthcare and hospital systems across the state of Florida. The purpose of the bonds is to refinance current debt from 2007, 2008, 2011, 2014 and 2016 for projects in Alachua County, Leesburg, Live Oak, The Villages, Starke, Florida and finance a new health care facility in St. Johns, Florida.

Chris Kemp asked about the fee structure for a project of this size. Denis McKinnon replied that he has negotiated approximately one third of the normal fee for this project. The fee will not exceed \$250,000 and is anticipated to close around August 3rd.

MOTION/ACTION:

Mayor JB Schluter made a motion to approve Resolution 20-25 as presented. Cherry Fitch seconded. Vote for approval was 5-0.

AGENDA ITEM:

Validation Resolution 21-25

DISCUSSION:

Capital Trust Authority has previously been awarded \$3,000,000,000 in bond validations by the State of Florida and is again preparing to sue the State for another validation in the amount of \$2,000,000,000. Denis McKinnon stated that the fee from BMO for this validation is expected not to exceed \$50,000.

Chris Kemp asked if it is wise to reference our more successful projects to the Judge. Kareem stated that it is a good idea to provide context and real examples of the good works that result from the bond projects issued by the Authority. The UF Shands project is a good example.

MOTION/ACTION:

Mayor JB Schluter made a motion to approve Resolution 14-25 as presented. Cherry Fitch seconded. Vote for approval was 5-0.

AGENDA ITEM:

Pipeline Report

DISCUSSION:

Denis McKinnon gave a brief overview of the projects in the pipeline.

MOTION/ACTION:

No Action Required.

AGENDA ITEM:

FYE Financials as of 4/30/2025

DISCUSSION:

Denis McKinnon reviewed the FYE Financials as of April 2025

MOTION/ACTION:

No Action Required.

No other formal business of the board was taken and the meeting adjourned at approximately 9:45am.

Minutes submitted by: _____ Connie Beargie, Office Administrator

Approved by: _____ Chris Kemp, Chairman

TO: Capital Trust Authority Board of Directors

FROM: Denis McKinnon, III

RE: Capstone Academy

DATE: June 24, 2025

Introduction

Capstone Property Holdings Fort Myers, LLC ("Capstone" or the Borrower) submitted an application to the Capital Trust Authority (the "Authority") for the issuance of not to exceed \$25,000,000 of tax-exempt bonds to acquire an approximately 70,000 SF charter school facility in Ft. Myers, FL. The existing campus consists of an unenclosed pavilion and includes related fixtures, furnishings, and equipment.

Description of the Borrower

The current owner of the property is Athenian Academy. The Florida Development Finance Corporation issued bonds on behalf of Athenian in 2022 to acquire the building in the proposed financing. Athenian is not performing and is in default. Fortunately, the FDFC bonds have a single investor, 503 Capital ("503" or the "Investor").

Separately, in 2024, CTA issued bonds on behalf of Summit Academy. Summit is performing well and is managed by Gustavo Prats. Mr. Prats has been asked by 503 to open Capstone and take over operations. Mr. Prats had already received a charter from the County to open a new school in the next school year. Mr. Prats is prepared to take over Athenian and rebrand as Capstone Academy. Mr. Prats believes that if he can be in place by July1 he will have the most success in opening the school next year and preserving the students currently there and adding new students in the 2025-26 school year.



Description of the Project

The sources and uses included in the application shows \$19.625mm is expected to go toward the existing improvements and \$175,000 of furnishings and fixtures. Bonds will also be used to financed capitalized interest and costs of issuance.

Financing

The FDFC Bonds are held by 503 who believes in Mr. Prats and his management's ability to turn the site around.

Capstone has selected Raymond James to serve as Underwriter. Bryant Miller Olive will serve as

Bond Counsel and Issuer's Counsel.

Recommendation

It is the recommendation of Authority staff that the Board adopt Resolution 22-25, approving the issuance of not to exceed 25,000,000 on behalf of the Borrower. We look forward to seeing you at our meeting on 6/24. Minutes from Inducement are attached.

AGENDA ITEM:

Inducement Resolution 15-25 – Capstone Academy

DISCUSSION:

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Chris Kemp asked what contributing factors will lead to the school's success after the rebranding of the school. Wes Olson replied that the school's enrollment is good, they have increased the number of transfer students, they will have an infusion of new capital, new management and the community is favorable. Chris Kemp asked why the current investors did not fire the management company. Wes Olson replied that Gus Prats is in the process of discovering why the school is failing including looking at the certification of the teachers, discovering inefficiencies in outdated enrollment procedures, system controls, marketing to the community.

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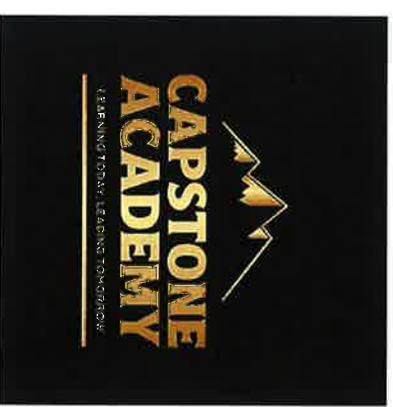
MOTION/ACTION:

Mayor JB Schluter made a motion to approve Resolution 15-25 as presented. Cherry Fitch seconded. Vote for approval was 5-0.



PRESENTATION TO CAPITAL TRUST AUTHORITY

June 24, 2025



RAYMOND JAMES

PROPOSED FINANCING

PUBLIC FINANCE

OVERVIEW OF THE SERIES 2025 BONDS

Issuer	Capital Trust Authority
Borrower	Capstone Property Holdings Fort Myers, LLC
Lessee	Florida Charter School Organization III, Inc. d/b/a Capstone Academy Charter School Fort Myers
Purchaser	503 Capital Partners, LLC
Rating	Non-Rated
Closing Date*	6/30/2025
Par Amount*	Tax-Exempt Series 2025A: \$22,765,000; Taxable Series 2025B: \$685,000
Term*	Tax-exempt term bond ending 6/30/2035; Taxable term bond ending 6/30/2035
Denominations	\$100,000 and \$5,000 thereafter
Optional Redemption*	4-year call option
Use of Proceeds	<ul style="list-style-type: none">• Finance, refinance, and/or reimburse the Borrower for acquisition and improvement of an existing educational facility• Pay Capitalized Interest• Cost of Issuance
Security	<ul style="list-style-type: none">• Gross Revenue Pledge of Lessee under the Lease• Account Control Agreement• First Mortgage/Security Interest in Real and Personal Property
Covenants	<ul style="list-style-type: none">• Days Cash on Hand: 10 Days (FY26), 15 Days (FY27), 30 Days (FY28), 45 Days (FY29), and 60 Days thereafter• Debt Service Coverage Ratio ("DSCR"): 1.10x (FY26) then 1.15x through Maturity• Consultant call-in for financial covenant violations, impairment to charter or any accountability warnings/probations from the state or authorizer• Any additional debt subject to Bondholder's consent

*Preliminary, subject to change

PROPOSED FINANCING

PROPOSED SOURCES & USES OF FUNDS

Proposed Sources & Uses			
Sources:	TE Series 2025A	Taxable Series 2025B	Total
Par Amount	22,765,000	685,000	23,450,000
Net OID	(682,950)		(682,950)
Total Sources:	22,082,050	685,000	\$22,767,050
Uses:	TE Series 2025A	Taxable Series 2025B	Total
Property Purchase Price	19,625,000		19,625,000
FF&E	175,000		175,000
Title/Real Estate Costs	25,000		25,000
Borrower's Counsel - Real Estate Allocation	15,000		15,000
Capitalized Interest	1,795,959	54,041	1,850,000
COI	446,091	630,959	1,077,050
Total Uses:	22,082,050	685,000	\$22,767,050

PROPOSED FINANCING

PUBLIC FINANCE

PROPOSED DEBT SERVICE

Period Ending 6/30	Proposed Net Debt Service			Capitalized Interest Fund	Net Debt Service
	Principal	Interest	Total Debt Service		
2026	1,824,092	1,824,092	-1,199,443	624,649	
2027	1,903,400	1,903,400	-648,077	1,255,323	
2028	1,903,400	1,903,400		1,903,400	
2029	1,903,400	1,903,400		1,903,400	
2030	1,903,400	1,903,400		1,903,400	
2031	1,903,400	1,903,400		1,903,400	
2032	1,903,400	1,903,400		1,903,400	
2033	1,903,400	1,903,400		1,903,400	
2034	1,903,400	1,903,400		1,903,400	
2035	23,450,000	1,982,708	25,432,708	25,432,708	
	23,450,000	19,034,000	42,484,000	-1,847,520	40,636,480



PROPOSED FINANCING

PUBLIC FINANCE

FINANCIAL PROJECTIONS

<i>Capstone Charter School</i>		2025-26	2026-27	2027-28	2028-29	2029-30
ENROLLMENT						
Total Enrollment		410	610	796	938	982
REVENUES						
State Sources with expected enrollment	\$	3,457,303	5,226,329	6,918,360	8,302,662	8,848,845
Federal Sources - NSLP Funds		159,519	240,893	319,060	381,618	405,512
Local Sources - Lunch program paid students		5,166	7,801	10,333	12,359	13,132
Capital Outlay		525,948	1,043,344	1,701,848	2,005,444	2,099,516
Operating Grants and Contributions		61,500	61,000	79,600	93,800	98,200
Other Revenues		30,750	61,000	79,600	93,800	98,200
Other Sources - Referendum	\$	-	-	-	-	-
TOTAL REVENUES	\$	4,240,186	6,640,367	9,108,802	10,889,683	11,563,405
EXPENDITURES						
Instruction	\$	1,852,741	3,016,408	4,019,742	4,841,639	5,280,015
Support Services		70,945	106,670	140,581	168,274	178,564
Board		23,500	34,003	43,785	51,761	54,660
School Administration		661,905	891,418	1,354,993	1,579,661	1,656,640
Fiscal Services		176,106	178,857	181,480	184,573	187,676
Food Services		188,062	248,368	306,356	390,544	409,627
Operation of Plant		363,247	456,189	677,962	751,228	780,794
Maintenance of Plant		53,300	79,300	103,480	121,940	127,660
Administrative Technology Services		15,750	23,599	30,907	36,860	39,005
Debt Service		624,649	1,255,323	1,903,400	1,903,400	1,903,400
Contingency		75,000	75,000	-	-	-
TOTAL EXPENDITURES	\$	4,105,204	6,365,135	8,762,686	10,029,881	10,618,041
Excess of Revenues over Expenditures	\$	134,981	275,232	346,116	859,802	945,364
DSCR		1.22x	1.22x	1.18x	1.45x	1.50x
DCOH		12	24	32	59	88

Source: Borrower

BOARD OF DIRECTORS

- The School is governed by a Board of Directors (the “Board”) that has five sitting members.
- The current members of the Board is detailed below.

Current Board of Directors

Name	Title	Profession	Employer
Kimberly Johnson	President	Education	Summit Academy Charter School
Mari Canetti	Secretary	Principal	Summit Academy Charter School
Derica Flagg	Director	Education	Broward Schools
Julissa Bermudez	Director	Education	Summit Academy Charter School
Elisa Rizo	Director	Counseling	Summit Academy Charter School

MANAGEMENT

- The table below sets forth the Education Service Provider for Capstone Charter School Fort Myers: Charter School Partners, LLC.
- Charter School Partners, LLC (the “Manager” will provide management and administrative duties required to operate the School, including but not limited to:
 - Financial management and reporting services
 - Regulatory compliance
 - Governance coordination and corporate records maintenance,
 - School operations services and support as required by the Board.
- The Manager is owned by Mr. Gustavo Prats, who is the School Leadership-Director of the School, and Ms. Jennifer Carreno, who is also School Leadership-Director and Testing Coordinator of the School.

Charter School Partners, LLC

Name	Title	Profession
Gus Prats	School-Leadership Director	School Management
Jennifer Carreno	School Leadership-Director	School Management

Source: The Borrower

OVERVIEW OF CAPSTONE ACADEMY CHARTER SCHOOL FORT MYERS

PROJECTED ENROLLMENT

- The following table sets forth the School's projected enrollment

School Future Enrollment Projections

Grades	Projected				
	2025-26	2026-27	2027-28	2028-29	2029-30
K	72	108	108	108	108
1	72	90	108	108	108
2	54	72	90	108	108
3	36	54	72	108	108
4	44	44	66	110	110
5	44	44	66	66	110
K-5 Total	322	412	510	608	652
6	66	110	110	110	110
7	22	66	110	110	110
8	0	22	66	110	110
6-8 Total	88	198	286	330	330
K-8 Total	410	610	796	938	982

Source: PLOM pg. A-26



FACILITIES OVERVIEW

[18851 Oak Center Drive](#)

[Fort Myers, FL 33967](#)

- Capstone Academy Charter School Fort Myers will be located at the former site of Athenian Academy.
- The School is acquiring Athenian Academy's formerly used facilities and assuming their Charter Contract.



[Campus Information](#)

- 9.16 acres, 2 buildings
- Building A: 68,950 sq ft, 2 floors (Main school building)
- Building B: 6,500 sq ft, unenclosed metal construction (basketball pavilion)
- 195 parking spaces
- Exterior lighting
- Playing fields



DISCLAIMER

PUBLIC FINANCE

The information contained herein is solely intended to facilitate discussion of potentially applicable financing applications and is not intended to be a specific buy/sell recommendation, nor is it an official confirmation of terms. Any terms discussed herein are preliminary until confirmed in a definitive written agreement. While we believe that the outlined financial structure or marketing strategy is the best approach under the current market conditions, the market conditions at the time any proposed transaction is structured or sold may be different, which may require a different approach.

The analysis or information presented herein is based upon hypothetical projections and/or past performance that have certain limitations. No representation is made that it is accurate or complete or that any results indicated will be achieved. In no way is past performance indicative of future results. Changes to any prices, levels, or assumptions contained herein may have a material impact on results. Any estimates or assumptions contained herein represent our best judgment as of the date indicated and are subject to change without notice. Examples are merely representative and are not meant to be all-inclusive.

Raymond James shall have no liability, contingent or otherwise, to the recipient hereof or to any third party, or any responsibility whatsoever, for the accuracy, correctness, timeliness, reliability or completeness of the data or formulae provided herein or for the performance of or any other aspect of the materials, structures and strategies presented herein. This Presentation is provided to you for the purpose of your consideration of the engagement of Raymond James as an underwriter and not as your financial advisor or Municipal Advisor (as defined in Section 15B of the Exchange Act of 1934, as amended), and we expressly disclaim any intention to act as your fiduciary in connection with the subject matter of this Presentation. The information provided is not intended to be and should not be construed as a recommendation or "advice" within the meaning of Section 15B of the above-referenced Act. Any portion of this Presentation which provides information on municipal financial products or the issuance of municipal securities is only given to provide you with factual information or to demonstrate our experience with respect to municipal markets and products. Municipal Securities Rulemaking Board ("MSRB") Rule G-17 requires that we make the following disclosure to you at the earliest stages of our relationship, as underwriter, with respect to an issue of municipal securities: the underwriter's primary role is to purchase securities with a view to distribution in an arm's-length commercial transaction with the issuer and it has financial and other interests that differ from those of the issuer.

Raymond James does not provide accounting, tax or legal advice; however, you should be aware that any proposed transaction could have accounting, tax, legal or other implications that should be discussed with your advisors and/or legal counsel.

Raymond James and affiliates, and officers, directors and employees thereof, including individuals who may be involved in the preparation or presentation of this material, may from time to time have positions in, and buy or sell, the securities, derivatives (including options) or other financial products of entities mentioned herein. In addition, Raymond James or affiliates thereof may have served as an underwriter or placement agent with respect to a public or private offering of securities by one or more of the entities referenced herein.

This Presentation is not a binding commitment, obligation, or undertaking of Raymond James. No obligation or liability with respect to any issuance or purchase of any Bonds or other securities described herein shall exist, nor shall any representations be deemed made, nor any reliance on any communications regarding the subject matter hereof be reasonable or justified unless and until (1) all necessary Raymond James, rating agency or other third party approvals, as applicable, shall have been obtained, including, without limitation, any required Raymond James senior management and credit committee approvals, (2) all of the terms and conditions of the documents pertaining to the subject transaction are agreed to by the parties thereto as evidenced by the execution and delivery of all such documents by all such parties, and (3) all conditions hereafter established by Raymond James for closing of the transaction have been satisfied in our sole discretion. Until execution and delivery of all such definitive agreements, all parties shall have the absolute right to amend this Presentation and/or terminate all negotiations for any reason without liability therefor.

RESOLUTION NO. 22-25

A RESOLUTION OF THE GOVERNING BOARD OF THE CAPITAL TRUST AUTHORITY AWARDING THE SALE OF NOT TO EXCEED \$25,000,000 CAPITAL TRUST AUTHORITY EDUCATIONAL FACILITIES LEASE REVENUE BONDS (CAPSTONE ACADEMY CHARTER SCHOOL FORT MYERS PROJECT), IN ONE OR MORE SERIES OF TAX-EXEMPT QUALIFIED 501(C)(3) BONDS OR TAXABLE BONDS, OR BOTH, FOR THE PURPOSE OF FINANCING A LOAN PROGRAM TO FINANCE OR REFINANCE, INCLUDING THROUGH REIMBURSEMENT, THE COSTS OF THE PROJECT HEREIN DESCRIBED; AUTHORIZING EXECUTION AND DELIVERY OF A TRUST INDENTURE AND A LOAN AGREEMENT FOR SUCH BONDS; PROVIDING CERTAIN OTHER DETAILS IN CONNECTION WITH THE BONDS; PROVIDING FOR A SEVERABILITY CLAUSE AND A REPEALER CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Capital Trust Authority (the "Issuer") is a legal entity duly created and a public agency duly organized and validly existing under the laws of the State of Florida (the "State") established for the purposes set forth under Section 163.01, Florida Statutes, Chapter 166, Part II, Florida Statutes, Chapter 617, Florida Statutes, and Chapter 159, Florida Statutes, each as amended; Resolution No. 14-22, duly adopted by the City Council of the City of Gulf Breeze, Florida ("Gulf Breeze"), on June 6, 2022, as amended by Resolution No. 46-22, duly adopted by the City Council of Gulf Breeze on November 21, 2022; Ordinance Number 04-00, enacted by the City Council of Gulf Breeze on May 15, 2000, as amended and supplemented by Ordinance No. 05-01, and Ordinance No. 10-11, enacted by Gulf Breeze on May 7, 2001 and September 6, 2011, respectively; Resolution No. 1424-2022, duly adopted by the City Commission of the City of Quincy, Florida ("Quincy"), on May 24, 2022; the City Charter of Gulf Breeze; the City Charter of Quincy; the Interlocal Agreement dated as of June 6, 2022, between Gulf Breeze and Quincy, as may be amended and supplemented from time-to-time; with powers as a "local agency" under Chapter 159, Part II, Florida Statutes, and together with all of the home rule powers granted by the Constitution and laws of the State and all other applicable provisions of law (collectively, the "Act"), and is empowered pursuant to the Act to sell and deliver its revenue bonds for the purpose of financing or refinancing, including through reimbursement, and advancing the general welfare of the State and its people by providing for educational facilities, as defined by the Act; and

WHEREAS, pursuant to the Act, the Issuer may issue its revenue bonds for the purpose of developing and maintaining the public welfare and relieving the burdens of government by financing or refinancing capital facilities for for-profit and non-profit organizations and for participating public agencies within and without the State, including the Issuer; and

WHEREAS, the Issuer has been requested by Capstone Property Holdings Fort Myers, LLC, a Florida limited liability company (the "Borrower"), whose sole member is Florida Charter School Organization III, Inc., a Florida not for profit corporation (the "Tenant"), and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), whose principal place of business is 11421 NW 56th Drive, Coral Springs, Florida 33076, to issue its revenue bonds to finance the Project (as hereinafter defined) on behalf of the Borrower and fund the loan program herein described (collectively, the "Plan of Finance") for the purpose, among other things, of financing or refinancing, including through reimbursement, the costs of the Project hereinafter described; and

WHEREAS, pursuant to the Act and the Plan of Finance, the Issuer did on May 27, 2025, duly adopt Resolution No. 15-25 (the "Inducement Resolution") expressing its intent to issue its not to exceed \$25,000,000 Educational Facilities Lease Revenue Bonds, in one or more series of tax-exempt qualified 501(c)(3) bonds or taxable bonds, or both (collectively, the "Bonds") and authorizing a loan program (the "Program") to loan the proceeds thereof to the Borrower for the purposes of (i) the acquisition, renovation, expansion, installation, furnishing and equipping of certain educational facilities, as further described on Schedule I attached hereto, which, by this reference thereto, is incorporated herein (collectively, the "Facilities"); (ii) the funding of capitalized interest for the Bonds; and (iii) the payment of certain costs of issuing the Bonds (collectively, the "Project"); and

WHEREAS, by the Inducement Resolution and this Resolution, approvals will have been duly and validly provided for pursuant to the Act to issue revenue bonds for the purpose of providing funds to finance or refinance all or any part of the cost of the Project, and the Issuer now desires to issue, sell and deliver its Bonds in an aggregate principal amount of not to exceed \$25,000,000, pursuant to a Trust Indenture more particularly described herein (the "Indenture") between the Issuer and UMB Bank, National Association, as trustee (the "Trustee"); and

WHEREAS, pursuant to Section 147(f) of the Code, a telephonic public hearing was scheduled with respect to the Project and held on behalf of the county in which the Project is located (the "County") on May 27, 2025, and the elected representative approval was received from the Governor of the State, as an applicable elected representative of the State (the "Host Jurisdiction"), on June 4, 2025; and

WHEREAS, pursuant to Section 147(f) of the Code, a public hearing was scheduled and held on behalf of the Issuer on June 16, 2025, in the City Council Chambers located at 1070 Shoreline Drive, Gulf Breeze, Florida 32561, and the elected representative approval was received on June 16, 2025; and

WHEREAS, the Issuer has determined that issuing its Bonds for the purposes of financing or refinancing the Project serves a public purpose and is in the best interest of the citizens and residents of the County, the Host Jurisdiction and the people of the State, to implement the Program through the financing or refinancing of the Project, and to loan the proceeds of the Bonds

to the Borrower pursuant to the hereafter described Loan Agreement (the "Loan Agreement"); and

WHEREAS, the Issuer hereby finds that the timing, size and complexity of the financing and the present volatility of the municipal bond market require that the terms of each series of the Bonds being hereby sold be negotiated at private sale to one or more funds or accounts (collectively, the "Purchasers") for which 503 Capital Partners, LLC, a Delaware limited liability company (the "Bondholder Representative"), is investment advisor, rather than offered by competitive bid at public sale in order to assure the most favorable terms in the bond market and, therefore, has determined to sell such Bonds at private, negotiated sale.

NOW THEREFORE, BE IT RESOLVED BY THE GOVERNING BOARD OF THE CAPITAL TRUST AUTHORITY:

Section 1. Issuance of Bonds.

The Bonds shall be issued in one or more series of tax-exempt qualified 501(c)(3) bonds or taxable bonds, or both, designated "Educational Facilities Lease Revenue Bonds (Capstone Academy Charter School Fort Myers Project)" and with such series designation and additional descriptive titles as may be set forth in the Indenture, the aggregate principal amount of the Bonds being not to exceed \$25,000,000. The proceeds of the Bonds shall be used to fund the financing or refinancing, including through reimbursement, of the Project by making a loan to the Borrower in the manner described in the Loan Agreement.

Section 2. Award of Bonds.

The matters set forth in the last preamble hereof, require that the Bonds be negotiated at private sale to be privately placed with the Purchasers selected by the Borrower and approved by the Issuer pursuant to a Placement Agent Agreement, among the Issuer, the Borrower, the Tenant and Raymond James & Associates, Inc., as the placement agent, and the Bondholder Representative (the "Placement Agreement"), rather than offered by competitive bid at public sale, to assure the necessary flexibility to obtain the most favorable terms in the bond market. The Issuer finds that a competitive sale of the Bonds would in all likelihood not result in better terms or interest rates than the negotiated sale of the Bonds. The sale of the Bonds to the Purchasers is hereby authorized pursuant to Section 218.385, Florida Statutes, as amended.

The interest rates on the Bonds shall be established as provided in the Indenture but in any event shall not exceed the maximum rate permitted by law. The Bonds shall be sold to the Purchasers at such purchase price as stated in the Placement Agreement. The form of Disclosure Certificate attached hereto as Exhibit A, which, by this reference thereto, is incorporated herein, is hereby accepted and placed on record in the minutes of the Issuer.

Section 3. Description of the Bonds.

The Bonds shall be issued in fully registered form, shall be dated, shall mature on the date or dates, and shall bear interest in the manner as shall be set forth in the Indenture.

Section 4. Redemption and Mandatory Purchase Provisions; Premium.

The Bonds shall be subject to redemption or prepayment prior to maturity, to mandatory purchase upon tender thereof prior to maturity, and to the payment of premium thereon at or prior to maturity, upon the terms and in the manner as shall be set forth in the Indenture.

Section 5. Approval of Documents.

The Indenture in substantially the form attached hereto as Exhibit B, which, by this reference thereto, is incorporated herein, the other documents referred to therein, the Loan Agreement in substantially the form attached hereto as Exhibit C, which, by this reference thereto, is incorporated herein, the Placement Agreement, a tax certificate and other documents necessary or desirable to implement the financing or refinancing of the Project (collectively, the "Bond Documents"), are hereby approved and shall be executed by the Chair, Vice-Chair or Executive Director of the Issuer, with such provisions or modifications not inconsistent with this Resolution as may be approved by the officers executing the same, such approval to be presumed by their execution thereof.

Section 6. Designation of Professional Advisors.

The Issuer hereby designates and approves Bryant Miller Olive P.A., Tampa, Florida, as Bond Counsel ("Bond Counsel") and as Issuer's Counsel ("Issuer's Counsel"), and such other professional advisors as the Chair, Vice-Chair or Executive Director may designate.

Section 7. Approval of Private Placement.

The placement of the Bonds with the Purchasers by private sale rather than offered for public sale is hereby approved.

Section 8. Authorization of all Other Necessary Action.

(a) The Chair, Vice-Chair, Secretary, Assistant Secretary, Executive Director of the Issuer, Issuer's Counsel and Bond Counsel are each designated agents of the Issuer in connection with the issuance and delivery of the Bonds, and are authorized and empowered, collectively or individually, to take all action and steps to execute and deliver any and all instruments, documents, investments or contracts on behalf of the Issuer which are necessary or desirable in connection with the sale, execution and delivery of the Bonds and the Bond Documents which

are not inconsistent with the terms and provisions of this Resolution and other actions relating to the Bonds and the Bond Documents heretofore taken by the Issuer.

(b) In addition, subsequent to the issuance of the Bonds, the Chair, Vice-Chair, Secretary, Executive Director and Bond Counsel for the Issuer are each designated agents of the Issuer in connection with refunding or refinancing of the Bonds, and are authorized and empowered, collectively or individually, to take all action and steps to execute and deliver any and all instruments, documents, investments or contracts on behalf of the Issuer which are necessary or desirable in connection with the refunding or refinancing of the Bonds which comply with the terms of the Bond Documents. Notwithstanding the foregoing, the authority granted in this Section 8(b) shall not be construed as authority for the issuance of new debt by the Issuer to be applied to the refunding or refinancing of the Bonds.

Section 9. Public Purpose Determinations.

Based solely upon information provided by the Borrower, the Issuer, as a "local agency" pursuant to Chapter 159, Part II, Florida Statutes, hereby makes the following determinations:

(i) the Facilities are appropriate to the needs and circumstances of, and make a significant contribution to the economic growth of the County and the State, provide or preserve gainful employment, promote commerce within the State, serve a public purpose by providing educational facilities within the meaning of Chapter 159, Part II, Florida Statutes, and advance the economic prosperity and the general welfare of the State and its people;

(ii) the Borrower is the financially responsible party and is fully capable and willing to fulfill (A) its obligations under the financing documents, including the obligation of the Borrower to make loan repayments under the Loan Agreement in the amounts and at the times required to provide for the timely payment of the principal of, premium, if any, and interest on the Bonds herein authorized, and (B) all other obligations and responsibilities imposed under the financing documents;

(iii) the County is able to cope satisfactorily with the impact of the Facilities and is able to provide, or cause to be provided when needed, the public facilities, including utilities and public services, necessary for the Facilities, including operation, repair and maintenance thereof and on account of any increase in population or other circumstances resulting therefrom;

(iv) adequate provision will be made in the financing documents for the operation, repair and maintenance of the Facilities at the expense of the Borrower and for the payment by the Borrower of certain fees and expenses incurred in connection with the issuance of the Bonds, and that the loan repayments under the Loan Agreement are sufficient to pay the principal of, premium, if any, and interest on the Bonds herein authorized; and

(v) the Facilities constitute a "project" within the meaning of the Act.

In accordance with Section 159.29, Florida Statutes, the foregoing determinations of public purpose shall be final and conclusive.

Section 10. No Third Party Beneficiaries.

Unless specifically noted, nothing in this Resolution or in the Bond Documents, express or implied, is intended or shall be construed to confer upon any person other than the Issuer, the Borrower, the Trustee, the Bondholder Representative and the Purchasers any right, remedy or claim, legal or equitable, under and by reason of any provision of this Resolution or of the Bond Documents. This Resolution and the Bond Documents are for the sole and exclusive benefit of the Issuer, the Borrower, the Trustee, the Bondholder Representative and the Purchasers.

Section 11. Severability.

In case any one or more of the provisions of this Resolution, the Bond Documents or the Bonds shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions of this Resolution, the Bond Documents or the Bonds, as the case may be, and they shall be construed and enforced without consideration of such illegal or invalid provisions.

Section 12. No Personal Liability.

No covenant, stipulation, obligation or agreement contained in this Resolution or contained in the Bond Documents, the Bonds, or any instrument contemplated by each shall be deemed to be a covenant, stipulation, obligation or agreement of any officer, member, agent or employee of the Issuer in his or her individual capacity, and no member of the Issuer executing the Bonds or other documents related to the issuance of the Bonds including those approved by this Resolution shall be liable personally for such documents or the obligations under each, or be subject to any personal accountability by reason of his or her delivery or execution of such documents on behalf of the Issuer.

Section 13. Repealer.

All provisions of resolutions of the Issuer in conflict with the provisions of this Resolution are, to the extent of such conflict, superseded and repealed.

