



2018-19 Financial Report Narrative
April 2019 Board Meeting
Financials through February 28, 2019

2018-19 Net Income

	<u>Current Projection</u>	<u>BOD Approved Budget</u>
CMO	\$37K	\$19k
Gilroy Prep	\$285k	\$215k
Hollister Prep	\$239k	\$255k
Watsonville Prep	<u>\$128k</u>	<u>\$326k</u>
Total	\$690k	\$815k

- CMO projected net income variance highlights
 - \$60k favorable variance in revenue from WPS management fee not originally budgeted.
 - \$10k unfavorable variance in salaries and benefits.
 - \$30k unfavorable variance in Services, including legal fees and technology.

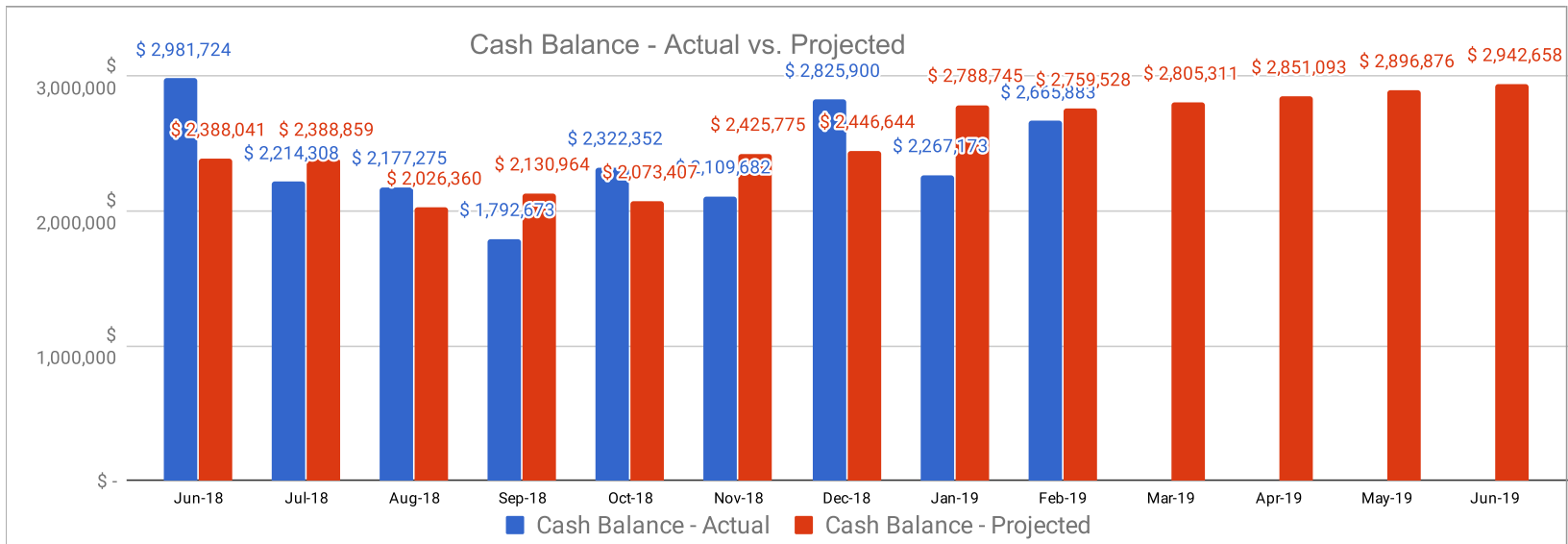
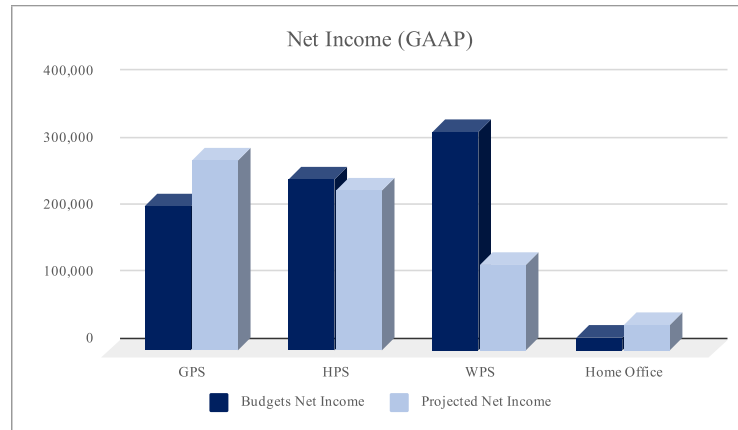
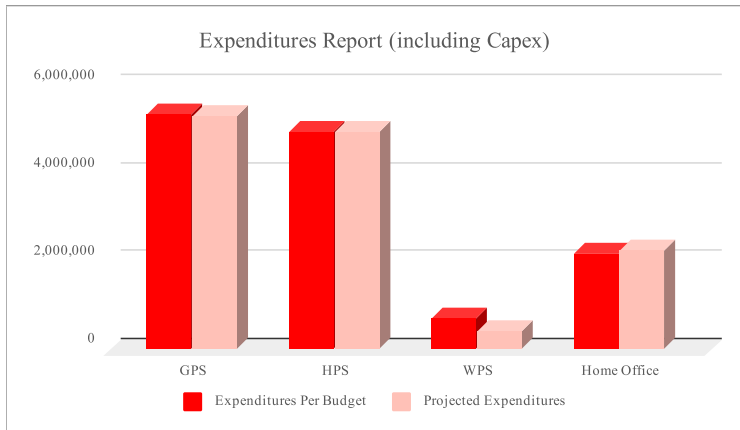
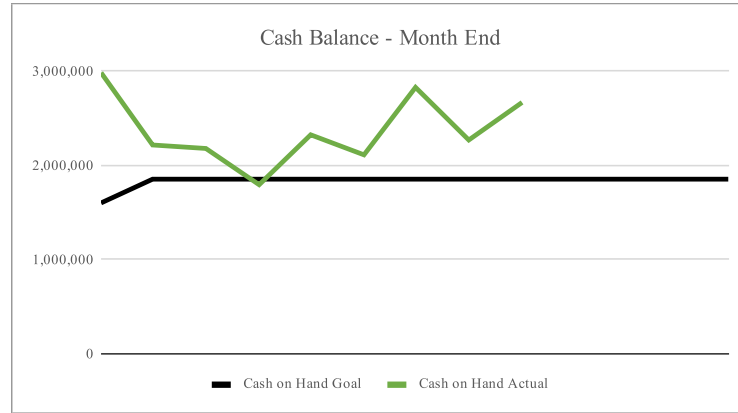
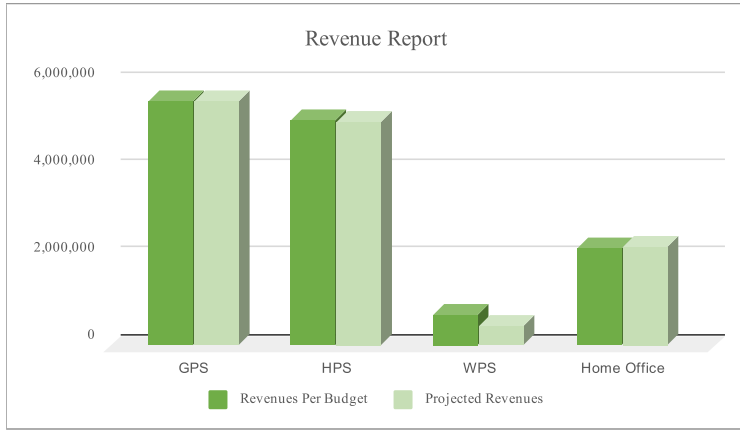
- Gilroy Prep projected net income variance highlights
 - \$27k favorable variance in operations supplies due to expenditures coming in lower than originally budgeted for.
 - \$49k favorable variance in salaries due to replacing a high salary teacher opening with a Teacher in Training.

