



Navigator Schools

Finance Committee

Date and Time

Friday January 27, 2023 at 3:00 PM PST

Location

Zoom

This meeting will be held in compliance with modified Brown Act requirements as outlined in Executive Order [N-25-20](#).

Individuals in need of a disability-related accommodation, modification, or auxiliary aid/service, should direct requests [via e-mail](#) to Sean Martin, Executive Assistant to the CEO.

Meeting ID: 936 0268 7591

Passcode: 961711

Agenda

I. Opening Items

Opening Items

- A. Record Attendance and Guests
- B. Call the Meeting to Order
- C. Committee Chair Update

The committee chair will provide review recent committee activities, objectives, and priorities.

D. Public Comments

The committee chair will review requests for public comments (if any).

E. Approve Minutes from Previous Meeting

Approve minutes for Finance Committee on October 20, 2022

II. Business and Finance

A. Financials as of December 31, 2022

A. Ortiz will present Financials.

B. Facilities Updates and Proposed Next Steps

K. Sved will provide updates for school facilities and share proposed next steps.

III. Closing Items

A. Adjourn Meeting

Members will vote on the approval of meeting adjournment.

Coversheet

Approve Minutes from Previous Meeting

Section: I. Opening Items
Item: E. Approve Minutes from Previous Meeting
Purpose: Approve Minutes
Submitted by:
Related Material: Minutes for Finance Committee on October 20, 2022

APPROVED



Navigator Schools

Minutes

Finance Committee

Date and Time

Thursday October 20, 2022 at 4:30 PM

Location

Zoom

This meeting will be held in compliance with modified Brown Act requirements as outlined in Executive Order [N-25-20](#).

Individuals in need of a disability-related accommodation, modification, or auxiliary aid/service, should direct requests [via e-mail](#) to Sean Martin, Executive Assistant to the CEO.

Meeting ID: 936 0268 7591

Passcode: 961711

Committee Members Present

JP Anderson (remote), Jaime Quiroga (remote), Victor Paredes-Colonia (remote)

Committee Members Absent

None

Guests Present

Kevin Sved (remote), Sean Martin (remote)

I. Opening Items

A. Record Attendance and Guests

B. Call the Meeting to Order

Victor Paredes-Colonia called a meeting of the Finance Committee of Navigator Schools to order on Thursday Oct 20, 2022 at 4:30 PM.

C. Committee Chair Update

The chair welcomed participants and highlighted the topic of facilities planning to be addressed at a future meeting.

D. Public Comments

E. Approve Minutes from Previous Meeting

Jaime Quiroga made a motion to approve the minutes from Finance Committee on 09-20-22.

Victor Paredes-Colonia seconded the motion.

The committee **VOTED** unanimously to approve the motion.

Roll Call

JP Anderson	Abstain
Jaime Quiroga	Aye
Victor Paredes-Colonia	Aye

II. Business and Finance

A. Unaudited Actuals

A. Ortiz explained the status, process, and next steps concerning the development of unaudited actuals. Members asked clarifying questions.

B. Proposed Budget Revise (2022-23)

A. Ortiz presented proposed revisions to the 2022-23 budget. She explained changes in revenues, expenses, and other variances, including the addition of new staff and contracted services, increases in state funding related to cost of living adjustments (COLA), and grants. She explained unique attributes of the Hayward Collegiate budget and its development.

III. Closing Items

A. Adjourn Meeting

Jaime Quiroga made a motion to adjourn.

JP Anderson seconded the motion.

The committee **VOTED** unanimously to approve the motion.

Roll Call

JP Anderson Aye

Victor Paredes-Colonia Aye

Jaime Quiroga Aye

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 4:55 PM.

Respectfully Submitted,
Sean Martin

Coversheet

Financials as of December 31, 2022

Section: II. Business and Finance
Item: A. Financials as of December 31, 2022
Purpose: Discuss
Submitted by:
Related Material: December 31st 2022 Financials.pdf



2022-23 Financial Narrative
December 31, 2022

2022-23 Net Income

	BOD Approved Budget Oct 25, 2022 Net Income	Projected June 30, 2023 Net Income
Charter Management Organization (CMO)	-228K	-228K
Gilroy Prep School (GPS)	467K	618K
Hollister Prep School (HPS)	600K	668K
Watsonville Prep School (WPS)	996K	999K
Hayward Collegiate	423K	533K
Total	2.1M	2.5M