Section 14. Effective Date. This Resolution shall take effect immediately upon its adoption.

Adopted on June 24, 2025.

CAPITAL TRUST AUTHORITY

By: _____
Its: Chair

ATTEST:

By: _____
Its: Secretary

CERTIFICATE OF SECRETARY

I, Christy Larkins, Secretary to the Capital Trust Authority, do hereby certify that the above and foregoing is a true and correct copy of Resolution No. 22-25 and supporting exhibits as the same were duly adopted and passed at a public meeting of the Capital Trust Authority on the 24th day of June, 2025, and as the same appears on record in my office.

IN WITNESS WHEREOF, I hereunto set my hand and official seal this ___ day of June, 2025.

By: _____
Secretary

EXHIBIT A

FORM OF DISCLOSURE CERTIFICATE

Raymond James & Associates, Inc. (the "Placement Agent"), as Placement Agent of the herein defined Bonds, has negotiated with the Capital Trust Authority (the "Issuer") for the private placement of its Educational Facilities Lease Revenue Bonds (Capstone Academy Charter School Fort Myers Project), Series 2025 (the "Bonds"), in the aggregate principal amount of \$_____. Prior to the award of the Bonds, the following information is hereby furnished to the Issuer:

1. Set forth is an itemized list of the nature and estimated amounts of expenses to be incurred by the Placement Agent in connection with the placement of the Bonds:

[Insert or attach list if expenses are paid by the Placement Agent
or insert "None" if no expenses are to be paid by the Placement Agent]

2. (a) No other fee, bonus or other compensation is estimated to be paid by the Placement Agent in connection with the placement of the Bonds to any person not regularly employed or retained by the Placement Agent (including any "finder" as defined in Section 218.386(1)(a), Florida Statutes), except as specifically enumerated as expenses to be incurred by the Placement Agent, as set forth in paragraph (1) above.

(b) No person has entered into an understanding with the Placement Agent, or to the knowledge of the Placement Agent, with the Issuer, for any paid or promised compensation or valuable consideration, directly or indirectly, expressly or implied, to act solely as an intermediary between the Issuer and the Placement Agent or to exercise or attempt to exercise any influence to effect any transaction in the purchase of the Bonds.

3. The Placement Agent fee to be charged by the Placement Agent is [_____].

4. No underwriting spread is expected to be realized by the Placement Agent.

5. No management fee is to be charged by the Placement Agent.

6. Truth-in-Bonding Statement:

The Bonds are being issued for the purposes of (i) the acquisition, renovation, expansion, installation, furnishing and equipping of an approximately 68,950 square foot two-story building and an approximately 6,500 square foot unenclosed pavilion, including related facilities, fixtures, furnishings and equipment, located on approximately 9.16 acres, having an address of 18851 Oak Center Drive, Fort Myers, Florida 33967, all to serve students in grades K up to 8 and related uses at a school to be known as Capstone Academy Charter School Fort Myers; (ii) the funding of

capitalized interest for the Bonds; and (iii) the payment of certain costs of issuing the Bonds. This debt or obligation is expected to be repaid over a period of [] years. Total interest paid over the life of the debt or obligation, assuming an interest rate (total interest cost) of []% per annum, will be approximately \$[].

The source of repayment and security for this proposal to issue the Bonds is exclusively limited to certain revenues derived from Capstone Property Holdings Fort Myers, LLC, a Florida limited liability company (the "Borrower"), pursuant to the Loan Agreement, by and between the Borrower and the Issuer. Because (a) such revenues may not be used by the Issuer for any purpose other than the purposes set forth in the Trust Indenture, by and between the Issuer and UMB Bank, National Association, as trustee, (b) the Issuer has no taxing power and the taxing power of the Issuer and the State of Florida is not pledged or involved in the Bonds, (c) the Bonds and the interest thereon do not constitute a debt of the Issuer within the meaning of any constitutional or statutory provision, and (d) the faith and credit of the Issuer are not pledged to the payment of the principal of or the interest on the Bonds, authorizing this debt or obligation will not result in any moneys not being available to the Issuer to finance other transactions each year for the [] year term of the Bonds. We understand that the Issuer does not require any further disclosure from the Placement Agent pursuant to Section 218.385, Florida Statutes.

7. The name and address of the Placement Agent are as follows:

Raymond James & Associates, Inc.
60 S 6th Street, Suite 3510
Minneapolis, MN 55402
Attention: Wes Olson, Managing Director

IN WITNESS WHEREOF, the undersigned has executed this Disclosure Certificate on behalf of the Placement Agent this ____ day of _____, 2025.

RAYMOND JAMES & ASSOCIATES, INC.

By: _____
Name: Wes Olson
Title: Managing Director

[INSERT SCHEDULE I]

EXHIBIT B
FORM OF TRUST INDENTURE

EXHIBIT C
FORM OF LOAN AGREEMENT

SCHEDULE I

DESCRIPTION OF THE FACILITIES

The Facilities consist of an approximately 68,950 square foot two-story building and an approximately 6,500 square foot unenclosed pavilion, including related facilities, fixtures, furnishings and equipment, located on approximately 9.16 acres, having an address of 18851 Oak Center Drive, Fort Myers, Florida 33967, all to serve students in grades K up to 8 and related uses at a school to be known as Capstone Academy Charter School Fort Myers.

TO: Capital Trust Authority Board of Directors
FROM: Denis McKinnon, III
RE: The Renaissance Learning Center
DATE: June 24, 2025

Introduction

The Learning Center (the “School” or the “Borrower”) has submitted an application to the Capital Trust Authority (the “Authority”) for the issuance of not to exceed \$27,000,000 of tax-exempt and taxable bonds to finance the acquisition and renovation of a public charter school serving autistic students in Royal Palm Beach, FL.

Description of the Borrower

The School was opened in 1999 as a tuition free public charter school serving students with autism ages 3-22. The School offers a custom education and therapies at no cost to families with certain equipment and supplies for autistic students that allow those students to thrive. The Learning Center’s staff hold certifications, reading endorsements, and autism endorsements through the Florida Department of Education.

Description of the Project

Bond proceeds will be used to finance the acquisition of a \$13,000,000 land acquisition, approximately \$7,000,000 renovation, capitalized interest, and a debt service reserve fund totaling approximately \$24,675,000.

Financing

The Borrower has engaged Stifel Nicolaus & Co. to underwrite and sell the bonds. Bryant Miller Olive is serving as Bond Counsel to the Issuer.

Bonds will be sold in \$100,000 increments to Qualified Institutional Buyers and Accredited Investors.

Recommendation

It is the recommendation of Authority staff that the Board adopt Resolution 23-25, approving the issuance of not to exceed 27,000,000 on behalf of the Borrower. We look forward to seeing you at our meeting on 6/24. Minutes from Inducement are attached.

AGENDA ITEM:

Inducement Resolution 06-25 – The Learning Center

DISCUSSION:

The Learning Center is an existing public charter school serving autistic students, ages 3-22. The school opened in 1999 and is located in Royal Palm Beach, Florida.

Cherry Fitch asked for clarification of a public school and a charter school. Denis McKinnon replied that a charter school is privately owned, or a for-profit entity, and receives their charter from the state school district; they use the same books and adhere to the same rules as public school books, however, a charter school is allowed to create their own curriculum or style of teaching. In addition, charter schools do not charge tuition; only private schools charge tuition.

Chris Kemp asked about the five board members who received \$80,000 each. Denis stated that is not a salary, but will follow up with more details on what those funds are for. Kareem Spratling stated it is highly unusual for a 501c3 to pay board members a salary of any kind and this must represent something else.

MOTION/ACTION:

Mayor JB Schluter made a motion to approve Resolution 06-25 as presented. Deborah Roche seconded. Vote for approval was 6-0.

**Capital Trust Authority
The Learning Center Project
Educational Facilities Revenue Bonds,
Series 2025**



**Series 2025 Bonds
Transaction Summary**

June 17, 2025

Disclaimer

This Presentation is provided as of June 17, 2025 for a proposed offering of the Capital Trust Authority (the "Authority") Educational Facilities Revenue Bonds, Series 2025 (the "Series 2025 Bonds"), on behalf of The Learning Center in Royal Palm Beach, Florida. All financial data and other information provided herein are not warranted as to completeness or accuracy and are subject to change without notice.

This Presentation is provided for your information and convenience only. Any investment decisions regarding the Series 2025 Bonds should only be made after a careful review of the complete Preliminary Limited Offering Memorandum for the Series 2025 Bonds (the "PLOM"). By viewing this Presentation, you agree not to duplicate, copy, download, screen capture, electronically store or record this Presentation, nor to produce, publish, or distribute this Presentation in any form whatsoever.

This Presentation does not constitute a recommendation or an offer or solicitation for the purchase or sale of any security or other financial instrument, including the Series 2025 Bonds, or to adopt any investment strategy. Any offer or solicitation with respect to the Series 2025 Bonds will be made solely by means of the final Limited Offering Memorandum, which describes the actual terms of such Series 2025 Bonds. In no event shall Stifel, the Authority, The Learning Center or their officers, employees or agents be liable for any use by any party of, for any decision made or action taken by any party in reliance upon, or for any inaccuracies or errors in, or omissions from, the information contained herein and such information may not be relied upon by you in evaluating the merits of participating in any transaction mentioned herein. Stifel makes no representations as to the legal, tax, credit or accounting treatment of any transactions mentioned herein, or any other effects such transactions may have on you and your affiliates or any other parties to such transactions and their respective affiliates. You should consult with your own advisors as to such matters and the consequences of the purchase and ownership of the Series 2025 Bonds. Nothing in these materials constitutes a commitment by the Authority, The Learning Center or Stifel or any of its affiliates to enter into any transaction. No assurance can be given that any transaction mentioned herein could in fact be executed. Past performance is not indicative of future returns, which will vary. Transactions involving the Series 2025 Bonds may not be suitable for all investors. You should consult with your own advisors as to the suitability of the Series 2025 Bonds for your particular circumstances.

This Presentation may contain forecasts, projections, and estimates that are based on current expectations but are not intended as representations of fact or guarantees of results. If and when included in this Presentation, the words "expects," "forecasts," "projects," "intends," "anticipates," "estimates," and analogous expressions are intended to identify forward looking statements as defined in the Securities Act of 1933, as amended, and any such statements inherently are subject to a variety of risks and uncertainties, which could cause actual results to differ materially from those contemplated in such forward looking statements. These forward looking statements speak only as of the date of this Presentation. Stifel, the Authority and The Learning Center disclaim any obligation or undertaking to release publicly any updates or revisions to any forward looking statement contained herein to reflect any change in expectations with regard thereto or any change in events, conditions, or circumstances on which any such statement is based.

Participants



Capital Trust Authority
(Issuer)

- **Denis McKinnon, Executive Director**



- **Robert Darling, Board Member**
- **Stacie Routt, Executive Director**

(Borrower)



Building Hope

(Municipal Advisor)

- **Richard Moreno, Managing Director**
- **Rebecca Jenkins, Director**



(Underwriter)

- **Ike Papadopoulos, Managing Director**
- **Nate Keninitz, Vice President**
- **Brendan Ross, Assistant Vice President**

Transaction Overview

Series 2025 Bonds (The Learning Center Project)

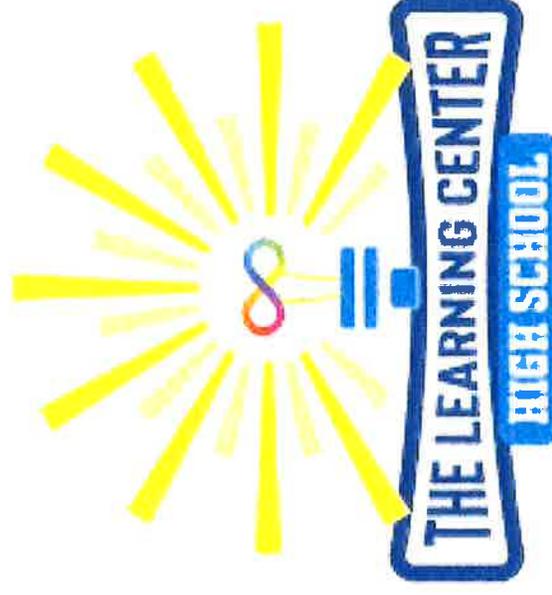
Conduit Issuer	Capital Trust Authority
Borrower	The Renaissance Learning Center, Inc., d/b/a The Learning Center (“TLC” or the “School”)
Tax Status	Series 2025 (Tax-Exempt)
Par Amount*	\$25,565,000
Cash Contribution (Equity)	\$595,000 from Borrower (including \$50k for Church Use from Seller of Land) which will be used to fund costs of issuance over 2% tax-exempt limit.
Rating	Non-Rated
Term*	6/15/65 (40 years)
Use of Proceeds*	I. \$13,200,000* – Acquisition (Including Real Estate Closing Costs). II. \$7,255,659* – Renovation. III. Capitalized Interest. IV. Debt Service Reserve Fund. V. Costs of Issuance.
Pricing Date*	07/09/2025
Closing Date*	07/16/2025

*Preliminary, subject to change.

Background & Organizational Overview

Background

- The Renaissance Learning Center, Inc., d/b/a The Learning Center (the “Borrower,” “TLC” or “The Learning Center) is a Florida (the “State”) nonprofit corporation described and exempt under section 501(c)(3) of the Internal Revenue Code. The Borrower operates a tuition free public charter school known as The Learning Center (the “Charter School”) and serves autistic students from PK-12.
- The Charter School opened in 1999, and it currently occupies one building at its Royal Palm Beach, Florida campus. TLC’s current charter was granted by the School District of Palm Beach County for its PK-8 operations through June, 2037. The Charter School’s high school charter was granted by the same entity in 2024, for a five-year term that will require renewal in June, 2029. The five-year high school charter term is standard for initial high school charters in the State. TLC has grown to serve 177 students for the 2024-25 school year with 12 students in high school and 165 students in the lower school.



The Learning Center's Academic Approach

- The School unlocks opportunities for autistic students by providing a free, high-quality, accessible, custom education and therapies throughout the school day at no additional cost to families.
- By offering services such as speech language, occupational and behavior therapy, students are equipped with crucial skills to facilitate independence and safe social interaction.
- Along with extensive STEAM programs, the School focuses on Applied Behavior Analysis (ABA), TEACCH, PECS, and sensory processing intervention.

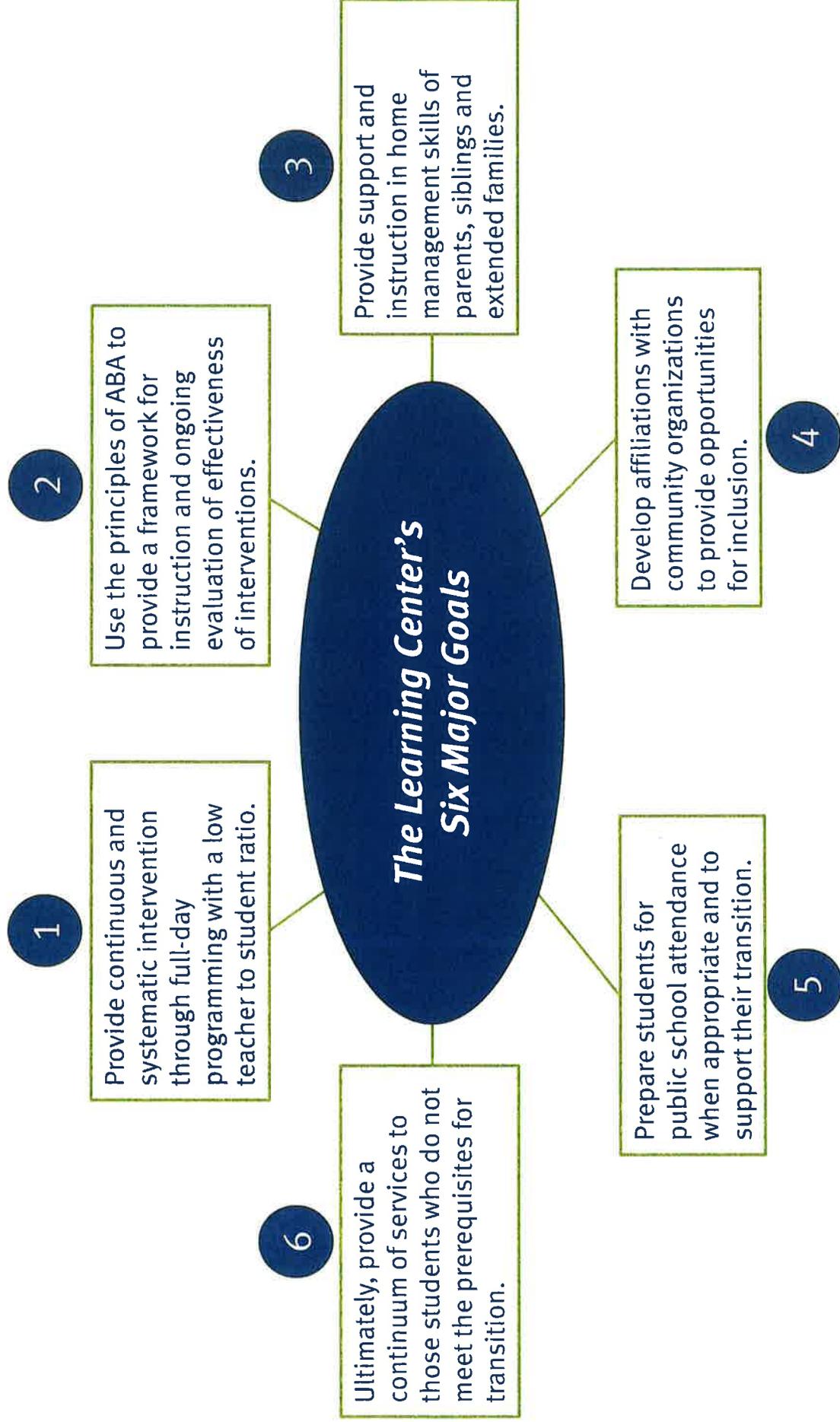
Family Oriented Atmosphere Before and After-School Care Program Focus on ABA Disciplines

Seven Dimensions of ABA

- 1) **Applied** - Implementation Approach
- 2) **Behavioral** – Analysis and Modification
- 3) **Analytic** – Data-Based Decision-Making
- 4) **Technological** – Treatment Descriptions
- 5) **Conceptually Systematic** – Principles and Theories
- 6) **Effective** – Meaningful Change
- 7) **Generality** – Generalization and Maintenance

- **ABA** involves breaking down complex skills into small, manageable steps using a variety of strategies personalized to each student.
- TLC will provide a learning environment that is aligned to its mission, vision, and major goals. The School's main focus will be to prepare its student to be as independent, self-sufficient and socially interactive as possible. The learning environment at TLC will actively promote the School's Mission and Vision for their students from Pre-K to High School.

The Learning Center – Six Major Goals



Key Administrators

The Borrower's day-to-day operations and implementation of the policies established by the Board are generally the responsibility of the principal and other administrative staff acting at the direction of the principal.

Biographies of the principal and other administrative staff are below.

Stacie Routt, Executive Director. Stacie Routt, has a career focused on providing the leadership and vision necessary to design, develop, implement, and evaluate comprehensive programs of instructional and supportive services for children with autism.

She began her career in 1996 providing direct instructional supports in home environments and clinical settings specializing in early intervention. Prior to her leadership at The Learning Center she applied her efforts as one of the founders of The Hope Center for Autism, a public charter school. Being one of the founders of the school Stacie provided an active role for the Hope Center in many areas beginning with preliminary work in 2000 that led to the status and recognition as a public charter school in 2002. As a Certified ESE teacher for grades K-12 she served as The Hope Centers first instructional teacher. Her leadership role as the Executive Director of the school began in 2008.

Her role as the Executive Director for The Learning Center began in 2015 providing opportunities for the development and implementation of school operations with continued quality management, systematic staff development applied both to classroom procedures for effective direct student services and with ongoing intensive training in assessments, data, programming, and Applied Behavior Analysis (ABA). Additionally, Stacie has always built positive relationships with families and the community for the valuable ongoing collaborations of students. She puts forth effort to the shaping of a collaborative school culture in relation to the families and team leaders that proactively engage in the continued enhancement of student achievement.

Stacie has a Bachelor of Science degree in Psychology with a minor in Communications from Florida State University. In 2013 she completed her Master's degree in Educational Leadership from Florida Atlantic University. Stacie is a Board-Certified Behavior Analyst (BCBA). She holds a Florida Department of Education certification in Educational Leadership at all levels, ESE grades K-12, and has the Autism Endorsement. Her continued education and practices developed through experience are pivotal to serving as a school administrator.

Stacie has worked full time specializing in the field of autism spectrum disorder (ASD) since 1996. Her education has continued in relevant applicable fields specific to ASD and leadership. Stacie believes that her expertise gained from education, instructional practices in the home environment, clinical setting, and in the classroom, has supported the overall development and quality throughout her professional growth.

Zayra Chin, Assistant Principal. Zayra Chin began her career in 2002 providing services as a Speech Language Pathologist in a hospital setting after receiving her Bachelor of Arts degree in Communication Disorders from the University of Florida. She worked with medically fragile children and focused on providing the best services for in-patient and out-patient clients. In 2004 she completed her master's degree in Communication Disorders from the University of Central Florida and holds her Certificate of Clinical Competence (CCC) from the American Hearing Speech Association (ASHA). In 2006 Zayra transitioned to the educational setting and has been with The Learning Center (TLC) ever since. She began her career at the school as a Speech Language Pathologist and continued to pursue her education and received her certification as a Board Certified Behavior Analyst (BCBA) in 2011. Zayra became the Director of Behavioral services in 2015. Her role as the Director of Behavioral Services included providing support to the classrooms, maintaining safety across the campus, fostering respect for our students, classroom management, developing IEP goals, and more. Zayra also holds her certification as a Professional Crisis Management (PCM) Instructor and provides training throughout the school for managing maladaptive behavior and focusing on proactive and de-escalation strategies to maintain the safety and well-being of all students attending TLC.

In 2020, Zayra transitioned to the role of Assistant Principal. She works collaboratively with Stacie to support in the development and implementation of school operations with continued quality management, systematic staff development applied both to classroom procedures for effective direct student services and with ongoing intensive training in assessments, data, programming, and Applied Behavior Analysis (ABA).

Board of Directors

TLC is governed by a Board of Directors comprising a Chair and four Directors.

Name	Occupation	Board Position
Dr. Jack Scott	Executive director of the Florida Atlantic University Center for Autism and Related Disabilities	Chair
Dr. Myles Cooley	Board Certified Clinical Psychologist	Director
Tod Dresser	Account Manager for South Florida at RediCarpet	Director
Kathleen Letourneau	Intellectual Property attorney	Director
Robert Darling	Financial Advisor with Northwestern Mutual	Director

Enrollment, Staffing & Academic Performance

Historical Enrollment

Grade	The Learning Center						
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25 (Current)	
PK	11	11	15	10	21	13	
K	8	6	15	8	14	18	
1	14	6	9	20	17	17	
2	17	13	8	9	21	18	
3	24	18	14	16	14	17	
4	8	20	19	16	18	12	
5	16	10	20	20	15	18	
6	27	18	11	20	19	18	
7	11	22	20	12	17	18	
8	15	10	12	16	10	16	
9	0	0	0	0	0	8	
10	0	0	0	0	0	4	
11	0	0	0	0	0	0	
12	0	0	0	0	0	0	
Totals	151	134	143	147	166	177	

Source: The Borrower.

Projected Enrollment

The Learning Center						
Grade	2024-25 (Current)	2025-26	2026-27	2027-28	2028-29	2029-30
PK	13	10	10	10	10	12
K	18	15	12	14	20	19
1	17	20	18	15	15	20
2	18	18	20	18	20	20
3	17	18	18	20	20	20
4	12	20	18	20	20	20
5	18	14	20	20	20	20
6	18	18	15	18	20	20
7	18	18	18	18	20	20
8	16	18	18	18	18	20
9	8	18	18	18	18	20
10	4	10	18	18	18	20
11	0	4	12	18	18	18
12	0	0	4	12	18	18
Totals	177	201	219	237	255	267

Source: The Borrower.

Historical Waitlist

- TLC has grown its waitlist to over 360 students as of 2024-25

Grade	The Learning Center					
	2020-21	2021-22	2022-23	2023-24	2024-25	
PK	15	24	59	65	70	
K	7	16	43	48	41	
1	10	16	20	22	18	
2	7	11	25	30	38	
3	8	12	28	30	24	
4	13	21	34	31	28	
5	8	19	38	38	40	
6	12	20	25	31	37	
7	7	19	25	29	28	
8	0	5	10	14	19	
9	0	0	0	0	17	
10	0	0	0	0	6	
11	0	0	0	0	0	
12	0	0	0	0	0	
Total	87	163	307	338	366	

Source: The Borrower.

Financial Projections

	Budgeted 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029	Projected 2030
Budgeted Enrollment	177	203	228	246	264	276
Enrollment Growth by Students		24	27	18	18	12
Enrollment Growth by Percentage %		13.6%	13.4%	7.9%	7.3%	4.5%

REVENUES

General Operating	\$ 5,692,204	\$ 6,569,871	\$ 7,575,861	\$ 8,311,169	\$ 9,070,386	\$ 9,652,445
Local Referendum (Property)	298,836	346,143	400,493	440,753	482,463	514,481
Local Referendum (Sales Tax)	-	80,465	182,548	196,960	211,372	220,979
Capital Outlay	195,102	291,764	394,351	493,451	529,557	553,628
CSP Grant	-	-	-	-	-	-
Before/aftercare	63,500	64,770	69,628	73,020	72,441	73,890
Camps	24,300	24,786	26,645	27,378	27,721	28,276
Recovery of PY Expense	12,722	-	-	-	-	-
Donations	15,021	20,321	21,571	22,002	22,442	23,597
IDEA	532,574	603,000	684,000	738,000	792,000	828,000
Interest Income	37	38	41	41	42	43
TOTAL REVENUES	\$ 6,834,296	\$ 8,081,623	\$ 9,537,484	\$ 10,497,534	\$ 11,419,796	\$ 12,116,317

REVENUES PER STUDENT

REVENUES PER STUDENT	\$ 38,612	\$ 40,207	\$ 41,831	\$ 42,673	\$ 43,257	\$ 43,900
REVENUES PER STUDENT GROWTH BY %		4.13%	4.04%	2.01%	1.37%	1.49%

EXPENDITURES

Exceptional Instruction	\$ 3,324,404	\$ 3,597,418	\$ 3,991,324	\$ 4,364,568	\$ 4,675,713	\$ 4,928,999
Student Support Services	1,224,716	1,413,151	1,575,055	1,655,681	1,875,875	1,917,856
Instructional Staff Training Services	11,740	15,455	18,952	21,991	25,133	27,461
Instruction Related Technology	27,340	31,247	35,848	39,133	42,524	45,137
Board Expenses	112,583	130,331	108,124	105,962	103,882	101,766
General Administration (District Fee)	66,711	75,869	83,294	90,939	98,832	104,913
School Administration	678,292	777,396	857,525	940,052	1,025,261	1,090,634
Facilities & Acquisition	10,000	12,027	13,742	14,942	16,180	17,138
Fiscal Services	143,711	164,249	188,437	205,707	223,534	237,270
Pupil Transportation Services	1,908	1,946	2,014	2,054	2,095	2,137
Facility Lease	804,277	820,364	-	-	-	-
Operation of Plant	564,570	572,757	594,212	606,096	628,218	630,583
Maintenance of Plant	10,600	10,812	11,028	11,249	11,474	11,703
Community Services	68,051	69,412	74,618	76,311	77,633	79,186
Net Debt Service - Series 2025 (Prelim.)	-	-	-	-	-	-
Series 2025AB - Principal	-	-	-	-	-	165,000
Series 2025AB - Interest	-	1,693,859	1,853,463	1,853,463	1,853,463	1,853,463
Series 2025AB - Capitalized Interest	-	(1,693,859)	(778,454)	(333,623)	-	-
Total Series 2025AB Bonds Net DS (Prelim.)	-	-	1,075,009	1,519,839	1,853,463	2,018,463
TOTAL EXPENDITURES	\$ 7,048,903	\$ 7,672,435	\$ 8,629,183	\$ 9,654,325	\$ 10,649,777	\$ 11,213,245

EXPENDITURES PER STUDENT

EXPENDITURES PER STUDENT	\$ 39,824	\$ 38,171	\$ 37,847	\$ 39,245	\$ 40,340	\$ 40,628
EXPENDITURES PER STUDENT GROWTH BY %		-4.15%	-0.85%	3.69%	2.79%	0.71%

NET ORDINARY INCOME

NET ORDINARY INCOME	\$ (214,606)	\$ 409,188	\$ 908,301	\$ 843,209	\$ 770,019	\$ 903,073
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Projected Covenants

	Budgeted 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029	Projected 2030
Budgeted Enrollment	177	201	228	246	264	276
Enrollment Growth by Students		24	27	18	18	12
Enrollment Growth by Percentage %		13.6%	13.4%	7.9%	7.3%	4.5%

	2025	2026	2027	2028	2029	2030
ADD BACK:						
Lease Rental	\$ 804,277	\$ 820,364	\$ -	\$ -	\$ -	\$ -
Net Debt Service - Series 2025 (Prelim.)	\$ -	\$ -	\$ 1,075,008	\$ 1,519,839	\$ 1,853,463	\$ 2,018,463
ADJUSTED INCOME	\$ 589,671	\$ 1,229,552	\$ 1,983,310	\$ 2,363,048	\$ 2,623,481	\$ 2,921,535

PRO FORMA ANNUAL FIXED COVERAGE RATIO	0.73	1.50	1.84	1.55	1.42	1.45
CASH BALANCE	\$ 1,453,260	\$ 1,862,448	\$ 2,770,749	\$ 3,613,958	\$ 4,383,977	\$ 5,287,050
DAYS CASH ON HAND	75	89	117	137	150	172

Information for Supplemental Schedule 8

NOTE: For notes and assumptions to the financial projections, please see "Notes to the Financial Projections" in the Credit Package – Section Four.

The Project

Project at a Glance



1

Acquisition of land approximately \$13.2 million

2

Facilities Renovation approximately \$7.3 million

Overview: New Campus Project

- **The New Campus Project:** The Bonds are being issued for the purpose of providing funds to acquire, construct, renovation, expand, install and equip five existing buildings, totaling approximately 38,109 square feet, located on approximately 4.08 acres of land, located at 9153 Roan Lane, Palm Beach Gardens, Palm Beach County, Florida 33403, all to accommodate up to approximately 280 students in grades preschool through 12, to be known as "The Learning Center," and "The Learning Center High School," including related facilities, fixtures, furnishings and equipment (the "Facilities").

