



2022-23 Proposed Budget Narrative  
Board of Directors Meeting

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2022-23 Proposed Budget Narrative

	Net Income (GAAP)	Projected Beginning Fund Balance	Projected Ending Fund Balance
Gilroy Prep School (GPS)	192K	2.1M	2.2M
Hollister Prep School (HPS)	232K	2.0M	2.2M
Watsonville Prep School (WPS)	368K	700K	1.1M
Hayward Collegiate (HC)	63K	1.3M	1.3M
Charter Management Organization (CMO)	-186K	2.8M	2.6M
<b>Total</b>	700K	8.9M	9.5M

■ 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 6.57%
- 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 19.1% 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)
- Includes \$100,000 for the Community Schools Program grant
- Includes one-time state funding budgeted at 50% of the Governor’s proposed May revise
- Adds 1 FTE to coordinate the Community Schools Partnership program

■ 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 6.57%



- 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 19.1% 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)
- Includes \$100,000 for the Community Schools Program grant
- Includes one-time state funding budgeted at 50% of the Governor's proposed May revise
- Adds 1 FTE to coordinate the Community Schools Partnership program
  
- 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 6.57%
  - 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 19.1% 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 growing to fifth grade and adding a second TK class
    - 3 FTE Teachers
    - 2 FTE SGI
    - 1 FTE Paraprofessional
    - 1 FTE Accelerated Learning (AR) Specialist
    - 1 FTE Yard Duties
    - 1 Community Schools Partnership Program Coordinator
  - Reduces AB86 state funding by \$245,800 from 2021-22 due to not receiving additional AB86 funding (COVID related)
  - Includes one-time state funding budgeted at 50% of the Governor's proposed May revise



