



Making Waves Academy

Finance Advisory Committee Meeting

Date and Time

Wednesday June 4, 2025 at 10:00 AM PDT

Location

Please click the link below to join the webinar:

<https://mwacademy.zoom.us/j/82344244988?pwd=NXJQc0lvNDhZVjlEaGVaOEZBaDg1QT09>

Passcode: 933369

Or One tap mobile :

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Or Telephone:

Dial(for higher quality, dial a number based on your current location):

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International numbers available: <https://mwacademy.zoom.us/j/82344244988?pwd=NXJQc0lvNDhZVjlEaGVaOEZBaDg1QT09>

If you have questions about the board agenda and materials or you are in need of disability-related accommodations, please contact:

Si tiene preguntas sobre la agenda y materiales de la junta o necesita adaptaciones relacionadas con la discapacidad, comuníquese con:

Bryann Fitzpatrick at bfitzpatrick@mwacademy.org or (510) 994-6486.

Public Comment

- The public may address the MWA Board regarding any item within the subject-matter jurisdiction of the MWA governing board.
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- Under Public Comment for Special Committee Meetings, members of the public may
 - The public may address the Board regarding **any item that has been described in the notice for this meeting.**
 - **Presentations are limited to two minutes each**, or a total of ten minutes for all speakers, or the two-minute limit may be shortened.
- In accordance to the Brown Act, the MWA Board may listen to comments, but can neither discuss nor take action on the topics presented. Members of the board are very limited in their response to statements or questions by persons commenting on items not on the agenda.
- **While meetings are held virtually, speakers may submit a request to speak before 9:00 AM on the day of the meeting or use the raise hand function during the public comment sections of the meeting.**
 - **If you would like to send your request to speak prior to the meeting, please email your request to bfitzpatrick@mwacademy.org in English or Spanish.**
 - Your submission should:
 - indicate if it is a general public comment for the beginning of the meeting or a comment for a specific agenda item (please include the item number).
 - include your name so that you can be called when it is your turn to speak.
 - During the meeting, we will call your name and you should use the "raise hand" feature to identify yourself.
- Under SB1036 the minutes from this meeting will omit student and parent names and other directory information, except as required by judicial order or federal law. If a parent/ legal guardian wishes a name be included, one must inform the board prior to their public comment.

Comentarios públicos

- *El público puede dirigirse a la Junta Directiva de la MWA con respecto a cualquier asunto dentro de la jurisdicción del tema materia por la Junta Directiva de la MWA.*
- *Bajo comentario público, los miembros del público pueden:*
 - El público puede dirigirse a la Junta con **respecto a cualquier tema que se haya descrito en el aviso para esta reunión.**
 - **Las presentaciones están limitadas a dos minutos cada una**, o un total de diez minutos para todos los oradores, o se puede acortar el límite de dos minutos.
- *De acuerdo con la Ley Brown, la Junta Directiva de la MWA puede escuchar los comentarios, pero no discutirán ni tomarán medidas sobre los temas presentados. La respuesta de los miembros de la Junta Directiva a las declaraciones o preguntas de las personas que comentan temas que no figuran en el orden del día es muy limitada.*
- **Mientras las reuniones se llevan a cabo virtualmente, los miembros del público que desean hablar durante la junta pueden presentar una solicitud para hablar antes de las 9:00 a.m. del día de la reunión de la junta o usar la función de levantar la mano durante las secciones de comentarios públicos de la reunión.**
 - **Si desea enviar su solicitud de uso de la palabra antes de la reunión, envíe su solicitud por correo electrónico a bfitzpatrick@mwacademy.org en inglés o español.**

- *En su solicitud:*
 - *Incluya su nombre para que pueda ser llamado cuando sea su turno de hablar.*
 - *indicar si es un comentario público general para el comienzo de la reunión o si es comentario público sobre un artículo específico del programa (incluya el número del artículo).*
 - *Durante la reunión, le llamaremos por su nombre y deberá utilizar la función de "levantar la mano" para identificarse.*
- *En virtud de la SB1036, las actas de esta reunión omitirán los nombres de los estudiantes y padres y otra información del directorio, excepto cuando lo requiera la orden judicial o por la ley federal. Si un padre/tutor legal desea que se incluya un nombre, se debe informar a la junta antes de su comentario público.*

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Please note that all agenda times are estimates.
Tenga en cuenta que todos los horarios de la agenda son estimaciones.