Comparative Location



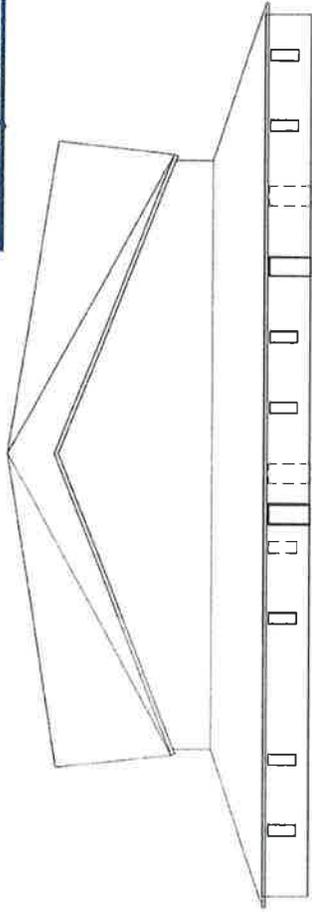
New Campus Site



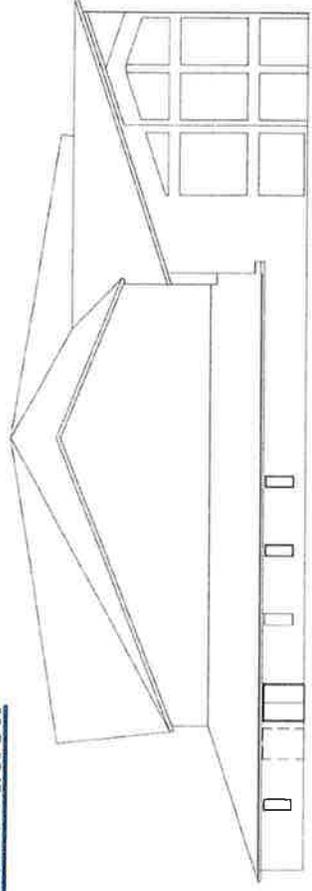
- The New Campus is comprised of 4.08 acres generally located at the corner of Roan Lane and Kenas Street in West Palm Beach, Florida. The property is currently occupied by the Gardens School of Technology Arts ("Tenant"), an existing charter school serving grades K-8. The New Campus will encompass 5 buildings with the new addition of an approximate 28,000 sq ft two-story building.

New Campus Site Plan

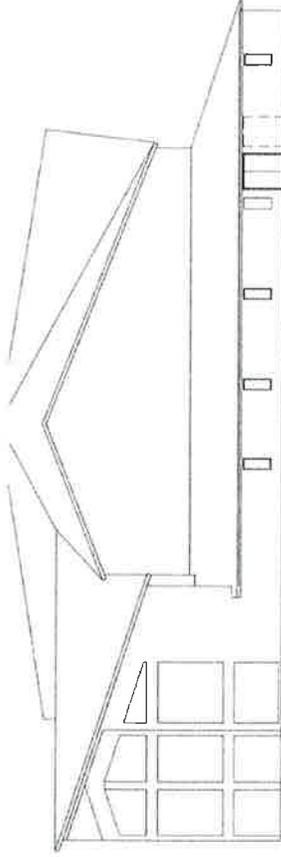
Primary Building Renovation



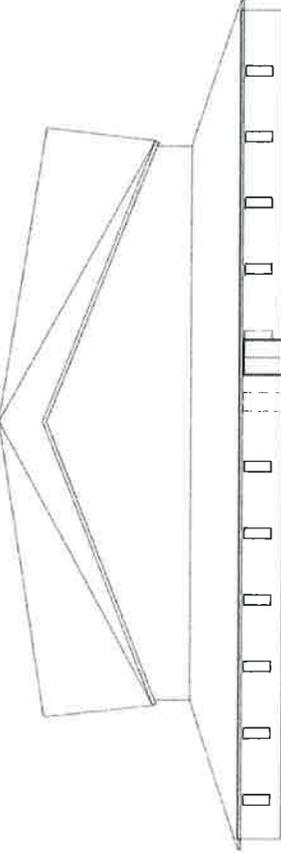
north



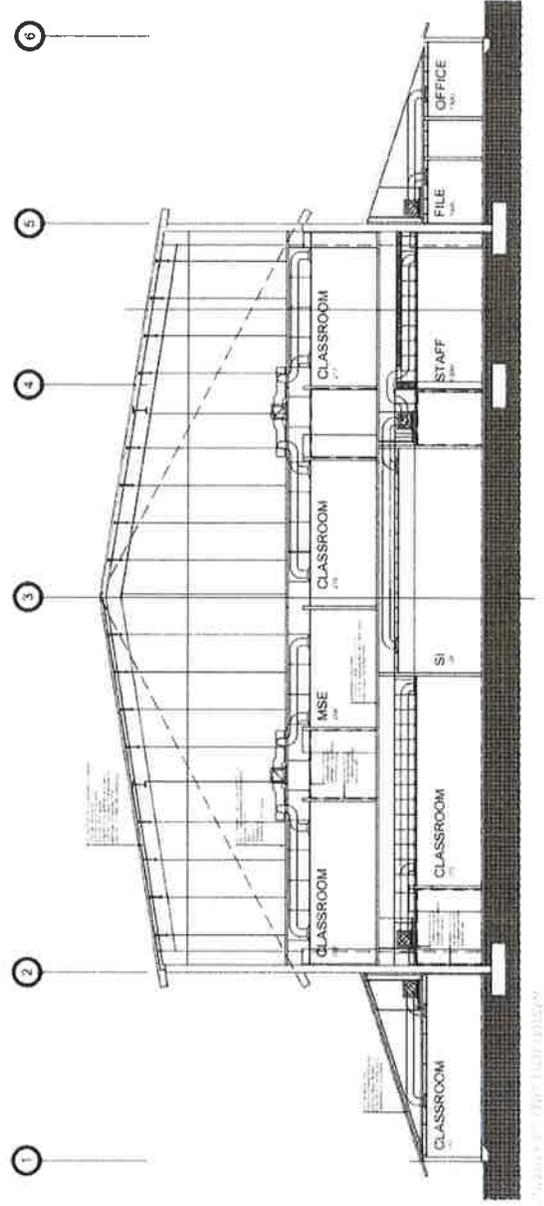
south



east



west



Development Team



Design Builder
(Architect General Contractor)

- TLC has hired Consilium Atlantic, Inc. (“Consilium”) to serve as the Design-Builder. Consilium provides over 30 years’ experience in Project Planning, Design and Construction for a myriad of project types including charter schools, residential and commercial facilities, regionally focused in southwest Florida.



Owner’s
Representative

- TLC has hired BLD Florida to serve as the Owner’s representative to assist with the planning, service solicitation and cost verification for the Project. BLD Florida provides a full complement of Construction Management and Owner’s Representative services with over 15 years of experience spanning hospitality, retail, office, health care and industrial project types.

Construction Contract

The Borrower expects to enter into an American Institute of Architects (“AIA”) Document A141-2024, Standard form of Agreement Between Owner and Design-Builder with Consilium Atlantic, Inc. prior to closing. As of June 17, 2025, the draft construction contract is out for review to TLC and Borrower’s Counsel and the contract will provide for a guaranteed maximum price (“GMP”) for the entirety of the Project. Bidding is roughly 90% complete for the Project.

Project Budget

The Bonds are being issued for the purpose of providing funds to acquire, construct, renovate, expand, install and equip five existing buildings, totaling approximately 38,109 square feet, located on approximately 4.08 acres of land, located at 9153 Roan Lane, Palm Beach Gardens, Palm Beach County, Florida 33403, all to accommodate up to approximately 280 students in grades preschool through 12, to be known as "The Learning Center," and "The Learning Center High School," including related facilities, fixtures, furnishings and equipment (the "Facilities"). The preliminary project budget as of April 16, 2025, is provided in the adjacent table.

I. Design	Budget
Space Planning	\$8,500.00
Building CDs & MEPF Engineering	\$1,866,350.00
Civil Engineering - Initial Approvals	\$4,300.00
Civil Engineering - Drop Off Lane	\$20,000.00
Civil Consultant & Permitting	\$23,250.00
Civil Consulting Reimbursables	\$2,500.00
Design Contingency	\$24,240.00
Design Subtotal	\$269,140.00
II. Permit Processing & Reimbursable	
Notice of Commencement	\$100.00
Terminate NOC	\$100.00
Property Inspections	\$3,725.00
Alta Survey	\$3,750.00
Environmental Survey	\$4,000.00
Topographical Survey	\$2,500.00
Asbestos Survey	\$3,500.00
Permit Application Fees	\$2,000.00
Building Permit	\$45,000.00
Site Permit	\$3,500.00
3rd Party Inspections	\$8,000.00
Printing allowance	\$750.00
Mail/FedEx allowance	\$750.00
Permit Processing & Reimbursable Subtotal	\$77,675.00
III. Construction & Other Modifications	
Site – Monument Sign, Wall Sign	\$175,000.00
Building Improvements – Building A, Site Building B	\$5,331,388.00
Access Control	\$512,000.00
Burglar Alarm	\$45,000.00
Security Cameras	\$13,000.00
Low Voltage & Data	\$110,000.00
Signage – Monument and Wall Sign	\$55,000.00
Project Management	\$75,000.00
Construction & Other Modifications	\$6,371,388.00
Total Soft Costs	\$346,815.00
Total Hard Costs	\$6,371,388.00
Contingency (8.0%)	\$537,456.24
Total Project Costs (Excl. Acq.)	\$7,255,659.24
IV. Land/Property Acquisition	
Land/Property Acquisition	\$13,000,000.00
Real Estate Closing Costs	\$200,000.00
Total Project Costs	\$20,455,659.24

The 2025 Bonds

Security for the Series 2025 Bonds

- **Revenue Pledge:** Gross Revenue of the School
 - Gross School Revenue of the School are pledged to secure the Series 2025 Bonds
- **Real Estate:** Deed of Trust on the New Campus
- **Debt Service Reserve Fund:** Sized at maximum annual debt service (MADS)
- **Insurance Coverage:** Property & casualty, business interruption, general liability, worker's compensation, professional liability, cyber insurance
- **Financial Covenants:**
 - **Liquidity:** 45 days cash on hand
 - **Debt Service Coverage Ratio:** 1.10x
- **Depository Account Control Agreement ("DACA"):** The School will covenant to deposit the Pledged Revenues in a depository account subject to a DACA

Estimated Sources & Uses*

Please note, as part of the transaction, TLC will be contributing \$545k in cash equity to fund cost of issuance over the 2% tax-exempt limitation. The cash position of the School is expected to be at 75 DCOH post equity contribution and growing to 118 by FY2030.

	Series 2025 (Tax-Exempt)	TLC Equity Contribution (Equity)	Total
Bond Amount	\$ 25,565,000	\$ 595,000	\$ 26,160,000
Total Sources	\$ 25,565,000	\$ 595,000	\$ 26,160,000

	Series 2025 (Tax-Exempt)	TLC Equity Contribution (Equity)	Total
Acquisition	\$ 13,200,000	\$	\$ 13,200,000
Renovation	7,255,659		7,255,659
Capitalized Interest	2,580,519		2,580,519
Debt Service Reserve Fund	2,018,463		2,018,463
Cost of Issuance*	510,359	595,000	1,105,359
Total Uses	\$ 25,565,000	\$ 595,000	\$ 26,160,000

*Preliminary, subject to change.

Appendix A – Complete Credit Package



THE LEARNING CENTER BORROWER INFORMATION SUMMARY

Borrower Information Summary

Borrower Background

The Renaissance Learning Center, Inc., d/b/a The Learning Center (the "Borrower," "TLC" or "The Learning Center") is a Florida (the "State") nonprofit corporation described and exempt under section 501(c)(3) of the Internal Revenue Code. The Borrower operates a tuition free public charter school known as The Learning Center (the "Charter School") and serves autistic students from PK-12. The Charter School opened in 1999, and it currently occupies one building at its Royal Palm Beach, Florida campus. TLC's current charter was granted by the School District of Palm Beach County for its PK-8 operations through June, 2037. The Charter School's high school charter was granted by the same entity in 2024, for a five-year term that will require renewal in June, 2029. The five-year high school charter term is standard for initial high school charters in the State. TLC has grown to serve 177 students for the 2024-25 school year with 12 students in high school and 165 students in the lower school. The Borrower is supported primarily through State and local revenue sources. In Florida, charter schools are primarily funded via State and local apportionments that are generally based upon a school's full-time equivalent ("FTE") enrollment. The largest portion of funding, known as the Florida Education Finance Program ("FEFP"), is distributed from the State. In addition to Base FEFP Funding, TLC receives FEFP funding for Supplemental Academic Instruction, Safe Schools Allocation, Mental Health Assistance Allocation, Discretionary Local Effort, Proration to Funds Available, Local Tax Referendum, Charter School Capital Outlay, Local Capital Improvement Tax, IDEA, ESSER and Class Size Reduction Allocations.

The Renaissance Learning Center, Inc., d/b/a The Learning Center (the "Borrower," "TLC" or "The Learning Center") is a Florida (the "State") nonprofit corporation described and exempt under section 501(c)(3) of the Internal Revenue Code. The Borrower operates a tuition free public charter school known as The Learning Center (the "Charter School") and serves autistic students from PK-12. The Charter School opened in 1999, and it currently occupies one building at its Royal Palm Beach, Florida campus. TLC's current charter was granted by the School District of Palm Beach County for its PK-8 operations through June, 2037. The Charter School's high school charter was granted by the same entity in 2024, for a five-year term that will require renewal in June, 2029. The five-year high school charter term is standard for initial high school charters in the State. TLC has grown to serve 177 students for the 2024-25 school year with 12 students in high school and 165 students in the lower school. The Borrower is supported primarily through State and local revenue sources. In Florida, charter schools are primarily funded via State and local apportionments that are generally based upon a school's full-time equivalent ("FTE") enrollment. The largest portion of funding, known as the Florida Education Finance Program ("FEFP"), is distributed from the State. In addition to Base FEFP Funding, TLC receives FEFP funding for Supplemental Academic Instruction, Safe Schools Allocation, Mental Health Assistance Allocation, Discretionary Local Effort, Proration to Funds Available, Local Tax Referendum, Charter School Capital Outlay, Local Capital Improvement Tax, IDEA, ESSER and Class Size Reduction Allocations.

177
2024-25 Enrollment

100%
Students with Disabilities

56%
Minority




25 Years
Operating History

Authorizer



15-YR
Charter Renewal through 2037

School Improvement Rating

2023-24

Maintaining

PK-12*
Grades Served

1
School Site



Royal Palm Beach, FL

*Expanding into high school grades (9-12) with inaugural grade 9 & 10 classes in 2024-25. Initial High School Charter spans five years through 2029.

Mission & Vision

TLC's efforts are directed towards improving the education and quality of life of its students. TLC is devoted to using proven approaches to maximize the developmental potential of each one of its students.

TLC intends to prepare its students to be as independent, self-sufficient and socially interactive as possible. The Charter School is dedicated to ensuring that all services and supports will be designed and delivered to respect the dignity and uniqueness of each person and will be provided in the least restrictive environment in an appropriate manner. TLC was created to fill a need for high-quality, intensive educational programming based on the educational intervention validated procedures of Applied Behavior Analysis, TEACCH, PECS, sensory processing intervention and social skills training for young children with autism spectrum disorders in Palm Beach County. TLC's efforts are dedicated to improving the education and quality of lives of its students. Research has demonstrated the efficiency in using principles of ABA in the education and treatment of individuals with autism. TLC is devoted to using this approach in conjunction with other techniques to maximize the developmental potential of each one of our students while still recognizing and honoring their individual strengths, interests, and abilities.

For its high school, TLC's mission is to empower every student on the autism spectrum to thrive academically, socially, and emotionally. TLC believes in equipping its students with the skills, knowledge, and self-confidence necessary to navigate the challenges of today's world and become active, contributing members of their communities. TLC does not just educate students; it intends to empower individuals and celebrates the extraordinary abilities that make each student shine. TLC's mission is to inspire lifelong learning, independence, and a sense of belonging, ensuring every student reaches for the stars and achieves their dreams.

Strategic Direction

The 2024-25 school year marked TLC's 25th anniversary with the proud welcoming its inaugural high school class. Since its founding in 1999, TLC has focused on early childhood intervention for autistic students, serving ages 3–14. However, there is a significant educational shortfall in Florida for older autistic students. Many mainstream high schools are unable to provide autistic students with customized curricula, adaptive teaching methods, or the smaller class sizes necessary to meet their complex needs. TLC's addition of a high school bridges these critical gaps, providing adolescent students with vital skills needed for greater self-sufficiency. Growing TLC programs align with demand supported by an over 360 student waitlist for the 2024-25 school year.

TLC's expansion into high school addresses a crucial community need, while allowing its autistic students to remain in a familiar setting with trusted teachers, therapists, and peers. Building on the vertically aligned curriculum established in TLC's lower grades, the high school program provides continuity in teaching strategies, expectations, and individualized support systems. TLC High School (TLCHS) launched its inaugural year with a focused cohort of 9th and 10th graders, maintaining small class sizes and a low student-to-staff ratio to deliver the personalized attention essential for these students. This approach promotes academic progress while nurturing social and emotional growth in a structured, sensory-aware setting.

In addition to academics, TLCHS prioritizes practical life skills training—such as independent living, personal finance, job readiness, driving/transportation, and communication—preparing autistic students for a successful transition to adulthood. By providing specialized education at the high school level, TLCHS empowers a frequently underserved population to lead fuller lives and access greater opportunities.

Project Priorities and Property Selection (Also Provided in Credit Package "Section 3.) The Project"

Recognizing the facilities and critical infrastructure needs separating TLC from its high school expansion endeavors, the School and its project team carefully considered many project components during its evaluation process, which it applied consistently to each property the team explored. A summary of the components considered and the benefit provided by the selected Roan Lane Property is provided below:

Most importantly, the Roan Lane Property opportunity allows TLC to remain within its allocated budget—ensuring that financial responsibility remains at the forefront of this planned expansion. TLC believes the Roan Lane Property presents a rare balance of affordability, readiness, and long-term value, aligning with both TLC's fiscal stewardship and educational priorities.

**Preliminary, subject to change.*

Situated centrally among the current demographic of its students—who come from areas spanning Palm Beach to as far north as Port Saint Lucie County and as far south as Deerfield Beach—Roan Lane offers a highly central location. This central location minimizes commute times for families and ensures ease of access from various points across the region, supporting greater community engagement.

Staff demographics were also a key consideration in the site selection process. The Learning Center has dedicated team members commuting from areas as far north as St. Lucie County and as far south as Boca Raton. Choosing a central location not only benefits our families but also supports our staff—many of whom have been with the school for years. Staff retention has been a long-standing strength at TLC, with some team members having been part of the school since as far back as 2007. The majority of TLC teachers and related service providers have remained with TLC since the 2016 school year, a testament to the supportive and mission-driven environment the school strives to maintain.

Equally critical was the requirement for ample outdoor space, a necessity for The Learning Center’s educational approach. The Roan Lane property’s expansive 4 acres provide ideal grounds for outdoor activities, featuring spacious courtyards, sensory garden areas, and a beautifully designed playground. These outdoor amenities enhance TLC’s curriculum, allowing for physical activity, sensory exploration, and social interaction in natural surroundings—essential for the developmental needs of our students.

Another major consideration in the site selection was parking capacity. Given TLC’s low teacher-to-student ratio, the need for parking far exceeds that of a traditional school or professional building. Many properties evaluated fell short of meeting this demand. However, the Roan Lane property not only met but exceeded TLC’s parking requirements, providing ample space for staff, therapists, and families—ensuring smooth, safe daily operations. In addition, the facility’s overall size and potential for expansion were pivotal. With generous square footage and the capacity for remodeling, the Roan Lane property accommodates TLC’s current student population while allowing for future growth. The site also offers dedicated space for job skills and life skills educational classrooms—an essential component of our program for preparing students for greater independence and success beyond the classroom. The existing Building B is already configured with features that directly support this vision, including a functional apartment setup and a teaching kitchen space. These areas provide real-world learning environments where students can practice daily living skills, cooking, cleaning, and other important routines in a structured, supportive setting.

Finally, the Roan Lane property is already zoned for a public charter school.

Description of Revenue Sources

General Operating – Florida Education Finance Program (“FEFP”). General Operating revenue is based upon the Florida Education Finance Program (“FEFP”) which is foundational to the funding of Florida’s K-12 educational programs. Generally, the basic amount of funding received through the FEFP for each charter school is calculated based on (1) unweighted full-time equivalent (“Unweighted FTE” or “FTE”) students, multiplied by (2) the program cost factor for each student based on grade level and level of disability (which results in the “Weighted FTE”) multiplied by (3) the Base Student Allocation established by the Florida Legislature. Local school districts are also required to contribute funding to the FEFP (the “Local Effort”), and there are other categorical and discretionary tax revenue, as applicable to each school. Based on the levels of disability of the students served by the Schools, the average Weighted FTE over the past five years has been 4.2 times its Unweighted FTE. The following table sets forth historical average FEFP funding (including the Base Student Allocation established by the Florida Legislature, Local Effort and categorical and discretionary tax revenue) per unweighted student.

School Year	Per Student	Percent Change
2024-25	\$8,988 ¹	3.1%
2023-24	8,718 ²	5.8
2022-23	8,242 ²	5.5
2021-22	7,813 ²	(2.8)
2020-21	8,034 ²	5.0
2019-20	7,650 ²	-

Source: Florida DOE, Florida Education Finance Program (FEFP) Calculations.
¹ As of the FEFP Third Calculation, released March 3, 2025.
² As of the FEFP Fifth (Final) Calculation of the respective school year.

⁴Preliminary, subject to change.

Historic and Projected TLC FEPP Funding Per Student

Fiscal Year	TLC's Historic and Projected FEPP Revenue Per Student				Florida Average FEPP Per Student
	Enrollment	TLC General Operating (FEPP)	TLC FEPP Per Student	FEPP Per Student	
2021	134	\$ 4,757,201	\$ 35,502	\$ 8,034	
2022	143	\$ 4,924,946	\$ 34,440	\$ 7,813	
2023	147	\$ 5,348,883	\$ 36,387	\$ 8,242	
2024	166	\$ 6,122,254	\$ 36,881	\$ 8,718	
2025	177	\$ 5,692,204	\$ 32,159	\$ 8,988	
2026	201	\$ 6,569,871	\$ 32,686		
2027	228	\$ 7,575,861	\$ 33,277		
2028	246	\$ 8,311,169	\$ 33,785		
2029	264	\$ 9,070,386	\$ 34,358		
2030	276	\$ 9,652,445	\$ 34,973		
Historic					
Projected				N/A	

Source: The Learning Center with consultation from Building Hope.

In accordance with each of its Charter Contracts and applicable law, the Borrower reports the number of Weighted and Unweighted FTE students and related data to the School District, and the School District reports this data to the Florida DOE. Funding for the Charter School is adjusted during the year to reflect the revised calculations by the Florida DOE under the FEPP and the actual Weighted FTE reported by the Charter School during official FTE survey counts required by the Florida DOE. The Florida DOE may also adjust subsequent fiscal period allocations based on an audit of the Borrower's compliance in determining and reporting FTE and related data. The School District receives a 5% administrative fee of the first 250 students for the K-8 School and the High School, which is withheld from the respective FEPP payments. As the Borrower's student population is more than 75% Exceptional Student Education ("ESE"), the School District's administrative fee is calculated on based on the revenue the Schools would receive from Unweighted FTE rather than from Weighted FTE.

For purposes of the Financial Projections, the FEPP revenues assume the Annual Growth Assumption as described above which is growth based on enrollment plus 2% inflation. Compared to the historical average of the State increase over the prior six-year period, which averages over 3% annually, the Financial Projections assume 2% inflation in forecasting FEPP revenue.

Through enhanced funding available within the FEPP via Exception Student Education (ESE) programs, TLC receives approximately three times state revenues available to standard public charter schools in Florida as provided below. TLC projects \$32,159 per student in FY25 (\$8,988/student state average) growing to \$34,973 in FY30

- FEPP: \$32,159 per student in FY25 growing to \$34,973 in FY30
- Florida Education Finance Program was established in 1973
- FEPP is the foundation for funding charter schools in Florida
- Historical growth is about 5-6% (less the COVID year of 21-22)
- Distributed monthly (no later than 10 days after end of the month)
- **Exceptional Student Education (ESE) programs:**
 - o Serving students with disabilities primarily funded through a combination of state and federal funds.
 - o The state provides an Exceptional Student Education Guaranteed Allocation to districts, which includes additional funds for both disabilities (including autism) and gifted students.
 - o The ESE is included within the FEPP. Its student dependent components lead to enhanced variability of the total year over year FEPP payments.

*Preliminary, subject to change.

Local Referendum (Property Tax). Florida law requires school districts to proportionately share revenues derived from local property tax referenda with charter schools. The Borrower has received referendum funding from a voter approved referendum in Palm Beach County which allows for a 1.00 mills of ad valorem millage for operational needs of public schools dedicated to funding school safety; school police; mental health services; arts, music, physical education, career and choice program teachers; and improved teacher pay. To continue past June 2027, a new voter approved referendum would be required. Although the prior referendum passed with a 74.02% approval rate, there is no guarantee that a future referendum will pass.

Local Referendum (Sales Tax). As of July 1, 2023, any local sales surtax referendum for school capital outlay funding must be shared proportionately with eligible charter schools. Charter schools must meet the eligibility requirements and spend the funds in accordance with Section 1013.62, Florida Statutes. A half-penny sales tax to support local schools was most recently approved by voter referendum in Palm Beach County in November 2024. This referendum extended the approval for an additional ten years of an existing sales surtax that was passed prior to the requirement to share with charter schools and expires in December 2025. The sales surtax referendum passed in November 2024 must be shared with charter schools. The Palm Beach School District plans to begin sharing the sales tax proceeds with the Borrower in January 2026, which is the effective date of the referendum approved in November 2024. These sales tax proceeds can be used for school repairs, renovations, classroom technology, IT infrastructure, school buses and support vehicles. To continue past 2035, a new voter approved referendum would be required. Although the prior referendum passed with a 60.29% approval rate, there is no guarantee that a future referendum will pass.

The Financial Projections estimate the local referendum (sales tax) revenue in the projected years using the latest projection of the half-cent sales tax distribution for calendar year 2026 as provided by a district update dated as of April 16, 2025. The revenue for the Schools is further determined by the percentage allocation of the school enrollment over the district enrollment which uses the fall state enrollment survey data from the current 2024-2025 school year and which results in a projected revenue estimate of \$800.65 per pupil. As receipt of the surtax does not commence until January 2026, there is only a half year of the annual revenues assumed for the fiscal year ending June 30, 2026. Conservatively, no inflationary impact is assumed on the projected 2026 half-cent sale tax distribution for future years and revenue of \$800.65 per pupil is continued to be assumed in the fiscal years ending June 30, 2027 through June 30, 2030.

Capital Outlay. Charter schools that meet certain eligibility criteria may receive capital outlay funding. Under Section 1013.62(1) of the Florida Statutes, charter school capital outlay funding consists of State funds appropriated in the General Appropriations Act and local revenue resulting from the discretionary millage authorized by Section 1011.71(2), Florida Statutes. State funds appropriated in the General Appropriations Act are allocated to eligible charter schools based on the full-time enrollment of the eligible charter school. Beginning in fiscal 2024, eligible charter schools also receive a proportionate share of the local district's discretionary capital outlay millage. Such discretionary millage by the school district may not exceed 1.5 mills against the value for school purposes of the school district. There is a five-year ramp-up period for capital millage sharing, which is 20% per year until full parity is reached based on proportional enrollment. The Financial Projections assume that the Borrower will receive its portion of the per student capital outlay funds from the State and from the local district's capital outlay millage.

CSP Grant: ("CSP") is a dedicated federal funding source of support for public charter schools providing short-term funding to cover school start-up costs. While The Learning Center High School may receive a one-time CSP grant of up to \$900,000, the financial projection assumes TLC does not receive a grant, but the Project may provide grant eligibility.

IDEA. The Individuals with Disabilities Education Act ("IDEA") is the main federal statute governing special education and early intervention services for children with disabilities from birth through age 21. IDEA requires a free appropriate public education (FAPE) to all public school children with certain disabilities and ensures special education and related services to those children. As an autism specialty school, the Borrower currently receives approximately \$3,000 per pupil in IDEA funding per year and expects to continue to qualify for funding under the program at the same level into the future.

Historical Revenues and Expenses:	Audited			
	2020-21*	2021-22	2022-23	2023-24
Enrollment:	134	143	147	166
Revenue:				
Federal sources passed through local school district	\$ 471,200	\$ 635,103	\$ 482,509	\$ 739,821
General Operating	\$ 4,225,256	\$ 4,105,715	\$ 4,462,553	\$ 4,352,503
PPP Loan Forgiveness	\$ 505,900	\$ -	\$ -	\$ -
Local Referendum (Property)	\$ -	\$ 98,588	\$ 786,976	\$ 283,357
Retroactive Referendum	\$ -	\$ -	\$ -	\$ 1,422,579
Capital Outlay	\$ 86,490	\$ 639,589	\$ 99,354	\$ 113,815
Contributions and other revenues	\$ 26,268	\$ 300,694	\$ 232,232	\$ 227,989
Total Revenues	\$ 5,315,114	\$ 5,779,689	\$ 6,063,624	\$ 7,090,064
Expenses:				
Instruction	\$ 2,707,270	\$ 3,129,914	\$ 3,122,014	\$ 3,232,167
Pupil personnel services	\$ 607,071	\$ 929,210	\$ 1,104,608	\$ 1,242,381
Instructional media services	\$ 8,014	\$ 13,220	\$ 5,698	\$ 20,185
Board	\$ 7,015	\$ 25,621	\$ 323,587	\$ 457,655
General administration	\$ 54,904	\$ 54,951	\$ -	\$ 51,218
Facility acquisition and construction	\$ 495,626	\$ 575,591	\$ 526,812	\$ 110,000
School administration	\$ 101,161	\$ 96,836	\$ 113,785	\$ 856,723
Fiscal services	\$ 45,042	\$ 60,033	\$ 65,166	\$ -
Central services	\$ 29,574	\$ 3,107	\$ 3,976	\$ 4,102
Transportation services	\$ 412,099	\$ 415,167	\$ 475,221	\$ 1,129,179
Operation of plant	\$ -	\$ -	\$ 47,866	\$ 170,944
Community services	\$ -	\$ -	\$ -	\$ 48,926
Total Expenses	\$ 4,467,776	\$ 5,351,516	\$ 5,964,552	\$ 7,288,610
Net Income	\$ 847,338	\$ 428,173	\$ 99,072	\$ (198,546)

*Line item detail in FY 2021 is an approximation only due to a change in auditor and presentation differential.

