



# 2024-25 Proposed Budget

June 17, 2024, Board Meeting

# Executive Summary

- ❖ 2023-24 was a year of transition and investment
- ❖ The 2024-25 budget includes conservative assumptions based on changes in the financial picture
- ❖ We have established a separate growth initiative to ensure existing schools receive ongoing focus
- ❖ Our Wildly Important Goal (WIG) for 2024-25 will be the success of Multilingual Learners
- ❖ At the same time, we will continue to make progress on goals established during 2023-24
- ❖ We have established a separate growth initiative to ensure existing schools receive ongoing focus
- ❖ Budget Overview Slides



# 2023-24 was a year of transition and investment

- Wildly Important School Site Goals for 2023-24: *Data-Driven Instruction, Intervention for All in Need, and Strong Student Culture.*
- Strategic financial investments:
  - Win approval of a Material Revision to expand Hayward Collegiate through 7<sup>th</sup> and 8<sup>th</sup> grade and to return to the originally approved enrollment at all grade levels
  - ✓ Reduce chronic absenteeism by hiring attendance counselors
  - ✓ Accelerate learning outcomes with particular emphasis on math
  - ✓ Deepen our full-inclusion special education professional development and processes
  - ✓ Continue our implementation of Valor and Second Step to increase SEL
  - ✓ Address compensation equity and competitiveness issues among hourly staff and directors
  - ✓ Establish a comprehensive safety strategy
  - ✓ Restructure family engagement
  - ✓ Increase media and communications reach
  - ✓ Increase grant and philanthropy revenue
  - ✓ Move facilities projects forward on time
  - ✓ Created a higher level of efficacy in the finance department, including reorganization of duties
  - ✓ Fully participate in peer-to-peer job alike resources from CSGF
  - ✓ Establish a baseline DEIA audit to inform our long-term strategy
  - ✓ Develop a more advanced data partnership to improve student insights at the school and classroom level



# The 2024-25 budget includes conservative assumptions based on changes in the financial picture

- ESSER funding ends (\$1.6 million annual decrease in federal funding)
- Community Schools Planning grants replaced by Watsonville-specific CS grant
- No more RTAC funding for Navi Impact; \$200k in earned revenue
- State COLA of only 1.07%
- 3% COLA for 2024-25 for all employees
- Inflation impacts of 10% on benefits costs
- Reduce our projected ADA % from 96% to 94% because our 2023-24 ADA % came in lower than was projected in the 2023-24 budget even though we significantly decreased our chronic absenteeism rates
- Recover from 2022-23 FRL undercount
- \$750k in foundation grant revenue (50% higher than 2023-24)
- Invest in our co-founder's sabbatical



# Our Wildly Important Goal (WIG) for 2024-25 will be the success of Multilingual Learners

## WIG:

Achieve Blue on the MLL CA Dashboard by increasing the percent of Multilingual Learners growing a level or maintaining Level 4 on the ELPAC from \_\_% to \_\_%.

- GPS 39% to 55%
- HPS 44% to 55%
- WPS 53% to 63%
- HC 62% to 65%

English Learner Progress Indicator

Performance Level	Declined Significantly From Prior Year (by 10.1% p.ppts or more)	Declined From Prior Year (by 2.0 p.ppts to 10 p.ppts)	Maintained From Prior Year (declined or increased by 1.9 p.ppts or fewer)	Increased From Prior Year (by 2.0 p.ppts to 9.9 p.ppts)	Increased Significantly From Prior Year (by 10.0 p.ppts or more)
Very High 85.0% or greater in Current Year	Yellow	Green	Blue	Blue	Blue
High 66.0% to 84.9% in Current Year	Orange	Yellow	Green	Green	Blue HC 62%
Medium 46.0% to 64.9% in Current Year	Orange	Orange	Yellow WPS 53%	Green	Green
Low 30.0% to 44.9% in Current Year	Red GPS 39% HPS 44%	Orange	Orange	Yellow	Yellow
Very Low 34.9% or less than in Current Year	Red	Red	Red	Orange	Yellow

