



2018-19 Financial Report Narrative
February 2019 Board Meeting
Financials through December, 2018

2018-19 Net Income

	<u>Current Projection</u>	<u>BOD Approved Budget</u>
CMO	\$19k	\$19k
Gilroy Prep	\$265k	\$215k
Hollister Prep	\$252k	\$255k
Watsonville Prep	<u>\$124k</u>	<u>\$326k</u>
Total	\$663k	\$815k

- CMO projected net income variance highlights
 - There are no significant variances.

- Gilroy Prep projected net income variance highlights
 - \$22k favorable variance in operations supplies due to expenditures coming in lower than originally budgeted for.
 - \$30k favorable variance in salaries due to replacing a high salary teacher opening with a Teacher in Training.

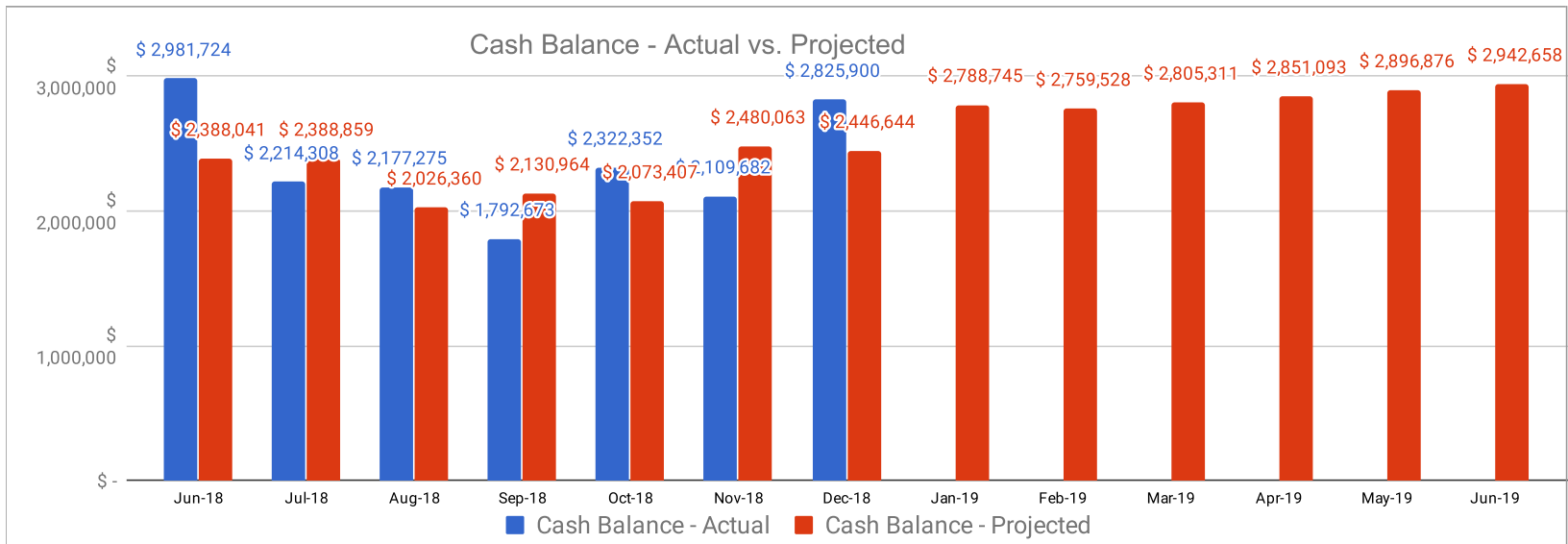
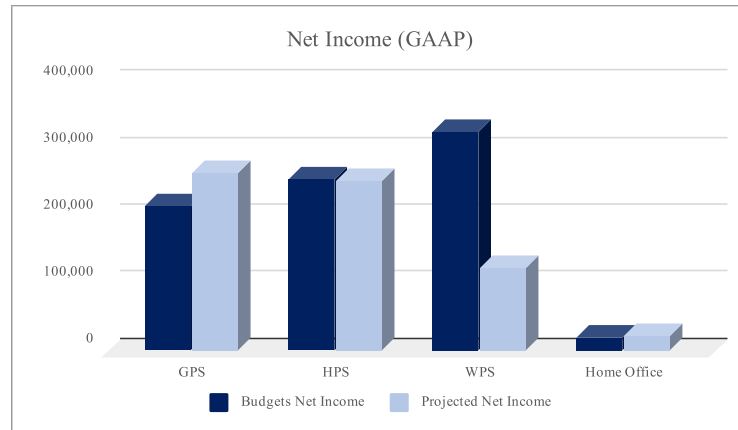
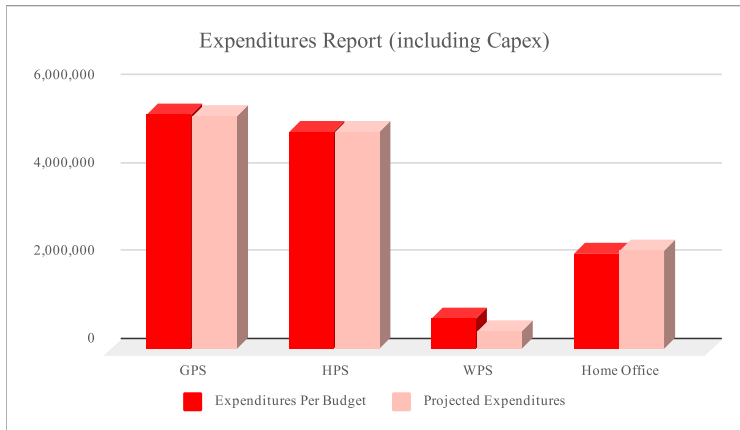
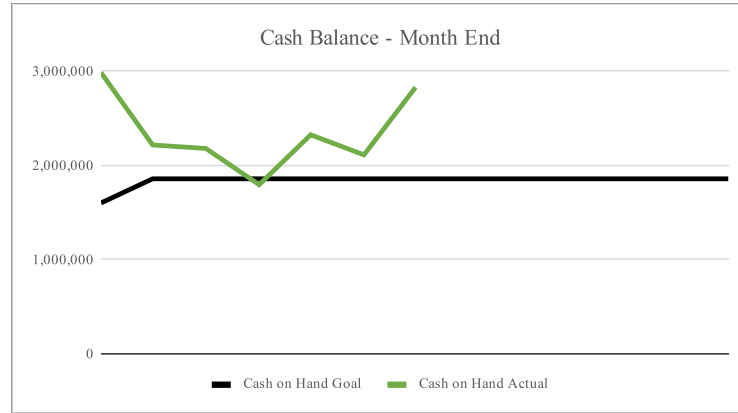
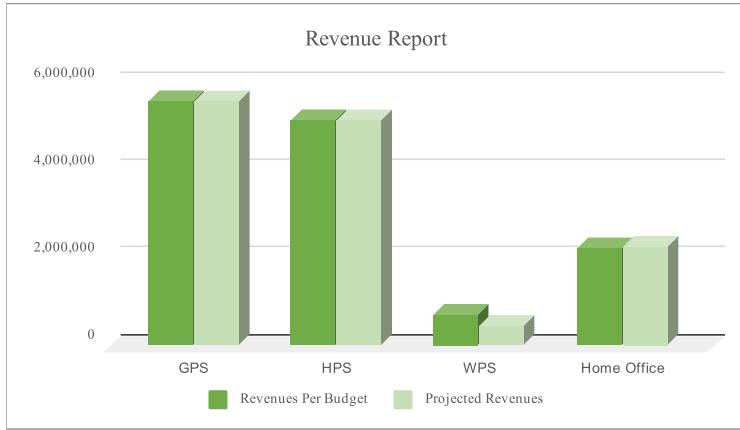
- Hollister Prep projected net income variance highlights
 - There are no significant variances.