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

- Watsonville Prep projected net income variance highlights
 - \$275k 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.

Navigator Schools
Consolidated Balance Sheet Comparison
Actuals through February 28, 2019

	Actual <u>2/28/2019</u>	Actual <u>6/30/2018</u>	Actual <u>6/30/2017</u>
Cash	2,665,883	2,981,724	2,008,555
Accounts Receivable	55,318	776,899	1,126,497
Prepaid Expense	17,904	221,301	209,415
Fixed Assets, net of depreciation	364,144	324,446	312,895
Other Assets	4,763	2,915	
Total Assets	3,108,012	4,307,284	3,657,361
Accrued Liabilities	248,178	845,666	657,592
CDE Loan Payable	0	0	62,500
Total Liabilities	248,178	845,666	720,092
Beginning Fund Balance	3,461,617	2,937,269	2,469,528
Net Income	-601,783	524,348	467,741
Ending Fund Balance	2,859,834	3,461,617	2,937,269
Total Liabilities & Fund Balance	3,108,012	4,307,284	3,657,361



Navigator Schools - 2018-19 Budget vs. Projection

Actuals through February 28, 2019

	Total	TOTAL	Total	GPS	GPS	GPS	HPS	HPS	HPS	WPS	WPS	WPS	CMO	CMO	CMO
Summary Level	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
	BOD Approved	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	4,883,567	8,998,732	4,633,098	2,432,556	4,633,098	4,365,634	2,451,011	4,365,634	0	0	0	0	0	0
Federal Revenue	462,392	155,794	467,449	306,080	125,968	311,080	156,312	29,826	156,369	0	0	0	0	0	0
Other State Revenue	983,529	428,116	980,378	507,503	264,140	505,723	476,026	163,976	474,655	0	0	0	0	0	0
Donations & Grants	1,440,885	811,548	1,178,171	12,885	3,979	16,171	63,000	3,439	63,000	700,000	425,000	425,000	665,000	379,130	674,000
Other Revenue	187,811	138,483	173,998	115,954	65,382	115,954	71,557	28,098	56,291	0	0	0	300	45,003	1,753
CMO Management Fees	1,529,785	1,079,364	1,589,285									0	1,529,785	1,079,364	1,589,285
REVENUE	13,603,134	7,496,872	13,388,013	5,575,520	2,892,025	5,582,026	5,132,529	2,676,350	5,115,949	700,000	425,000	425,000	2,195,085	1,503,497	2,265,038
EXPENDITURES:															
Salaries	6,756,620	3,246,850	6,683,036	2,787,031	1,689,868	2,737,947	2,364,209	1,496,841	2,388,720	153,000	60,141	84,453	1,452,380		1,471,916
Benefits & Taxes	1,850,520	844,820	1,831,499	767,446	444,182	767,446	661,032	386,950	661,032	38,258	13,688	25,129	383,784		377,892
Books & Supplies	860,440	593,638	835,567	407,362	281,475	380,034	377,588	299,761	383,142	28,790	12,402	22,932	46,700	0	49,459
Services & Other Operating Expense	1,738,395	2,349,708	1,706,665	576,064	416,408	589,386	715,088	323,820	684,271	153,935	120,677	104,309	293,308	1,488,803	328,699
CMO Management Fees	1,529,785	1,019,864	1,589,285	787,627	525,088	787,627	742,158	494,776	742,158	0	0	59,500			
Capital Outlay	375,000	43,775	218,775	0	43,775	43,775	75,000	0	75,000	300,000	0	100,000	0	0	0
EXPENDITURES	13,110,760	8,098,655	12,864,827	5,325,530	3,400,796	5,306,215	4,935,075	3,002,148	4,934,323	673,983	206,908	396,323	2,176,172	1,488,803	2,227,966
REVENUE LESS EXPENDITURES	492,374	(601,783)	523,186	249,990	(508,771)	275,811	197,454	(325,798)	181,626	26,017	218,092	28,677	18,913	14,694	37,072
GAAP Adjustments:															
Revenue Less Expenditures	492,374	(601,783)	523,186	249,990	(508,771)	275,811	197,454	(325,798)	181,626	26,017	218,092	28,677	18,913	14,694	37,072
Add back Capita Outlay to Net income	375,000	0	218,775	0	0	43,775	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	(601,783)	689,961	214,990	(508,771)	284,586	255,454	(325,798)	239,626	326,017	218,092	128,677	18,913	14,694	37,072
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	(601,783)	689,961	214,990	(508,771)	284,586	255,454	(325,798)	239,626	326,017	218,092	128,677	18,913	14,694	37,072
Ending Net Assets @ 6/30/19	4,276,991	2,859,834	4,151,578	1,743,108	1,019,347	1,812,704	1,895,337	1,314,085	1,879,509	326,017	218,092	128,677	312,529	308,310	330,688

Navigator Schools - 2018-19 Unaudited Actuals Comparison to 2017-18 Actuals
Actuals through February 28, 2019

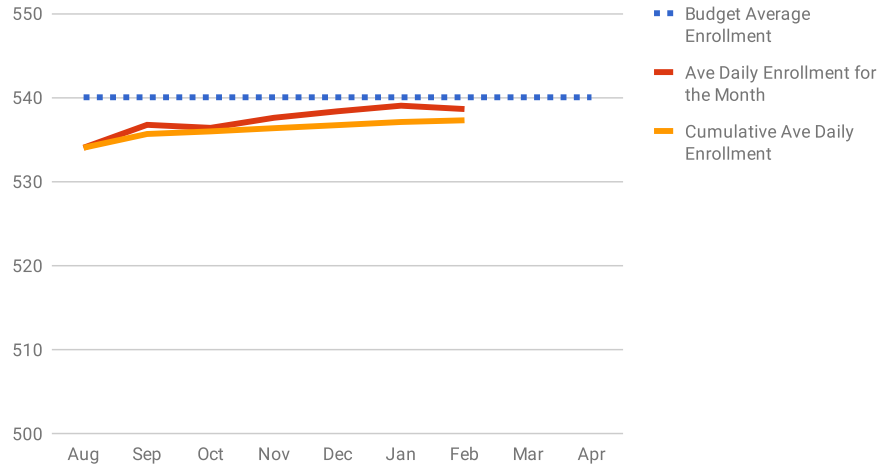
Income Statement - Combined <i>CMO/GPS/HPS/WPS</i>	2018-19 Original Budget	2018-19 Latest Projection	2017-18 Original Budget	2017-18 Audited Actuals
Revenue	12,073,349	11,798,728	10,991,368	10,119,291
Expenses	11,257,975	11,108,767	10,420,391	9,594,946
Net Income - GAAP basis (audit)	815,374	689,961	570,977	524,345
Less Capital Outlay	(375,000)	(162,075)	(157,550)	(64,814)
Revenue less expenses & capital outlay	440,374	527,886	413,427	459,531