Agenda

	Purpose	Presenter	Time
I. Opening Items			10:00 AM
A. Record Attendance			1 m
B. Call the Meeting to Order			
C. Public Comment		Alicia Malet Klein	5 m
II. Finance			10:06 AM
A. FY26 Original Budget (2nd Draft)	Discuss	Alton B. Nelson Jr. and Liz Martinez	20 m
Review second draft of the FY26 Budget.			
B. Other Questions	Discuss	All	5 m
Time for additional questions from the committee members.			

	Purpose	Presenter	Time
III. Other Business			
IV. Closing Items			
A. Adjourn Meeting	Discuss	Alicia Malet Klein	

Coversheet

FY26 Original Budget (2nd Draft)

Section:	II. Finance
Item:	A. FY26 Original Budget (2nd Draft)
Purpose:	Discuss
Submitted by:	
Related Material:	FAC_Meeting_Packet_060425_Final.pdf



Executive Summary for FY 2025-26 (2nd Draft) Report

May 30th, 2025

Summary of Changes Between the 2nd Draft and 1st Draft of the FY'26 Original Budget

(Presented to the FAC on April 23, 2025)

Compared with the 1st Draft of the FY'26 Original Budget, overall expenses have remained unchanged. The government revenues increased by \$561,805 after the Governor's budget revision in May. Non-JRSF contributions have remained unchanged, while JRSF contributions have decreased by \$561,805.

- Government revenues increased by \$561,805 or 3%.
- Expenses remained unchanged.
- JRSF contributions decreased by \$561,805 or 6%.
- Non-JRSF contributions remained unchanged.