- Watsonville Prep projected net income variance highlights
 - \$275 unfavorable variance due to fundraising totals projected to be lower than originally budgeted.
 - \$120k favorable variance from rent not expended through March 1, 2019.
 - \$32k unfavorable variance in non-instructional consulting due to WPS contracting a TK consultant, a political consultant, and a real estate broker that were not originally budgeted.

**2019-20 monthly cash flows will be forthcoming in the next iteration of the budget

Navigator Schools
 Consolidated Balance Sheet Comparison
 Actuals through December 31, 2018

	Actual <u>12/31/2018</u>	Actual <u>6/30/2018</u>	Actual <u>6/30/2017</u>	Actual <u>6/30/2016</u>
Cash	2,825,900	2,981,724	2,008,555	1,884,454
Accounts Receivable	47,417	776,899	1,126,497	767,909
Prepaid Expense	18,108	221,301	209,415	72,379
Fixed Assets, net of depreciation	364,144	324,446	312,895	188,935
Other Assets	2,915	2,915		
Total Assets	3,258,484	4,307,284	3,657,361	2,913,677
Accrued Liabilities	331,081	845,666	657,592	319,149
CDE Loan Payable	0	0	62,500	125,000
Total Liabilities	331,081	845,666	720,092	444,149
Beginning Fund Balance	3,461,617	2,937,269	2,469,528	1,790,843
Net Income	-534,214	524,348	467,741	678,685
Ending Fund Balance	2,927,403	3,461,617	2,937,269	2,469,528
Total Liabilities & Fund Balance	3,258,484	4,307,284	3,657,361	2,913,677