- 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
  - 2022-23. Management fees are as follows:
    - HPS - 14%
    - GPS - 14%
    - WPS - 14%
  - Includes 5% COLA increase for salaries
  - CalSTRS rate increase to 19.1% from 16.92%
  - Adds 5.5 FTE
    - 1 Development staff
    - 1 IT Coordinator
    - 1 Hr/Finance
    - 1 Director of Strategy
    - 1 Curriculum Coordinator
    - .5 Middle School Innovation Coordinator
  - 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			HC	CMO		
	Total 2022-23	Board Approved	\$ Change	Board Approved	\$ Change	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	Prelim Budget	Budget	
	2022-23	2021-22		2022-23	2021-22		2022-23	2021-22		2022-23	2021-22		2022-23	2022-23	2021-22	
<i>Enrollment Projection</i>	1490	1395		540	540	0	540	540	0	410	315		160			
<b>REVENUE:</b>																
LCFF Revenue	17,293,395	13,469,729	3,823,666	5,270,870	4,940,034	330,836	5,435,644	5,012,919	422,725	4,708,888	3,516,776	1,192,112	1,877,993	0	0	
Federal Revenue	2,888,035	1,960,415	927,620	928,541	670,334	258,207	942,947	680,481	262,466	792,944	609,600	183,344	223,603	0	0	
Other State Revenue	3,709,379	2,761,254	948,125	930,060	968,992	-38,932	913,670	964,555	-50,885	1,108,977	827,707	281,270	756,672	0	0	
Donations & Grants	940,000	715,500	224,500	7,500	7,500	0	7,500	7,500	0	50,000	200,500	-150,500	125,000	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	0	27,000	27,000	0
CMO Management Fees	2,421,075	2,072,137	348,938						0					2,421,075	2,072,137	348,938
<b>REVENUE</b>	<b>27,330,062</b>	<b>21,089,964</b>	<b>6,240,098</b>	<b>7,160,849</b>	<b>6,635,589</b>	<b>0</b>	<b>7,319,761</b>	<b>6,685,455</b>	<b>634,306</b>	<b>6,668,109</b>	<b>5,169,783</b>	<b>1,498,326</b>	<b>2,983,268</b>	<b>3,198,075</b>	<b>2,599,137</b>	<b>598,938</b>
<b>EXPENDITURES:</b>																
Salaries	14,780,933	10,932,834	3,848,099	4,074,511	3,500,463	574,048	4,110,215	3,532,404	577,811	3,137,887	2,390,528	747,359	1,179,414	2,278,906	1,509,439	769,467
Benefits & Taxes	3,777,311	2,809,085	968,226	1,024,631	854,713	169,918	1,017,720	844,437	173,283	844,909	651,695	193,214	312,303	577,749	458,240	119,509
Books & Supplies	1,475,324	1,243,740	231,584	410,846	554,750	-143,904	276,055	382,850	-106,795	496,750	227,740	269,010	253,273	38,400	38,400	0
Services & Other Operating Expen	4,126,155	3,245,328	880,827	721,207	780,212	-59,005	922,450	939,918	-17,468	1,161,474	1,144,152	17,322	832,059	488,965	381,046	107,919
CMO Management Fees	2,421,075	2,072,138	348,937	737,922	772,605	-34,683	760,990	782,809	-21,819	659,244	516,724	142,520	262,919	0	0	0
Capital Outlay	80,572	0	80,572	0	0	0	0	0	0	0	0	0	80,572	0	0	0
<b>EXPENDITURES</b>	<b>26,661,370</b>	<b>20,303,125</b>	<b>6,358,245</b>	<b>6,969,116</b>	<b>6,462,743</b>	<b>506,373</b>	<b>7,087,430</b>	<b>6,482,418</b>	<b>605,012</b>	<b>6,300,265</b>	<b>4,930,839</b>	<b>1,369,426</b>	<b>2,920,540</b>	<b>3,384,020</b>	<b>2,387,125</b>	<b>996,895</b>
<b>REVENUE LESS EXPENDITURES</b>	<b>668,692</b>	<b>786,839</b>		<b>191,733</b>	<b>172,846</b>		<b>232,331</b>	<b>203,037</b>		<b>367,844</b>	<b>238,944</b>		<b>62,728</b>	<b>-185,944</b>	<b>212,012</b>	
														**\$160,000 from the Model Providing fund balance (see narrative)**		
Beginning Fund Balance	8,853,546			2,056,307			2,012,549			698,417			1,285,557	2,800,716		
Ending Fund Balance	9,522,238			2,248,040			2,244,880			1,066,261			1,348,285	2,614,772		

GPS	2022-23	2023-24	2024-25
<b>REVENUE:</b>			
<b>Total 8000 · Gnl Purpose Entitlement LCFF</b>	<b>5,270,870</b>	<b>6,042,046</b>	<b>6,258,857</b>
<b>Total 8100 · 8299 Federal Revenue</b>	<b>928,541</b>	<b>461,882</b>	<b>470,919</b>
<b>Total 8300 · 8599 State Revenues</b>	<b>930,060</b>	<b>596,016</b>	<b>503,682</b>
<b>Total 8600 · 8699 Other Local Revenue</b>	<b>23,878</b>	<b>23,956</b>	<b>24,035</b>
<b>Total 8800-89 · Donations/Fundraising</b>	<b>7,500</b>	<b>7,500</b>	<b>7,500</b>
<b>Total Revenue</b>	<b>7,160,849</b>	<b>7,131,400</b>	<b>7,264,993</b>
<b>EXPENSES:</b>			
<b>Total 1000 - 2999 Salaries</b>	<b>4,074,511</b>	<b>4,028,496</b>	<b>4,053,561</b>
<b>Total 3000 - 3999 Taxes &amp; benefits</b>	<b>1,024,631</b>	<b>1,031,400</b>	<b>1,064,640</b>
<b>Total 4000 · 4999 Books &amp; Supplies</b>	<b>410,846</b>	<b>465,905</b>	<b>432,145</b>
<b>Total 5000 · 5999 Services &amp; Other Oper. Exp</b>	<b>1,459,129</b>	<b>1,577,236</b>	<b>1,619,549</b>
<b>Total 6000 · Capital Outlay</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL EXPENSES</b>	<b>6,969,116</b>	<b>7,103,036</b>	<b>7,169,895</b>
<b>NET REVENUE</b>	<b>191,733</b>	<b>28,363</b>	<b>95,098</b>
Add back capital outlay	0	0	0
<b>Total Net Revenue GAAP</b>	<b>191,733</b>	<b>28,363</b>	<b>95,098</b>
Beginning of Year Fund Balance	2,056,307	2,248,040	2,276,403
<b>End of Year Fund Balance</b>	<b>2,248,040</b>	<b>2,276,403</b>	<b>2,371,501</b>