HC > 3%

GPS +16%  
HPS +11%  
WPS +10%



# At the same time, we will continue to make progress on goals established during 2023-24

1. Reduce chronic absenteeism to pre-pandemic levels
2. Increase academic achievement to pre-pandemic levels
3. Pilot and select new ELA and science curricula
4. Increase the quality of ELO-P (afterschool) programs
5. Implement a DEIA strategy based on the DEIA Audit
6. Implement our academic data strategy
7. Identify and begin work on a new facility for HPS and expansion building for WPS
8. Increase family and community engagement to increase the % of historically disadvantaged students enrolled and build civic capacity
9. Develop and implement a philanthropy strategy
10. Grow the reach of our media efforts
11. Increase our impact through Navi Impact fee-for-service



# We have established a separate growth initiative to ensure existing schools receive ongoing focus

- Build out alumni articulation and support strategies for existing schools
- Win major growth grants from the US Department of Education and Foundations
- Develop strong community partnerships and support for new schools in nearby communities
- Win approval of two new TK-12 charters to open by 2026-27
- Identify and begin the development of facilities for the two new schools



# Budget Overview: Projected Enrollment and ADA

	Gilroy Prep			Hollister Prep			Watsonville Prep			Hayward Collegiate		
	Enrollment	ADA	ADA%	Enrollment	ADA	ADA%	Enrollment	ADA	ADA%	Enrollment	ADA	ADA%
2020-21	550	528	95%	546	532	94%						
2021-22	536	509	95%	538	506	94%	335	280	92%		133	
2022-23	551	498	93%	547	495	93%	419	350	92%	151	141	94%
2023-24	547	512	95%	543	507	95%	461	417	93%	212	185	95%
2024-25 (projected)	588	559	95%	540	513	95%	528	488	92%	264	252	95%





**Navigator Schools**  
**Statement of Activities**  
**Proposed Budget**  
**2024-25**

# Budget Overview: Consolidated

	Consolidated			Net \$ Change (2024-25 vs. 2023-24 Approved)
	2023-24 Board Approved Budget	2023-24 Projected Actuals (Enrollment data is based on P2 reports)	2024-25 Proposed Budget	
Enrollment	1741	1763	1920	179
ADA	1674	1622	1811	137
ADA %	96%	92%	94%	-2%
<b>REVENUE:</b>				
LCFF Revenue	\$ 21,115,186	\$ 20,513,484	\$ 23,514,681	\$ 2,399,495
Federal Revenue	2,810,272	2,810,272	2,031,621	(778,651)
Other State Revenue	4,309,919	4,832,631	6,947,634	2,637,715
Donations & Grants	567,000	756,633	542,000	(25,000)
Local Revenue	94,300	94,300	249,300	155,000
CMO Management Fees	2,956,126	2,956,126	3,757,921	801,795
Total Revenue	31,852,802	31,963,446	37,043,157	5,190,355
<b>EXPENDITURES:</b>				
Salaries	\$ 16,832,998	\$ 17,164,665	\$ 20,760,645	\$ 3,927,647
Benefits & Taxes	4,571,516	4,903,449	5,048,985	477,469
Books & Supplies	1,977,292	1,556,409	1,928,870	(48,422)
Services & Other Operating Expense	5,248,721	6,667,850	4,537,383	(711,338)
CMO Management Fees	2,956,126	2,956,126	3,757,921	801,795
Capital Outlay	345,734	111,234	830,114	484,380
Total Expenditures	31,932,387	33,359,733	36,863,918	4,931,531
<b>Revenue Less Expenditures</b>	<b>\$ (79,585)</b>	<b>\$ (1,396,287)</b>	<b>\$ 179,239</b>	<b>\$ 258,824</b>
<b>GAAP Adjustments:</b>				
Revenue Less Expenditures	\$ (79,585)	\$ (1,396,287)	\$ 179,239	
Add back Capital Outlay to Net income	345,734	111,234	830,114	
Subtract Depreciation Expense	-	-	-	
<b>Net Income /(Loss)</b>	<b>\$ 266,149</b>	<b>\$ (1,285,053)</b>	<b>\$ 1,009,353</b>	
Beginning Net Asset Balance	11,352,638	11,456,932	10,171,879	
Net Income /(Loss)	266,149	(1,285,053)	1,009,353	
<b>Ending Net Asset Balance</b>	<b>\$ 11,618,787</b>	<b>\$ 10,171,879</b>	<b>\$ 11,181,232</b>	



