



2022-23 Proposed Budget Narrative
Board of Directors Meeting

2022-23 Proposed Budget Narrative

	Net Income (GAAP)	Projected Beginning Fund Balance	Projected Ending Fund Balance
Gilroy Prep School (GPS)	185K	2.1M	2.3M
Hollister Prep School (HPS)	128K	2.0M	2.1M
Watsonville Prep School (WPS)	77K	700K	800K
Charter Management Organization (CMO)	-122K	2.8M	2.7M
Total	300K	7.6M	7.8M

■ GPS Proposed Budget

- Using the latest Fiscal Crisis & Management Assistance Team (FCMAT) calculator for Local Control Funding Formula (LCFF) revenue for 540 students, which includes a COLA increase of 5.33%
- ESSER II & III funding in the amount of \$500,000 has been added into the revenue
- Includes 5% COLA increase for salaries
- CalSTRS rate increase to 18.2% from 16.92%
- Support Office management fee of 14% of LCFF
- Reduces state funding by \$488,900 from 2021-22 due to not receiving additional AB86 funding (COVID related)

■ HPS Proposed Budget

- Using the latest Fiscal Crisis & Management Assistance Team (FCMAT) calculator for Local Control Funding Formula (LCFF) revenue or 540 students, which includes a COLA increase of 5.33%
- ESSER II & III funding in the amount of \$630,000 has been added into the revenue
- Includes 5% COLA increase for salaries
- CalSTRS rate increase to 18.2% from 16.92%
- Support Office management fee of 14% of LCFF
- Reduces state funding by \$500,000 from 2021-22 due to not receiving additional AB86 funding (COVID related)

- WPS Proposed Budget
 - Using the latest Fiscal Crisis & Management Assistance Team (FCMAT) calculator for Local Control Funding Formula (LCFF) revenue for 385 students, which includes a COLA increase of 5.33%
 - ESSER II & III funding in the amount of \$200,000 has been added into the revenue
 - Donations & Grants total of \$100,000 compared to \$200,500 from 2021-22
 - Includes 5% COLA increase for salaries
 - CalSTRS rate increase to 18.2% from 16.92%
 - Support Office management fee of 14% of LCFF
 - Annual increase in rent per long-term lease, partially offset by increase in SB 740 rent reimbursement revenue resulting from increased enrollment
 - Includes staffing for new grade level
 - 2 FTE Teachers
 - 1 FTE SGI
 - 1 FTE Paraprofessional
 - 1 FTE Accelerated Learning (AR) Specialist
 - 1 FTE Yard Duties
 - Reduces AB86 state funding by \$245,800 from 2021-22 due to not receiving additional AB86 funding (COVID related)

- CMO Proposed Budget
 - Donations & Grants total is \$750,000 compared to \$500,000 from 2021-22 which includes \$200,000 in new funding for Model Providing
 - 2021-22. Management fees are as follows:
 - HPS - 14%
 - GPS - 14%
 - WPS - 14%
 - Includes 5% COLA increase for salaries
 - CalSTRS rate increase to 18.2% from 16.92%



- Additional Staff
 - 1 FTE Development Staff
 - 1 FTE IT Coordinator
 - 1 FTE Middle School Innovation Coordinator
 - 1 FTE Curriculum Coordinator
 - .5 FTE HR Support
- The negative net income is based on the following:
 - **Utilizing \$160,000 fund balance reserves from grants received in 2021-22 and prior years for Model Providing to address priorities in this program, including professional development and marketing