HPS	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>
HPS	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>
<b>REVENUE:</b>			
<b>Total 8000 · Gnl Purpose Entitlement LCFF</b>	<b>5,435,644</b>	<b>5,725,688</b>	<b>6,428,920</b>
<b>Total 8100 · 8299 Federal Revenue</b>	<b>942,947</b>	<b>319,006</b>	<b>329,048</b>
<b>Total 8300 · 8599 State Revenues</b>	<b>913,670</b>	<b>579,151</b>	<b>486,668</b>
<b>Total 8600 · 8699 Other Local Revenue</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>
<b>Total 8800-89 · Donations/Fundraising</b>	<b>7,500</b>	<b>7,500</b>	<b>7,500</b>
<b>Total Revenue</b>	<b>7,319,761</b>	<b>6,651,345</b>	<b>7,272,136</b>
<b>EXPENSES:</b>			
<b>Total 1000 - 2999 Salaries</b>	<b>4,110,215</b>	<b>3,889,065</b>	<b>4,091,083</b>
<b>Total 3000 - 3999 Taxes &amp; benefits</b>	<b>1,017,720</b>	<b>905,604</b>	<b>1,060,402</b>
<b>Total 4000 · 4999 Books &amp; Supplies</b>	<b>276,055</b>	<b>283,117</b>	<b>336,544</b>
<b>Total 5000 · 5999 Services &amp; Other Oper. Exp</b>	<b>1,683,440</b>	<b>1,724,571</b>	<b>1,674,653</b>
<b>Total 6000 · Capital Outlay</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL EXPENSES</b>	<b>7,087,430</b>	<b>6,802,357</b>	<b>7,162,682</b>
<b>NET REVENUE</b>	<b>232,331</b>	<b>-151,012</b>	<b>109,454</b>
Add back capital outlay	0		
<b>Total Net Revenue GAAP</b>	<b>232,331</b>	<b>-151,012</b>	<b>109,454</b>
Beginning of Year Fund Balance	2,012,549	2,244,880	2,093,869
<b>End of Year Fund Balance</b>	<b>2,244,880</b>	<b>2,093,869</b>	<b>2,203,323</b>

<b>WPS</b>	2022-23	2023-24	2024-25
<b>REVENUE:</b>			
<b>Total 8000 · Gnl Purpose Entitlement LCFF</b>	<b>4,708,888</b>	<b>5,390,355</b>	<b>6,116,383</b>
<b>Total 8100 · 8299 Federal Revenue</b>	<b>792,944</b>	<b>687,451</b>	<b>771,265</b>
<b>Total 8300 · 8599 State Revenues</b>	<b>1,108,977</b>	<b>966,151</b>	<b>965,374</b>
<b>Total 8600 · 8699 Other Local Revenue</b>	<b>7,300</b>	<b>20,500</b>	<b>20,500</b>
<b>Total 8800-89 · Donations/Fundraising</b>	<b>50,000</b>	<b>51,500</b>	<b>51,500</b>
<b>Total Revenue</b>	<b>6,668,109</b>	<b>7,115,957</b>	<b>7,925,022</b>
<b>EXPENSES:</b>			
<b>Total 1000 - 2999 Salaries</b>	<b>3,137,887</b>	<b>3,027,025</b>	<b>3,166,073</b>
<b>Total 3000 - 3999 Taxes &amp; benefits</b>	<b>844,909</b>	<b>901,482</b>	<b>962,928</b>
<b>Total 4000 · 4999 Books &amp; Supplies</b>	<b>496,750</b>	<b>525,747</b>	<b>559,488</b>
<b>Total 5000 · 5999 Services &amp; Other Oper. Exp</b>	<b>1,820,719</b>	<b>2,019,214</b>	<b>2,195,334</b>
<b>Total 6000 · Capital Outlay</b>			
<b>TOTAL EXPENSES</b>	<b>6,300,265</b>	<b>6,473,468</b>	<b>6,883,823</b>
<b>NET REVENUE</b>	<b>367,844</b>	<b>642,489</b>	<b>1,041,199</b>
Add back capital outlay			
<b>Total Net Revenue GAAP</b>	<b>367,844</b>	<b>642,489</b>	<b>1,041,199</b>
Beginning of Year Fund Balance	698,417	1,066,261	1,708,750
<b>End of Year Fund Balance</b>	<b>1,066,261</b>	<b>1,708,750</b>	<b>2,749,949</b>