- Charter Management Organization (CMO)
 - No variances at this time
- Gilroy Prep School
 - \$19,500 favorable variance in donations/grants coming in higher than what was budgeted primarily due to site-based fundraising \$119,139K favorable variance salaries and benefits due to open positions that have not been filled by midyear
- Hollister Prep School
 - \$10,000 favorable variance in donations/grants coming in higher than what was budgeted mostly due to fundraising at the site level (candy sales, cookie sales, science camp, etc)
 - \$46,348K favorable variance salaries and benefits due to open positions that have not been filled by midyear
- Watsonville Prep School
 - \$65k favorable variance in salaries and benefits due to open positions that have not been filled by midyear
 - \$170K unfavorable variance in LCFF funding due to 17 TK students under the age to qualify towards our ADA revenue



- Hayward Collegiate Charter
 - \$125K favorable variance in donations and grants due to receiving a grant that was not budgeted for
 - \$117,376 favorable variance in salaries and benefits due to 1 FTE transitioning to a site based position

Navigator Schools Balance Sheet

As of Date:

	December 31, 2022 NAVIGATOR	407 MAIN ST LLC
	Year To Date 12/31/2022	Year To Date 12/31/2022
	Current Year Balance	Current Year Balance
Assets		
Current Assets		
Cash and Cash Equivalents	4,912,558	295,060
Accounts Receivable, Net	2,110,003	-
Other Current Assets	40,722	-
Total Current Assets	7,063,283	295,060
Long-term Assets		
Property & Equipment	448,936	8,450,961
Other Long-term Assets	4,763	-
Total Long-term Assets	453,699	8,450,961
Total Assets	7,516,982	8,746,021
Liabilities and Net Assets		
Liabilities		
Short-term Liabilities		
Accounts Payable	649,177	80,124
Other Short-term Liabilities	-441,204	1,377,265
Total Short-term Liabilities	207,973	1,457,389
Long Term Liabilities		
Other Long-term Liabilities	390,209	9,552,300
Total Long Term Liabilities	390,209	9,552,300
Total Liabilities	598,181	11,009,689
Net Assets	6,918,801	-2,263,668
Total Liabilities and Net Assets	7,516,982	8,746,021