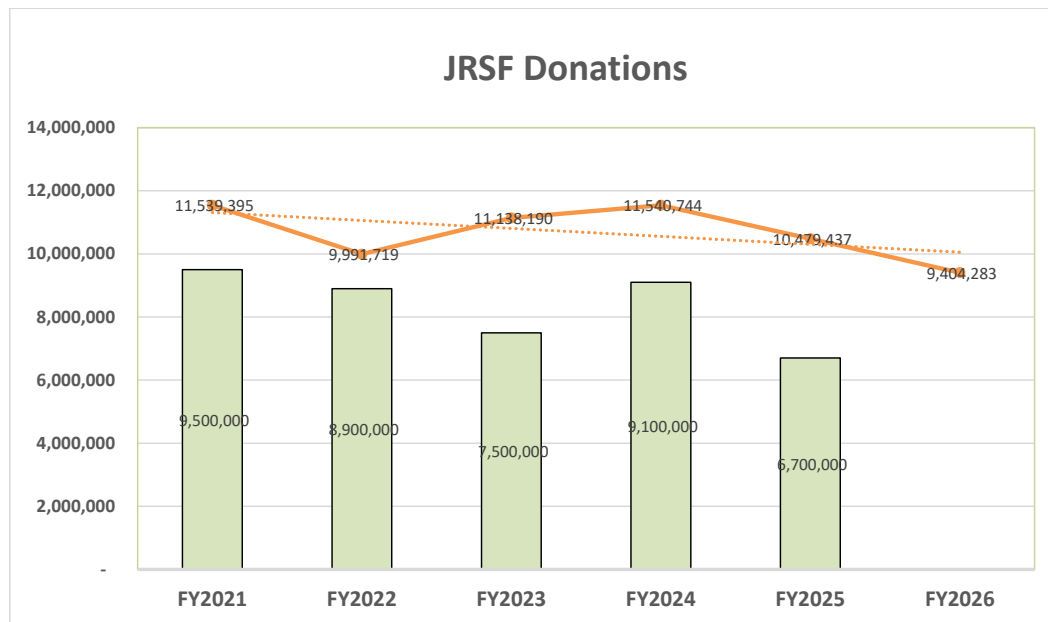
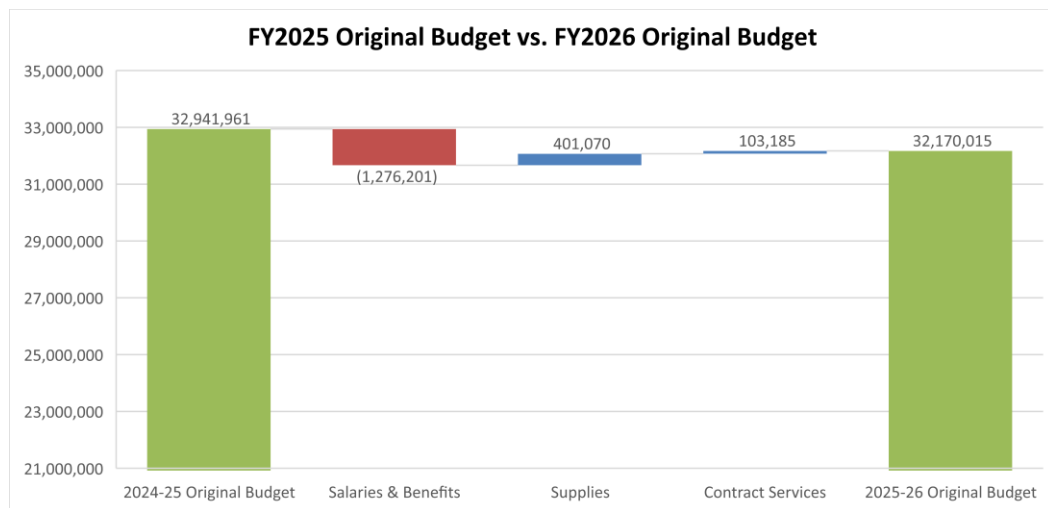
GOVERNMENT REVENUES: 2nd Draft vs. 1st Draft of the FY'24 Original Budget – INCREASED BY \$561,805 (3%)