Navigator Schools - 2022-23 Preliminary Budget																
				GPS			HPS			WPS			CMO			
	Total 2022-23	Board Approved	\$ Change	Board Approved	\$ Change		Board Approved	% Change		Board Approved	% Change		Board Approved	\$ Change		
	Prelim Budget	Budget		Prelim Budget	Budget		Prelim Budget	Budget		Prelim Budget	Budget		Prelim Budget	Budget		
	2022-23	2021-22		2022-23	2021-22		2022-23	2021-22		2022-23	2021-22		2022-23	2021-22		
Enrollment Projection	1465	1395		540	540	0.00%	540	540	0	385	315					
REVENUE:																
LCFF Revenue	15,352,796	13,469,729	\$1,883,067	5,431,034	4,940,034	\$491,000	5,439,539	5,012,919	\$426,620	4,482,223	3,516,776	\$965,447.00	0	0		
Federal Revenue	2,647,575	1,960,415	\$687,160	928,541	670,334	\$258,207	926,091	680,481	\$245,610	792,944	609,600	\$183,344.00	0	0		
Other State Revenue	1,708,973	2,761,254	-\$1,052,281	488,215	968,992	-\$480,777	471,780	964,555	-\$492,775	748,977	827,707	-\$78,729.84	0	0		
Donations & Grants	815,000	715,500	\$99,500	7,500	7,500	\$0	7,500	7,500	\$0	50,000	200,500	-\$150,500.00	750,000	500,000	\$250,000	
Other Revenue	78,178	110,929	-\$32,751	23,878	48,729	-\$24,851	20,000	20,000	\$0	7,300	15,200	-\$7,900.00	27,000	27,000	\$0	
CMO Management Fees	2,149,391	2,072,137	\$77,254						\$0				2,149,391	2,072,137	\$77,254	
REVENUE	22,751,914	21,089,964	\$1,661,950	6,879,168	6,635,589	\$0	6,864,910	6,685,455	\$179,455	6,081,444	5,169,783	\$911,661.16	2,926,391	2,599,137	\$327,254	
EXPENDITURES:																
Salaries	12,611,876	10,932,834	\$1,679,042	3,849,646	3,500,463	\$349,183	3,822,726	3,532,404	\$290,322	2,939,358	2,390,528	\$548,830.00	2,000,146	1,509,439	\$490,707	
Benefits & Taxes	3,263,024	2,809,085	\$453,939	962,841	854,713	\$108,128	965,974	844,437	\$121,537	800,669	651,695	\$148,974.00	533,540	458,240	\$75,300	
Books & Supplies	1,196,111	1,243,740	-\$47,629	400,846	554,750	-\$153,904	269,115	382,850	-\$113,735	487,750	227,740	\$260,010.00	38,400	38,400	\$0	
Services & Other Operating Expen	3,264,251	3,245,328	\$18,923	721,012	780,212	-\$59,200	917,566	939,918	-\$22,352	1,149,208	1,144,152	\$5,055.57	476,465	381,046	\$95,419	
CMO Management Fees	2,149,391	2,072,138	\$77,253	760,345	772,605	-\$12,260	761,535	782,809	-\$21,273	627,511	516,724	\$110,787.22	0	0	\$0	
Capital Outlay	0	0	\$0	0	0	\$0	0	0	\$0	0	0	\$0.00	0	0	\$0	
EXPENDITURES	22,484,653	20,303,125	\$2,181,528	6,694,689	6,462,743	\$231,946	6,736,917	6,482,418	\$254,500	6,004,496	4,930,839	\$1,073,656.79	3,048,551	2,387,125	\$661,426	
REVENUE LESS EXPENDITURES	267,261	786,839		184,479	172,846		127,993	203,037		76,948	238,944		-122,160	212,012		
													\$160,000 from the Model Providing fund balance (see narrative)			
Beginning Fund Balance	7,567,989			2,056,307			2,012,549			698,417			2,800,716			
Ending Fund Balance	7,835,250			2,240,786			2,140,542			775,365			2,678,556			

GPS	2022-23	2023-24	2024-25
REVENUE:			
Total 8000 · Gnl Purpose Entitlement LCFF	5,431,034	5,674,437	5,871,946
Total 8100 · 8299 Federal Revenue	928,541	436,911	445,450
Total 8300 · 8599 State Revenues	488,215	496,016	503,682
Total 8600 · 8699 Other Local Revenue	23,878	23,956	24,035
Total 8800-89 · Donations/Fundraising	7,500	7,500	7,500
Total Revenue	6,879,168	6,638,821	6,852,613
EXPENSES:			
Total 1000 - 2999 Salaries	3,849,646	3,535,496	3,641,561
Total 3000 - 3999 Taxes & benefits	962,841	900,321	936,722
Total 4000 · 4999 Books & Supplies	400,846	408,823	416,959
Total 5000 · 5999 Services & Other Oper. Exp	1,481,357	1,509,742	1,553,774
Total 6000 · Capital Outlay		0	0
TOTAL EXPENSES	6,694,689	6,354,382	6,549,016
NET REVENUE	184,479	284,439	303,597
Add back capital outlay		0	0
Total Net Revenue GAAP	184,479	284,439	303,597
Beginning of Year Fund Balance	2,056,307	2,240,786	2,525,225
End of Year Fund Balance	2,240,786	2,525,225	2,828,821