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	Gilroy Prep			Net \$ Change (2024-25 Proposed Budget vs. 2023-24 Approved)
	2023-24 Board Approved Budget	2023-24 Projected Actuals (Enrollment data is based on P2 reports)	2024-25 Proposed Budget	
Enrollment	540	547	588	48
ADA	524	512	559	35
ADA %	97%	95%	95%	-2%
<b>REVENUE:</b>				
LCFF Revenue	\$ 6,089,066	\$ 5,948,446	\$ 6,764,264	\$ 675,198
Federal Revenue	850,802	850,802	560,629	(290,173)
Other State Revenue	1,091,413	1,091,413	1,601,677	510,264
Donations & Grants	7,500	7,500	7,500	-
Local Revenue	20,000	20,000	20,000	-
CMO Management Fees	-	-	-	-
Total Revenue	8,058,781	7,918,161	8,954,070	895,289
<b>EXPENDITURES:</b>				
Salaries	\$ 4,244,656	\$ 4,454,570	\$ 5,131,815	\$ 887,159
Benefits & Taxes	1,204,412	1,253,373	1,367,950	163,538
Books & Supplies	514,244	490,575	494,354	(19,890)
Services & Other Operating Expense	1,223,339	1,289,876	563,857	(659,482)
CMO Management Fees	852,469	852,469	982,973	130,504
Capital Outlay	111,234	111,234	335,624	224,390
Total Expenditures	8,150,354	8,452,097	8,876,573	726,219
Revenue Less Expenditures	\$ (91,573)	\$ (533,936)	\$ 77,497	\$ 169,070
<b>GAAP Adjustments:</b>				
Revenue Less Expenditures	\$ (91,573)	\$ (533,936)	\$ 77,497	
Add back Capital Outlay to Net income	111,234	111,234	335,624	
Subtract Depreciation Expense	-	-	-	
Net Income /(Loss)	\$ 19,661	\$ (422,702)	\$ 413,121	
Beginning Net Asset Balance	2,523,207	3,063,451	2,640,749	
Net Income /(Loss)	19,661	(422,702)	413,121	
Ending Net Asset Balance	\$ 2,542,868	\$ 2,640,749	\$ 3,053,870	

# Budget Overview: Gilroy Prep



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# Budget Overview: Hayward Collegiate

	Hayward Collegiate			Net \$ Change (2024-25 Proposed Budget vs. 2023-24 Approved)
	2023-24 Board Approved Budget	2023-24 Projected Actuals (Enrollment data is based on P2 reports)	2024-25 Proposed Budget	
Enrollment	201	212	264	63
ADA	189	185	252	63
ADA %	94%	95%	95%	1%
<b>REVENUE:</b>				
LCFF Revenue	\$ 2,577,985	\$ 2,378,311	\$ 3,206,710	\$ 628,725
Federal Revenue	332,553	332,553	241,537	(91,016)
Other State Revenue	655,633	851,252	1,114,433	458,801
Donations & Grants	50,500	180,120	125,500	75,000
Local Revenue	2,000	2,000	2,000	-
CMO Management Fees		-	-	-
Total Revenue	3,618,671	3,744,236	4,690,180	1,071,509
<b>EXPENDITURES:</b>				
Salaries	\$ 2,030,826	\$ 1,998,416	\$ 2,385,420	\$ 354,594
Benefits & Taxes	427,571	552,475	613,218	185,647
Books & Supplies	444,517	332,620	566,790	122,273
Services & Other Operating Expense	544,047	683,953	438,932	(105,115)
CMO Management Fees	360,918	360,918	527,334	166,416
Capital Outlay	164,500	-	144,490	(20,010)
Total Expenditures	3,972,379	3,928,382	4,676,184	703,805
Revenue Less Expenditures	\$ (353,708)	\$ (184,146)	\$ 13,996	\$ 367,704
<b>GAAP Adjustments:</b>				
Revenue Less Expenditures	\$ (353,708)	\$ (184,146)	\$ 13,996	
Add back Capital Outlay to Net income	164,500	-	144,490	
Subtract Depreciation Expense	-	-	-	
Net Income /(Loss)	\$ (189,208)	\$ (184,146)	\$ 158,486	
Beginning Net Asset Balance	2,009,910	1,487,913	1,303,767	
Net Income /(Loss)	(189,208)	(184,146)	158,486	
Ending Net Asset Balance	\$ 1,820,702	\$ 1,303,767	\$ 1,462,253	