<b>Hayward Collegiate</b>				
<b>Multi-year Projection</b>				
<b>As of Apr FY2022</b>				
		<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>
		<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>
<b>SUMMARY</b>				
<b>Revenue</b>				
	LCFF Entitlement	1,877,993	2,334,443	2,775,816
	Federal Revenue	223,603	281,558	221,702
	Other State Reven	756,672	586,104	664,790
	Local Revenues	-	-	-
	Fundraising and G	125,000	-	-
	<b>Total Revenue</b>	<b>2,983,268</b>	<b>3,202,105</b>	<b>3,662,308</b>
<b>Expenses</b>				
	Compensation and	1,491,717	1,702,958	1,910,810
	Books and Supplie	253,273	291,892	324,036
	Services and Othe	1,094,978	1,079,199	1,233,128
	Depreciation	-	-	-
	Other Outflows	2,678	1,725	757
	<b>Total Expenses</b>	<b>2,842,646</b>	<b>3,075,774</b>	<b>3,468,731</b>
<b>Operating Income</b>		<b>140,622</b>	<b>126,331</b>	<b>193,577</b>
<b>Fund Balance</b>				
	Beginning Balance	1,548,290	1,664,175	1,790,504
	Audit Adjustment			
	Beginning Balance	1,548,290	1,688,912	1,815,243
	Operating Income	1,688,912	1,815,243	2,008,820
<b>Ending Fund Balance</b>		<b>1,688,912</b>	<b>1,815,243</b>	<b>2,008,820</b>



CMO	Proposed Budget		
	2022-23	2023-24	2024-25
<b>REVENUE:</b>			
Total 8000 · Gnl Purpose Entitlement LCFF		0	0
Total 8100 · 8299 Federal Revenue		0	0
Total 8300 · 8599 State Revenues		0	0
Total 8600 · 8699 Other Local Revenue	2,448,075	2,429,672	2,660,673
Total 8800-89 · Donations/Fundraising	750,000	500,000	500,000
<b>Total Revenue</b>	<b>3,198,075</b>	<b>2,929,672</b>	<b>3,160,673</b>
<b>EXPENSES:</b>			
Total 1000 - 2999 Salaries	2,278,906	2,347,273	2,417,691
Total 3000 - 3999 Taxes & benefits	577,749	597,510	626,611
Total 4000 · 4999 Books & Supplies	38,400	40,260	40,747
Total 5000 · 5999 Services & Other Oper. Exp	488,965	419,342	422,277
<b>TOTAL EXPENSES</b>	<b>3,384,020</b>	<b>3,404,386</b>	<b>3,507,327</b>
<b>NET REVENUE</b>	<b>-185,944</b>	<b>-474,713</b>	<b>-346,654</b>
Beginning of Year Fund Balance	2,800,769	2,614,825	2,140,111
<b>End of Year Fund Balance</b>	<b>2,614,825</b>	<b>2,140,111</b>	<b>1,793,458</b>