TLC has a track record of self-reinvestment throughout its 25-year operating history. While the five-year historical statement of net position below presents a snapshot of substantive growth through 2023 and marginal retraction the last couple of years, please note the constant maintenance and growth in Net investment in Capital Assets.

	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024
STATEMENT OF NET POSITION					
ASSETS					
Cash and Cash Equivalents	\$ 1,862,310	\$ 2,712,605	\$ 3,102,152	\$ 2,150,842	\$ 2,212,866
Accounts Receivable	\$ 32,045	\$ 42,295	\$ 9,112	\$ 490,259	\$ 43,107
Other Assets	\$ 58,624	\$ 20,178	\$ 20,178	\$ 85,187	\$ 92,096
Capital Assets, Net	\$ 79,963	\$ 55,168	\$ 117,891	\$ 216,258	\$ 436,859
Total Assets	\$ 2,032,742	\$ 2,830,246	\$ 3,249,333	\$ 2,942,546	\$ 2,784,928
LIABILITIES					
Accounts Payable*	\$ 1,014,746	\$ 964,912	\$ 493,237	\$ 92,346	\$ 4,339
Accrued Expenses	\$ -	\$ 391,195	\$ 481,557	\$ 515,162	\$ -
Total Liabilities	\$ 1,014,746	\$ 964,912	\$ 884,332	\$ 573,903	\$ 519,501
NET POSITION					
Net Investment in Capital Assets	\$ 79,963	\$ 55,168	\$ 117,891	\$ 216,258	\$ 436,859
Unrestricted Net Assets	\$ 938,033	\$ 1,810,166	\$ 2,247,010	\$ 2,152,385	\$ 1,878,168
Total Net Position	\$ 1,017,996	\$ 1,865,334	\$ 2,364,901	\$ 2,368,643	\$ 2,265,427
TOTAL LIABILITIES AND NET POSITION	\$ 2,032,742	\$ 2,830,246	\$ 3,249,333	\$ 2,942,546	\$ 2,784,928
Change in Net Position %		39%	15%	-9%	-5%

School History and Background
 TLC was founded in 1999 as a tuition-free, public charter school in Palm Beach County exclusively serving autistic students ages 3-22. TLC empowers its students to thrive academically, socially, and emotionally to equip their neurodiverse students with skills, knowledge, and confidence necessary to navigate the challenges of today's world. TLC unlocks opportunities for autistic students by providing a free, high-quality, accessible, custom education and therapies throughout the school day at no additional cost to families. The Charter School also provides equipment and supplies like specialty desks, adaptive chairs, lighting, communication modalities like iPads, writing supports, noise cancelling headphones, interactive smartboards, and more.

The Learning Center's teachers hold specialized certifications, including an ESE certification, reading endorsement, and ASD endorsement through the Florida Department of Education. With 8-12 students led by a certified ESE teacher and 3 paraprofessionals, this results in low student-staff ratios of 3:1 or less and highly individualized instruction.

*Preliminary, subject to change.

RESOLUTION NO. 23-25

A RESOLUTION OF THE GOVERNING BOARD OF THE CAPITAL TRUST AUTHORITY AWARDED SALE OF NOT TO EXCEED \$27,000,000 CAPITAL TRUST AUTHORITY EDUCATIONAL FACILITIES REVENUE BONDS (THE LEARNING CENTER PROJECT), IN ONE OR MORE SERIES OF TAX-EXEMPT QUALIFIED 501(C)(3) BONDS OR TAXABLE BONDS, OR BOTH, FOR THE PURPOSE OF FINANCING A LOAN PROGRAM TO FINANCE OR REFINANCE, INCLUDING THROUGH REIMBURSEMENT, THE COSTS OF THE PROJECT HEREIN DESCRIBED; AUTHORIZING EXECUTION AND DELIVERY OF A TRUST INDENTURE AND A LOAN AGREEMENT FOR SUCH BONDS; ACKNOWLEDGING THE USE OF OFFERING MATERIALS IN CONNECTION WITH MARKETING SUCH BONDS AND OTHER ACTIONS IN CONNECTION WITH DELIVERY OF SUCH BONDS; PROVIDING CERTAIN OTHER DETAILS IN CONNECTION WITH THE BONDS; PROVIDING FOR A SEVERABILITY CLAUSE AND A REPEALER CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Capital Trust Authority (the "Issuer") is a legal entity duly created and a public agency duly organized and validly existing under the laws of the State of Florida (the "State") established for the purposes set forth under Section 163.01, Florida Statutes, Chapter 166, Part II, Florida Statutes, Chapter 617, Florida Statutes, and Chapter 159, Florida Statutes, each as amended; Resolution No. 14-22, duly adopted by the City Council of the City of Gulf Breeze, Florida ("Gulf Breeze"), on June 6, 2022, as amended by Resolution No. 46-22, duly adopted by the City Council of Gulf Breeze on November 21, 2022; Ordinance Number 04-00, enacted by the City Council of Gulf Breeze on May 15, 2000, as amended and supplemented by Ordinance No. 05-01, and Ordinance No. 10-11, enacted by Gulf Breeze on May 7, 2001 and September 6, 2011, respectively; Resolution No. 1424-2022, duly adopted by the City Commission of the City of Quincy, Florida ("Quincy"), on May 24, 2022; the City Charter of Gulf Breeze; the City Charter of Quincy; the Interlocal Agreement dated as of June 6, 2022, between Gulf Breeze and Quincy, as may be amended and supplemented from time-to-time; with powers as a "local agency" under Chapter 159, Part II, Florida Statutes, and together with all of the home rule powers granted by the Constitution and laws of the State and all other applicable provisions of law (collectively, the "Act"), and is empowered pursuant to the Act to sell and deliver its revenue bonds for the purpose of financing or refinancing, including through reimbursement, and advancing the general welfare of the State and its people by providing for educational facilities, as defined by the Act; and

WHEREAS, pursuant to the Act, the Issuer may issue its revenue bonds for the purpose of developing and maintaining the public welfare and relieving the burdens of government by financing and refinancing capital facilities for for-profit and non-profit organizations and for participating public agencies within and without the State, including the Issuer; and

WHEREAS, the Issuer has been requested by The Renaissance Learning Center, Inc., d/b/a The Learning Center, a Florida not for profit corporation (the "Borrower"), and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), whose principal place of business is 400 Royal Palm Beach Blvd., Royal Palm Beach, Florida 33411, to issue its revenue bonds to finance or refinance the Project (as hereinafter defined) on behalf of the Borrower and fund the loan program herein described (collectively, the "Plan of Finance") for the purpose, among other things, of financing or refinancing, including through reimbursement, the costs of the Project; and

WHEREAS, pursuant to the Act and the Plan of Finance, the Issuer did on February 20, 2025, duly adopt Resolution No. 06-25 (the "Inducement Resolution") expressing its intent to issue its not to exceed \$27,000,000 Educational Facilities Revenue Bonds in one or more series of tax-exempt qualified 501(c)(3) bonds or taxable bonds, or both (collectively, the "Bonds") and authorizing a loan program (the "Program") to loan the proceeds thereof to the Borrower for the purpose of financing or refinancing, including through reimbursement, (i) the acquisition, construction, renovation, expansion, installation, and equipping of various educational facilities, all as more fully described on Schedule I attached hereto, which by this reference thereto, is incorporated herein (collectively, the "Facilities"); (ii) the funding of a debt service reserve account; (iii) the funding of capitalized interest for the Bonds; and (iv) the payment of certain costs of issuing the Bonds (collectively, the "Project"); and

WHEREAS, by the Inducement Resolution and this Resolution, approvals will have been duly and validly provided for pursuant to the Act to issue revenue bonds for the purpose of providing funds to finance or refinance all or any part of the cost of the Project, and the Issuer now desires to issue, sell and deliver its Bonds in an aggregate principal amount of not to exceed \$27,000,000, pursuant to a Trust Indenture more particularly described herein (the "Indenture") between the Issuer and UMB Bank, National Association (the "Trustee"); and

WHEREAS, pursuant to Section 147(f) of the Code, a telephonic public hearing was scheduled with respect to the Project and held on behalf of the county in which the Facilities are located (the "County") on March 7, 2025, and the elected representative approval was received from the Governor of the State, as an applicable elected representative of the State (the "Host Jurisdiction"), on June 4, 2025; and

WHEREAS, pursuant to Section 147(f) of the Code, a public hearing was held on behalf of the Issuer on March 17, 2025, in the City Council Chambers located at 1070 Shoreline Drive, Gulf Breeze, Florida 32561, and the elected representative approval was received on March 17, 2025; and

WHEREAS, the Issuer has determined that issuing its Bonds for the purposes of financing or refinancing the Project serves a public purpose and is in the best interest of the citizens and residents of the County, the Host Jurisdiction and the people of the State, to implement the Program through the financing or refinancing of the Project, and to loan the proceeds of the Bonds

to the Borrower pursuant to the hereafter described Loan Agreement (the "Loan Agreement"); and

WHEREAS, the Issuer hereby finds that the timing, size and complexity of the financing and the present volatility of the municipal bond market require that the terms of each series of the Bonds being hereby sold be negotiated at private sale to a purchaser selected by the Borrower and approved by the Issuer rather than offered by competitive bid at public sale in order to assure the most favorable terms in the bond market and, therefore, has determined to sell such Bonds at private, negotiated sale; and

WHEREAS, the Issuer desires to acknowledge the use and distribution of a Preliminary Limited Offering Memorandum (the "Preliminary Limited Offering Memorandum") and a Limited Offering Memorandum (the "Limited Offering Memorandum") in connection with the marketing of the Bonds and to authorize the taking of all other necessary action in connection with the issuance and delivery of the Bonds.

NOW THEREFORE, BE IT RESOLVED BY THE GOVERNING BOARD OF THE CAPITAL TRUST AUTHORITY:

Section 1. Issuance of Bonds.

The Bonds shall be issued in one or more series of tax-exempt qualified 501(c)(3) bonds or taxable bonds, or both designated "Educational Facilities Revenue Bonds (The Learning Center Project)," with such priority among series and additional descriptive titles as may be set forth in the Indenture, the aggregate principal amount of all of the Bonds being not to exceed \$27,000,000. The proceeds of the Bonds shall be used to fund the financing or refinancing, including through reimbursement, of the Project by making a loan to the Borrower, all as defined in the Indenture, in the manner described in the Indenture and the Loan Agreement.

Section 2. Award of Bonds; Bond Purchase Agreement.

The matters set forth in the penultimate preamble hereof, require that the Bonds be a negotiated sale to a purchaser selected by the Borrower and approved by the Issuer rather than offered by competitive bid at public sale, in order to assure the necessary flexibility to obtain the most favorable terms in the bond market. The Issuer finds that a competitive sale of the Bonds would in all likelihood not result in better terms or interest rates than the negotiated sale of the Bonds. The sale of the Bonds to and by Stifel, Nicolaus & Company, Incorporated (the "Underwriter"), is hereby authorized pursuant to Section 218.385, Florida Statutes, as amended. Further, the Chair, the Executive Director or each of their designees are hereby authorized and empowered, on behalf of the Issuer, to authorize the inclusion of one or more additional co-managing underwriters in the marketing and sale of the Bonds.

The interest rates on the Bonds shall be established as provided in the Indenture but in any event shall not exceed 12% (except upon the occurrence and continuance of an event of default under the Indenture) and in no event shall the interest rates on the Bonds exceed the maximum rates permitted by law. The Bonds shall be sold for a price not less than 95% of the principal amount thereof, plus accrued interest, if any, with the exact price to be set forth in the final bond purchase agreement. The form of Underwriter's Negotiated Sale Disclosure Statement attached hereto as Exhibit A, which, by this reference thereto, is incorporated herein, is hereby accepted and placed on record in the minutes of the Issuer.

The Chair, Vice-Chair or Executive Director of the Issuer is hereby authorized to enter into such bond purchase agreement for the sale of the Bonds as the Borrower may recommend and the Executive Director of the Issuer may approve, with such provisions or modifications not inconsistent with this Resolution as may be approved by the officer executing the same, such approval to be presumed by his execution thereof.

Section 3. Description of the Bonds.

The Bonds shall be issued in fully registered form, shall be dated, shall mature on the date or dates, and shall bear interest in the manner as shall be set forth in the Indenture.

Section 4. Redemption Provisions.

The Bonds shall be subject to redemption prior to maturity upon the terms and in the manner as shall be set forth in the Indenture.

Section 5. Approval of Documents.

The Indenture in substantially the form attached hereto as Exhibit B, which, by this reference thereto, is incorporated herein, the other documents referred to therein, the Loan Agreement in substantially the form attached hereto as Exhibit C, which, by this reference thereto, is incorporated herein, a tax certificate, and other documents necessary or desirable to implement the financing or refinancing of the Project (collectively, the "Bond Documents"), are hereby approved and shall be executed by the Chair, Vice-Chair, or Executive Director of the Issuer, with such provisions or modifications not inconsistent with this Resolution as may be approved by the officers executing the same, such approval to be presumed by their execution thereof.

Section 6. Preliminary and Final Limited Offering Memorandum.

The use and distribution by the Underwriter of a Preliminary Limited Offering Memorandum substantially in the form attached hereto as Exhibit D, which, by this reference thereto, is incorporated herein, in connection with the offering and sale of the Bonds is hereby acknowledged. The sections of the Preliminary Limited Offering Memorandum relating to the Issuer shall be subject to such changes, modifications, insertions or omissions as may be approved

by the authorized officers of the Issuer including incorporation of the provisions recommended by legal counsel to the Issuer to comply with applicable securities laws, and the sections of the Preliminary Limited Offering Memorandum relating to the Issuer are hereby approved and adopted by the Issuer. The Issuer is acting solely as a conduit issuer of the Bonds. The Issuer is authorized to deem the information contained in the Preliminary Limited Offering Memorandum under the headings "THE ISSUER" and "LITIGATION – Issuer," as approved by this Resolution, "final" as of the date hereof, solely for the purposes and within the meaning of paragraph (b)(1) of Rule 15c2-12 of the United States Securities and Exchange Commission in effect from time to time, and any successor provisions to such rule. The final Limited Offering Memorandum shall be substantially in the form of the attached Preliminary Limited Offering Memorandum, with such changes, modifications, insertions and omissions as may be determined by the Underwriter and the Borrower. The use and distribution by the Underwriter of the final Limited Offering Memorandum in connection with the offering and sale of the Bonds is hereby acknowledged.

In adopting this Resolution, the Issuer hereby disclaims any responsibility for the Limited Offering Memorandum except for the information described as having been provided by the Issuer and expressly disclaims any responsibility for any other information included as part of the Limited Offering Memorandum.

Section 7. Designation of Professional Advisors.

The Issuer hereby designates and approves Bryant Miller Olive P.A., Tampa, Florida, as Bond Counsel ("Bond Counsel") and as Issuer's Counsel ("Issuer's Counsel"), and such other professional advisors as the Chair, Vice-Chair or Executive Director may designate.

Section 8. Designation of Trustee, Paying Agent and Registrar.

UMB Bank, National Association, is hereby designated and approved as Trustee, Paying Agent and Registrar for the Bonds.

Section 9. Authorization of all Other Necessary Action.

(a) The Chair, Vice-Chair, Secretary, Assistant Secretary, Executive Director of the Issuer, Issuer's Counsel and Bond Counsel are each designated agents of the Issuer in connection with the issuance and delivery of the Bonds, and are authorized and empowered, collectively or individually, to take all action and steps to execute and deliver any and all instruments, documents, investments or contracts on behalf of the Issuer which are necessary or desirable in connection with the sale, execution and delivery of the Bonds and the Bond Documents which are not inconsistent with the terms and provisions of this Resolution and other actions relating to the Bonds and the Bond Documents heretofore taken by the Issuer.

(b) In addition, subsequent to the issuance of the Bonds, the Chair, Vice-Chair, Secretary, Executive Director and Bond Counsel for the Issuer are each designated agents of the

Issuer in connection with refunding or refinancing of the Bonds, and are authorized and empowered, collectively or individually, to take all action and steps to execute and deliver any and all instruments, documents, investments or contracts on behalf of the Issuer which are necessary or desirable in connection with the refunding or refinancing of the Bonds which comply with the terms of the Bond Documents. Notwithstanding the foregoing, the authority granted in this Section 9(b) shall not be construed as authority for the issuance of new debt by the Issuer to be applied to the refunding or refinancing of the Bonds.

Section 10. Public Purpose Determinations.

Based solely upon information provided by the Borrower, the Issuer, as a "local agency" pursuant to Chapter 159, Part II, Florida Statutes, hereby makes the following determinations:

(i) the Facilities are appropriate to the needs and circumstances of, and make a significant contribution to the economic growth of the County and the State, provide or preserve gainful employment, promote commerce within the State, serve a public purpose by providing educational facilities within the meaning of Chapter 159, Part II, Florida Statutes, and advance the economic prosperity and the general welfare of the State and its people;

(ii) the Borrower is the financially responsible party and is fully capable and willing to fulfill (A) its obligations under the financing documents, including the obligation of the Borrower to make loan repayments under the Loan Agreement in the amounts and at the times required to provide for the timely payment of the principal of, premium, if any, and interest on the Bonds herein authorized, and (B) all other obligations and responsibilities imposed under the financing documents;

(iii) the County is able to cope satisfactorily with the impact of the Facilities and is able to provide, or cause to be provided when needed, the public facilities, including utilities and public services, necessary for the Facilities, including operation, repair and maintenance thereof and on account of any increase in population or other circumstances resulting therefrom;

(iv) adequate provision will be made in the financing documents for the operation, repair and maintenance of the Facilities at the expense of the Borrower and for the payment by the Borrower of certain fees and expenses incurred in connection with the issuance of the Bonds, and that the loan repayments under the Loan Agreement are sufficient to pay the principal of, premium, if any, and interest on the Bonds herein authorized; and

(v) the Facilities constitute a "project" within the meaning of the Act.

In accordance with Section 159.29, Florida Statutes, the foregoing determinations of public purpose shall be final and conclusive.

Section 11. No Third Party Beneficiaries.

Unless specifically noted, nothing in this Resolution or in the Bond Documents, express or implied, is intended or shall be construed to confer upon any person other than the Issuer, the Borrower, the holders of the Bonds, the Underwriter and the Trustee any right, remedy or claim, legal or equitable, under and by reason of any provision of this Resolution or of the Bond Documents. This Resolution and the Bond Documents are for the sole and exclusive benefit of the Issuer, the Borrower, the holders of the Bonds, the Underwriter and the Trustee.

Section 12. Severability.

In case any one or more of the provisions of this Resolution, the Bond Documents or the Bonds shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions of this Resolution, the Bond Documents or the Bonds, as the case may be, and they shall be construed and enforced without consideration of such illegal or invalid provisions.

Section 13. No Personal Liability.

No covenant, stipulation, obligation or agreement contained in this Resolution or contained in the Bond Documents, the Bonds, or any instrument contemplated by each shall be deemed to be a covenant, stipulation, obligation or agreement of any officer, member, agent or employee of the Issuer in his or her individual capacity, and no member of the Issuer executing the Bonds or other documents related to the issuance of the Bonds including those approved by this Resolution shall be liable personally for such documents or the obligations under each, or be subject to any personal accountability by reason of his or her delivery or execution of such documents on behalf of the Issuer.

Section 14. Repealer.

All provisions of resolutions of the Issuer in conflict with the provisions of this Resolution are, to the extent of such conflict, superseded and repealed.

[Remainder of Page Intentionally Left Blank]

Section 15. Effective Date. This Resolution shall take effect immediately upon its adoption.

Adopted on June 24, 2025.

CAPITAL TRUST AUTHORITY

By: _____
Its: Chair

ATTEST:

By: _____
Its: Secretary

CERTIFICATE OF SECRETARY

I, Christy Larkins, Secretary of the Capital Trust Authority, Santa Rosa County, Florida, do hereby certify that the above and foregoing is a true and correct copy of Resolution No. 23-25 and its supporting exhibits as the same was duly adopted and passed at a public meeting of the Board of Directors of the Capital Trust Authority on the 24th day of June, 2025, and as the same appears on record in my office.

IN WITNESS WHEREOF, I hereunto set my hand this ____ day of June, 2025.

CAPITAL TRUST AUTHORITY

By: _____
Its: Secretary

SCHEDULE I

DESCRIPTION OF THE FACILITIES

The Facilities consist primarily of five existing buildings, totaling approximately 38,109 square feet, located on approximately 4.08 acres of land located at 9153 Roan Lane, Palm Beach Gardens, Florida 33403, all to accommodate up to approximately 280 students in grades preschool through 12, to be known as "The Learning Center," and "The Learning Center High School," including related facilities, fixtures, furnishings and equipment.

EXHIBIT A

FORM OF NEGOTIATED SALE DISCLOSURE STATEMENT

[DATE]

Capital Trust Authority
Gulf Breeze, Florida

The Renaissance Learning Center, Inc.
d/b/a The Learning Center
400 Royal Palm Beach Blvd
Royal Palm Beach, FL 33411

Re: \$ _____ Capital Trust Authority Educational Facilities Revenue Bonds (The Learning Center Project), Series 2025 (the "Bonds")

Ladies and Gentlemen:

Pursuant to Chapter 218.385, Florida Statutes, and in reference to the issuance of Bonds as set forth above, Stifel, Nicolaus & Company, Incorporated (the "Underwriter"), makes the following disclosures to Capital Trust Authority (the "Issuer") and The Renaissance Learning Center, Inc., d/b/a The Learning Center, a Florida not for profit corporation (the "Borrower"), and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended. All capitalized terms not otherwise defined herein shall have the respective meanings specified in the Bond Purchase Agreement dated the date hereof among the Underwriter, the Issuer and the Borrower (the "Bond Purchase Agreement"). The Underwriter is acting as underwriter in connection with the offering or sale of the Bonds. The underwriting fees to be paid to the Underwriter in the Bond Purchase Agreement are equal to [____]% of the total face amount of the Bonds.

(a) The expenses estimated to be incurred by the Underwriter in connection with the issuance of the Bonds are itemized on Schedule A hereto.

(b) Names, addresses and estimated amounts of compensation of any person who is not regularly employed by, or not a partner or officer of, the Underwriter and who enters into an understanding with either the Issuer or the Underwriter, or both, for any paid or promised compensation or valuable consideration directly, expressly or impliedly, to act solely as an intermediary between the Issuer and the Underwriter for the purpose of influencing any transaction in the purchase of the Bonds:

[None]

(c) The amount of underwriting spread expected to be realized is \$[____] per \$1,000 of the Bonds and consists of the following components including the management fee indicated:

Per \$1,000

Management Fee
Average Takedown
Expenses
Total

(d) No fee, bonus or other compensation is estimated to be paid by the Underwriter in connection with the issuance of the Bonds, to any persons not regularly employed or retained by the Underwriter (including any "finder" as defined in Section 218.386(1)(a), Florida Statutes, as amended), except as specifically enumerated as expenses to be incurred and paid by the Underwriter, as set forth in Schedule A attached hereto.

(e) The name and address of the Underwriter connected with the Bonds is:

Stifel, Nicolaus & Company, Incorporated
2180 Immokalee Road, Suite 208
Naples, FL 34110
Ike Papadopoulos, Managing Director

(f) *Truth in Bonding Statement.* The Bonds are being issued for the purpose of financing or refinancing, including through reimbursement, (i) the acquisition, construction, renovation, expansion, installation, and equipping of five existing buildings, totaling approximately 38,109 square feet, located on approximately 4.08 acres of land, located at 9153 Roan Lane, Palm Beach Gardens, Florida 33403, all to accommodate up to approximately 280 students in grades preschool through 12, to be known as "The Learning Center," and "The Learning Center High School," including related facilities, fixtures, furnishings and equipment; (ii) the funding of a debt service reserve account; (iii) the funding of capitalized interest for the Bonds; and (iv) the payment of certain costs of issuing the Bonds. This debt or obligation is expected to be repaid over a period of [__] years. Total interest paid over the life of the debt or obligation, assuming an interest rate (total interest cost) of [____]% per annum, will be approximately \$[_____].

The source of repayment and security for this proposal to issue the Bonds is exclusively limited to certain revenues derived from the Borrower pursuant to the Loan Agreement. Because (a) such revenues may not be used by the Issuer for any purpose other than the purposes set forth in the Indenture, (b) the Issuer has no taxing power and the taxing power of the Issuer and the State of Florida is not pledged or involved in the Bonds, (c) the Bonds and the interest thereon do not constitute a debt of the Issuer within the meaning of any constitutional or statutory provision, and (d) the faith and credit of the Issuer are not pledged to the payment of the principal of or the interest on the Bonds, authorizing this debt or obligation will not result in any moneys not being available to the Issuer to finance other transactions each year for the [__] year term of the Bonds.

We understand that the Issuer does not require any further disclosure from the Underwriter pursuant to Section 218.385, Florida Statutes.

This statement is for informational purposes only and shall not affect or control the actual terms and conditions of the Bonds.

STIFEL, NICOLAUS & COMPANY,
INCORPORATED

By: _____
Ike Papadopoulos
Managing Director

SCHEDULE A

[INSERT SCHEDULE OF EXPENSES]

EXHIBIT B
FORM OF INDENTURE

EXHIBIT C
FORM OF LOAN AGREEMENT

EXHIBIT D

FORM OF PRELIMINARY LIMITED OFFERING MEMORANDUM

TO: Capital Trust Authority Board of Directors
FROM: Denis McKinnon, III
RE: Pineapple Cove Classical Academy at West Melbourne
DATE: June 24, 2025

Introduction

Pineapple Cove Classical Academy at West Melbourne (“PCCA” or the Borrower) submitted an application to the Capital Trust Authority (the “Authority”) for the issuance of not to exceed \$26,000,000 of tax-exempt bonds to refinance existing debt, acquire and install modular classrooms, and capital improvements at the original Fleming Island campus and, new, Orange Park campus.

Description of the Borrower

The Capital Trust Agency has issued bonds on behalf of PCCA three times. All of those transactions are performing well and Agency staff reports no issues with the Borrower or schools. Since 2018, the Agency has issued \$45,845,000 on behalf of the Borrower across three campuses; including the West Melbourne Campus.

The West Melbourne Campus has earned straight “A” grades from the State for 4 years in a row. The other two campuses have received “A” and “B” grades. The Agency financed the West Melbourne Campus in 2021 with a single investor, Rosemawr.



Description of the Project

PCCA has grown significantly in the time since the Agency did its first bond financing. The school is ready to expand. The application proposes bond proceeds would be used to finance the construction of an approximately 38,000 square foot addition to the existing school, a 10,000 square foot performing arts center and soccer field house, and a soccer field.

Financing

Rosemawr has agreed to be the sole investor in the Series 2025 Bonds to finance this project.

PCCA has selected Raymond James to serve as Underwriter. FTG Advisors serves as Financial Advisor. Bryant Miller Olice will serve as Bond Counsel and Issuer’s Counsel.

Recommendation

It is the recommendation of Authority staff that the Board adopt Resolution 25-25, preliminarily approving the issuance of not to exceed 26,000,000 on behalf of the Borrower. We look forward to seeing you at our meeting on 6/24.

CAPITAL TRUST AUTHORITY ("CTA")

a duly constituted and validly existing separate legal and administrative entity under Section 163.01(7), Florida Statutes, and Chapter 617, Florida Statutes, pursuant to an Interlocal Agreement dated as of June 6, 2022, as may be amended and supplemented from time-to-time, between the City of Gulf Breeze, Florida and the City of Quincy, Florida

BOND FINANCE APPLICATION

Legal name of applicant (as shown on most recent legal organizational documents) (the "Applicant"):

Pineapple Cove Classical Academy at West Melbourne, Inc.

Senior officers of the Applicant:

Name: Norda Gordon **Title:** Board President

Name: Dr. Kelly Gunter **Title:** Director of School Operations

Legal Street Address of the Applicant (headquarters):

3455 Norfolk Pkwy

West Melbourne, FL 32904

Primary consultant[s] working on behalf of the Applicant:

Name of consultant: Raymond James & Associates, Inc.

Role of consultant: Underwriter/Placement Agent

Primary contact[s] and title of consultant representatives:

(1) Jason Appelt, Managing Director

(2) Elliot Gorski, Associate

Telephone numbers:

Applicant: 321-499-2585

Consultant: 412-385-6878

Is the Applicant (check one) a X corporation, limited liability company partnership?

State of formation: Florida

If Applicant is a Special Purpose Entity (SPE), legal name of member(s) (as shown on most recent legal organizational documents (Articles of Incorporation, Articles of Organization, etc.):

CTA Issued this 501 (c) (3) corporation's bonds in 2021

State(s) of formation of member(s):

Florida

Is this Applicant a 501(c)(3) organization or a "disregarded entity"? Yes

(If Yes, please provide evidence of the Applicant's tax determination by the IRS. For SPEs, provide the member's determination letter. If tax exemption designation has been applied for by a newly created non-profit entity, provide copy of IRS Form 1023 (including all attachments). Tax determination information should be attached to this application as Exhibit 1.)

Exhibit 2: Brief (one page maximum) describing the Applicant and its history. Please include a description of the project's public purpose in this section.

Exhibit 3: A summary of the proposed financing. Include the proposed use and mission, location(s) and total anticipated amount to be financed. The content and narrative in this section should be comprehensive and shall include the information shown in Schedule I. An underwriter's presentation is helpful here. If project renderings or recent power point presentations exist to further describe and depict the project, please include.

Exhibit 4: An initial sources and uses, most recent year of audited financials, and financial projections.

Exhibit 5: A complete list of the corporate officers and directors of the Applicant with an explanation of their corporate responsibilities.

Exhibit 6: A complete listing of consultants currently under contract with the Applicant. Include legal professionals, underwriter(s), financial advisors, CPA's, etc. Include for each firm the name of individual, name of firm, role and location of office assigned to the financing. A proposed distribution list of the financing team will suffice and is preferred.