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# Budget Overview: Hollister Prep

	<b>Hollister Prep</b>			
	2023-24 Board Approved Budget	2023-24 Projected Actuals (Enrollment data is based on P2 reports)	2024-25 Proposed Budget	Net \$ Change (2024-25 Proposed Budget vs. 2023-24 Approved)
Enrollment	540	543	540	0
ADA	524	507	513	-11
ADA %	97%	95%	95%	-2%
<b>REVENUE:</b>				
LCFF Revenue	\$ 6,350,849	\$ 6,091,674	\$ 6,282,860	\$ (67,989)
Federal Revenue	669,006	669,006	480,118	(188,888)
Other State Revenue	1,091,705	1,091,705	1,420,032	328,327
Donations & Grants	7,500	7,500	7,500	-
Local Revenue	20,000	20,000	20,000	-
CMO Management Fees			-	-
<b>Total Revenue</b>	<b>8,139,060</b>	<b>7,879,885</b>	<b>8,210,510</b>	<b>71,450</b>
<b>EXPENDITURES:</b>				
Salaries	\$ 4,306,298	\$ 4,088,996	\$ 4,858,590	\$ 552,292
Benefits & Taxes	1,187,798	1,296,306	1,333,144	145,346
Books & Supplies	359,805	137,701	160,666	(199,139)
Services & Other Operating Expense	1,318,437	1,268,707	815,214	(503,223)
CMO Management Fees	889,119	889,119	1,018,731	129,612
Capital Outlay	45,000	-	-	(45,000)
<b>Total Expenditures</b>	<b>8,106,458</b>	<b>7,680,829</b>	<b>8,186,345</b>	<b>79,887</b>
<b>Revenue Less Expenditures</b>	<b>\$ 32,603</b>	<b>\$ 199,057</b>	<b>\$ 24,165</b>	<b>\$ (8,438)</b>
<b>GAAP Adjustments:</b>				
Revenue Less Expenditures	\$ 32,603	\$ 199,057	\$ 24,165	
Add back Capital Outlay to Net income	45,000	-	-	
Subtract Depreciation Expense	-	-	-	
<b>Net Income /(Loss)</b>	<b>\$ 77,603</b>	<b>\$ 199,057</b>	<b>\$ 24,165</b>	
Beginning Net Asset Balance	2,612,729	2,949,630	3,148,687	
Net Income /(Loss)	77,603	199,057	24,165	
<b>Ending Net Asset Balance</b>	<b>\$ 2,690,332</b>	<b>\$ 3,148,687</b>	<b>\$ 3,172,852</b>	