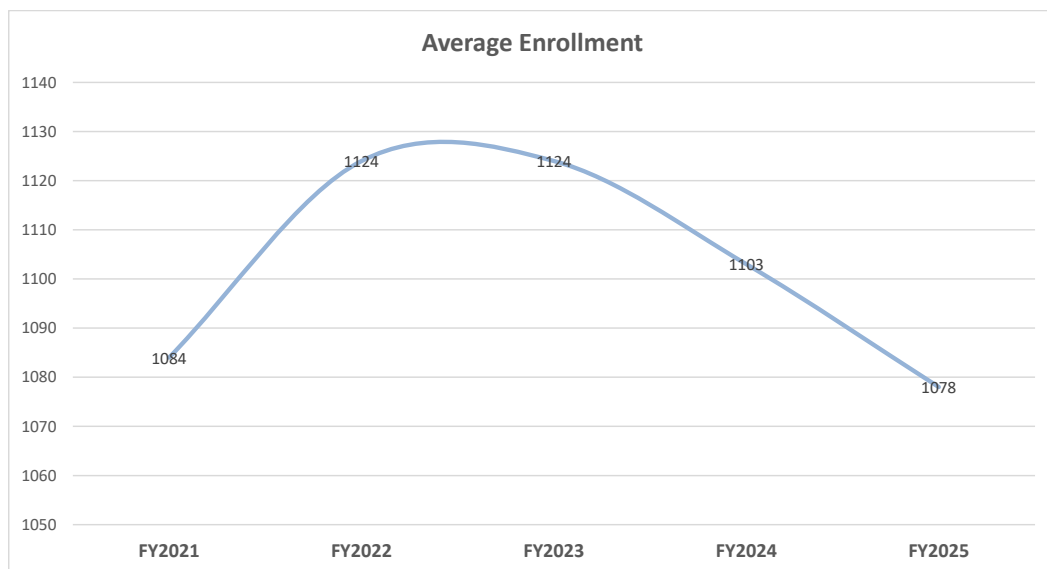
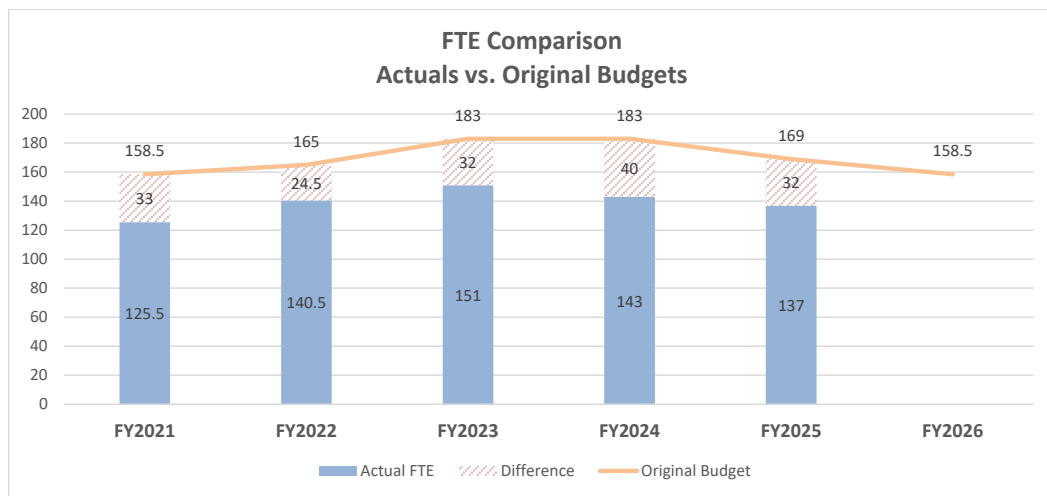
- LCFF contributions – increase \$494,324
- Title Grants (Title I – IV) – increased \$4
- SPED mental health grant – increased \$13,008
- Learning Recovery Emergency Block Grant – increased \$44,724
- Mandate Block Grant – decreased \$1,155
- State Lottery – increased \$10,900

EXPENDITURES (MWA/MWAS): 2nd Draft vs. 1st Draft of the FY'24 Original Budget – NO CHANGES

Total Compensation Follow Up

We ran a couple of models paying “at market” and “above market”, both scenarios showed a 1% increase in the overall budget. This 1% increase would stay true if we spend everything that is budgeted currently. We are anticipating that we will not see a material increase at the first interim mostly due to salary savings from vacancies.





Budget Variances - FY'25 2nd Interim vs. FY'26 Original Budget 2nd DRAFT

Revenues Variance Summary (Compared with the FY'25 2nd Interim Budget):

Revenue Sources	Decrease/Increase	Amount	%
Government revenues	Increase	\$850,872	4%
Interest Income	Decrease	\$218,820	-48%
Non-JRSF donations	Decrease	\$750,000	-31%
Estimated JRSF contributions	Increase	\$1,615,758	21%

Expenses Variance Summary (Compared with the FY'25 2nd Interim Budget):

Expense Areas	Decrease/Increase	Amount	%
Total Expenses	Increase	\$1,497,809	5%
MWA Expenses	Increase	\$1,518,960	6%
Central Office Expenses	Decrease	\$21,151	-1%

Key Overview for the FY'26 Original Interim Budget

The following items highlight the **key changes** from the FY'25 2nd Interim Budget to the FY'26 Original Budget:

1. Government Revenues

The net increase comprised of the following assumptions:

- Decrease in enrollment projection from 1064 to 1022
- State revenues per pupil increased by 2.43% as per the governor's January budget proposal
- Average Daily Attendance (ADA) remained at 95%
- Used more one-time categorical funds
- SB740 funding for school facility lease decreased due to our enrollment projection decrease.