Exhibit 7: Any background information helpful in showing the expertise or established record of success by the Applicant or representatives of the Applicant in operating the type of facility being purchased, financed, or refinanced. In addition to project principals, information and credentials of any management firms expected to operate the project should be included.

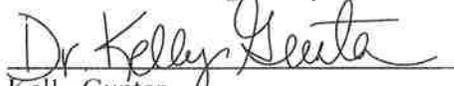
Please provide 12 hard copies and forward an electronic copy of the above information plus an application fee in the amount of \$4,500 to:

Mr. Denis A. McKinnon, III
Executive Director
Capital Trust Authority
315 Fairpoint Drive
Gulf Breeze, FL 32561
Tel. 850-934-4046
dmckinnon@muniad.com

Acknowledgement Statement:

On behalf of the Applicant, Pineapple Cove Classical Academy at West Melbourne, Inc., as its representative and contact for submittal of this Application, I understand this information is provided as an initial requirement of CTA to consider issuance of conduit bonds to finance or refinance the project described above, I understand the fee being paid is non-refundable and CTA offers no assurance that this Application will be acted upon favorably or that the conduit bonds will be issued. I also understand, an acceptance by CTA to proceed with further due diligence to facilitate a debt structuring as requested by the Applicant may be terminated at any time by CTA. The Applicant authorizes CTA to verify information submitted by or on behalf of the Applicant, obtain further information concerning the credit and standing of the Applicant and its representatives, and obtain other information deemed necessary by CTA or its representatives.

Submitted and signed by:



Kelly Gunter

Director of School Operations

Date: _____ 6/17/25

SCHEDULE I

EXHIBIT 5 PROJECT DESCRIPTION

- a. Will the project include the refinancing of any existing indebtedness? Yes ___ No X If yes, provide complete description of the outstanding indebtedness:

Description of indebtedness (name of obligation(s):	
Issued pursuant to (trust indenture, loan agreement, promissory note, etc.):	
Date indebtedness was incurred:	
Estimated amount outstanding:	
Exact name of borrower:	
Exact name of trustee and/or lender:	
Lender contact information (primary contact, telephone number and email)	

- b. Will the project include new acquisition and/or improvements? Yes X No ___
If yes, provide an estimated project budget, as follows:

Cost of acquisition of fee simple interest in land	
Cost of acquisition of leasehold interest in land	\$
Cost of any existing improvements	\$
Cost of any construction of new facilities	\$18,686,240
Cost of any renovation	
Cost of furnishings and fixtures	\$715,000
Cost of equipment	
Total	\$19,401,240

- c. Complete Schedule I to this Exhibit 5 with respect to the project, including portions of the project to be located at different sites, if any.

- d. Is there a required completion date? Yes X No ___ If yes: 8/1/26

- e. Please describe any existing facilities of the Applicant that will be included as a part of the security for the financing but for which proceeds will not be used, including location:

All buildings at the financing's location on parity with the other bonds

- f. Are additional facilities required and contemplated by the Applicant to be addressed in a future financing? Yes ___ No X If yes, describe below:

- g. Provide any available market or feasibility studies.

SCHEDULE I TO EXHIBIT 5 PROJECT DESCRIPTION

PROJECT DETAILS

Street Address or Description of Location	Description of Portion of Project to be Located at This Site*	Portion of Project Budget Allocable to this Location	Indicate Refinanced, Acquired or New Construction/ Renovation	City	County	State	Zip
3455 Norfolk Pkwy	Constructing 1 building: - 82,000 sq ft - 52 classrooms, gymnasium, multipurpose cafeteria, administrative offices - 150 parking spaces - 16.8 acres	100%	N/A	West Melbourne	Brevard	FL	32904

* Include:

- Acreage of any real property;

- Number and square footage of each building;
- Nature of the property, if applicable, such as units, classrooms, administrative, recreational, etc.

Exhibits

Exhibit 2: Brief (one page maximum) describing the Applicant and its history. Please include a description of the project's public purpose in this section

Pineapple Cove Classical Academy at West Melbourne, Inc. (the "Borrower") is a Florida not-for-profit corporation incorporated on July 27, 2016, for the purpose, among others, of owning and operating charter schools, including the charter school known as Pineapple Cove Classical Academy at West Melbourne. The Borrower is an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code").

Pineapple Cove Classical Academy at West Melbourne commenced operations of the School for the 2018-19 school year, served approximately 538 students in grades K-5 and served approximately 610 students in grades K-7 for the 2019-20 school year. Management of the Borrower has expanded enrollment of the School by one grade per year until it reached K-8, which occurred in the 2020-21 school year with an approximate enrollment of 648 as of October 2020. The School continued to grow to ultimately service 836 students in grades K-10 for the 2024-25 school year. The School acts as one of 3 successful Pineapple Cove Classical Academy locations.

The project will finance (i) the construction, installation, improvement and equipping of an approximately 58,000 square feet expansion to its existing educational facility located at 3455 Norfolk Pkwy, West Melbourne, FL 32904, to be operated as a public charter school known as Pineapple Cove Classical Academy at West Melbourne, serving grades K-8, to include (a) a café, administrative and instructional offices, and twenty-five additional classrooms, (b) a performing arts facility, (c) a soccer field and fieldhouse, (d) additional parking spaces, and (e) related facilities, fixtures, furnishings and equipment; (ii) the funding of a debt service reserve fund for the Bonds, if deemed necessary or desirable; (iii) the funding of capitalized interest for the Bonds, if deemed necessary or desirable, (iv) the funding of an operating reserve fund for the Bonds, if deemed necessary or desirable; and (v) the payment of certain costs of issuing the Bonds (collectively, the "Project").

Exhibit 3: A summary of the proposed financing in the form attached hereto as Schedule I. Include the proposed use and mission, location(s) and total anticipated amount to be financed. The content and narrative in this section should be comprehensive and shall include the information shown in Schedule I. An underwriter's presentation is helpful here. If project renderings or recent power point presentations exist to further describe and depict the project, please include.

- The proposed use of the financed facility is a public charter school
- Mission;
 - The mission of Pineapple Cove Classical Academy is to develop graduates in mind and character through a classical, content-rich curriculum that emphasizes the principles of virtuous living, traditional learning, and civic responsibility. We are building intelligent, virtuous American citizens.
- Virtues;
 - Courage – I will do the right thing even when it's unpopular or difficult.

- Courtesy – I will be polite, use manners, and maintain a positive attitude in all daily interactions.
- Honesty – I will speak the truth and act truthfully with others and myself.
- Perseverance – I will be persistent in my efforts despite difficulty or delay in achieving success.
- Self-Government – I will use self-control in my actions and my interactions with others.
- Service – I will seek to help others through my words and deeds.
- Location;
 - Approximately 16.8 Acres
 - 1 Building
 - 82,000 sq ft
 - 150 parking spaces
 - 52 classrooms, gymnasium, multipurpose cafeteria, administrative offices
- Total anticipated amount to be financed; not-to-exceed **\$26 million**
- Proceeds of the bond/loan will be used primarily for the construction, installation, improvement and equipping of an approximately 58,000 square feet expansion to its existing educational facility at the School’s campus.
 - The student capacity of the to-be-acquired buildings is approximately 1,244 K-12 students.

Exhibit 4: An initial sources and uses, most recent year of audited financials, and financial projections.

Preliminary sources and uses of funds:

Sources	Series 2025 TE	Series 2025 Taxable	Total
Par Amount	22,875,000	435,000	23,310,000
Original Issue Discount	(1,601,250)		(1,601,250)
Total Sources	21,273,750	435,000	21,708,750
Uses			
High School Facility & PAC	19,401,240		19,401,240
Capitalized Interest	1,446,704	27,511	1,474,215
COI and Rounding	425,806	407,489	833,295
Total Uses	21,273,750	435,000	21,708,750

Exhibit 5: A complete list of the corporate officers and directors of the Applicant with an explanation of their corporate responsibilities.

Governing Board

The following individuals currently serve as members of the Governing Board.

Name	Role	Employment Industry
Norda Gordon	President	Banking & Finance
Angela Sturm, Esq.	Secretary	Law
Mike Contreras	Member	Commercial Banking
Rebecca Nagel	Member	Educational Administration
Nicole Silvestri	Parent Liaison	Handles grievance procedures for the board

Norda Gordon (Board President) – Ms. Gordon has been in the banking and finance industry for almost 15 years and has worked her entire career in customer service. She has worked in various management positions where she has been responsible for team management and morale, budgeting and meeting metric targets, and complete reports and audits for compliance. Ms. Gordon will advise the Board on financial and audit policies and staff and management issues.

Angela Sturm, Esq. (Board Secretary) – Ms. Sturm has been practicing law for 20 years in the areas of Dependency, Criminal, Family, and Insurance Defense. She has been a Brevard resident since 2006 and active in the PCA and PCCA community since 2010. Ms. Sturm assists the Board with review of legal matters.

Mike Contreras (Board Member) – Mr. Contreras has nearly 10 years’ experience in commercial banking and is nearing completion of a master’s degree in business administration and leadership. Mr. Contreras has vast experience in commercial audits and both state and federal compliance issues as well as human resources and staff training and will advise the board in these areas.

Rebecca Nagel (Board Member) – Mrs. Nagel graduated with her Bachelor of Science degree in Elementary Education from the University of Central Florida in 1995. She was an elementary and Title 1 teacher for 6 years before starting her family. In 2006 Mrs. Nagel started as a VPK teacher at Pineapple Cove Academy, and soon became the Assistant Director and then Director of the preschool, earning her Director’s Credential during that time. She opened Pineapple Cove Academy North Shore as the Director in 2015 and was integral in helping to open Pineapple Cove Academy Pebble Creek in 2021. In 2020 she became Director of School Operations of Pineapple Cove Academy and joined the Classical Education Management team.

Nicole Silvestri (Parent Liaison) – Parents should follow the grievance procedure in the Family/Student Handbook. Should a parent need to file a grievance with the Board, the parent liaison shall facilitate the process.

Pineapple Cove Classical Academy at West Melbourne, Inc., FL

Municipal Market Disclosure Information Cover Sheet

Type of Filing: AUDITED FINANCIAL STATEMENTS OR ACFR (RULE 15C2-12)
 2024 Audited Financial Statements-Pineapple Cove Classical Academy at West Melbourne

Date of Filing:

Certification Authorized by	Disclosure Dissemination Agent Contact
Name: Kelly Gunter, M.A., Ed. Title: Principal Entity: Pineapple Cove Classical Academy at West Melbourne, Inc., FL	DAC 315 East Robinson Street, Suite 300, Orlando, FL 32801-1674 407 515 - 1100 emmaagent@dacbond.com

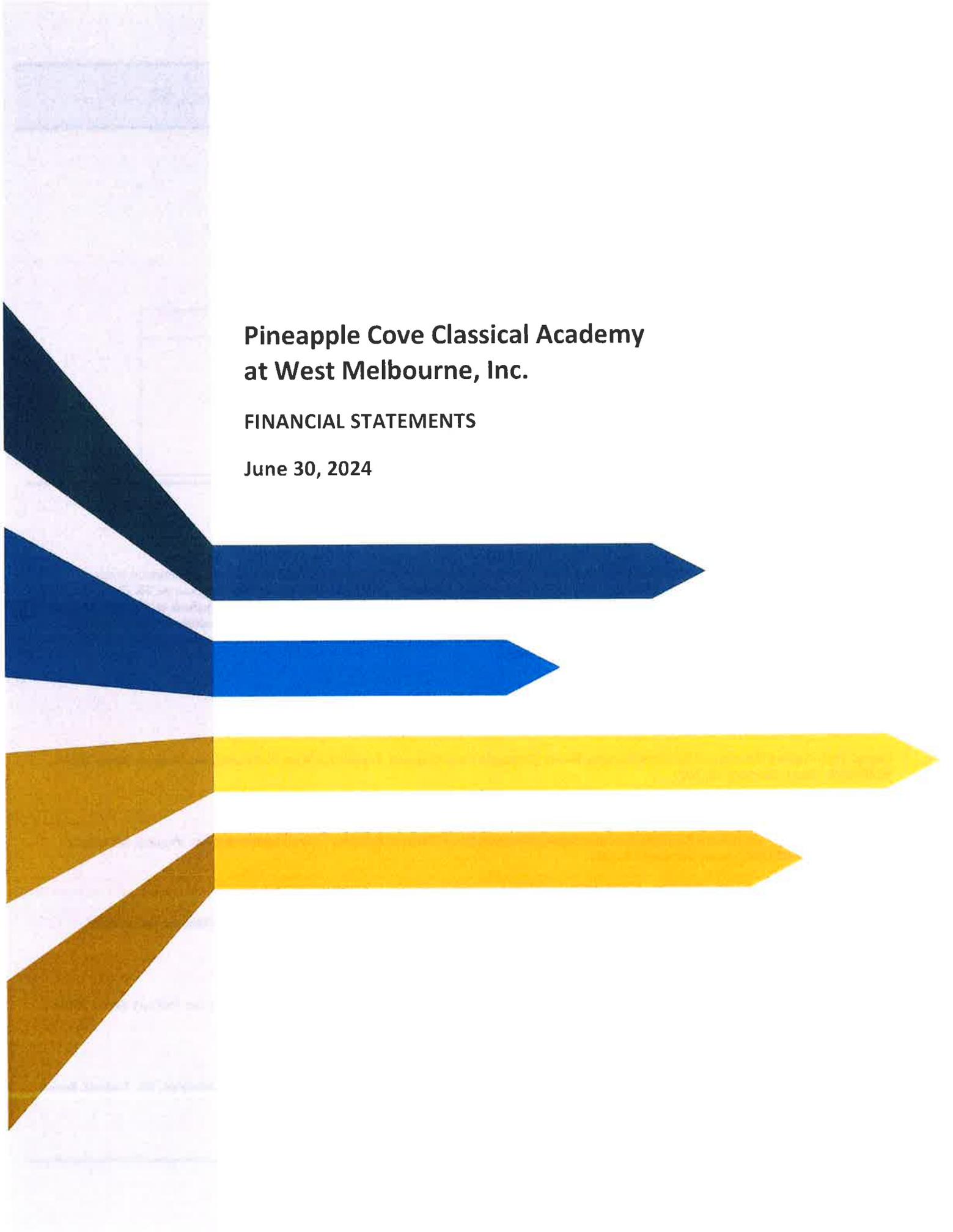
This information is also available on DAC's website: www.dacbond.com

Signature of Issuer: Kelly Gunter, M.A., Ed. /s/

The information set forth herein has been obtained from the obligated entity and other sources believed to be reliable, but such information is not guaranteed as accuracy or completeness and is not to be construed as a promise or guarantee. This Audited Financial Statements or ACFR (Rule 15c2-12) may contain, in part, estimates and matters of opinion which are not intended as statements of fact, and no representation is made as to the correctness of such estimates and opinions, or that they may be realized. The information and expressions of opinion contained herein are subject to change without notice, and the delivery of this Audited Financial Statements or ACFR (Rule 15c2-12) will not, under any circumstances, create any implication that there have been no changes in the affairs of the entity, or other matters described.

This Filing Applies to:

1. Capital Trust Agency Educational Facilities Revenue Bonds (Pineapple Cove Classical Academy at West Melbourne, Inc. Project), Series 2021A, \$6,800,000, Dated: February 18, 2021
CUSIPS: 14054CDN6
2. Capital Trust Agency Educational Facilities Revenue Bonds (Pineapple Cove Classical Academy at West Melbourne, Inc. Project), Subordinate Series 2021B, \$4,030,000, Dated: February 18, 2021
CUSIPS: 14054CDP1
3. Capital Trust Agency Taxable Educational Facilities Revenue Bonds (Pineapple Cove Classical Academy at West Melbourne, Inc. Project), Subordinate Series 2021C, \$405,000, Dated: February 18, 2021
CUSIPS: 14054CDQ9
4. Capital Trust Agency, Educational Facilities Revenue Bonds (Pineapple Cove Classical Academy at West Melbourne, Inc. Project), Series 2018A, \$13,580,000, Dated: January 25, 2018
CUSIPS: 14054CAR0
5. Capital Trust Agency, Taxable Educational Facilities Revenue Bonds (Pineapple Cove Classical Academy at West Melbourne, Inc. Project), Series 2018B, \$480,000, Dated: January 25, 2018
CUSIPS: 14054CAS8



**Pineapple Cove Classical Academy
at West Melbourne, Inc.**

FINANCIAL STATEMENTS

June 30, 2024



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REPORT





Carr, Riggs & Ingram, LLC
2633 Centennial Boulevard
Suite 200
Tallahassee, Florida 32308

(850) 878-8777
(850) 878-2344 (fax)
CRLcpa.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Pineapple Cove Classical Academy at West Melbourne, Inc.
West Melbourne, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Pineapple Cove Classical Academy at West Melbourne, Inc. (the "School"), a charter school and component unit of the District School Board of Brevard County, Florida as of, and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the School's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the School as of June 30, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the School and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the School's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the School's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4 through 8 and 32 through 33 be presented to supplement the basic financial statements. Such information is the

responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School's basic financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

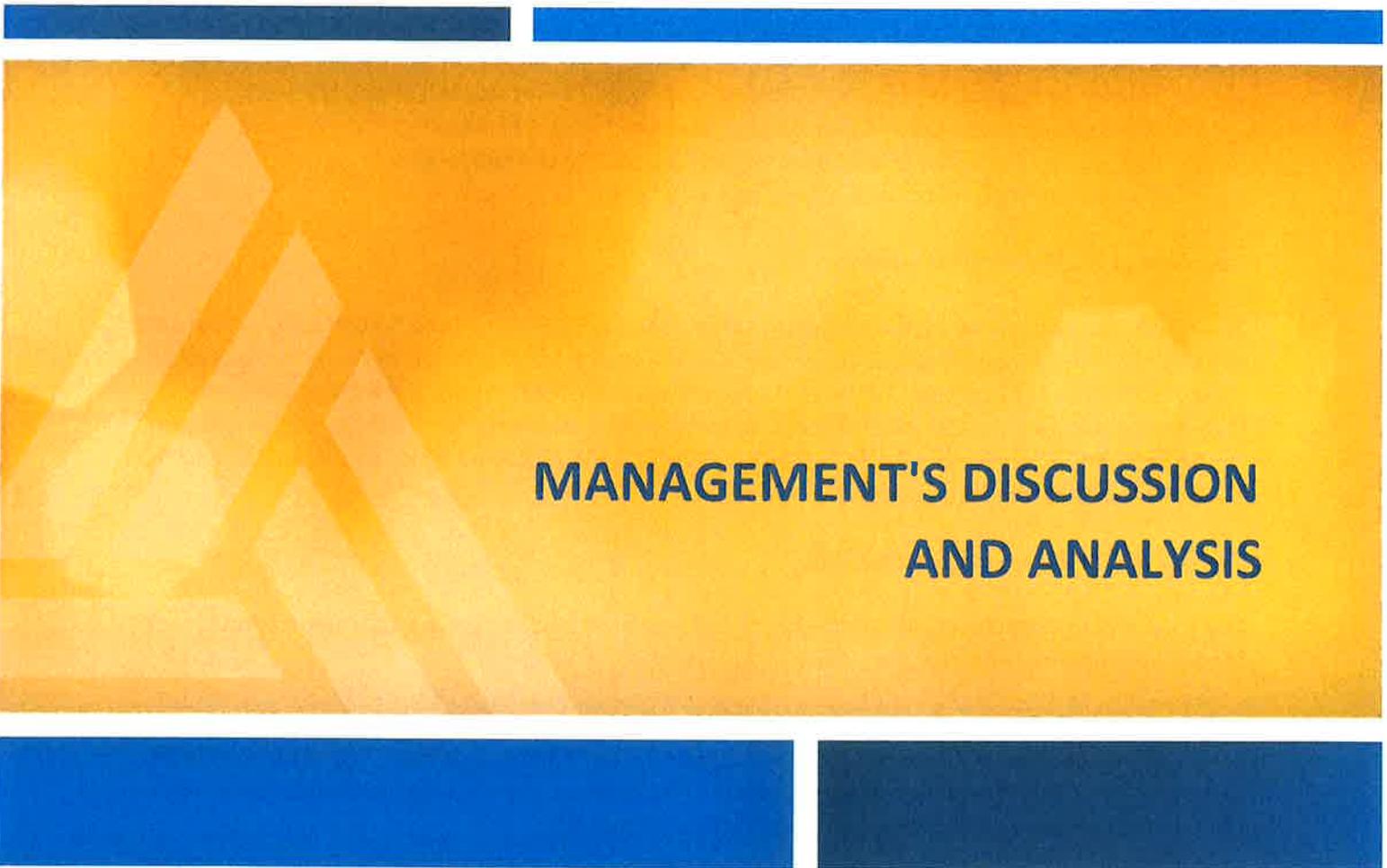
Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 26, 2024, on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Tallahassee, FL
September 26, 2024



**MANAGEMENT'S DISCUSSION
AND ANALYSIS**

Pineapple Cove Classical Academy at West Melbourne, Inc. Management's Discussion and Analysis

The corporate officers of Pineapple Cove Classical Academy at West Melbourne, Inc. have prepared this narrative overview and analysis of the School's financial activities for the fiscal year ended June 30, 2024.

Financial Highlights

1. The net position of the Charter School at June 30, 2024 was a deficit of \$(2,675,540).
2. At year-end, the School had current assets on hand of \$1,521,640.
3. The net position of the School decreased by \$(214,239) during the year.
4. The unassigned fund balance at year end was \$844,094.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the School's basic financial statements. The School's financial statements for the year ended June 30, 2024 are presented in accordance with GASB Codification Section 2200. The financial statements have three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other required supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the School's finances, in a manner similar to a private-sector business.

The *Statement of Net Position* presents information on all of the School's assets, deferred outflows of resources, liabilities and deferred inflows of resources. The difference between the four is reported as *net position*. Over time increases or decreases in net position may serve as an indicator of whether the financial position of the School is improving or deteriorating.

The *Statement of Activities* presents information on how the School's net position changed during the fiscal year. All changes in net position are reported when the underlying event occurs without regard to the timing of related cash flows. Accordingly, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements can be found on pages 9-10 of this report.

Fund Financial Statements

A "fund" is a collection of related accounts grouped to maintain control over resources that have been segregated for specific activities, projects, or objectives. The School like other state and local governments uses fund accounting to ensure and report compliance with finance-related legal requirements.

Pineapple Cove Classical Academy at West Melbourne, Inc.
Management's Discussion and Analysis

All of the funds of the School are governmental funds. *Governmental Funds* are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Governmental Fund financial statements, however, focus on *near-term* inflows and outflows of spendable resources, as well as on the balances of spendable resources which are available at the end of the fiscal year. Such information may be used to evaluate a government's requirements for near-term financing.

The Board of the School adopts an annual appropriated budget for its major governmental funds. A budgetary comparison statement has been provided for the major governmental funds.

The basic governmental fund financial statements can be found on pages 11-14 of this report.

Notes to Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

The notes to the financial statements can be found on pages 15 - 31 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a charter school's financial position. In the case of the School, the net position was a deficit of \$(2,728,635) at the close of the fiscal year. A summary of the School's net position as of June 30, 2024 and 2023 is as follows:

<i>June 30,</i>	2024	2023
Assets		
Cash	\$ 469,412	\$ 266,934
Cash, restricted	12,869	27,234
Prepaid expenses and other assets	7,871	7,891
Due from other agencies	428,001	445,688
Due from related schools	603,487	588,099
Capital and right-of-use assets, net	19,956,693	20,270,135
Total assets	21,478,333	21,605,981
Liabilities		
Accounts payable and accrued liabilities	393,365	288,358
Accrued interest	63,524	64,057
Lease liabilities	145,292	43,405
Bond payable	23,551,692	23,671,462
Total liabilities	24,153,873	24,067,282
Net position (deficit)		
Net investment in capital assets	(3,740,291)	(3,426,643)
Restricted	12,869	27,234
Unrestricted	1,051,882	938,108
Total net position (deficit)	\$ (2,675,540)	\$ (2,461,301)

Pineapple Cove Classical Academy at West Melbourne, Inc. Management's Discussion and Analysis

A summary and analysis of the School's revenues and expenses for the years ended June 30, 2024 and June 30, 2023 is as follows:

<i>For the years ended June 30,</i>	2024	2023
Revenues		
Program revenues		
Federal sources	\$ 867,121	\$ 690,108
Capital grants and contributions	2,283,070	1,206,499
Lunch program	418,367	326,968
Charges for services	582,634	453,617
General revenues		
Local sources (FTE and other non-specific)	6,345,514	5,971,078
Other revenue	35,861	113,880
Total revenues	10,532,567	8,762,150
Expenses		
Instruction	4,630,984	3,745,485
Student support services	302,027	279,803
Instruction related technology	89,903	144,447
Board	687,582	484,067
School administration	963,032	761,356
Fiscal services	16,000	-
Food services	530,741	505,712
Operation of plant	1,424,421	1,222,350
Community services	441,720	399,963
Debt service	1,660,396	1,676,327
Total expenses	10,746,806	9,219,510
Change in net position (deficit)	(214,239)	(457,360)
Net position (deficit) at beginning of year	(2,461,301)	(2,003,941)
Net position (deficit) at end of year	\$ (2,675,540)	\$ (2,461,301)

The School's revenues and expenses increased by \$1,770,417 and \$1,527,296, respectively. The School had a decrease in its net position (deficit) of \$(214,239) for the year.

Capital Improvement Requirements

The School maintains a continuous capital improvements program to enhance facilities and update fixtures and equipment as required.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUND

As noted earlier, the School uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Pineapple Cove Classical Academy at West Melbourne, Inc.
Management's Discussion and Analysis

Governmental Funds

The focus of the School's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the School's financing requirements. In particular, the *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

Most of the School's operations are funded in the General Fund. The majority of the General Fund revenues are distributed to the School by the District through the Florida Education Finance Program (FEFP), which uses formulas to distribute state funds and an amount of local property taxes (i.e., required local effort) established each year by the Florida Legislature.

At the end of the fiscal year, the School's governmental general fund reported ending fund balance of \$798,870. The fund balance unassigned and available for spending at the School's discretion is \$790,999. These funds will be available for the School's future ongoing operations.

Capital Assets

The School's investment in capital assets and right of use lease assets as of June 30, 2024 amounts to \$19,956,693 (net of accumulated depreciation and amortization). This investment in capital assets includes land, building, improvements, furniture, fixtures and equipment and right of use lease assets includes computer and copier equipment. As of June 30, 2024, the School had long-term liabilities of \$23,696,984 associated to its capital assets and right-of-use assets.

Activity for the year ended June 30, 2024 follows:

	Balance, July 1, 2023	Additions	Deletions	Balance, June 30, 2024
Land, buildings and equipment	\$ 22,322,938	\$ 199,114	\$ -	\$ 22,522,052
Right-of-use assets	168,573	184,221	(81,799)	270,995
Subtotal	22,491,511	383,335	(81,799)	22,793,047
Accumulated depreciation	(2,078,177)	(648,649)	-	(2,726,826)
Accumulated amortization	(143,199)	(48,128)	81,799	(109,528)
Subtotal	(2,221,376)	(696,777)	81,799	(2,836,354)
Capital assets, net	\$ 20,270,135	\$ (313,442)	\$ -	\$ 19,956,693

Long-term Debt

Activity for the year ended June 30, 2024 follows:

	Balance, July 1, 2023	Additions	Deletions	Balance, June 30, 2024
Bonds payable, net	\$ 23,671,462	\$ -	\$ (119,770)	\$ 23,551,692
Operating lease liabilities	43,405	174,619	(72,732)	145,292
Long-term debt	\$ 23,714,867	\$ 174,619	\$ (192,502)	\$ 23,696,984

**Pineapple Cove Classical Academy at West Melbourne, Inc.
Management's Discussion and Analysis**

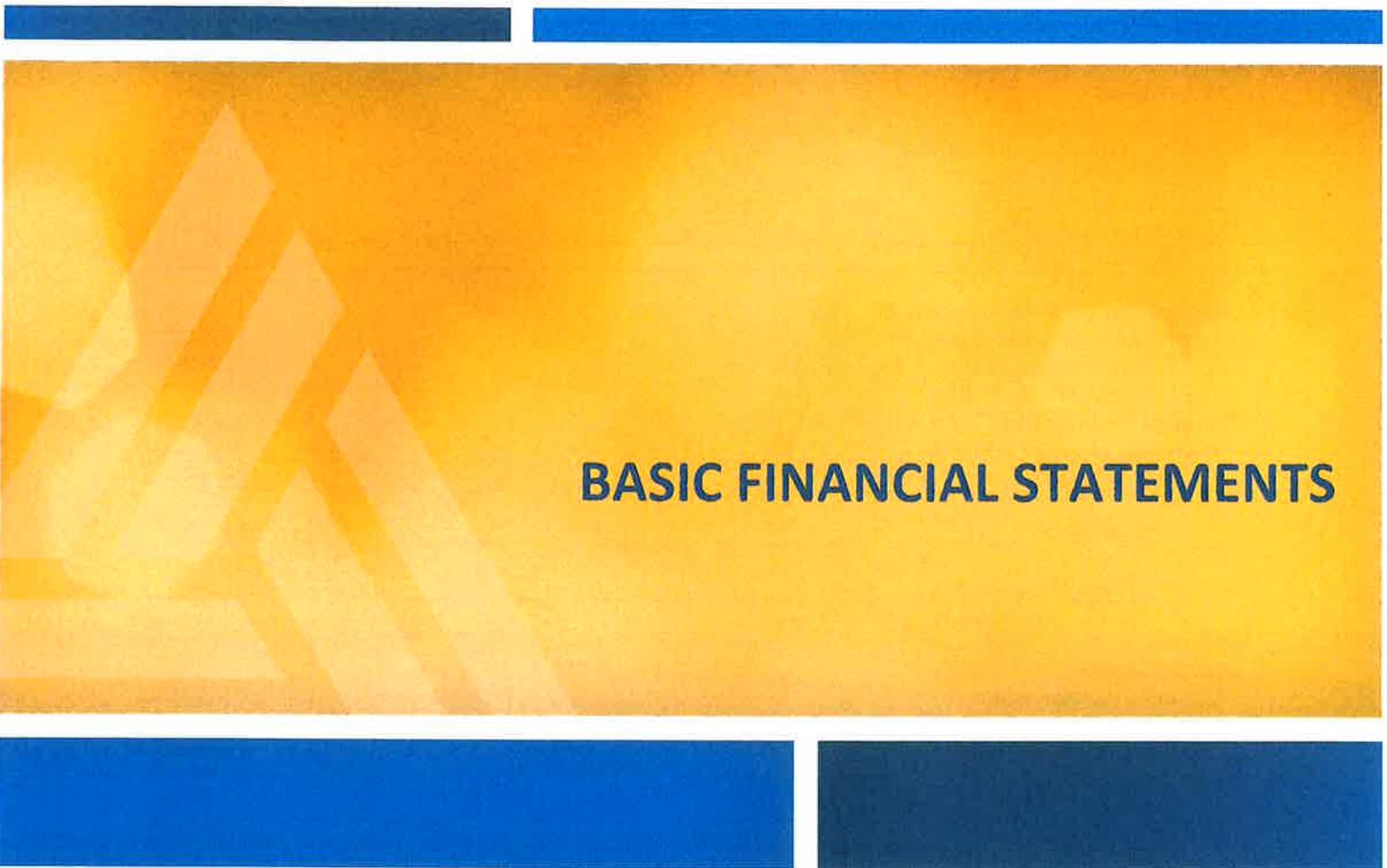
Governmental Fund Budget Analysis and Highlights

Prior to the start of the School's fiscal year, the Board of the School adopted an annual budget. A budgetary comparison statement has been provided for the governmental funds.