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	Watsonville Prep			Net \$ Change (2024-25 Proposed Budget vs. 2023-24 Approved)
	2023-24 Board Approved Budget	2023-24 Projected Actuals (Enrollment data is based on P2 reports)	2024-25 Proposed Budget	
Enrollment	460	461	528	68
ADA	437	417	488	51
ADA %	95%	93%	92%	-3%
<b>REVENUE:</b>				
LCFF Revenue	\$ 6,097,286	\$ 6,095,053	\$ 7,260,847	\$ 1,163,561
Federal Revenue	957,910	957,910	749,337	(208,573)
Other State Revenue	1,471,168	1,798,261	2,811,492	1,340,324
Donations & Grants	1,500	1,500	1,500	-
Local Revenue	7,300	7,300	7,300	-
CMO Management Fees	-	-	-	-
Total Revenue	8,535,164	8,860,024	10,830,476	2,295,312
<b>EXPENDITURES:</b>				
Salaries	\$ 3,628,039	\$ 3,745,228	\$ 5,170,394	\$ 1,542,355
Benefits & Taxes	1,032,457	1,101,382	1,402,863	370,406
Books & Supplies	612,576	494,554	643,171	30,595
Services & Other Operating Expense	1,676,556	1,897,443	1,995,224	318,668
CMO Management Fees	853,620	853,620	1,228,883	375,263
Capital Outlay	25,000	-	350,000	325,000
Total Expenditures	7,828,248	8,092,227	10,790,535	2,962,287
<b>Revenue Less Expenditures</b>	<b>\$ 706,916</b>	<b>\$ 767,797</b>	<b>\$ 39,941</b>	<b>\$ (666,975)</b>
<b>GAAP Adjustments:</b>				
Revenue Less Expenditures	\$ 706,916	\$ 767,797	\$ 39,941	
Add back Capital Outlay to Net income	25,000	-	350,000	
Subtract Depreciation Expense	-	-	-	
Net Income /(Loss)	\$ 731,916	\$ 767,797	\$ 389,941	
Beginning Net Asset Balance	1,694,212	1,194,682	1,962,479	
Net Income /(Loss)	731,916	767,797	389,941	
Ending Net Asset Balance	\$ 2,426,128	\$ 1,962,479	\$ 2,352,420	

# Budget Overview: Watsonville Prep



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# Budget Overview: Support Office

	CMO			Net \$ Change (2024-25 Proposed Budget vs. 2023-24 Approved)
	2023-24 Board Approved Budget	2023-24 Projected Actuals	2024-25 Proposed Budget	
Enrollment				
ADA				
ADA %				
<b>REVENUE:</b>				
LCFF Revenue	\$ -	\$ -	\$ -	\$ -
Federal Revenue	-	-	-	-
Other State Revenue	-	-	-	-
Donations & Grants	500,000	560,013	400,000	(100,000)
Local Revenue	45,000	45,000	200,000	155,000
CMO Management Fees	2,956,126	2,956,126	3,757,921	801,795
<b>Total Revenue</b>	<b>3,501,126</b>	<b>3,561,139</b>	<b>4,357,921</b>	<b>856,795</b>
<b>EXPENDITURES:</b>				
Salaries	\$ 2,623,179	\$ 2,877,455	\$ 3,214,426	\$ 591,247
Benefits & Taxes	719,278	699,913	331,810	(387,468)
Books & Supplies	46,150	100,959	63,889	17,739
Services & Other Operating Expense	486,342	1,527,871	724,156	237,814
CMO Management Fees	-	-	-	-
Capital Outlay	-	-	-	-
<b>Total Expenditures</b>	<b>3,874,949</b>	<b>5,206,198</b>	<b>4,334,281</b>	<b>459,332</b>
<b>Revenue Less Expenditures</b>	<b>\$ (373,823)</b>	<b>\$ (1,645,059)</b>	<b>\$ 23,640</b>	<b>\$ 397,463</b>
<b>GAAP Adjustments:</b>				
Revenue Less Expenditures	\$ (373,823)	\$ (1,645,059)	\$ 23,640	
Add back Capital Outlay to Net income	-	-	-	
Subtract Depreciation Expense	-	-	-	
<b>Net Income /(Loss)</b>	<b>\$ (373,823)</b>	<b>\$ (1,645,059)</b>	<b>\$ 23,640</b>	
Beginning Net Asset Balance	2,512,580	2,761,256	1,116,197	
Net Income /(Loss)	(373,823)	(1,645,059)	23,640	
<b>Ending Net Asset Balance</b>	<b>\$ 2,138,757</b>	<b>\$ 1,116,197</b>	<b>\$ 1,139,837</b>	