Navigator Schools - 2018-19 Budget vs. Projection

Actuals through December 31, 2018

	Total	TOTAL	Total	GPS	GPS	GPS	HPS	HPS	HPS	WPS	WPS	WPS	CMO	CMO	CMO	
	2018-19	2018-19	2018-19	2018-19	2018-19	2018-19	2018-19	2018-19	2018-19	2018-19	2018-19	2018-19	2018-19	2018-19	2018-19	
	Original	YTD	Current	Revised	YTD	Current	Revised	YTD	Current	Original	YTD	Current	Original	YTD	Current	
	<u>Budget</u>	<u>Actuals</u>	<u>Projection</u>	<u>Budget</u>	<u>Actuals</u>	<u>Projection</u>	<u>Budget</u>	<u>Actuals</u>	<u>Projection</u>	<u>Budget</u>	<u>Actuals</u>	<u>Projection</u>	<u>Budget</u>	<u>Actuals</u>	<u>Projection</u>	
<i>Enrollment Projection</i>	1020	1019	1020	540	539	540	480	480	480	0	0	0	0	0	0	
REVENUE:																
LCFF Revenue	8,998,732	3,651,398	8,998,732	4,633,098	1,830,592	4,633,098	4,365,634	1,820,806	4,365,634	0	0	0	0	0	0	
Federal Revenue	462,392	55,003	464,892	306,080	54,931	308,580	156,312	72	156,312	0	0	0	0	0	0	
Other State Revenue	983,529	221,859	983,529	507,503	129,323	507,503	476,026	92,536	476,026	0	0	0	0	0	0	
Donations & Grants	1,440,885	732,348	1,159,387	12,885	2,788	6,387	63,000	3,180	63,000	700,000	325,000	425,000	665,000	401,380	665,000	
Other Revenue	187,811	87,650	188,512	115,954	59,591	115,954	71,557	27,368	71,643	0	0	0	300	691	915	
CMO Management Fees	1,529,785	764,898	1,589,285									0	1,529,785	764,898	1,589,285	
REVENUE	13,603,134	5,513,156	13,384,337	5,575,520	2,077,225	5,571,522	5,132,529	1,943,962	5,132,615	700,000	325,000	425,000	2,195,085	1,166,969	2,255,200	
EXPENDITURES:																
Salaries	6,756,620	3,137,105	6,701,724	2,787,031	1,254,323	2,755,325	2,364,209	1,102,584	2,363,063	153,000	46,750	113,417	1,452,380	733,448	1,469,919	
Benefits & Taxes	1,850,520	778,936	1,829,797	767,446	317,196	767,446	661,032	272,045	661,032	38,258	10,391	21,868	383,784	179,304	379,451	
Books & Supplies	860,440	555,959	818,131	407,362	234,661	374,935	377,588	283,790	377,588	28,790	5,502	15,896	46,700	32,006	49,712	
Services & Other Operating Expense	1,738,395	773,398	1,730,543	576,064	319,776	586,155	715,088	242,886	719,811	153,935	30,985	90,666	293,308	179,751	333,911	
CMO Management Fees	1,529,785	764,898	1,589,285	787,627	393,816	787,627	742,158	371,082	742,158	0	0	59,500				
Capital Outlay	375,000	37,075	212,075	0	37,075	37,075	75,000	0	75,000	300,000	0	100,000	0	0	0	
EXPENDITURES	13,110,760	6,047,371	12,881,555	5,325,530	2,556,848	5,308,563	4,935,075	2,272,387	4,938,652	673,983	93,628	401,347	2,176,172	1,124,509	2,232,993	
REVENUE LESS EXPENDITURES	492,374	(534,214)	502,782	249,990	(479,622)	262,959	197,454	(328,425)	193,963	26,017	231,372	23,653	18,913	42,460	22,207	
GAAP Adjustments:																
Revenue Less Expenditures	492,374	(534,214)	502,782	249,990	(479,622)	262,959	197,454	(328,425)	193,963	26,017	231,372	23,653	18,913	42,460	22,207	
Add back Capita Outlay to Net income	375,000	0	212,075	0	0	37,075	75,000	0	75,000	300,000	0	100,000	0	0	0	
Subtract Depreciation Expense	(52,000)	0	(52,000)	(35,000)	0	(35,000)	(17,000)	0	(17,000)	0	0	0	0	0	0	
Net Income - GAAP Basis 2018-19	815,374	(534,214)	662,857	214,990	(479,622)	265,034	255,454	(328,425)	251,963	326,017	231,372	123,653	18,913	42,460	22,207	
Beginning Net Assets @ 6/30/18	3,461,617	3,461,617	3,461,617	1,528,118	1,528,118	1,528,118	1,639,883	1,639,883	1,639,883	0	0	0	293,616	293,616	293,616	
Net Income - GAAP Basis 2018-19	815,374	(534,214)	662,857	214,990	(479,622)	265,034	255,454	(328,425)	251,963	326,017	231,372	123,653	18,913	42,460	22,207	
Ending Net Assets @ 6/30/19	4,276,991	2,927,403	4,124,474	1,743,108	1,048,496	1,793,152	1,895,337	1,311,458	1,891,846	326,017	231,372	123,653	312,529	336,076	315,823	