2. Expenses

- Assumed 2% salary COLA increase for faculty and staff
- Budgeted full salaries for vacant positions in FY'26 budget vs. prorated salaries in FY'25 2nd interim Budget.
- Net increase of six positions
- Student Chromebook replacement and network equipment expenses
- One-time emergency supplies expenses to replace expiring items
- Reduction in SPED and On-Site substitute contract services

Detailed Summary of Changes (*FY'25 2nd Interim Budget to the FY'26 Original Budget*)

MWA – “SCHOOL” EXPENDITURES: **TOTAL CHANGES – Increased BY \$1,518,960 (6%)**

- I. **Salaries and Benefits – Increased by \$1,992,454 (13%)**
 - Assumed 2% salary COLA increase for faculty and staff
 - Budgeted full salaries for vacant positions in FY'26 budget vs. prorated salaries in FY'25 2nd interim
 - Net increase of six positions
 1. **Added New Positions**
 1. Division Director Grd 9-12 - SW
 2. Director of Student Support - SW
 3. Associate Dean of Students - SW
 4. SPED Resource Teacher - SW
 5. SPED Resource Teacher - SW
 6. ELA Teacher Grd 8 - MS
 7. Health & Wellness Teacher Grd 8 - MS
 8. History Teacher Grd 7 - MS
 9. Humanities Teacher Grd 6 - MS
 10. Music Teacher Grd 7 - MS
 11. Associate Dir. Of Career Development & Internships - US
 12. Makerspace Innovation Specialist - US
 13. ELA Teacher Grd 12 - US
 14. Math Teacher Grd 9 - US
 15. Science Teacher (Earth/Space) Grd 10 - US
 16. Social Science / World History Teacher - US
 17. Spanish Teacher - US
 2. **Eliminated Positions**
 1. Desktop Support System Admin. II - SW
 2. Long Term Substitute Teacher (SPED) - SW
 3. On-Site Substitute Teacher - SW
 4. On-Site Substitute Teacher - SW
 5. On-Site Substitute Teacher - SW
 6. On-Site Substitute Teacher - SW
 7. SPED Instructional Aide - SW
 8. SPED Instructional Aide - SW
 9. SPED Instructional Aide - SW
 10. SPED Instructional Aide - SW
 11. SPED Instructional Aide - SW

II. Supplies - Increased by \$447,303 (36%)

- Student Chromebook replacement:
 - Replacing four grades of Chromebooks in FY26, which is the last year to replace four grades
 - F27 and beyond, we will replace two grades simultaneously
 - Starting in FY27, we will replace 5th and 9th grader Chromebooks and they keep them through 8th and 12th grade
- Network switch equipment replacement
- Replacing expiring items for our emergency supplies (one-time)
- Increase in other supplies to match the projected spending trend

Commented [NA1]: "One time" is somewhat misleading. Aren't we choosing to replace only some of the Chromebooks or all of them? If not all of them are being replaced, let's specify # of Chromebooks and/or for which grade levels.

III. Contracted Services – Decreased by \$920,797 (9%)

- Decreased Special Education contract services
- Decreased substitute teachers' contracted services
- Reduce other contract services to match the projected spending trend

CENTRAL OFFICE EXPENDITURES: TOTAL CHANGES – Decreased BY \$21,151 (1%)

I. Salaries and Benefits – Increased by \$205,906 (8%)

- Assumed 2% salary COLA increase for faculty and staff
- Budgeted full salaries for vacant positions in FY'26 budget vs. prorated salaries in FY'25 2nd interim