**Navigator Schools**  
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**2024-25**

**Consolidated**

	2023-24 Board Approved Budget	2023-24 Projected Actuals (Enrollment data is based on P2 reports)	2024-25 Proposed Budget	Net \$ Change (2024-25 Proposed Budget vs. 2023-24 Approved)
Total Revenue	31,852,802	31,963,446	37,043,157	5,190,355
Total Expenditures	31,932,387	33,359,733	36,863,918	4,931,531
<b>Revenue Less Expenditures</b>	<b>\$ (79,585)</b>	<b>\$ (1,396,287)</b>	<b>\$ 179,239</b>	<b>\$ 258,824</b>

**Net Assets**

GAAP Adjustments:

Revenue Less Expenditures	\$ (79,585)	\$ (1,396,287)	\$ 179,239
Add back Capital Outlay to Net income	345,734	111,234	830,114
Subtract Depreciation Expense	-	-	-
<b>Net Income /(Loss)</b>	<b>\$ 266,149</b>	<b>\$ (1,285,053)</b>	<b>\$ 1,009,353</b>

Beginning Net Asset Balance	11,352,638	11,456,932	10,171,879
Net Income /(Loss)	266,149	(1,285,053)	1,009,353
<b>Ending Net Asset Balance</b>	<b>\$ 11,618,787</b>	<b>\$ 10,171,879</b>	<b>\$ 11,181,232</b>

Net Asset Target (25% of 2024-25 Proposed Budget Expenses)	9,215,980
Net Asset Balance before adjustment (% of 2024-25 Proposed Budget Expenses)	30%

Board Designated Net Assets

*Board Designated Reserve for growth strategy planning	(589,027)
% of Net Assets to be used for growth strategy planning	-5.27%
*2024-25 Proposed Ending Fund Balance	\$ 10,592,205
*2024-25 Proposed Net Asset Balance after 2024-25 growth expenses	29%

# Budget Overview: Board Designated Reserve for Growth Initiative



# Budget Overview: Growth Initiative

Year -1 / Year 0

2024-25

Proposed Budget \*funded  
 with CMO reserve balance

**REVENUE:**

Donations & Grants	\$ 350,000
Total Revenue	350,000

**EXPENDITURES:**

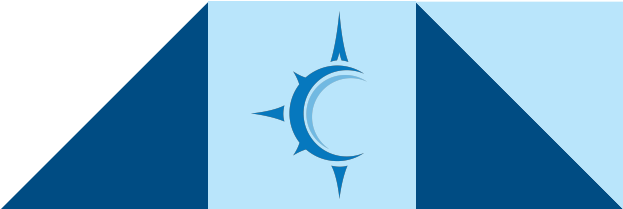
Salaries & Wages	\$ 574,672
Benefits & Taxes	93,355
Professional Fees	
Growth strategy planning and grant writing	80,000
Growth community engagement	104,000
Legal counsel for new school charter development	45,000
Growth political strategy for new school communities	42,000
Total Expenditures	939,027

Revenue Less Expenditures	\$ (589,027)
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Board Designated Net Assets

*Board Designated Reserve for 2024-25 growth initiative	\$ 589,027
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\*Includes investment in co-founder's sabbatical





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**2024-25**

**Consolidated**

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**Net Assets**

GAAP Adjustments:

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Net Asset Target (25% of 2024-25 Proposed Budget Expenses)	9,215,980
Net Asset Balance before adjustment (% of 2024-25 Proposed Budget Expenses)	30%

Board Designated Net Assets

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*2024-25 Proposed Net Asset Balance after 2024-25 growth expenses	29%

# Budget Overview: Summation