<i>For the year ended June 30, 2024</i>	Governmental Funds		
	Original Budget	Final Budget	Actual
Revenues			
State passed through local	\$ 6,906,374	\$ 6,488,846	\$ 6,488,846
State capital outlay funding	452,025	473,790	473,790
Local capital improvement revenue	987,828	875,607	875,607
Local sources	635,220	809,440	809,440
Federal sources	1,506,996	838,605	838,605
Charges for services	629,476	1,010,421	1,010,421
Other revenues	185,000	35,858	35,858
Total revenues	11,302,919	10,532,567	10,532,567
Current expenditures			
Instruction	4,571,745	4,548,188	4,548,188
Student support services	445,889	302,027	302,027
Instruction related technology	120,540	56,736	56,736
Board	830,189	687,582	687,582
School administration	752,824	962,790	962,790
Fiscal services	16,000	16,000	16,000
Food services	469,269	500,992	500,992
Operation of plant	1,006,647	865,111	865,111
Community services	146,575	432,118	432,118
Debt service	1,733,714	1,852,898	1,852,898
Capital outlay	-	383,335	383,335
Total current expenditures	10,093,392	10,607,777	10,607,777
Excess of revenues over current expenditures	\$ 1,209,527	\$ (75,210)	\$ (75,210)

Requests for Information

This financial report is designed to provide a general overview of the Pineapple Cove Classical Academy at West Melbourne, Inc.'s finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director, Pineapple Cove Classical Academy at West Melbourne, Inc., 3455 Norfolk Parkway, West Melbourne, Florida 32904.



BASIC FINANCIAL STATEMENTS

Pineapple Cove Classical Academy at West Melbourne, Inc.
Statement of Net Position

<i>June 30, 2024</i>	Governmental Activities
Assets	
Current assets	
Cash	\$ 469,412
Cash and cash equivalents, restricted	12,869
Due from other agencies	428,001
Prepaid expenses and other current assets	7,871
Due from related schools	603,487
Total current assets	1,521,640
Capital assets and lease assets, net	
Capital assets, non-depreciable	950,000
Capital assets, depreciable	21,572,052
Less: accumulated depreciation	(2,726,826)
Right-of-use lease asset	270,995
Less: accumulated amortization	(109,528)
Total capital assets and lease assets, net	19,956,693
Total assets	21,478,333
Deferred outflows of resources	
Liabilities	
Current liabilities	
Salaries and wages payable	273,252
Accounts payable and accrued expenses	120,113
Accrued interest on bonds	63,524
Bond payable, current	278,351
Operating lease liabilities, current	62,488
Total current liabilities	797,728
Non-current liabilities	
Bond payable	23,273,341
Operating lease liabilities	82,804
Total non-current liabilities	23,356,145
Total liabilities	24,153,873
Deferred inflows of resources	
Net position (deficit)	
Net investment in capital assets	(3,740,291)
Restricted by bonds for:	
Debt service	12,869
Unrestricted	1,051,882
Total net position (deficit)	\$ (2,675,540)

The accompanying notes are an integral part of this financial statement.

Pineapple Cove Classical Academy at West Melbourne, Inc.
Statement of Activities

For the years ended June 30, 2024

Functions/programs	Program revenues				Net (expense) revenue and changes in net position
	Expenses	Charges for services	Operating grants and contributions	Capital grants and contributions	
Governmental activities:					
Instruction	\$ 4,630,984	\$ -	\$ 894,000	\$ -	\$ (3,736,984)
Student support services	302,027	-	84,973	-	(217,054)
Instruction related technology	89,903	-	62,356	-	(27,547)
Board	687,582	-	-	-	(687,582)
School administration	963,032	-	66,566	-	(896,466)
Fiscal services	16,000	-	-	-	(16,000)
Food services	530,741	418,367	126,713	-	14,339
Operation of plant	1,424,421	-	556,769	1,349,397	481,745
Community services	441,720	582,634	9,417	-	150,331
Debt service	1,660,396	-	-	-	(1,660,396)
Total governmental activities	\$ 10,746,806	\$ 1,001,001	\$ 1,800,794	\$ 1,349,397	(6,595,614)
General revenues					
FTE and other nonspecific revenues					6,345,514
Interest and dividends					35,861
Total general revenues					6,381,375
Change in net position					(214,239)
Net position (deficit) at beginning of year					(2,461,301)
Net position (deficit) at end of year					<u>\$ (2,675,540)</u>

The accompanying notes are an integral part of this financial statement.

Pineapple Cove Classical Academy at West Melbourne, Inc.
Balance Sheet – Governmental Funds

<i>June 30, 2024</i>	General Fund	Debt Service Fund	Special Revenue Fund	Capital Projects Funds	Total Governmental Funds
Assets					
Cash	\$ 469,412	\$ -	\$ -	\$ -	\$ 469,412
Cash and cash equivalents, restricted	8,940	3,929	-	-	12,869
Prepaid expenses and other current assets	7,871	-	-	-	7,871
Due from related schools	603,487	-	-	-	603,487
Due from other agencies	-	-	26,462	188,753	215,215
Due from fund	155,620	59,595	-	-	215,215
Total assets	1,245,330	63,524	26,462	188,753	1,524,069
Deferred outflows of resources					
Total assets and deferred outflows of resources					
	\$ 1,245,330	\$ 63,524	\$ 26,462	\$ 188,753	\$ 1,524,069
Liabilities					
Salaries and wages payable	\$ 273,252	\$ -	\$ -	\$ -	\$ 273,252
Accounts payable and accrued expenses	120,113	-	-	-	120,113
Accrued interest on bonds	-	63,524	-	-	63,524
Due to fund	-	-	26,462	188,753	215,215
Total liabilities	393,365	63,524	26,462	188,753	672,104
Deferred inflows of resources					
Fund balance					
Nonspendable, not in spendable form	7,871	-	-	-	7,871
Unassigned	844,094	-	-	-	844,094
Total fund balance	851,965	-	-	-	851,965
Total liabilities, deferred inflows of resources and fund balance					
	\$ 1,245,330	\$ 63,524	\$ 26,462	\$ 188,753	\$ 1,524,069

The accompanying notes are an integral part of this financial statement.

Pineapple Cove Classical Academy at West Melbourne, Inc.
Reconciliation of the Governmental Fund
Balance Sheet to the Statement of Net Position

June 30, 2024

Total fund balance - governmental funds \$ 851,965

Amounts reported for governmental activities in the statement of net position are different because:

Depreciable and non-depreciable capital assets net of accumulated depreciation and amortization used in governmental activities are not financial resources and therefore are not reported in the governmental funds.

Capital assets, non-depreciable	950,000	
Capital assets, depreciable	21,572,052	
Less: accumulated depreciation	(2,726,826)	
Right-of-use asset	270,995	
Less: accumulated amortization	<u>(109,528)</u>	19,956,693

Receivables in governmental activities that are not considered available to pay current liabilities are not financial resources and therefore are not reported in the governmental funds 212,786

Long-term liabilities in governmental activities are not due and payable in the (23,696,984)

Total net position - governmental funds \$ (2,675,540)

The accompanying notes are an integral part of this financial statement.

Pineapple Cove Classical Academy at West Melbourne, Inc.
Statement of Revenues, Expenditures and Changes in Fund Balance –
Governmental Funds

	General Fund	Debt Service Fund	Special Revenue Fund	Capital Projects Funds	Total Governmental Funds
<i>For the year ended June 30, 2024</i>					
Revenues					
State passed through local	\$ 6,488,846	\$ -	\$ -	\$ -	\$ 6,488,846
State capital outlay funding	-	-	-	473,790	473,790
Local capital improvement revenue	-	-	-	875,607	875,607
Local sources	809,440	-	-	-	809,440
Federal sources	14,633	-	823,972	-	838,605
Charges for services	649,324	-	361,097	-	1,010,421
Other revenues	12,158	23,700	-	-	35,858
Total revenues	7,974,401	23,700	1,185,069	1,349,397	10,532,567
Expenditures					
Current					
Instruction	4,172,511	-	375,677	-	4,548,188
Student support services	226,784	-	75,243	-	302,027
Instruction related technology	24,227	-	32,509	-	56,736
Board	687,582	-	-	-	687,582
School administration	962,790	-	-	-	962,790
Fiscal services	16,000	-	-	-	16,000
Food services	-	-	500,992	-	500,992
Operation of plant	751,764	-	113,347	-	865,111
Community services	432,118	-	-	-	432,118
Capital outlay					
Other capital outlay	184,221	-	-	199,114	383,335
Debt service					
Redemption of principal	-	247,732	-	-	247,732
Interest	-	1,605,166	-	-	1,605,166
Total expenditures	7,457,997	1,852,898	1,097,768	199,114	10,607,777
Excess (deficit) of revenues over expenditures	516,404	(1,829,198)	87,301	1,150,283	(75,210)
Other financing sources (uses)					
Leases	174,619	-	-	-	174,619
Transfers in (out)	(591,614)	1,829,198	(87,301)	(1,150,283)	-
Total other financing sources (uses)	(416,995)	1,829,198	(87,301)	(1,150,283)	174,619
Net change in fund balance	99,409	-	-	-	99,409
Fund balance, beginning of year	752,556	-	-	-	752,556
Fund balance, end of year	\$ 851,965	\$ -	\$ -	\$ -	\$ 851,965

The accompanying notes are an integral part of this financial statement.

Pineapple Cove Classical Academy at West Melbourne, Inc.
Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balance of Governmental Funds to the Statement of Activities

For the year ended June 30, 2024

Net change in fund balance - governmental funds	\$	99,409
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Amounts reported for governmental activities in the statement of activities are different because:

Capital outlay	383,335	
Depreciation and amortization expense	<u>(696,777)</u>	(313,442)

Increase in long term liabilities is revenue in the governmental funds, but a decrease or repayment of such payables reduces liabilities in the statement of net position.

Assumption of lease liabilities		(174,619)
Amortization of bond discounts		(73,319)
Principal payments on long-term liabilities		<u>247,732</u>

Change in net position of governmental activities	\$	<u><u>(214,239)</u></u>
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The accompanying notes are an integral part of this financial statement.

Pineapple Cove Classical Academy at West Melbourne, Inc.

Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Pineapple Cove Classical Academy at West Melbourne, Inc., (the "School") is a not-for-profit corporation organized pursuant to Chapter 617, Florida Statutes, the Florida Not-For-Profit Corporation Act. The governing body of the School is the not-for-profit corporation's Board of Directors, which is comprised of not less than three members. The board has determined that no component units exist that would require inclusion in the School's financial statements.

The general operating authority of the School is contained in Section 1002.33, Florida Statutes. The School operates under a charter of the sponsoring school district, the Brevard County School Board (the "District"). The current charter is effective until June 30, 2027 and may be renewed provided that a program review demonstrates that certain criteria addressed in Section 1002.33(7), Florida Statutes, have been successfully accomplished. At the end of the term of the charter, the District may choose not to renew the charter under grounds specified in the charter, in which case the District is required to notify the School in writing at least 90 days prior to the charter's expiration. Pursuant to Section 1002.33(8)(e), Florida Statutes, the charter school contract provides that in the event the school is dissolved or terminated, any unencumbered funds and all School property purchased with public funds automatically revert to the District. During the term of the charter, the District may also terminate the charter if good cause is shown.

The School is located in West Melbourne, Florida for students from kindergarten through twelfth grade. These financial statements are for the year ended June 30, 2024, where approximately 797 students were enrolled for the year.

Basis of Presentation

The School's accounting policies conform to accounting principles generally accepted in the United States applicable to state and local governments. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. Accordingly, the basic financial statements include both the government-wide and fund financial statements.

Government-wide and Fund Financial Statements

The government-wide financial statements (the Statement of Net Position and the Statement of Activities) report information on all of the activities of the School. Governmental activities are reported separately from business-type activities, which rely on fees charged to external parties as their primary revenues. The School has no business-type activities. Any internal activity has been eliminated from the government-wide financial statements.

The statement of net position (deficit) reports the School's financial position as of the end of the fiscal year. In this statement, the School's net position is reported in three categories: net investment in capital assets; restricted net position; and unrestricted net position.

Pineapple Cove Classical Academy at West Melbourne, Inc.
Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-wide and Fund Financial Statements (continued)

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity.

Program revenues include: (1) charges for services, such as food service and student activity fees; (2) operating grants such as American Rescue Plan – Elementary and Secondary School Emergency Relief Program, the National School Lunch Program, and state allocations; and (3) capital grants and contributions specific to capital outlay. In addition, revenues not classified as program revenues are shown as general revenues, which include Florida Education Finance Program (FEFP) revenues and other local and miscellaneous sources.

The Statement of Activities is displayed using a net-cost format and reports the degree to which the direct expenses of a given function are offset by program revenues; direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges for services that are directly related to a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function; other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements

The financial transactions of the School are reported in individual funds in the governmental fund financial statements. The governmental fund statements include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for the governmental funds.

The School reports the following major governmental funds:

General Fund - the general fund is the general operating fund of the School. It is used to account for all financial resources, except those associated with grants that are restricted to specified uses.

Debt Service Fund - to account for the resources accumulated and payments made for principal and interest on the revenue bonds.

Special Revenue Fund - accounts for specific revenues, such as federal funding, federal lunch program, and COVID-19 emergency relief funding that are legally restricted to expenditures for particular purposes.

Capital Outlay Fund - in accordance with guidelines established by the State of Florida. This fund accounts for all resources for the leasing or acquisition of capital facilities by the School to the extent funded by capital outlay funds.

Pineapple Cove Classical Academy at West Melbourne, Inc.

Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Revenues from grants and donations are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been satisfied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the School considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. When grant terms provide that the expenditure of resources is the prime factor for determining eligibility for Federal, State, and other grant resources, revenue is recognized at the time the expenditure is made.

Under the modified accrual basis of accounting, expenditures are generally recognized when the related fund liability is incurred, except for principal and interest on long-term debt, claims and judgments, and compensated absences, which are recognized when due. Allocations of cost, such as depreciation, are not recognized in governmental funds.

Budgets and Budgetary Accounting

In compliance with Florida Statutes, the Board of Directors adopts an annual budget using the modified accrual basis of accounting. During the fiscal year, expenditures were controlled at the object level (e.g. salaries and benefits, purchased services, materials and supplies and capital outlay) within each activity (e.g. instruction, pupil personnel services and school administration). Revisions to the annual budget are approved by the Board.

Cash, Cash Equivalents, and Investments

Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term liquid investments with maturities of three months or less at the date of acquisition.

The School has not adopted a formal deposit and investment policy that limits the School's allowable deposits or investments and address specific types of risk. Therefore, pursuant to Florida Statutes, the School is authorized to invest in the Florida PRIME investment pool, administered by the State Board of Administration (SBA); Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency; interest-bearing time deposits and savings accounts in qualified public depositories, as defined by Section 280.02, Florida Statutes; and direct obligations of the United States Treasury. Investments money market mutual

Pineapple Cove Classical Academy at West Melbourne, Inc.
Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash, Cash Equivalents, and Investments (continued)

Funds mutual funds that have maturities of one year or less from the date of acquisition are reported at amortized cost that is equally equivalent to fair value.

The School's investments are set aside to make debt service payments, maintain sinking or reserve funds, and to purchase or construct capital assets and are classified as restricted. These investments are reported as restricted in the Debt Service Fund in the Balance Sheet - Governmental Funds.

The School follows the provisions of GASB Statement No. 31, Accounting and Financial Reporting for Certain Investments and External Investment Pools, GASB Statement No. 72, Fair Value Measurement and Application, and other related standards which establish accounting and financial reporting standards for all investments.

Restricted Assets

Restricted assets include cash and cash equivalents that are related to the amounts that the School is required to segregate in connection with the issuance of bonds, including sinking fund and reserve requirements, as well as amounts segregated for capital projects of the School. The Indenture of Trust requires the establishment of the Funds for the bonds and accounts within such funds, all of which shall be special trust funds and accounts held by Trustee.

Due from Other Governments or Agencies

Amounts due to the School by other governments or agencies relate to grants or programs for which the services have been provided by the School.

Prepaid Expenses

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses in both government-wide and fund financial statements. Prepaid assets are reported as "non-spendable" in the funds financial statements to indicate that prepaids do not represent available expendable resources.

Pineapple Cove Classical Academy at West Melbourne, Inc.
Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets

The School's property, plant and equipment with useful lives of more than one year are stated at historical cost and comprehensively reported in the statement of net position in the government-wide financial statements. Donated capital assets are recorded at their estimated fair market value on the date donated. The School generally capitalizes assets with a cost of \$1,000 or more. Building improvements, additions and other capital outlays that significantly extend the useful life of an asset are capitalized. The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. Capital assets are depreciated using the straight-line method. When capital assets are sold or disposed of, the related cost and accumulated depreciation are removed from the accounts, and the resulting gain or loss is recorded in the government wide statements. Proceeds received from the sale or disposal of capital assets are recorded as Other Financing Sources in the governmental funds.

The right-of-use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The right-of-use assets are amortized on a straight-line basis over the life of the related lease.

Estimated useful lives, in years, for capital assets are as follows:

Building and improvements	10 – 40 years
Furniture, fixtures, and equipment	5 years
Right-of-use asset (computers and copiers)	3 – 5 years
Information technology equipment	5 years

Inter-fund Transfers

Interfund receivables/payables are short-term balances that represent reimbursements between funds for payments made by one fund on behalf of another fund.

Long-Term Debt and Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds and is recorded as an adjustment to interest expense. Bonds payable are reported net of the applicable bond premium or discount. In accordance with GASB Codification Section 130: *Interest Costs - Imputation*, bond issuance costs are expensed in the period incurred except for prepaid insurance costs.

Pineapple Cove Classical Academy at West Melbourne, Inc.
Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Long-Term Debt and Obligations (continued)

In the governmental fund financial statements, bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

Compensated Absences

The School grants a specific number of paid days off per school year. Full time employees are eligible for ten paid days off. In the event that available time is not used by the end of the benefit year, employees may "rollover" a maximum of five unused days for use in future benefit years. There is no "cash out" value for unused days. There is no termination payment for accumulated unused days.

GASB Codification Section C60, Accounting for Compensated Absences, provides that compensated absences that are contingent on a specific event that is outside the control of the employer and employee should be accounted for in the period those events take place. Accordingly, these financial statements do not include an accrual for compensated absences available to be used in future benefits years.

The School also provides certain days to be used for specific personal matters such as family death and jury duty. Because the use of such days is contingent upon those events taking place and such events are out of the control of both the employer and the employee, there is no accrual for such days.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The School does not have any items that qualify for reporting in this category.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The School does not have any items that qualify for reporting in this category.

Revenue Sources

Revenues for operations will be received primarily from the District pursuant to the funding provisions included in the School's charter. In accordance with the funding provisions of the charter

Pineapple Cove Classical Academy at West Melbourne, Inc.
Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Sources (continued)

and Section 1002.33, Florida Statutes, the School will report the number of full-time equivalent (FTE) students and related data to the District. Under the provisions of Section 1011.62, Florida Statutes, the District reports the number of the FTE students and related data to the Florida Department of Education (FDOE) for funding through the FEFP. Funding for the School is adjusted during the year to reflect the revised calculations by the FDOE under the FEFP and the actual weighted FTE students reported by the School during the designated FTE student survey periods. After review and verification of FTE reports and supporting documentation, the FDOE may adjust subsequent fiscal period allocations of FEFP funding for prior year errors disclosed by its review as well as to prevent statewide allocations from exceeding the amount authorized by the Legislature. Normally, such adjustments are treated as reductions of revenue in the year the adjustment is made.

The School receives state funds through the District under charter school capital outlay funding pursuant to Section 1013.62, Florida Statutes. Funds are based on a capital outlay plan submitted to the District and are to be used for the debt service of school facilities. In addition, the School may receive a portion of the local capital improvement ad valorem tax revenues levied by the District.

Finally, the School also receives Federal awards for the enhancement of various educational programs. Federal awards are generally received based on applications submitted to and approved by various granting agencies. For Federal awards in which a claim to these grant proceeds is based on incurring eligible expenditures, revenue is recognized to the extent that eligible expenditures have been incurred. Any excess amounts are recorded as deferred revenues or unearned advances until expended. Other revenues may also be derived from various fundraising activities and certain other programs.

Net Position and Fund Balance Classification

Government-wide financial statements

Equity is classified as net position and displayed in three components:

- a) *Net investment in capital assets* - consists of capital assets net of accumulated depreciation and reduced by the outstanding balances of any borrowings that are attributable to the acquisition or improvement of those assets.
- b) *Restricted net position* - consists of net position with constraints placed on their use either by external groups such as creditors, grantors, contributors or laws or regulations of other governments.
- c) *Unrestricted net position* - all other net position that does not meet the definition of "restricted" or "net investment in capital assets".

When both restricted and unrestricted resources are available for a specific purpose, it is the School's policy to use restricted resources first, until exhausted, before using unrestricted resources.

Pineapple Cove Classical Academy at West Melbourne, Inc.
Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Position and Fund Balance Classification (continued)

Fund financial statements

GASB Codification Section 1800.142, *Fund Balance Reporting and Governmental Fund Type Definitions*, defines the different types of fund balances that a governmental entity must use for financial reporting purposes. GASS requires the fund balance amounts to be properly reported within one of the fund balance categories listed below:

- a) *Nonspendable* - includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Consists of fund balance associated with prepaid expenses.
- b) *Restricted* - fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. Restricted balances at year-end pertain to bond issuance.
- c) *Committed* - fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the School's Board of Directors. There are no committed fund balances at year end.
- d) *Assigned* - fund balance classification that is intended to be used by the School's management for specific purposes but do not meet the criteria to be classified as restricted or committed. There are no assigned fund balances at year end.
- e) *Unassigned* - portion of the fund balance that has not been restricted, committed or assigned for a specific purpose. This is the residual classification for the School's general fund.

Committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Income Taxes

The School is exempt from Federal tax under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been included in the accompanying financial statements. Additionally, no uncertain tax positions have been made requiring disclosure in the related note to financial statements. The School's income tax returns for the past three years are subject to examination by tax authorities and may change upon examination.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Pineapple Cove Classical Academy at West Melbourne, Inc.
Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases

Lease contracts that provide the School with control of a non-financial asset, such as land, buildings or equipment, for a period of time in excess of twelve months are reported as a leased asset with a related lease liability. The lease liability is recorded at the present value of future lease payments, including fixed payments, variable payments based on an index or fixed rate and reasonably certain residual guarantees. The intangible leased asset is recorded for the same amount as the related lease liability plus any prepayments and initial direct costs to place the asset in service. Leased assets are amortized over the shorter of the useful life of the asset or the lease term. The lease liability is reduced for lease payments made, less the interest portion of the lease payment.

Recently Issued and Implemented Accounting Pronouncements

In May 2020, the GASB issued GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset --an intangible asset --and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Assets and liabilities resulting from SBITAs should be recognized and measured using the facts and circumstances that existed at the beginning of the fiscal year in which this Statement is implemented. Governments are permitted, but are not required, to include in the measurement of the subscription asset capitalizable outlays associated with the initial implementation stage and the operation and additional implementation stage incurred prior to the implementation of this Statement. The School did not identify any significant SBITAs that would require implementation of this standard.

Pronouncements Issued But Not Yet Effective

GASB has issued GASB Statement No. 101, *Compensating Absences*. This Statement provides guidance on the accounting and financial reporting for certain types of compensated absences including parental leave, military leave, and injury duty leave. The School is currently evaluating the effect that implementation of the new standard will have on its financial statements. The requirements of this Statement are effective for reporting periods beginning after December 15, 2023. The School is currently evaluating the effect that implementation of the new standard will have on its financial statements.

GASB has issued GASB Statement No. 102, *Certain Risk Disclosures*. This statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The requirements of this statement are

Pineapple Cove Classical Academy at West Melbourne, Inc.
Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Pronouncements Issued But Not Yet Effective (continued)

effective for fiscal years beginning after June 15, 2024. The School is currently evaluating the effect that implementation of the new standard will have on its financial statements.

GASB has issued GASB Statement No. 103, *Financial Reporting Model Improvements*. This statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. The requirements of this statement are effective for fiscal years beginning after June 15, 2025. The School is currently evaluating the effect that implementation of the new standard will have on its financial statements.

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, September 26, 2024, and determined there were no events that occurred that required disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

Note 2: CASH AND RESTRICTED CASH

Deposits

Cash is made of deposits and cash on hand totaling \$469,412. The School has identified itself as a public entity. Therefore, the School's deposit must be placed with a financial institution designation by the Treasurer of the State of Florida as a "qualified public depository", as defined in Chapter 280, Florida Statutes. As of June 30, 2024, no amount of the School's cash balances held were exposed to custodial credit risk.

Restricted Cash

The School held restricted cash in the amount of \$12,869 that was reported as a cash equivalent for financial statement reporting purposes. The School follows the Governmental Accounting Standards Board (GASB) Statement No. 72, *Fair Value Measurement and Application*. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in markets for identical assets; Level 2 inputs are significant other observable inputs (including quoted prices for similar investments, interest rates, credit risk, etc.); Level 3 inputs are significant unobservable inputs.

Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of investments in a single issuer. The School manages its exposure to credit risk by limiting investments to highly rated money market mutual funds. The fund is rated Aaa-mf by Moody's.

Pineapple Cove Classical Academy at West Melbourne, Inc.
Notes to Financial Statements

Note 2: CASH AND RESTRICTED CASH (Continued)

Credit Risk (continued)

Custodial credit risk is the risk that in the event of a failure of a depository financial institution or counterparty that is in possession of investment or collateral securities, the School will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty to a transaction, the School will not be able to recover the value of investments or collateral securities that are in the possession of an outside party. At June 30, 2024, all of the School's investments in money market mutual funds were held in a separate account by the bond trustee and designated as assets of the School.

Interest rate risk is the risk that changes in interest rate will adversely affect the fair value of an investment. The School manages its exposure to declines in fair values by limiting all investments to money market mutual funds that can be redeemed daily.

Note 3: CAPITAL ASSETS

The following schedule provides a summary of changes in capital assets, acquired substantially with public funds, for the year ended June 30, 2024:

	Balance, July 1, 2023	Additions	Deletions	Balance, June 30, 2024
Capital assets, non-depreciable				
Land	\$ 950,000	\$ -	\$ -	\$ 950,000
Capital assets, depreciable				
Building and equipment	20,648,083	-	-	20,648,083
Improvements	143,548	-	-	143,548
Furniture, fixtures and equipment	339,956	171,730	-	511,686
Information technology equipment	241,351	27,384	-	268,735
Total capital assets	22,322,938	199,114	-	22,522,052
Less accumulated depreciation				
Building and equipment	(1,813,357)	(521,686)	-	(2,335,043)
Improvements	(6,540)	(14,355)	-	(20,895)
Furniture, fixtures and equipment	(103,629)	(77,400)	-	(181,029)
Information technology equipment	(154,651)	(35,208)	-	(189,859)
Total accumulated depreciation	(2,078,177)	(648,649)	-	(2,726,826)
Total capital assets, net	20,244,761	(449,535)	-	19,795,226
Lease assets				
Right-of-use lease assets (copiers and laptops)	168,573	184,221	(81,799)	270,995
Less accumulated amortization	(143,199)	(48,128)	81,799	(109,528)
Total lease assets, net	25,374	136,093	-	161,467
Governmental activities capital assets, net	\$ 20,270,135	\$ (313,442)	\$ -	\$ 19,956,693

Pineapple Cove Classical Academy at West Melbourne, Inc.
Notes to Financial Statements

Note 3: CAPITAL ASSETS (Continued)

For the fiscal year ended June 30, 2024, depreciation and amortization expense is allocated in the Statement of Activities by function as follows:

<i>For year ended June 30, 2024</i>	Depreciation	Amortization
Instruction	\$ 79,836	\$ -
Instructional technology	33,167	-
Operation of plan	505,655	48,128
Food services	29,749	-
School administration	242	-
Total depreciation and amortization expense	\$ 648,649	\$ 48,128

Note 4: MANAGEMENT AGREEMENT

The School entered into a management agreement, as amended on January 23, 2019, with Classical Education Management, L.L.C. Inc. to operate and manage the School. Effective July 1, 2023, the management fee is based on 10% of the net FEFP receipts payable monthly. Monthly installments are adjusted throughout the year as the Charter School's FEFP are received from the Brevard County School District. The contract recognizes the importance of the employment of a Director of Operations.

The agreement shall be renewed along with any renewals to the charter agreement, unless terminated by either party not less than 180 days prior to the expiration of the Term. During the year ended June 30, 2024, the School incurred \$551,282 in fees related to this agreement.

Note 5: TRANSACTIONS WITH SCHOOL DISTRICT AND OTHER RELATED SCHOOLS

The Schools, Pineapple Cove Classical Academy at West Melbourne, Inc. and Pineapple Cove Classical Academy at Lockmar, Inc. have board members and the Manager in common. As of June 30, 2024, the School has advances due from Pineapple Cove Classical Academy, Inc. of approximately \$123,078 for expenses paid on behalf of the School. In addition, the School, has advances due from Pineapple Cove Classical Academy at Lockmar, Inc. of approximately \$480,409.