HPS	2022-23	2023-24	2024-25	
REVENUE:				
Total 8000 · Gnl Purpose Entitlement LCFF	5,439,539	5,722,774	5,936,228	
Total 8100 · 8299 Federal Revenue	926,091	301,812	307,649	
Total 8300 · 8599 State Revenues	471,780	479,150	486,668	
Total 8600 · 8699 Other Local Revenue	20,000	20,000	20,000	
Total 8800-89 · Donations/Fundraising	7,500	7,500	7,500	
Total Revenue	6,864,910	6,531,237	6,758,045	
EXPENSES:				
Total 1000 - 2999 Salaries	3,822,726	3,508,576	3,613,833	
Total 3000 - 3999 Taxes & benefits	965,974	878,204	909,606	
Total 4000 · 4999 Books & Supplies	269,115	274,497	279,987	
Total 5000 · 5999 Services & Other Oper. Exp	1,679,102	1,707,856	1,579,145	
Total 6000 · Capital Outlay	0	0	0	
TOTAL EXPENSES	6,736,917	6,369,132	6,382,571	
NET REVENUE	127,993	162,105	375,474	
Add back capital outlay	0			
Total Net Revenue GAAP	127,993	162,105	375,474	
Beginning of Year Fund Balance	2,012,549	2,140,542	2,302,646	
End of Year Fund Balance	2,140,542	2,302,646	2,678,120	

WPS	2022-23	2023-24	2024-25
REVENUE:			
Total 8000 · Gnl Purpose Entitlement LCFF	4,482,223	5,040,215	5,782,126
Total 8100 · 8299 Federal Revenue	792,944	687,451	771,265
Total 8300 · 8599 State Revenues	748,977	866,151	965,374
Total 8600 · 8699 Other Local Revenue	7,300	20,500	20,500
Total 8800-89 · Donations/Fundraising	50,000	51,500	51,500
Total Revenue	6,081,444	6,665,817	7,590,766
EXPENSES:			
Total 1000 - 2999 Salaries	2,939,358	2,934,025	3,166,073
Total 3000 - 3999 Taxes & benefits	800,669	874,082	962,928
Total 4000 · 4999 Books & Supplies	487,750	517,127	553,245
Total 5000 · 5999 Services & Other Oper. Exp	1,776,719	1,951,187	2,135,195
Total 6000 · Capital Outlay			
TOTAL EXPENSES	6,004,496	6,276,421	6,817,442
NET REVENUE	76,948	389,396	773,324
Add back capital outlay			
Total Net Revenue GAAP	76,948	389,396	773,324
Beginning of Year Fund Balance	698,417	775,365	1,164,762
End of Year Fund Balance	775,365	1,164,762	1,938,086

CMO	Proposed Budget		
	2022-23	2023-24	2024-25
REVENUE:			
Total 8600 · 8699 Other Local Revenue	2,176,391	2,328,780	2,490,733
Total 8800-89 · Donations/Fundraising	750,000	500,000	500,000
Total Revenue	2,926,391	2,828,780	2,990,733
EXPENSES:			
Total 1000 - 2999 Salaries	2,000,146	2,060,150	2,121,955
Total 3000 - 3999 Taxes & benefits	533,540	552,531	580,846
Total 4000 · 4999 Books & Supplies	38,400	40,260	40,747
Total 5000 · 5999 Services & Other Oper. Exp	476,465	419,342	422,277
TOTAL EXPENSES	3,048,551	3,072,283	3,165,826
NET REVENUE	-122,160	-243,504	-175,093
Beginning of Year Fund Balance	2,800,769	2,678,609	2,435,106
End of Year Fund Balance	2,678,609	2,435,106	2,260,013