**Loans Payable-Navigator Schools

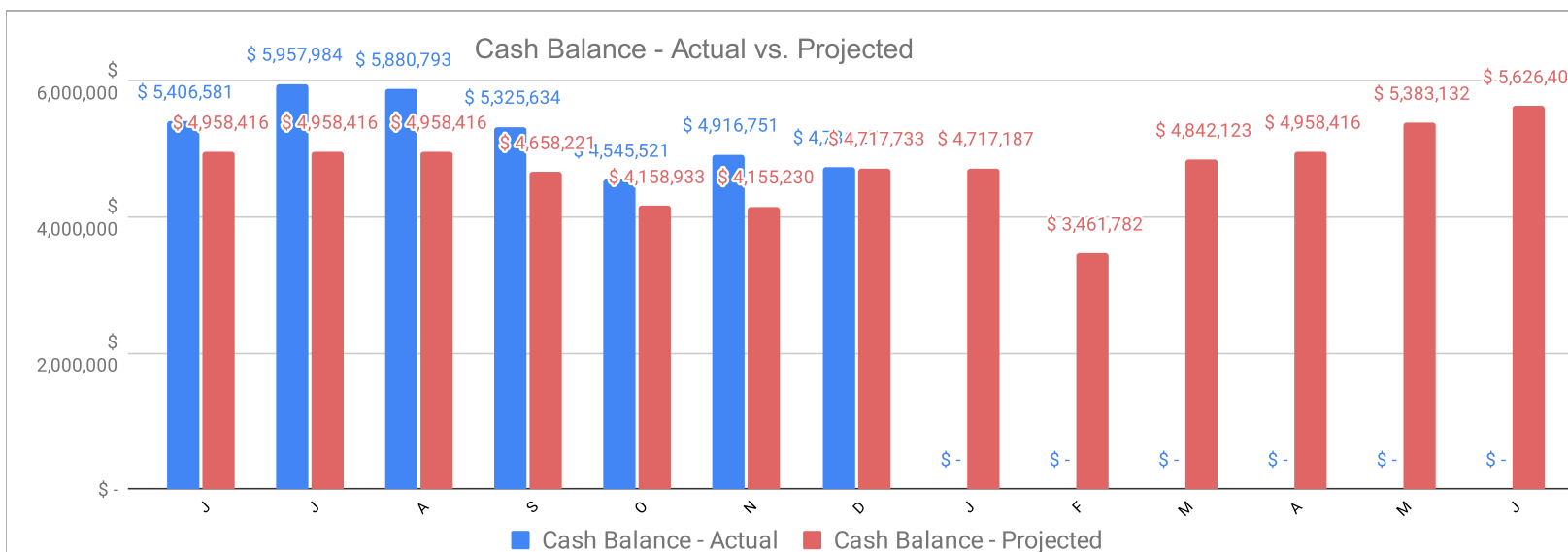
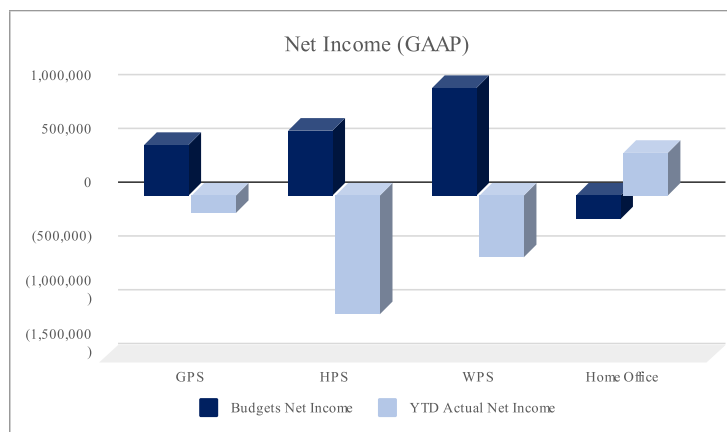
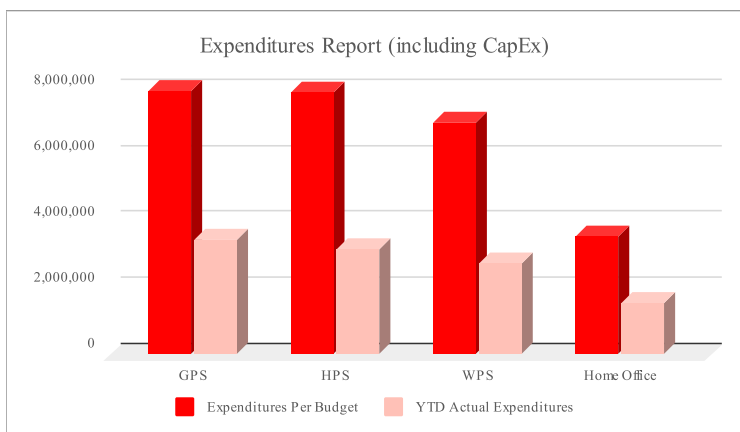
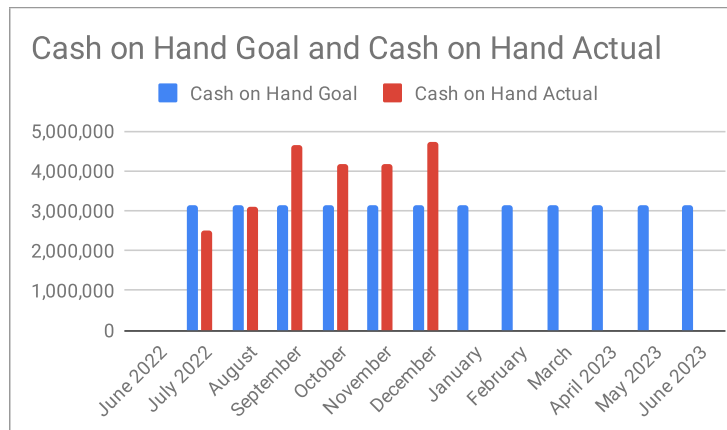
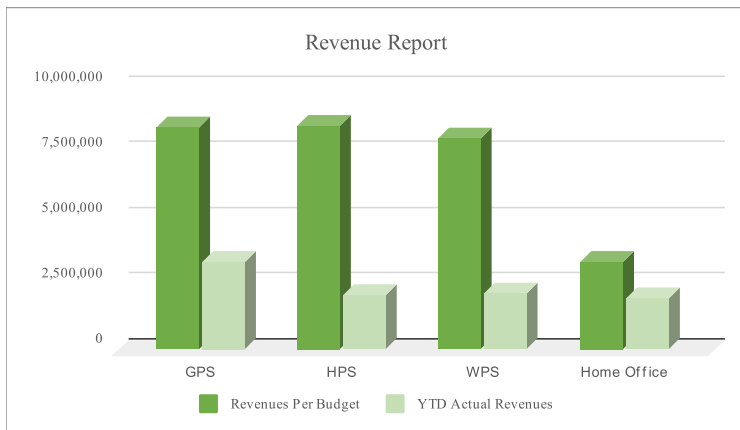
Watsonville Prep School	\$159,420	CDE
Watsonville Prep School	\$230,789	PCSD