II. Supplies – Increased by \$6,650 (27%)

- Increased contingency for unexpected items
- Increased office supplies

III. Contracted Services – Decreased by \$233,707 (21%)

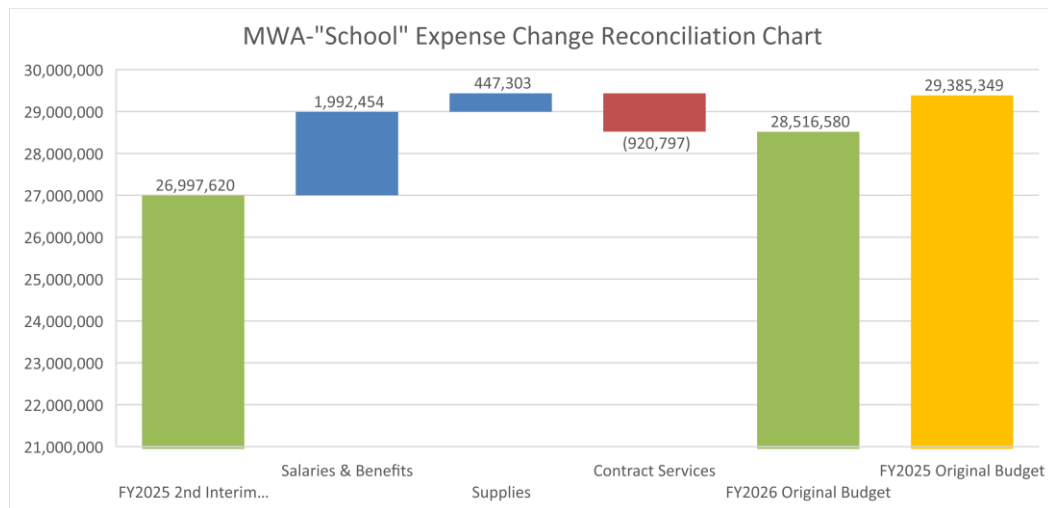
- Removed one-time Edgility consulting contract
- Removed one-time Lemon Battery contract
- Reduced recruitment contract services

Appendix A – Summary Financials

FY'26 Original Budget Summary Financials for MWA – “School”

MWA - “School” - Compare [FY'25 2nd Interim Budget](#) to [FY'26 Original Budget](#)

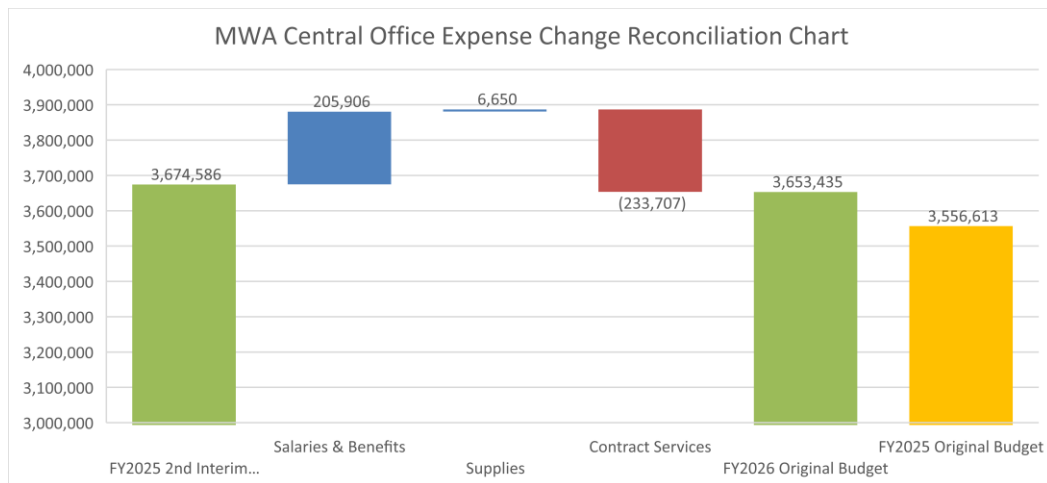
Location	2024-25 Original Budget (A)	2024-25 2 nd Interim Budget (B)	2025-26 Original Budget (C)	\$ Variance (B) vs. (C)	%Variance (B) vs. (C)
Revenues					
Government	\$20,175,125	\$20,063,281	\$20,914,153	\$850,872	4%
Interest Income	\$210,000	\$453,000	\$234,180	-\$218,820	-48%
Donations	\$675,000	\$965,000	\$215,000	-\$750,000	-78%
JRSF	\$8,375,224	\$5,566,339	\$7,203,248	\$1,636,909	29%
Total Revenues	\$29,435,348	\$27,047,620	\$28,566,580	\$1,518,960	6%
Expenses					
Salaries/Benefits	\$18,795,895	\$15,404,410	\$17,396,864	\$1,992,454	13%
Supplies	\$1,276,421	\$1,238,688	\$1,685,991	\$447,303	36%
Contracted Services	\$9,313,033	\$10,354,522	\$9,433,725	-\$920,797	-9%
Total Expenses	\$29,385,349	\$26,997,620	\$28,516,580	\$1,518,960	6%
Revenues – Government per ADA	\$19,418	\$19,845	\$20,464	\$619	3%
Expenses – Cost per Student (Exclude CO Fees)	\$25,279	\$24,009	\$26,482	\$2,473	10%