	2018-19 Original Budget	2018-19 Latest Projection	2017-18 Original Budget	2017-18 Audited Actuals
Beginning Fund Balance	1,639,883	1,639,883	2,937,272	2,937,272
Net Income - GAAP basis (audit)	815,374	689,961	570,977	524,345
Ending Fund Balance	2,455,257	2,329,844	3,508,249	3,461,617

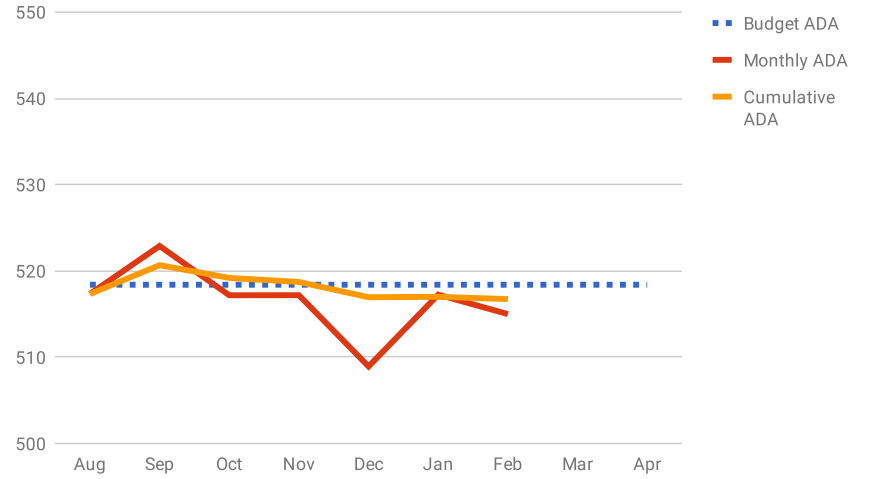
Revenues/Student *	11,837	11,567	11,449	10,541
Expenses/Student *	11,037	10,891	10,855	9,995
Fund Balance/Student at Year End	2,407	2,284	3,654	3,606

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

GPS Enrollment



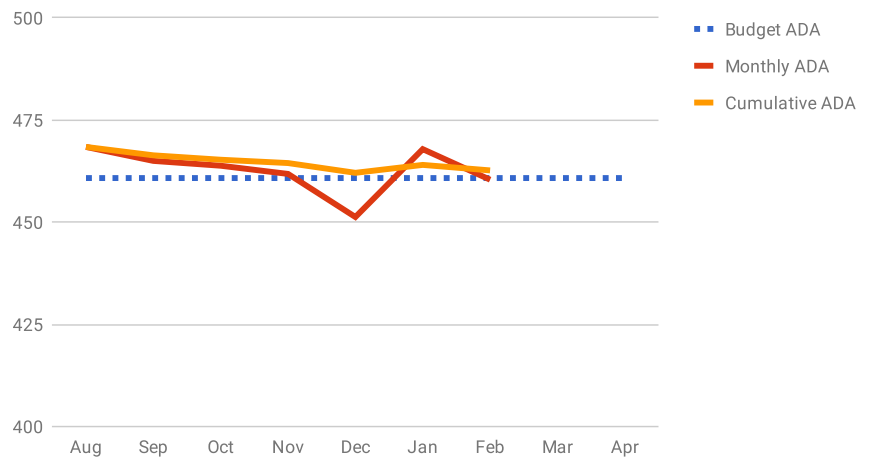
GPS ADA



HPS Enrollment



HPS ADA



Navigator Schools - Financial Data
 Actuals through February 28, 2019

<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 2/28/19	979.4	516.7	462.7
2018-19 ADA % thru 2/28/19	96.3%	96.2%	96.4%
2018-19 Enrollment - Approved Budget	1020.0	540.0	480.0
2018-19 Ave Enrollment thru 2/28/19	1017.0	537.3	479.8
Enrollment as of 2/28/19	1017.0	537.0	480.0

*Budgeted ADA is at 96%

	<u>Actual</u>
Cash balance as of 2/28/19	2,665,883
Annual Expenditures (not including CMO Mgmt Fees)	11,275,542
Number of Months Cash on Hand	2.84