Pursuant to the Charter School contract with the School District, the District withholds an administrative fee from the qualifying revenues of the School. For the year ended June 30, 2024, administrative fees withheld by the School District totaled \$38,177.

Pineapple Cove Classical Academy at West Melbourne, Inc.
Notes to Financial Statements

Note 6: INTERFUND TRANSFERS

Interfund transfers in governmental funds as of June 30, 2024, consist of the following:

<i>For the year ended June 30, 2024</i>	General Fund	Debt Service Fund	Special Revenue Fund	Capital Projects Fund
To transfer funds for debt service	\$ (678,915)	\$ 1,829,198	\$ -	\$ (1,150,283)
To fund lunch program expenditures and community service expenditures	87,301	-	(87,301)	-
Total transfers, net	\$ (591,614)	\$ 1,829,198	\$ (87,301)	\$ (1,150,283)

<i>June 30, 2024</i>	General Fund	Debt Service Fund	Special Revenue Fund	Capital Projects Fund
Due to general fund from capital projects fund for capital outlay	\$ 188,753	\$ -	\$ -	\$ (188,753)
Due to debt service fund for bond interest	(59,595)	59,595	-	-
Due to general fund from special revenue fund for ESSER grant	26,462	-	(26,462)	-
Total due from (due to)	\$ 155,620	\$ 59,595	\$ (26,462)	\$ (188,753)

Note 7: LONG-TERM LIABILITIES

Bonds Payable

The construction of the School's facility in 2018, was financed by the issuance of Series 2018A and 2018B bonds. Series 2018A totaled \$13,580,000 as an educational facilities revenue bond, maturing June 15, 2052, and carried interest of 6.25%. Series 2018B totaled \$480,000 as a taxable educational facilities revenue bond, maturing June 15, 2024, and carried interest of 7.75%.

The 2018 bond issuance included original issue discount and underwriter's discount totaling \$761,145 and \$156,855 for the Series 2018A and 2018B revenue bonds, respectively, which are not recognized in the fund level statements but are deferred and included in the government-wide statements against the face value of the debt. The bond discounts are amortized over the life of the debt through 2052 and 2024, respectively. Amortization expense of the discounts of \$55,230 was charged against bond discount amortization for the year ended June 30, 2024.

The construction of the School's facility in 2021, was financed by the issuance of Series 2021 A and 2021B bonds. Series 2021A totaled \$6,800,000 as an educational facilities revenue bond, maturing June 15, 2056, and carried interest of 6.00%. Series 2021B totaled \$4,030,000 as an educational facilities revenue bond, maturing June 15, 2056, and carried interest of 6.625%. Series 2021C totaled \$405,000 as a taxable educational facilities revenue bond, maturing June 15, 2027, and carried interest of 7.750%.

As required by the bond resolution, the School has established a sinking fund and reserve account and has accumulated and maintained adequate resources in the sinking fund and reserve account.

Pineapple Cove Classical Academy at West Melbourne, Inc.
Notes to Financial Statements

Note 7: LONG-TERM LIABILITIES (Continued)

Bonds Payable (continued)

The School is required to disclose its debt service coverage ratio and days cash on hand as described in the Loan Agreement. In addition, the School is required to maintain certain enrollment and school grades as provided by Florida Department of Education. The minimum debt service coverage ratio is 1.10 to 1 (the "Debt Service Coverage Requirement") as of June 30, 2024. The calculated Debt Service Coverage requirement was greater than the required 1.1 to 1 as of June 30, 2024. The School agrees to have cash on hand at June 30, 2024 and each June 30 thereafter, until the bonds are no longer outstanding in an amount not less than 45 days of the cash on hand calculation. As of June 30, 2024, the calculated days cash on hand was below the 45 days limit at 15.0 days. The School is required to maintain enrollment at or above 736 FTE. As of June 30, 2024, FTE enrollment was 796. Finally, the School must obtain a school grade of "B" or better. For fiscal 2024, the School received a "B" or higher in all categories.

As such, the Trustee may hire a Management Consultant related to the days cash on hand noncompliance. In the event, the School may agree to consider any recommendations by the Management Consultant and, to the fullest extent practicable, to adopt and carry out such recommendations. In addition, the School will pay for all reasonable costs associated with such Management Consultant.

In addition, the Management Agreement payments are subordinate to the bond if the payment would cause a failure of the School to satisfy the cash on hand requirement or the Debt service coverage ratio.

The School's revenues are pledged under this bond issuance up to the remaining balance as of June 30, 2024. In the event of default, the maturity date can be accelerated and/or the underlying collateral may be subject to foreclosure.

Annual requirements to amortize all bonded debt outstanding as of June 30, 2024, are as follows:

<i>For the years ending June 30,</i>	Principal	Interest	Total
2025	\$ 315,000	\$ 1,545,751	\$ 1,860,751
2026	335,000	1,524,188	1,859,188
2027	360,000	1,501,226	1,861,226
2028	365,000	1,476,551	1,841,551
2029	390,000	1,453,775	1,843,775
2030-2034	2,350,000	6,871,720	9,221,720
2035-2039	3,180,000	6,041,469	9,221,469
2040-2044	4,295,000	4,918,345	9,213,345
2045-2049	5,825,000	3,398,046	9,223,046
2050-2054	5,755,000	1,403,494	7,158,494
2055-2056	1,495,000	141,331	1,636,331
Less: unamortized bond discount	(1,113,308)	-	(1,113,308)
Total	\$ 23,551,692	\$ 30,275,896	\$ 53,827,588

Pineapple Cove Classical Academy at West Melbourne, Inc.
Notes to Financial Statements

Note 7: LONG-TERM LIABILITIES (Continued)

The following is a summary of changes in long-term liabilities:

	Balance, July 1, 2023	Additions	Deletions	Balance, June 30, 2024	Due in one year
<i>Revenue Bonds:</i>					
Series 2018A	\$ 13,470,000	\$ -	\$ (40,000)	\$ 13,430,000	\$ 190,000
Series 2018B	135,000	-	(135,000)	-	-
Series 2021A	6,800,000	-	-	6,800,000	-
Series 2021B	4,030,000	-	-	4,030,000	-
Series 2021C	405,000	-	-	405,000	125,000
<i>Total revenue bonds</i>	<u>24,840,000</u>	<u>-</u>	<u>(175,000)</u>	<u>24,665,000</u>	<u>315,000</u>
<i>Unamortized bond discount:</i>					
Series 2018A	(641,882)	-	21,747	(620,135)	(21,747)
Series 2018B	(19,974)	-	18,581	(1,393)	-
Series 2021A	(318,138)	-	9,357	(308,781)	(9,357)
Series 2021B	(188,544)	-	5,545	(182,999)	(5,545)
<i>Total unamortized bond discount</i>	<u>(1,168,538)</u>	<u>-</u>	<u>55,230</u>	<u>(1,113,308)</u>	<u>(36,649)</u>
<i>Total long-term debt</i>	<u>\$ 23,671,462</u>	<u>\$ -</u>	<u>\$ (119,770)</u>	<u>\$ 23,551,692</u>	<u>\$ 278,351</u>

Lease Liabilities

The School held or entered into leases for various computer equipment and copiers for use in classrooms. The leases are noncancellable, with terms ranging from thirty-three to sixty-three months. The leases have nonrenewal clauses and computers and copiers revert to the lessor at the end of the lease. The interest rates on the leases ranged from 1.635% to 9.761% which were used to discount the annual lease payments to recognize the intangible right to use asset and lease liabilities upon adoption of GASB 87. For the year ended June 30, 2024, interest expense related to the leases totaled \$9,591.

Annual requirements to amortize the lease liability and related interest are as follows:

Years	Principal	Interest	Total
2025	\$ 62,488	\$ 6,046	\$ 68,534
2026	53,142	13,819	66,961
2027	17,279	5,367	22,646
2028	12,383	251	12,634
	<u>\$ 145,292</u>	<u>\$ 25,483</u>	<u>\$ 170,775</u>

Pineapple Cove Classical Academy at West Melbourne, Inc.
Notes to Financial Statements

Note 7: LONG-TERM LIABILITIES (Continued)

Lease Liabilities (continued)

Changes in long term lease liabilities during the year are as follows:

	Balance, July 1, 2023	Additions	Deletions	Balance, June 30, 2024	Due in one year
Copiers	\$ 23,751	\$ 61,381	\$ (18,461)	\$ 66,671	\$ 19,436
Laptops	19,654	50,925	(31,986)	38,593	18,492
Playground	-	62,313	(22,285)	40,028	24,560
Total long-term debt	\$ 43,405	\$ 174,619	\$ (72,732)	\$ 145,292	\$ 62,488

Note 8: CONTINGENCIES AND CONCENTRATIONS

The School receives substantially all of its funding from the State through the District under the FEFP, which is based in part on a computation of the number of FTE students attending different instructional programs. The accuracy of FTE student data submitted by individual schools and used in the FEFP computations is subject to audit by the state and, if found to be in error, could result in refunds to the state or in decreases to future funding allocations. Additionally, the School participates in a number of federal, state and local grants which are subject to financial and compliance audits.

It is the opinion of management that the amount of revenue, if any, which may be remitted back to the state due to errors in the FTE student data or the amount of grant expenditures which may be disallowed by grantor agencies would not be material to the financial position of the School.

Note 9: RISK MANAGEMENT

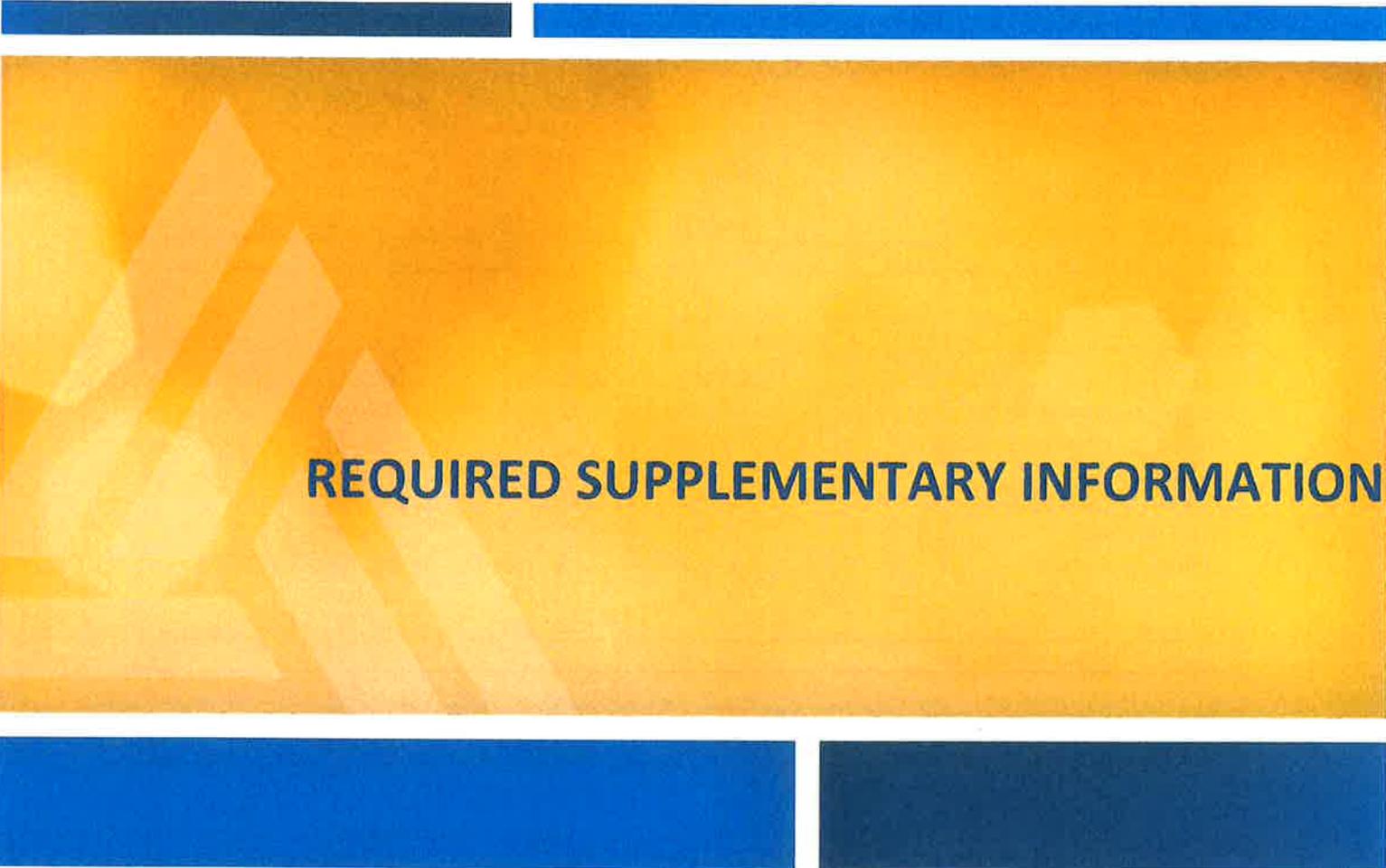
The School is exposed to various risks of loss related to torts; thefts of, damage to and destruction of assets; administrative errors and omissions; personal injury; workers compensation and natural disasters for which the School carries commercial insurance. Settlement amounts have not exceeded insurance coverage in any of the past three fiscal years. In addition, there were no reductions in insurance coverage from those in the prior year.

The School has entered into a strategic relationship with Paychex Business Solutions, LLC, a human resource management firm, typically known as "Professional Employer Organization" (PEO). Under a co-employment agreement, the PEO is the employer of record and is responsible for administering payroll, payroll taxes, provide employee benefits and assist with human resource management. Accordingly, certain human resource related risks are transferred to the PEO. Nevertheless, the School may be subject to risks, including loss, penalties and fines related to employment practices, administrative error and omissions.

Pineapple Cove Classical Academy at West Melbourne, Inc.
Notes to Financial Statements

Note 10: DEFINED CONTRIBUTION RETIREMENT PLAN

The School's personnel, which are leased through Paychex Business Solutions, LLC, are eligible to participate in a defined contribution 401 (k) sponsored by leasing company, covering employees who meet certain age and tenure requirements. Under the Paychex Retirement Services Plan (the "Plan"), the School matches 100% of the employee's contribution up to 3% of the employee's compensation. The School contributed to the Plan \$103,753 for the year ended June 30, 2024. The School does not exercise any control or fiduciary responsibility over the Plans' assets, which are administered by Mid-Atlantic Trust Company.



REQUIRED SUPPLEMENTARY INFORMATION

Pineapple Cove Classical Academy at West Melbourne, Inc.
Budgetary Comparison Schedule – General Fund

<i>For the year ended June 30, 2024</i>	General Fund			
	Original Budget	Final Budget	Actual	Variance
Revenues				
State passed through local	\$ 6,906,375	\$ 6,488,846	\$ 6,488,846	\$ -
Federal sources	-	14,633	14,633	-
Local sources	825,960	809,440	809,440	-
Charges for services	283,876	649,324	649,324	-
Other revenues	185,000	12,158	12,158	-
Total revenues	8,201,211	7,974,401	7,974,401	-
Expenditures				
Current				
Instruction	3,804,399	4,172,511	4,172,511	-
Student support services	278,734	226,784	226,784	-
Instruction related technology	120,540	24,227	24,227	-
Board	830,189	687,582	687,582	-
School administration	703,824	962,790	962,790	-
Fiscal services	16,000	16,000	16,000	-
Operation of plant	699,903	751,764	751,764	-
Community services	146,575	432,118	432,118	-
Capital outlay	-	184,221	184,221	-
Total current expenditures	6,600,164	7,457,997	7,457,997	-
Excess of revenues over current expenditures	1,601,047	516,404	516,404	-
Other financing sources (uses)				
Leases	-	174,619	174,619	-
Transfers in (out)	(397,634)	(591,614)	(591,614)	-
Total other financing sources (uses)	(397,634)	(416,995)	(416,995)	-
Net change in fund balance	1,203,413	99,409	99,409	-
Fund balance at beginning of year	752,556	752,556	752,556	-
Fund balance at end of year	\$ 1,955,969	\$ 851,965	\$ 851,965	\$ -

See Independent Auditor's Report.

Pineapple Cove Classical Academy at West Melbourne, Inc.
Budgetary Comparison Schedule – Special Revenue Fund

<i>For the year ended June 30, 2024</i>	Special Revenue Fund			
	Original Budget	Final Budget	Actual	Variance
Revenues				
Federal sources	\$ 1,506,996	\$ 823,972	\$ 823,972	\$ -
Charges for services	345,600	361,097	361,097	-
Total revenues	1,852,596	1,185,069	1,185,069	-
Expenditures				
Current				
Instruction	767,346	375,677	375,677	-
Student support services	167,155	75,243	75,243	-
Instruction related technology	-	32,509	32,509	-
School administration	49,000	-	-	-
Food services	469,269	500,992	500,992	-
Operation of plant	306,744	113,347	113,347	-
Total current expenditures	1,759,514	1,097,768	1,097,768	-
Excess of revenues over current expenditures	93,082	87,301	87,301	-
Other financing sources (uses)				-
Transfers in (out)	(86,967)	(87,301)	(87,301)	-
Net change in fund balance	6,115	-	-	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	\$ 6,115	\$ -	\$ -	-

See Independent Auditor's Report.

Pineapple Cove Classical Academy at West Melbourne, Inc.
Schedule of Expenditures of Federal Awards
Year ended June 30, 2024

Federal Agency Pass-Through Entity Cluster Title/Program Title	Assistance Listing	Contract/ Grant Number	Expenditures	Noncash Assistance	Funds Provided to Subrecipients
FEDERAL					
U.S. DEPARTMENT OF EDUCATION					
Passed through Florida Department of Education/Brevard Public School District					
COVID-19 - Education Stabilization Fund - American Rescue Plan - Elementary and Secondary School Emergency Relief (ARP ESSER)	84.425U	N/A	697,258	\$ -	-
Passed through Florida Department of Education/Brevard Public School District					
Special Education Cluster (IDEA) - Special Education Grants to States	84.027	N/A	14,633	-	-
U.S. DEPARTMENT OF AGRICULTURE					
Passed through Florida Department of Agriculture and Consumer Services					
Child Nutrition Cluster - National School Lunch Program	10.555	N/A	126,713	-	-
Total expenditures of federal awards			\$ 838,604	\$ -	-

*See independent auditor's report and the notes
to schedule of expenditures of federal awards.*

Pineapple Cove Classical Academy at West Melbourne, Inc.
Notes to Schedule of Expenditures of Federal Awards
Year ended June 30, 2024

Note 1: BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Pineapple Cove Classical Academy at West Melbourne, Inc. (the "School"). The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Audits of States, Local Governments, and Non-Profit Organization*. Therefore, some amounts presented in this Schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

For purposes of the Schedule, federal awards include all grants, contracts, and similar agreements entered into directly with the federal, state government and other pass-through entities. The School has obtained Assistance Listing Numbers (ALN) to ensure that all programs have been identified in the Schedule.

Note 2: INDIRECT COST

The School has elected not to use the 10 percent *de minimis* indirect cost rate as allowed under the Uniform Guidance.

Note 3: RELATIONSHIP OF THE SCHEDULE TO PROGRAM FINANCIAL REPORTS

The amounts reflected in the financial reports submitted to the awarding federal, or local state agency and the Schedule may differ. Some of the factors that may account for any potential difference include the following:

- The School's fiscal year end may differ from the program's year end.
- Accruals recognized in the Schedule, because of year end procedures, may not be reported in the program financial reports until the next program reporting period.
- Capital asset purchases and the resulting depreciation charges are recognized as fixed assets in the School's financial statements and as an expenditure in the program financial reports.

Note 4: BASIS OF ACCOUNTING

The Schedule was prepared on the modified accrual basis of accounting. The modified accrual basis differs from the full accrual basis of accounting as expenditures for capital assets are expensed when incurred rather than capitalized and depreciated over their useful lives.

Pineapple Cove Classical Academy at West Melbourne, Inc.
Notes to Schedule of Expenditures of Federal Awards
Year ended June 30, 2024

Note 5: CONTINGENCIES

Grant monies received and disbursed by the School are subject to review by the grantor agencies. Such audits may result in requests for reimbursement due to disallowed expenditures. Based upon prior experience, the School does not believe that such disallowance, if any, would have a material effect on the financial position of the School. As of June 30, 2024, there were no material questioned or disallowed costs as a result of grant audits in process or completed.

Note 6: NONCASH ASSISTANCE

The School did not receive any noncash assistance during the fiscal year ended June 30, 2024.

Note 7: FEDERALLY FUNDED INSURANCE

The School did not receive federally funded insurance during the fiscal year ended June 30, 2024.

Note 8: FEDERALLY FUNDED LOANS

The School has no federally funded loans as of June 30, 2024. No funds were expended in the form of loan or loan guarantees during the fiscal year ended June 30, 2024.



OTHER REPORTS

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED
ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Directors
Pineapple Cove Classical Academy at West Melbourne, Inc.
West Melbourne, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of Pineapple Cove Classical Academy at West Melbourne, Inc. (the "School") as of, and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the School's basic financial statements and have issued our report thereon dated September 26, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and which are described in the accompanying management letter as item ML-2024-01.

We issued a separate management letter pursuant to Chapter 10.850, Rules of the Auditor General dated September 26, 2024.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Car, Riggs & Ingram, L.L.C.

Tallahassee, Florida
September 26, 2024

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Directors of
Pineapple Cove Classical Academy at West Melbourne, Inc.
West Melbourne, Florida

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Pineapple Cove Classical Academy at West Melbourne, Inc.'s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on Pineapple Cove Classical Academy at West Melbourne, Inc.'s major federal program for the year ended June 30, 2024. Pineapple Cove Classical Academy at West Melbourne, Inc.'s major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Pineapple Cove Classical Academy at West Melbourne, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Pineapple Cove Classical Academy at West Melbourne, Inc. and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program and major state project. Our audit does not provide a legal determination of Pineapple Cove Classical Academy at West Melbourne, Inc.'s compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Pineapple Cove Classical Academy at West Melbourne, Inc.'s federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Pineapple Cove Classical Academy at West Melbourne, Inc.'s compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards* and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Pineapple Cove Classical Academy at West Melbourne, Inc.'s compliance with the requirements of the major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards* and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Pineapple Cove Classical Academy at West Melbourne, Inc.'s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Pineapple Cove Classical Academy at West Melbourne, Inc.'s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Pineapple Cove Classical Academy at West Melbourne, Inc.'s internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Tallahassee, Florida
September 26, 2024

Pineapple Cove Classical Academy at West Melbourne, Inc.
Schedule of Findings and Questioned Costs
Year ended June 30, 2024

SECTION I – SUMMARY OF AUDITOR’S RESULTS

Financial Statements:

- | | |
|--|------------|
| 1. Type of auditor’s report issued | Unmodified |
| 2. Internal control over financial reporting: | |
| a. Material weaknesses identified? | No |
| b. Significant deficiencies identified not considered to be material weaknesses? | None noted |
| c. Noncompliance material to the financial statements noted? | No |

Federal Awards:

- | | |
|--|------------|
| 1. Type of auditor’s report issued on compliance for major program | Unmodified |
| 2. Internal control over major program: | |
| a. Material weaknesses identified? | No |
| b. Significant deficiencies identified not considered to be material weaknesses? | None noted |
| 3. Any audit findings disclosed that are required to be reported in accordance with 2CFR section 200.516(a)? | None noted |

4. Identification of major programs:

<u>ALN</u>	<u>Federal Program</u>
84.425U	COVID-19 - Education Stabilization Fund - American Rescue Plan- Elementary and Secondary School Emergency Relief (ARP ESSER)

- | | |
|---|-----------|
| 5. Dollar threshold used to distinguish between type A and type B projects: | \$750,000 |
| 6. Auditee qualified as low-risk auditee under 2 CFR 200.520? | No |

Pineapple Cove Classical Academy at West Melbourne, Inc.
Schedule of Findings and Questioned Costs
Year ended June 30, 2024

SECTION II – FINANCIAL STATEMENT FINDINGS

None noted.

SECTION III – FEDERAL AWARD AND STATE FINANCIAL ASSISTANCE FINDINGS

None noted.

SECTION IV – SUMMARY OF PRIOR YEAR AUDIT FINDINGS

None noted.



**MANAGEMENT LETTER AND
INTERNAL CONTROL RECOMMENDATIONS**

Management Letter as Required by Section 218.39(4) Florida Statutes

To the Board of Directors of
Pineapple Cove Classical Academy at West Melbourne, Inc.
West Melbourne, Florida

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of Pineapple Cove Classical Academy at West Melbourne, Inc., West Melbourne, Florida, as of and for the year ended June 30, 2024 and have issued our report thereon dated September 26, 2024.

AUDITOR'S RESPONSIBILITY

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance); and Chapter 10.850, Rules of the Auditor General.

OTHER REPORTING REQUIREMENTS

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*, Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance; and Schedule of Findings and Questioned Costs. Disclosures in those reports and schedules, which are dated September 26, 2024, should be considered in conjunction with this management letter.

PRIOR AUDIT FINDINGS

Section 10.854(1)(e)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. Corrective actions have been taken to address findings and recommendation made in the preceding financial audit report, except for the following:

Tabulation of Uncorrected Audit Findings		
Current Year Finding No.	2022-2023 FY Finding No.	2021-22 FY Finding No.
ML-2024-01	ML-2023-01	None reported.

OFFICIAL TITLE

Section 10.854(1)(e)5., Rules of the Auditor General, requires the name or official title of the entity and the school code assigned by the Florida Department of Education be disclosed in this management letter. The official title and school code assigned by the Florida Department of Education of the entity is Pineapple Cove Classical Academy at West Melbourne, Inc., 05-6543.

Management Letter as Required by Section 218.39(4) Florida Statutes

FINANCIAL CONDITION AND MANAGEMENT

Sections 10.854(1)(e)2 and 10.855(11), Rules of the Auditor General, require us to apply appropriate procedures and communicate whether or not Pineapple Cove Classical Academy at West Melbourne, Inc. has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identify the specific condition(s) met. In connection with our audit, we determined that Pineapple Cove Classical Academy at West Melbourne, Inc. did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.854(1)(e)6.a and 10.855(12), Rules of the Auditor General, we applied financial condition assessment procedures for Pineapple Cove Classical Academy at West Melbourne, Inc. It is management's responsibility to monitor Pineapple Cove Classical Academy at West Melbourne, Inc.'s financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Section 10.854(1)(e)3., Rules of the Auditor General, requires that we communicate any recommendation to improve financial management. In connection with our audit, we have the recommendations which are described in the accompanying appendix to the management letter as item ML-2024-01.

Transparency

Sections 10.854(1)(e)7 and 10.855(13), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether Pineapple Cove Classical Academy at West Melbourne, Inc. maintains on its Web site the information specified in Section 1002.33(9)(p), Florida Statutes. In connection with our audit, we determined that Pineapple Cove Classical Academy at West Melbourne, Inc. maintained on its Web site the information specified in Section 1002.33(9)(p), Florida Statutes.

Additional Matters

Section 10.854(1)(e)4., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we do not have any such recommendations.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and Florida House of Representatives, the Florida Auditor General, the District School Board of Brevard County, Federal and other granting agencies, the Board of Directors, and applicable management and is not intended to be and should not be used by anyone other than these specified parties.

Cary Riggs & Ingram, L.L.C.

Tallahassee, Florida
September 26, 2024

**Appendix to Management Letter
Current Year's Observations, Recommendations, and
Management's Responses
June 30, 2024**

CURRENT YEAR FINDINGS AND RECOMMENDATIONS:

BOND COVENANT NONCOMPLIANCE – 2024-01

CRITERIA: The School's Revenue Bonds, include covenants for debt service coverage ratio (DSCR) and days cash on hand (DCOH) as described in the Loan Agreement. The School agrees to have cash on hand at June 30, 2024 and each June 30 thereafter, until the bonds are no longer outstanding in an amount not less than 45 days of the cash on hand calculation.

CONDITION: As of June 30, 2024, the calculated days cash on hand was below the 45-day limit at 15.0 days.

CAUSE: The condition results from management not monitoring the covenant calculation throughout the fiscal year.

EFFECT: Further noncompliance with the covenant may have an adverse effect on the School's financial position.

RECOMMENDATION: We recommend management and the Board include cash flow projections in the annual budget to meet the covenant requirements and obtain clarification from the bondholder regarding the correct calculation for the Days Cash on Hand covenant.

VIEWS OF RESPONSIBLE OFFICIALS: The School has and does monitor the DCOH and DSCR calculations. The calculation in March of 2024 was 1.1 to 1.0 and 135-days cash on hand, representing a significant excess in the requirement, using a calculation method we have used since the school's inception to determine cash on hand, which excluded interest from operating expenses in the calculation. The calculation presented in this audit does include interest from operating expenses. Additionally, the school had the following receivables come in after June 30, 2024 that were expended in fiscal year 2024:

ESSER	\$50,954
Sales Surtax	149,818
Capital Outlay	<u>38,935</u>
Total	<u>\$238,707</u>

Finally, the School is still awaiting ERTC tax credits. The original filing was approximately \$212,000 and the Taxpayer Advocacy Services engaged to monitor the credit estimates interest charges due will bring the total to over \$300,000.