** Loans Payable - 407 Main St

\$5,880,000	Civic Builders
\$1,545,758	LIIF
\$1,169,211	PCSD

**Other Long Term Liability-407 Main St

\$957,330	Deferred Rent 407
-----------	-------------------



Navigator Schools - Finance Committee - Agenda - Friday January 27, 2023 at 3:00 PM

Navigator Schools - 2022-23 Budget vs. Projection																													
December 31, 2022																													
Enrollment																													
	Total				GPS				HPS				WPS				HC				CMO								
	2022-23	2022-23	2022-23	2022-23	2022-23	2022-23	2022-23	2022-23	2022-23	2022-23	2022-23	2022-23	2022-23	2022-23	2022-23	2022-23	2022-23	2022-23	2022-23	2022-23	2022-23	2022-23	2022-23	2022-23	2022-23				
	BOD Approved	Actuals	Projection	Variance to Budget	BOD Approved	Actuals	Projection	Variance to Budget	BOD Approved	Actuals	Projection	Variance to Budget	BOD Approved	Actuals	Projection	Variance to Budget	BOD Approved	Actuals	Projection	Variance to Budget	BOD Approved	Actuals	Projection	Variance to Budget	BOD Approved	Actuals	Projection	Variance to Budget	
	1476	1477	1480		538	540	540		538	538	540		400	399	400		150	150	150		150	150	150		750,000	675,000	750,000		
REVENUE:																													
LCFF Revenue	18,295,682	5,762,199	18,125,682	170,000	5,502,502	2,424,206	5,502,502	0	5,720,680	1,815,472	5,720,680	0	4,978,046	1,364,399	4,808,046	(170,000)	2,094,454	158,122	2,094,454	0	0	0	0	0	0	0	0	0	0
Federal Revenue	3,062,475	226,839	3,062,475	0	1,098,323	85,277	1,098,323	0	947,605	7,682	947,605	0	792,944	108,346	792,944	0	223,603	25,533	223,603	0	0	0	0	0	0	0	0	0	0
Other State Revenue	6,847,668	1,723,101	6,847,668	0	1,809,142	782,216	1,809,142	0	1,821,765	224,277	1,821,765	0	2,241,625	660,353	2,241,625	0	975,136	56,255	975,136	0	0	0	0	0	0	0	0	0	0
Donations & Grants	765,500	818,713	911,000	145,500	7,500	16,013	27,000	19,500	7,500	2,200	7,500	0	0	500	1,000	1,000	500	125,000	125,000	0	750,000	675,000	750,000	0	0	0	0	0	0
Other Revenue	71,000	54,181	99,750	28,750	20,000	10,006	20,000	0	20,000	27,292	30,000	10,000	2,000	1,373	2,750	750	2,000	15,510	20,000	18,000	27,000	27,000	27,000	0	0	0	0	0	0
CMO Management Fees	2,561,395	1,280,698	2,561,395	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2,561,395	1,280,698	2,561,395	0	2,561,395	1,280,698	2,561,395	0	0
REVENUE	31,603,720	9,865,730	31,607,970	4,250	8,437,467	3,317,718	8,456,967	19,500	8,517,550	2,076,923	8,527,550	10,000	8,014,615	2,134,971	7,846,365	(168,250)	3,295,693	380,421	3,438,693	143,000	3,338,395	1,955,698	3,338,395	0	3,338,395	1,955,698	3,338,395	0	
EXPENDITURES:																													
Salaries	16,252,345	6,279,394	16,013,568	238,777	4,442,911	1,773,431	4,365,062	77,849	4,478,615	1,599,233	4,435,000	43,615	3,517,999	1,344,568	3,478,900	39,099	1,504,914	600,103	1,426,700	78,214	2,307,906	962,058	2,307,906	0	2,307,906	962,058	2,307,906	0	0
Benefits & Taxes	4,202,037	1,904,840	4,096,444	107,593	1,180,290	528,312	1,139,000	41,290	1,152,733	554,423	1,150,000	2,733	927,798	406,884	903,400	24,398	336,762	156,360	297,600	39,162	604,444	258,861	604,444	0	604,444	258,861	604,444	0	0
Books & Supplies	1,741,162	1,070,297	1,679,787	61,375	610,575	372,786	598,500	12,075	276,894	159,377	276,894	0	549,300	314,028	500,000	49,300	247,175	179,722	247,175	0	57,218	44,384	57,218	0	57,218	44,384	57,218	0	0