Navigator Schools - 2018-19 Unaudited Actuals Comparison to 2017-18 Actuals
Actuals through December 31, 2018

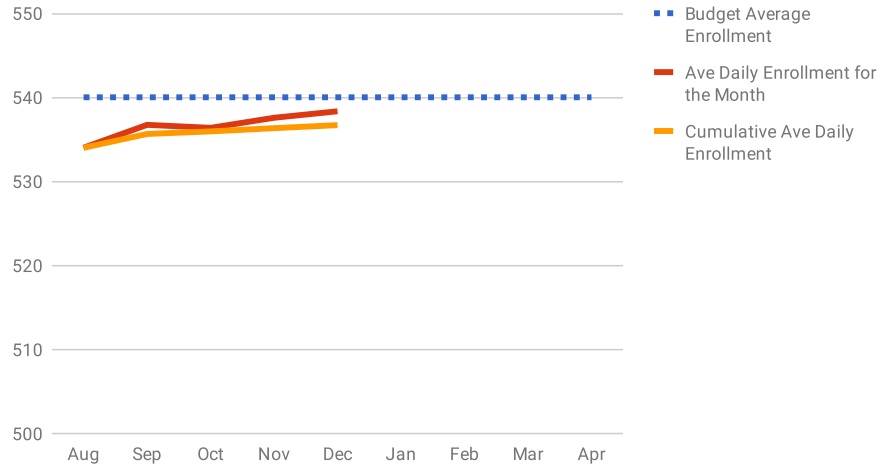
Income Statement - Combined <i>CMO/GPS/HPS/WPS</i>	2018-19 Original <u>Budget</u>	2018-19 Latest <u>Projection</u>	2017-18 Original <u>Budget</u>	2017-18 Audited Actuals	2016-17 Audited <u>Actuals</u>
Revenue	12,073,349	11,795,052	10,991,368	10,119,291	8,613,345 *
Expenses	11,257,975	11,132,195	10,420,391	9,594,946	8,145,605 *
Net Income - GAAP basis (audit)	815,374	662,857	570,977	524,345	467,740
Less Capital Outlay	(375,000)	(162,075)	(157,550)	(64,814)	(190,113)
Revenue less expenses & capital outlay	440,374	500,782	413,427	459,531	277,627

	2018-19 Original <u>Budget</u>	2018-19 Latest <u>Projection</u>	2017-18 Original <u>Budget</u>	2017-18 Audited Actuals	2016-17 Audited <u>Actuals</u>
Beginning Fund Balance	1,639,883	1,639,883	2,937,272	2,937,272	2,469,532
Net Income - GAAP basis (audit)	815,374	662,857	570,977	524,345	467,740
Ending Fund Balance	2,455,257	2,302,740	3,508,249	3,461,617	2,937,272