**Capital Trust Authority
Educational Facilities Revenue Bonds
(Pineapple Cove Classical Academy at West Melbourne, Inc. Project)
Series 2025 Bonds**

Distribution List as of June 17, 2025

Name	Contact	Phone	E-mail
ISSUER			
Capital Trust Authority 315 Fairpoint Drive Gulf Breeze, FL 32561	Denis McKinnon	(850) 934-4046	dmckinnon@muniad.com
	Mark Jackson		mjjackson@muniad.com
BORROWER			
Pineapple Cove Classical Academy at West Melbourne 3455 Norfolk Parkway West Melbourne, FL 32904	Dr. Kelly Gunter	(321) 863-4135	gunterk@pineapplecoveclassicalacademy.com
DEVELOPER			
JAC Development 4125 Minton Rd West Melbourne, FL 32904	John Moran	(321) 890-6050	moranj@pineapplecoveclassicalacademy.com
FINANCIAL ADVISOR			
FTG Advisors, LLC PO Box 4725 Scottsdale, AZ 85261	Irene Carroll	(602) 684-3184	icarroll@ftgadvisorsllc.com
	Liz Sweeney	(201) 424-0640	liz@nutshellassociates.com
BORROWER'S COUNSEL			
Arnold Law Firm 3840 Crown Point Road, Suite B Jacksonville, FL 32257	Melissa Gross-Arnold	(904) 731-3800	melissa@arnoldlawfirmllc.com
	Katie Sevier	(904) 731-3800	ksevier@arnoldlawfirmllc.com
	Braxton Padgett	(904) 731-3800	braxton@arnoldlawfirmllc.com
	Matthew Durden	(904) 731-3800	matthew@arnoldlawfirmllc.com
BOND / ISSUER COUNSEL			
Bryant Miller Olive, P.A. 400 N Tampa St. Suite 1600 Tampa, FL 33602	Kareem J. Spratling	(813) 273-6677	kspratling@bمولaw.com
	Krista Hall	(813) 273-6677	khall@bمولaw.com
	25 West Cedar Street, Ste.211 Pensacola, FL 32502	Jackie B. Bell	(904) 652-0788
TITLE AGENT			
Bryant Miller Olive, P.A. 1545 Raymond Diehl Rd, Suite 300 Tallahassee, FL 32308	KaCee Johnson Lackey	(850) 222-8611	klackey@bمولaw.com
	Mark Johnson	(850) 222-8611	mjohnson@bمولaw.com
	Rebecca Vause	(850) 222-8611	rvause@bمولaw.com



**Capital Trust Authority
Educational Facilities Revenue Bonds
(Pineapple Cove Classical Academy at West Melbourne, Inc. Project)
Series 2025 Bonds**

Distribution List as of June 17, 2025

Name	Contact	Phone	E-mail
UW / PLACEMENT AGENT			
Raymond James 1001 Liberty Avenue, 6 th Floor Pittsburgh, PA 15222	Jason Appelt	(412) 298-9149	Jason.appelt@raymondjames.com
	Elliot Gorski	(901) 579-4421	elliot.gorski@raymondjames.com
	Nathaniel Pride	(901) 524-4127	nathaniel.pride@raymondjames.com
UW / PLACEMENT AGENT COUNSEL			
Ice Miller 250 West Street, Suite 700 Columbus, OH 43215	Ben Kitto	(614) 462-1056	ben.kitto@icemiller.com
	Brian Magorien	(614) 462-1099	Brian.magorien@icemiller.com
	Victoria K. White	(614) 462-2293	Victoria.white@icemiller.com
BONDHOLDER REPRESENTATIVE			
Rosemawr Management LLC 1674 Meridian Avenue, Suite 420 Miami Beach, FL 33139	Seth Klempner	(734) 657-7271	sklempner@rosemawr.com
TRUSTEE			
Wilmington Trust 99 Wood Avenue South, 10 th Floor Iselin, NJ 08830	TBD		
TRUSTEE COUNSEL			
TBD	TBD		

E-MAIL LIST:

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 Brian.magorien@icemiller.com
 Victoria.white@icemiller.com
 sklempner@rosemawr.com

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Exhibit 6: A complete listing of consultants currently under contract with the Applicant. Include legal professionals, underwriter(s), financial advisors, CPA's, etc. Include for each firm the name of individual, name of firm, role and location of office assigned to the financing. A proposed distribution list of the financing team will suffice and is preferred.

CTA is included and will be notified upon first circulation of the distribution list for this transaction.

Exhibit 7: Any background information helpful in showing the expertise or established record of success by the Applicant or representatives of the Applicant in operating the type of facility being purchased, financed, or refinanced. In addition to project principals, information and credentials of any management firms expected to operate the project should be included.

Please reference the Capital Trust Agency's Educational Facilities Revenue Bonds (Pineapple Cove Classical Academy at West Melbourne, Inc. Project), Series 2021ABC for information regarding the record of success by the School's manager. The School will be using the same manager (Classical Education Management LLC) for this transaction as these bonds will be issued on parity with previously issued bonds. The Borrower contracts with the Manager for educational and administrative services, including personnel management, facility operation and maintenance, business administration, food service, coaching, and professional development, public relations, budgeting, and financial and other reporting.

Management Company Bios – As included in the 2021 Pineapple Cove Classical Academy at West Melbourne, Inc. Project OS

John Moran, since 2006, has led the PCA operations, including Pineapple Cove Academy, Inc., with a location in Palm Bay, Pineapple Cove Academy North Shore, Inc., with a location in West Melbourne, and Pineapple Cove Academy at Pebble Creek, LLC, with a location under construction in Suntree, which is in the central portion of the County. Mr. Moran holds a Bachelor of Science in Political Science from the New York Institute of Technology.

Kelly Gunter, Director of School Operations— Kelly Gunter is an employee of PCCA, Inc., including a shared salary agreement with the Manger. She handles many of the business tasks associated with the School, PCCA Palm Bay, and PCCA Lockmar, including the management of grants, ensuring district, state, and federal compliance, and mentoring School leadership. Ms. Gunter holds graduate certificates in exceptional student education and in professional writing from the University of Central Florida. Ms. Gunter also received a Master of Arts in Curriculum and Instruction from the University of Central Florida. Ms. Gunter also received a Master of Arts in Curriculum and Instruction from the University of Central Florida and Bachelor of Science in Family and Child Services from Royal Palm Charter School,

served in a variety of roles at Eastern Florida State College, and served as the principal of PCCA Palm Bay from 2015-16 through 2016-17.

Related educational statistics of the Pineapple Cove Classical Academy Network, all managed by the Manager, and included below.

Pineapple Cove Classical Academy Stats*							
Academic Letter Grades							
School	2024	2023	2022	2021	2019	2018	2017
Pineapple Cove Classical Academy at West Melbourne	A	A	A	A	B	N/A	N/A
Pineapple Cove Classical Academy at Lockmar	B	B	N/A	N/A	N/A	N/A	N/A
Pineapple Cove Classical Academy	A	A	B	A	A	A	A

Information drawn from Florida DOE

RESOLUTION NO. 24-25

A RESOLUTION OF THE CAPITAL TRUST AUTHORITY EXPRESSING ITS INTENT TO ISSUE CAPITAL TRUST AUTHORITY EDUCATIONAL FACILITIES REVENUE BONDS, IN ONE OR MORE SERIES OF TAX-EXEMPT QUALIFIED 501(C)(3) BONDS OR TAXABLE BONDS, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$26,000,000 FOR THE PURPOSE OF FINANCING OR REFINANCING, INCLUDING THROUGH REIMBURSEMENT, THE COSTS OF THE PROJECT DESCRIBED HEREIN, AND PAYING THE COSTS OF ISSUANCE OF THE BONDS; AND APPROVING AND AUTHORIZING OTHER ACTIONS IN CONNECTION THEREWITH.

WHEREAS, Pineapple Cove Classical Academy at West Melbourne, Inc., a Florida not for profit corporation, and/or one or more related and/or affiliated entities (collectively, the "Borrower"), and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), plans to finance or refinance certain educational facilities located in West Melbourne, Brevard County, Florida, as further described on Schedule I attached hereto (the "Host Jurisdiction"); and

WHEREAS, the Capital Trust Authority (the "Authority") is a legal entity duly created and a public agency duly organized and validly existing under the laws of the State of Florida (the "State") established for the purposes set forth under Section 163.01, Florida Statutes, Chapter 166, Part II, Florida Statutes, Chapter 617, Florida Statutes and Chapter 159, Florida Statutes, each as amended; Resolution No. 14-22, duly adopted by the City Council of the City of Gulf Breeze, Florida ("Gulf Breeze"), on June 6, 2022, as amended by Resolution No. 46-22, duly adopted by the City Council of Gulf Breeze on November 21, 2022; Ordinance Number 04-00, enacted by the City Council of Gulf Breeze on May 15, 2000, as amended and supplemented by Ordinance No. 05-01, and Ordinance No. 10-11, enacted by Gulf Breeze on May 7, 2001 and September 6, 2011, respectively; Resolution No. 1424-2022, duly adopted by the City Commission of the City of Quincy, Florida ("Quincy"), on May 24, 2022; the City Charter of Gulf Breeze; the City Charter of Quincy; the Interlocal Agreement dated as of June 6, 2022, between Gulf Breeze and Quincy, as may be amended and supplemented from time-to-time; with powers as a "local agency" under Chapter 159, Part II, Florida Statutes, and together with all of the home rule powers granted by the Constitution and laws of the State and all other applicable provisions of law (collectively, the "Act"), and is empowered pursuant to the Act to issue revenue bonds for the purpose of providing funds to finance or refinance, including through reimbursement, all or any part of the cost of any "project" (as defined in the Act); and

WHEREAS, the Borrower has requested the Authority issue its Educational Facilities Revenue Bonds in an aggregate principal amount not to exceed \$26,000,000 (the "Bonds") in one or more series of tax-exempt qualified 501(c)(3) bonds or taxable bonds, and loan the proceeds thereof to the Borrower for the purpose of (i) the construction, installation, improvement and equipping of and expansion to certain educational facilities, as further described on Schedule I attached hereto

(collectively, the "Expansion Facilities"); (ii) the funding of a debt service reserve fund for the Bonds, if deemed necessary or desirable; (iii) the funding of capitalized interest for the Bonds, if deemed necessary or desirable; (iv) the funding of an operating reserve fund for the Bonds, if deemed necessary or desirable; and (v) the payment of certain costs of issuing the Bonds (collectively, the "Project"); and

WHEREAS, subject to final approval of the Authority prior to such issuance, the Authority desires to issue the Bonds and desires to authorize certain officers to take certain actions in preparation for the marketing, sale and issuance of such Bonds; and

WHEREAS, it is the Authority's intent that this Resolution constitute an "official intent" within the meaning of Treasury Regulations Section 1.150-2 for the Authority to declare its intent to use proceeds of the Bonds to reimburse prior capital expenditures of the Borrower in connection with financing or refinancing of the Project.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BOARD OF THE AUTHORITY THAT:

Section 1. The Authority hereby expresses its intent to issue the Bonds in one or more series of tax-exempt qualified 501(c)(3) bonds or taxable bonds, in an aggregate principal amount not to exceed \$26,000,000 under and pursuant to the Act, and to loan the proceeds thereof to the Borrower for the purpose of financing or refinancing, including through reimbursement, the Project, subject to the final approval of the terms and conditions thereof by the Authority.

Section 2. The officers, officials, the executive director of the Authority ("Executive Director"), and Bryant Miller Olive P.A., as bond counsel to the Authority ("Bond Counsel"), and as counsel for the Authority ("Issuer's Counsel"), are hereby authorized, jointly and severally, to cooperate with the Borrower in obtaining the required approval of the Bonds by or on behalf of the applicable elected representative of the Host Jurisdiction in which the Expansion Facilities are located, after notice and a public hearing for the purposes of Section 147(f) of the Code. The Executive Director or his designee is hereby approved as the hearing officer for hearings held on behalf of the Authority, the Governor of the State, as an applicable elected representative of the Host Jurisdiction.

Section 3. The Bonds shall be placed or sold at a negotiated sale by or to Raymond James & Associates, Inc., or such other purchaser or underwriter selected by the Borrower and approved by the Authority as purchaser or underwriter with respect to the Bonds (the "Underwriter"). There is hereby acknowledged at the appropriate time, if necessary, the distribution of a preliminary offering document to potential purchasers of the Bonds, upon approval of the information attributable to the Authority in the form thereof by the Chair, the Executive Director or each of their designees. If the Borrower and the Underwriter desire to distribute a preliminary offering document prior to the adoption of a final bond resolution by the Authority, the Chair, the Executive Director or each of their designees are hereby authorized and empowered, on behalf of the Authority, to

authorize the inclusion of one or more additional co-managing underwriters in the preliminary offering document.

Section 4. The officers, officials, attorneys and agents of the Authority are hereby authorized and directed, jointly and severally, to take such actions as they may deem necessary or advisable to assist in the marketing, sale, issuance and administration of the Bonds and otherwise effectuate the purposes of this Resolution. All actions heretofore taken by the officers of the Authority for such purposes are hereby confirmed and ratified.

Section 5. Nothing herein shall obligate the Authority to issue the Bonds if, at any time prior to the sale thereof by the Authority to the Underwriter, the Authority shall determine that it is not in the public interest or the interest of the Authority to proceed with the issuance of the Bonds for any reason whatsoever, including, without limitation, the marketing plan for the sale of the Bonds to investors.

Section 6. It is the intention of the Authority to issue the Bonds pursuant to the Act to create a financing program to make loans to assist in financing or refinancing, including through reimbursement, projects meeting the criteria set forth in the Act, which loans shall mature not later than the final maturity of the applicable series of the Bonds. The amounts to be held in any reserve fund, any loan fund, amounts to be received from the repayment of principal of and interest on the loans, the income to be derived from the investment thereof and any other available moneys under the financing program for the Project are expected to be sufficient to pay the debt service on the Bonds.

Section 7. The Executive Director of the Authority is hereby authorized to execute the Authority's letter or letters addressed to the Borrower in substantially the form attached to this Resolution as Exhibit A, which by this reference thereto, is incorporated herein, with such changes therein, whether made prior to the execution thereof or thereafter, as shall be approved from time to time by the Executive Director on behalf of the Authority.

Section 8. The Authority hereby authorizes Bond Counsel, Issuer's Counsel and any other attorneys for the Authority to take all necessary action to validate the Bonds under Chapter 75, Florida Statutes, if such action shall be deemed necessary or appropriate by such counsel. The appropriate officials of the Authority are hereby authorized to provide such assistance, take such action, and execute and deliver on behalf of the Authority such documents or instruments as may be necessary or required in connection with any validation of the Bonds or satisfaction of any conditions therefor. Notwithstanding the foregoing, the Authority acknowledges that it has validated bonds for qualifying purposes, and a portion of such validated bonds may be allocated to the Bonds.

Section 9. This Resolution shall take effect immediately upon its adoption.

Adopted on June 24, 2025.

CAPITAL TRUST AUTHORITY

By: _____
Its: Chair

ATTEST:

By: _____
Its: Secretary

CERTIFICATE OF SECRETARY

I, Christy Larkins, Secretary of the Capital Trust Authority, Santa Rosa County, Florida, do hereby certify that the above and foregoing is a true and correct copy of Resolution No. 24-25 and its supporting exhibit and schedule as the same was duly adopted and passed at a public meeting of the Board of Directors of the Capital Trust Authority on the 24th day of June, 2025, and as the same appears on record in my office.

IN WITNESS WHEREOF, I hereunto set my hand this ___ day of June, 2025.

CAPITAL TRUST AUTHORITY

By: _____
Its: Secretary

EXHIBIT A

FORM OF LETTER

[CTA Letterhead]

June 24, 2025

Pineapple Cove Classical Academy
at West Melbourne, Inc.
3455 Norfolk Pkwy.
West Melbourne, FL 32904

Re: Proposed (i) construction, installation, improvement and equipping of the Expansion Facilities (as defined and described in the hereinafter defined Inducement Resolution); (ii) the funding of a debt service reserve fund for the Bonds, if deemed necessary or desirable; (iii) the funding of capitalized interest for the Bonds, if deemed necessary or desirable; (iv) the funding of an operating reserve fund for the Bonds, if deemed necessary or desirable; and (v) the payment of certain costs of issuing the Bonds (collectively, the "Project"), with revenue bonds issued by the Authority (as herein defined).

Ladies and Gentlemen:

Based upon recent discussions with representatives of the Borrower (as defined in the hereinafter defined Inducement Resolution), it is the understanding of the officials and representatives of the Capital Trust Authority (the "Authority"), that the Borrower is currently undertaking (i) the construction, installation, improvement and equipping of the Expansion Facilities (all as more fully described on Schedule I to Resolution No. 24-25 adopted by the Authority on June 24, 2025 (the "Inducement Resolution")), a portion of the cost of which will be financed or refinanced, including through reimbursement, with revenue bonds of the Authority in an aggregate principal amount not to exceed \$26,000,000 (the "Bonds"); (ii) the construction, installation, improvement and equipping of the Expansion Facilities will provide for or enhance the ability to provide educational facilities within the meaning of the Act (as defined in the Inducement Resolution), advance the public purposes of the Act, improve education and provide or preserve employment in the community where the Expansion Facilities are located; and (iii) the willingness of the Authority to issue and sell the Bonds for the purpose of financing or refinancing, including through reimbursement, the Project are important factors under consideration by the Borrower in determining the extent of the feasibility of the Project.

The Authority has determined that the Authority's issuance of the Bonds to assist the Borrower by financing or refinancing, including through reimbursement, such Project will

promote the public purposes for which the Authority was created, will enable the Borrower to serve a public purpose by providing a needed educational facility and increasing the bargaining power of the Borrower to obtain favorable financing for its educational programs, and will promote and advance the economic prosperity, education and the general welfare of the State of Florida (the "State") and its people. Neither this letter nor the Inducement Resolution constitutes final authorization to issue the Bonds. Final approval will be in the form of an authorizing resolution that must be approved upon receipt of the finalized plan of finance and substantially complete bond and offering documents acceptable to the Authority.

Accordingly, in order to induce the Borrower to incur expenses for the initiation of such Project and its financing or refinancing, the Authority hereby makes the following proposal:

1. The Authority will, subject to the requirements of applicable law and financial feasibility, issue the Bonds in one or more series or installments of tax-exempt qualified 501(c)(3) bonds and/or taxable bonds, totaling in the aggregate principal amount a sum not to exceed \$26,000,000 for the purpose of paying, financing or refinancing the cost of the Project. The Bonds will be secured by the source of security provided for in the financing documents for the Bonds and will be issued in one or more series of tax-exempt qualified 501(c)(3) bonds and/or taxable bonds, in such aggregate principal amount, mature at such times, bear interest at such rates and be subject to such other terms and have such security as shall be agreed upon between the Authority and the Borrower.

2. The Authority and the Borrower will enter one or more loan agreements (collectively, the "Agreement") which shall provide for the loan of the proceeds from the sale of the Bonds to the Borrower, for the financing or refinancing of the Project (including eligible reimbursement to the Borrower for costs of the Project incurred prior to the delivery of the Agreement) and repayment of such loan by the Borrower. The installment payments to be made by the Borrower in repayment of the loan pursuant to the Agreement shall be pledged to the payment of the principal of, interest on and redemption premium, if any, applicable to the Bonds and the fees and expenses of the trustee. The loan installments shall be fully sufficient to pay the cost of the Project, the cost and expenses of financing or refinancing the same and the fees and expenses of the Borrower, the trustee and the Authority related thereto.

3. The Authority will cooperate in the prompt preparation of the Agreement and the necessary resolutions for the authorization and sale of the Bonds and, to the extent the Bonds are not allocated to any series of Bonds already validated, will promptly proceed with validation of the Bonds in the appropriate Circuit Court, pursuant to the provisions of Chapter 75, Florida Statutes, if, in the opinion of bond counsel for the Authority or the Authority's attorneys, such validation proceedings are necessary or desirable.

4. Upon delivery of the Bonds, the provisions of this proposal and the agreement resulting from its acceptance by the Borrower shall have no further effect, and in the event of any inconsistency between the terms of this proposal and the terms of the Agreement in the form in

which it shall be finally approved by resolution of the Authority, the provisions of the Agreement as so approved shall control.

5. Upon acceptance by the Borrower, the Authority shall keep open and outstanding this commitment and inducement to the Borrower for a reasonable time so long as the Borrower shall be proceeding with appropriate efforts toward conclusion of any arrangements necessary to the financing or refinancing, including through reimbursement, of the Project; provided, however, if for any reason (other than that which shall be the fault of the Authority) the Bonds are not delivered to the purchaser or purchasers thereof before June 1, 2026, then the provisions of this proposal and the agreement resulting from its acceptance by the Borrower may be cancelled at any time thereafter, at the option of the Authority and without notice to the Borrower, by resolution of the Authority, duly adopted. In such event, or in the event of its earlier cancellation by agreement between the Borrower and the Authority, neither party shall have any rights against the other and no third party shall have any rights against either party except:

(a) the Borrower will pay to the Authority the amount of all expenses which shall have been incurred by the Authority in connection with the Project (expenses incurred related to travel to project sites and TEFRA hearings will be invoiced monthly for payment upon receipt);

(b) the Borrower will assume and be responsible for all contracts entered into by the Authority at the request of the Borrower in connection with the Project; and

(c) the Borrower will pay the out-of-pocket expenses of officials and representatives of the Authority incurred in connection with the financing or refinancing of the Project and will pay Bryant Miller Olive P.A., as bond counsel and counsel to the Authority, a reasonable retainer and legal fees for legal services related to the issuance of the Bonds or the financing or refinancing of the Project, whether or not the financing or refinancing actually closes.

6. The Borrower shall have the responsibility to arrange for the purchase of the Bonds by investors or an underwriter acceptable to the Authority and the payment of all costs of issuing the Bonds, and such Bonds shall only be offered and marketed in accordance with the applicable securities laws and such offering limitations as may be approved by the Authority.

7. The Authority shall not be obligated to pay any of the Bonds or the interest thereon from any funds of the Authority derived from any source other than the Agreement, and each Bond shall contain a statement to that effect upon its face. The Authority shall not be required to incur any expense with respect to the Project or the Bonds unless requested to do so by the Borrower, in which event the Borrower hereby agrees to reimburse the full amount of such expense to the Authority, and the Authority may require payment to it of such amount as a prerequisite to its incurring any such expense. The Borrower, in accepting this proposal, hereby agrees to pay the annual fees of the Authority and agrees to indemnify and defend the Authority and its officials, employees, attorneys and agents and the members of the governing board of the

Authority, and hold the Authority and its officials, employees, attorneys and agents and the members of the governing board of the Authority, harmless against any and all claims, losses, liabilities or damages to property or any injury or death of any person or persons occurring in connection with the construction, installation, improvement, equipping and the operation of the Expansion Facilities and the financing or refinancing of the Project by or on behalf of the Borrower, or in any way growing out of or resulting from this proposal (upon its becoming an agreement if accepted) or from the issuance, sale or delivery of the Bonds, including, but not limited to, all forms of negligence by the Authority and any and all liabilities arising under the Code, the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended, or any applicable securities law of the State, including, without limitation, all costs and expenses of the Authority, including reasonable attorneys' fees, incurred in the enforcement of any agreement of the Borrower herein contained or in the Agreement. Any provision hereof to the contrary notwithstanding, the obligations of the Borrower under this section or Section 8 hereof shall survive the termination of this agreement.

8. The Borrower shall comply with all requirements and pay all costs and expenses as may be required of the Borrower or the Authority pursuant to all applicable approvals by, or any interlocal agreements between, the Authority and any applicable public agencies having jurisdiction over the Expansion Facilities.

9. As a condition of any future submittal to the Authority for an authorizing resolution to issue the Bonds, substantially final documents must be delivered to the Authority fourteen (14) calendar days before a scheduled board meeting date. When applicable, the Authority will require a feasibility study, sources and uses of funds, historical financial statements, and pro forma statements in addition to the indenture, loan or financing agreement and preliminary offering document, if applicable, in substantially completed forms.

If this proposal shall be satisfactory to the Borrower, please have the acceptance statement which follows this proposal executed by the proper officers of the Borrower on behalf of itself duly authorized and provide an executed copy to the Authority, whereupon this proposal will constitute an agreement in principle with respect to the matters herein contained.

Yours very truly,

CAPITAL TRUST AUTHORITY

By: _____
Denis A. McKinnon, III
Executive Director

[Acceptance by Borrower Follows]

Acceptance by Borrower

The terms and conditions contained in the foregoing proposal by the governing board of the Authority are hereby accepted as obligations of the Borrower, as of this 24th day of June 2025.

**PINEAPPLE COVE CLASSICAL ACADEMY AT
WEST MELBOURNE, INC.**

By: _____

Name: _____

Title: _____

SCHEDULE I

DESCRIPTION OF THE EXPANSION FACILITIES

The facilities collectively consist of: (i) an existing approximately 57,750 square foot educational facility and existing approximately 24,000 square foot gymnasium (the "Existing Facility"), located at 3455 Norfolk Parkway, West Melbourne, Florida 32904 (the "Existing Site"), and (ii) an expansion of the Existing Facility at the Existing Site, which will increase the occupancy to approximately 1,285 students in grades K-12 at full capacity and be composed of: (A) an approximately 38,000 square foot expansion to include a café, administrative and instructional offices, and approximately twenty-five additional classrooms, (B) an approximately 10,000 square foot performing arts facility, (C) a soccer field, track and an approximately 750 square foot fieldhouse, (D) additional parking spaces, and (E) related facilities, fixtures, furnishings and equipment, all to be operated as a public charter school known as Pineapple Cove Classical Academy at West Melbourne (the foregoing (ii)(A) – (ii)(E), collectively, the "Expansion Facilities").

Capital Trust Authority

6/24/2025

Capital Trust Authority, Board of Directors

From: Denis A. McKinnon, III

CTA Pipeline Report

The purpose of this report is to provide you with information concerning projects that have either 1) sent applications to CTA that have not yet come to the Board for Inducement, 2) have been Induced and not yet been brought to the Board for final action, or 3) are brief reminders of projects before the Board.

EducationRE

Inducement Date	5/26/2023
Inducement Amount	\$60,000,000
Project Type	Public Charter School Portfolio
Location	Multiple Sites in the State of Florida
General Overview	EducationRE applied to the CTA for financing of the acquisition of multiple charter schools in the State of Florida. The schools would be purchased by EducationRE and leased back to the schools with incentives to the schools. The board approved this project at its 7/9 meeting. This project is ready to close pending market fluctuations.

Alpha Lifestyle Partners

Inducement Date	6/20/2024
Inducement Amount	\$275,000,000
Project Type	Continuing Care Retirement Community Portfolio
Location	Florida, Arizona, Utah, and Louisiana
General Overview	Alpha is preparing to purchase existing, stabilized CCRCs from a for profit owner. The Underwriter is working to market and sell the bonds in the first half of 2025.

Harbour Pointe Charter Academy

Inducement Date	7/9/2024
Inducement Amount	\$26,000,000
Project Type	Public Charter School
Location	Jacksonville, FL
General Overview	The new school has a term sheet and is working through an updated construction timeline. This project is before the City of Jacksonville for a number of improvements before it is ready to come back to the CTA Board for final approval.

Capital Trust Authority

The Jewish Academy

Inducement Date 10/3/2024
Inducement Amount \$27,000,000
Project Type Independent, Private School
Location Ft. Lauderdale, Fl
General Overview This project closed on May 29 and will be removed from future reports.

Helm's Bay Landing

Inducement Date 10/3/2024
Inducement Amount \$55,000,000
Project Type Affordable Housing
Location Lee County, FL
General Overview Like American Community Developers, Helm's Bay is seeking a grant from Lee County. Helm's Bay received the grant at the last distribution. Underwriting and permitting is underway.

The Waters at North Port

Inducement Date 10/29/2024
Inducement Amount \$75,000,000
Project Type Workforce Housing
Location North Port, FL
General Overview American Housing Foundation is seeking financing for the acquisition and construction of workforce housing in North Port, FL. TEFRA was provided by the City of North Port on January 14. This project is expected to close in May 2025 pending favorable marketing during market fluctuations.

OSH/St. Augustine

Inducement Date 1/31/2025
Inducement Amount \$55,000,000
Project Type Geriatric Behavioral Hospital
Location St. Augustine, FL
General Overview Quality Senior Housing is purchasing an existing assisted living facility to be converted to a geriatric behavior hospital in St. Augustine. This project is before the Board for final approval at its May 27 meeting.

Capital Trust Authority

QSH/Central Florida

Inducement Date	1/31/2025
Inducement Amount	\$155,000,000
Project Type	Senior Housing Portfolio
Location	Throughout Florida
General Overview	Quality Senior Housing is purchasing a portfolio of existing assisted living and memory care facilities throughout the State of Florida. This project is before the Board for final approval at its May 27 meeting.

Goodwill Industries of the Gulf Coast

Inducement Date	2/20/2025
Inducement Amount	\$5,000,000
Project Type	Goodwill Facility
Location	Gulf Breeze, FL
General Overview	Goodwill has submitted an application to finance the construction of a new retail store, drop off site and opportunity center office. Goodwill is awaiting TEFRA approval from the Governor's office. Once in hand, CTA will be ready to issue the bonds.

The Learning Center Autism Charter School

Inducement Date	2/20/2025
Inducement Amount	\$27,000,000
Project Type	Public Charter School
Location	Royal Palm Beach, FL
General Overview	The Learning Center is an existing public charter school seeking financing to purchase and renovate a new facility in Royal Palm Beach, FL. The school has a 25 year operating history and received Florida's longest charter contract of 15 years in 2037. This project is before the Board for final approval on 6/24/25

AcadeMir Preparatory Charter School

Inducement Date	4/17/2025
Inducement Amount	\$70,000,000
Project Type	Public Charter School
Location	Miami, FL
General Overview	AcadeMir is preparing to purchase its currently leased facilities for its Preparatory school and land for the anticipation of a new facility for a future financing. This project is before the board for final approval on May 27.

Capital Trust Authority

Capstone Academy

Inducement Date 5/27/2025
Inducement Amount \$25,000,000
Project Type Public Charter School
Location Fort Myers, FL
General Overview Capstone is a new 501c3 charter school taking over the building and charter of an existing, failing school in Ft. Myers, FL. The Capstone operator is the same as Summit Academy whom CTA issued bonds for earlier this year. Capstone will be taking over operations from Athenian Academy

LLT Academy

Inducement Date 5/27/2025
Inducement Amount \$11,000,000
Project Type Public Charter School
Location Ruskin, FL
General Overview LLT is seeking financing to expand their existing facilities with a 20,000 SF multipurpose wing for grades K-8, and a 7,000 SF porte cochere.

UF Health

Inducement Date Before the Board on 5/27/2025
Inducement Amount \$950,000,000
Project Type Hospital System
Location Throughout Florida
General Overview The UF Health System has submitted an application to the CTA to refinance existing debt and finance the construction of a new hospital in St. John's FL.

Pineapple Cove Classical Academy at West Melbourne

Inducement Date Before the Board on 6/24/2025
Inducement Amount \$26,000,000
Project Type Public Charter School
Location West Melbourne
General Overview PCCA is an existing CTA Borrower having borrowed on 3 separate occasions in prior years. PCCA has submitted an application to the Authority to finance improvements to the existing facilities with a single investor. This project is before the Board for Inducement on 6/24/2025.

Capital Trust Authority

Projects Pending Application Submittal

Danbury Proton Therapy
Academica Charter Schools
Odyssey Charter School
Indian River Charter School
Global Impact Partners
Lutz Preparatory Academy