Services & Other Operating Expense	4,588,990	1,763,796	4,518,430	70,560	966,441	421,287	966,441	0	1,208,233	473,473	1,196,580	11,653	1,326,797	306,314	1,267,890	58,907	490,556	268,923	490,556	0	596,963	293,800	596,963	0	596,963	293,800	596,963	0	0
CMO Management Fees	2,561,395	1,280,717	2,561,395	0	770,350	385,194	770,350	0	800,895	400,448	800,895	0	696,926	348,463	696,926	0	293,224	146,612	293,224	0	0	0	0	0	0	0	0	0	0
Capital Outlay	150,000	120,463	150,000	0	0	0	0	0	0	0	0	0	0	0	0	0	150,000	120,463	150,000	0	0	0	0	0	0	0	0	0	0
EXPENDITURES	29,495,919	12,419,507	29,017,624	478,295	7,970,567	3,481,010	7,839,353	131,214	7,917,370	3,186,954	7,859,369	58,001	7,018,820	2,720,257	6,847,116	171,704	3,022,631	1,472,183	2,905,255	117,376	3,566,531	1,559,103	3,566,531	0	3,566,531	1,559,103	3,566,531	0	
REVENUE LESS EXPENDITURES	2,107,801	(2,553,777)	2,590,346	482,545	466,900	(163,292)	617,614	150,714	600,180	(1,110,031)	668,181	68,001	995,795	(585,286)	999,249	3,454	273,062	(1,091,763)	533,438	260,376	(228,136)	396,594	(228,136)	0	(228,136)	396,594	(228,136)	0	
GAAP Adjustments:																													
Revenue Less Expenditures	2,107,801	(2,553,777)	2,590,346	482,545	466,900	(163,292)	617,614	150,714	600,180	(1,110,031)	668,181	68,001	995,795	(585,286)	999,249	3,454	273,062	(1,091,763)	533,438	260,376	(228,136)	396,594	(228,136)	0	(228,136)	396,594	(228,136)	0	
Add back Capital Outlay to Net Income	150,000	120,463	150,000	0	0	0	0	0	0	0	0	0	0	0	0	0	150,000	120,463	150,000	0	0	0	0	0	0	0	0	0	0
Subtract Depreciation Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Income - GAAP Basis 2022/23	2,257,801	(2,433,314)	2,740,346	482,545	466,900	(163,292)	617,614	150,714	600,180	(1,110,031)	668,181	68,001	995,795	(585,286)	999,249	3,454	423,062	(971,300)	683,438	260,376	(228,136)	396,594	(228,136)	0	(228,136)	396,594	(228,136)	0	
Beginning Net Assets @ 12/31/2022	9,304,837	9,304,837	9,304,837		2,056,307	2,056,307	2,056,307		2,012,549	2,012,549	2,012,549		698,417	698,417	698,417		1,736,848	1,736,848	1,736,848		2,800,716	2,800,716	2,800,716		2,800,716	2,800,716	2,800,716		
Net Income - GAAP Basis 2022-23	2,257,801	(2,433,314)	2,740,346		466,900	(163,292)	617,614		600,180	(1,110,031)	668,181		995,795	(585,286)	999,249		423,062	(971,300)	683,438		(228,136)	396,594	(228,136)		(228,136)	396,594	(228,136)		
Ending Net Assets @ 12/31/2023	11,562,638	6,871,523	12,045,183		2,523,207	1,893,015	2,673,921		2,612,729	902,518	2,680,730		1,694,212	113,131	1,697,666		2,159,910	765,548	2,420,286		2,572,580	3,197,310	2,572,580		2,572,580	3,197,310	2,572,580		

Navigator Schools - Financial Data

P-1

<u>Attendance and Enrollment Data</u>	<u>Total</u>	<u>GPS</u>	<u>HPS</u>	<u>WPS</u>	<u>HC</u>
2022-23 ADA - Approved Budget	1414.2	507.6	507.6	399	142.5
2022-23 ADA	1357.5	503.2	500.0	354.30	141
2022-23 ADA %- Approved Budget	87.0%	94%	94.0%	94%	95%
2022-23 ADA %	83.4%	93.18%	92.94%	88.80%	94.00%
2022-23 Enrollment - Approved Budget	1626.0	538.0	538.0	400	150
2022-23 Enrollment	1627.0	540.0	538.0	399	150



	<u>Actual</u>
Cash balance as of 12/31/22	4,912,558
Annual Expenditures (not including CMO Mgmt Fees)	26,456,229
Number of Months Cash on Hand	2.23