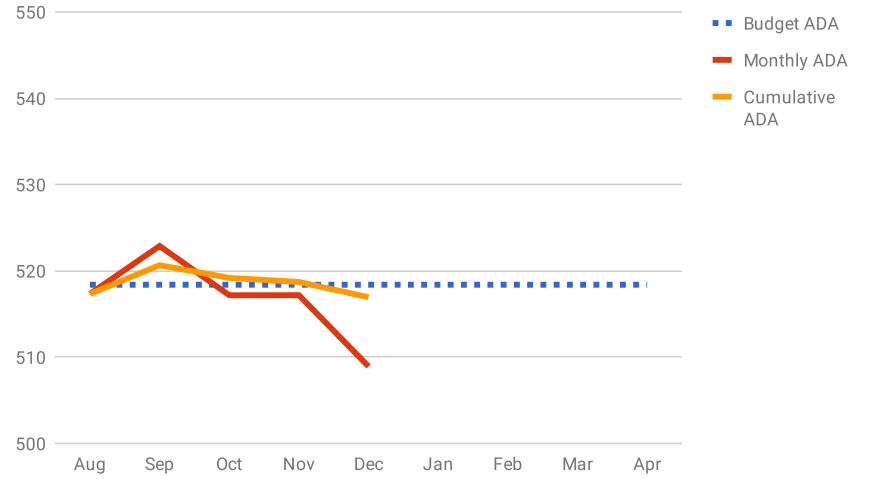
Revenues/Student *	11,837	11,564	11,449	10,541	10,254
Expenses/Student *	11,037	10,914	10,855	9,995	9,697
Fund Balance/Student at Year End	2,407	2,258	3,654	3,606	3,497

* Revenues and Expenses do not include CMO Management Fee Revenue/Expense because that is an intercompany charge.

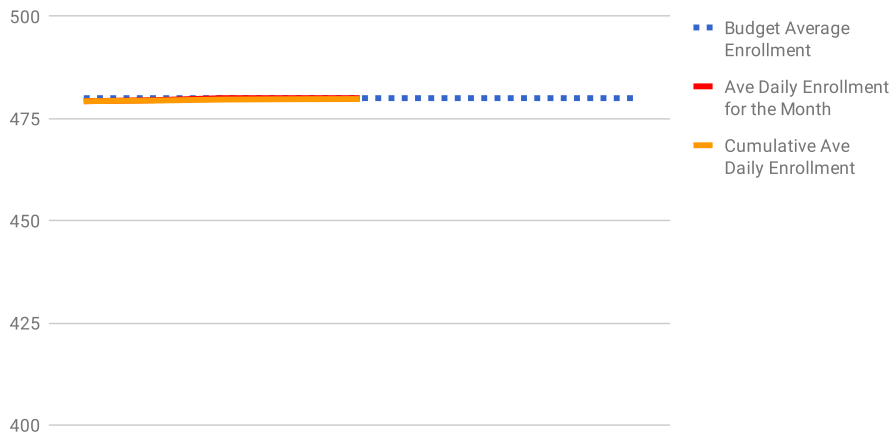
GPS Enrollment



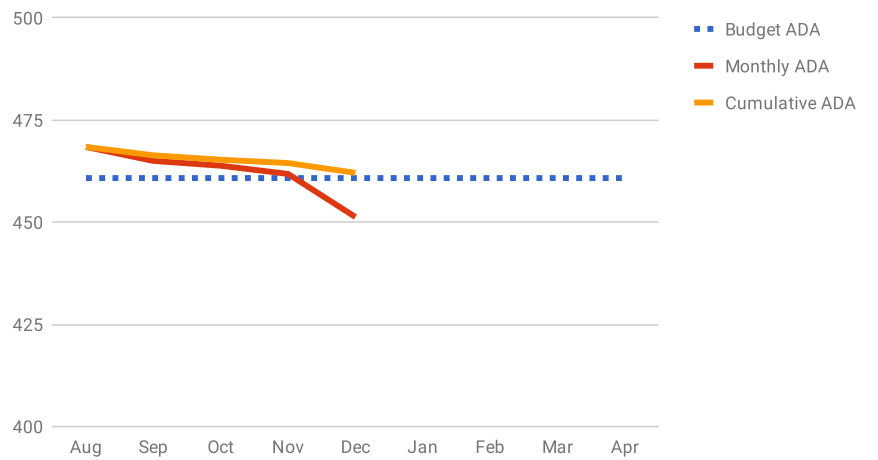
GPS ADA



HPS Enrollment



HPS ADA



Navigator Schools - Financial Data
Actuals through December 31, 2018

<u>Attendance and Enrollment Data</u>	<u>Total</u>	<u>GPS</u>	<u>HPS</u>
2018-19 ADA - Approved Budget	979.2	518.4	460.8
2018-19 ADA thru 12/31/2018	979.0	517.0	462.1
2018-19 ADA % thru 12/31/2018	96.3%	96.3%	96.3%
2018-19 Enrollment - Approved Budget	1020.0	540.0	480.0
2018-19 Ave Enrollment thru 12/31/2018	1016.5	536.7	479.8
Enrollment as of 12/31/2018	1019.0	539.0	480.0

*Budgeted ADA is at 96%

	<u>Actual</u>
Cash balance as of 12/31/2018	2,825,900
Annual Expenditures (not including CMO Mgmt Fees)	11,292,270
Number of Months Cash on Hand	3.00