FY'26 Original Budget Summary Financials for MWA – “Central Office”

MWA Central Office - Compare [FY'25 2nd Interim Budget](#) to [FY'26 Original Budget](#)

Location	2024-25 Original Budget (A)	2024-25 2 nd Interim Budget (B)	2025-26 Original Budget (C)	\$ Variance (B) vs. (C)	%Variance (B) vs. (C)
Revenues					
JRSF	\$2,104,213	\$2,222,187	\$2,201,035	-\$21,152	-1%
Central Office (Shared Services Allocation)	\$1,452,400	\$1,452,400	\$1,452,400	\$0	0%
Total Revenues	\$3,556,613	\$3,674,587	\$3,653,435	-\$21,152	-1%
Expenses					
Salaries/Benefits	\$2,619,982	\$2,536,905	\$2,742,811	\$205,906	8%
Supplies	\$39,950	\$24,800	\$31,450	\$6,650	27%
Contracted Services	\$896,681	\$1,112,881	\$879,174	-\$233,707	-21%
Total Expenses	\$3,556,613	\$3,674,586	\$3,653,435	-\$21,151	-1%



April 2025 Summary

As we prepared the FY2026 Original Budget, we made strategic adjustments to ensure our financial plan remains fiscally responsible while continuing to meet the needs of our students and staff. Compared with the FY2025 Original Budget, our projected expenses have been reduced by approximately **\$772,000**, representing a **2% overall decrease**. This reduction reflects our ongoing commitment to “right-sizing” the organization and prudent financial stewardship, particularly in a time of economic uncertainty.

Key drivers of this change include:

Staffing:

In FY2025, we budgeted for **169 full-time equivalents (FTEs)**. With a projected decrease in enrollment for FY2026, we carefully reassessed our staffing levels and identified an opportunity to reduce headcount by **10.5 FTEs**, or about **6%**. This adjustment results in an estimated savings of **\$1.28 million** and ensures that our staffing model remains aligned with current enrollment and long-term budget forecasts.

Technology Investments:

FY2026 is a planned refresh year for our student Chromebooks and network switch infrastructure, which are reaching the end of their useful life. We have allocated **\$338,000** for this technology update to maintain uninterrupted learning for our Wave-Makers and ensure the stability and security of our campus-wide internet access. To better manage long-term costs, we are shifting away from large, one-time technology purchases and moving toward a steady-state replacement model. This approach will distribute technology investments across multiple years, making them more financially sustainable and easier to absorb within future budgets.

Other Adjustments:

We also made modest increases in select areas to better align with projected needs. These include updates to core curriculum materials, restocking emergency supplies, and maintaining essential contracted services such as on-site substitutes and special education support. These combined adjustments increased the budget by approximately **\$170,000**.

Through thoughtful planning and collaboration, we were able to achieve a net savings of **\$772,000** while keeping the FY2026 budget in close alignment with the prior year. These decisions reflect our focus on sustainability and preserving the high-quality education our students deserve.