



2018-19 Financial Report Narrative  
October 2019 Board Meeting  
2018-19 Unaudited Actuals

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2018-19 Net Income

	<u>Current Projection</u>	<u>BOD Approved Budget</u>
CMO	-\$210K	\$19k
Gilroy Prep	\$350k	\$250k
Hollister Prep	\$128k	\$255k
Watsonville Prep	<u>\$125k</u>	<u>\$326k</u>
Total	\$392k	\$815k

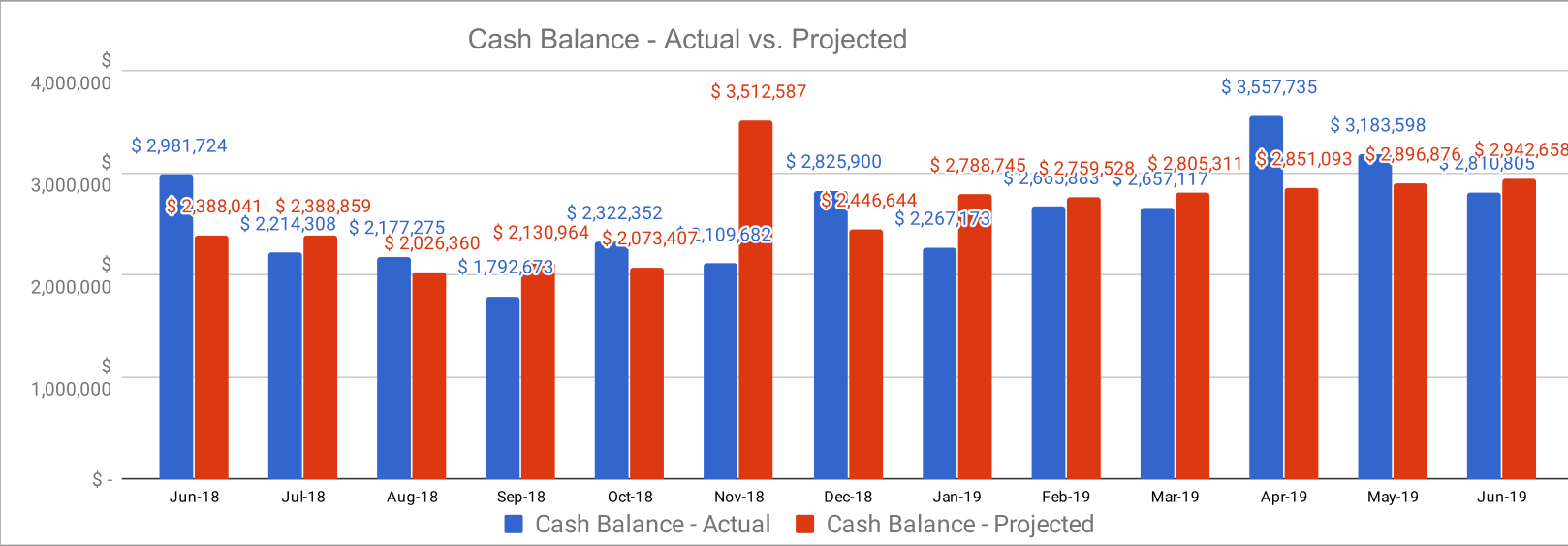
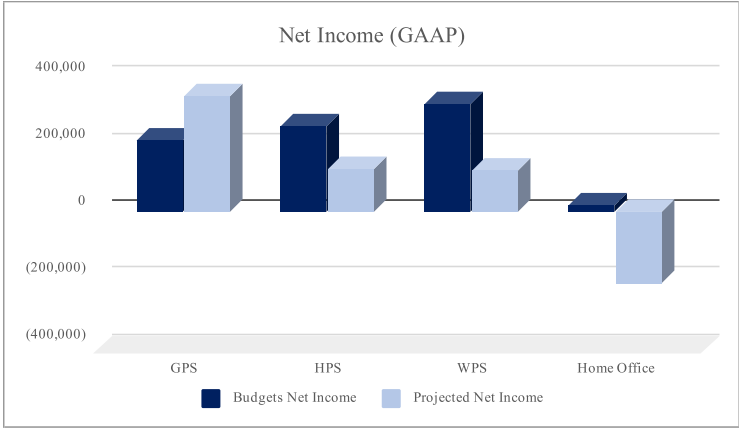
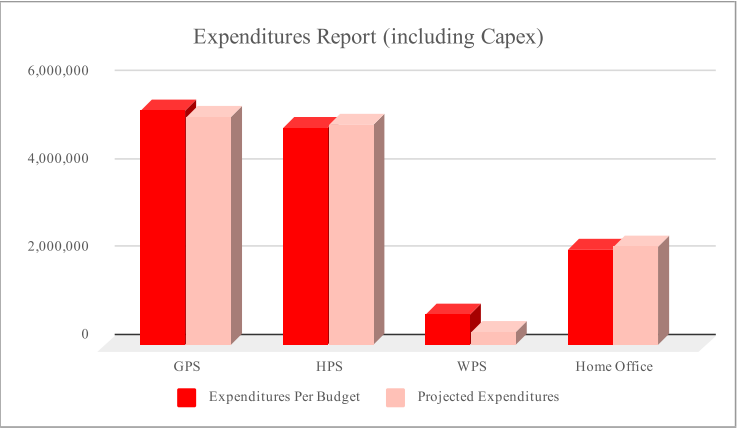
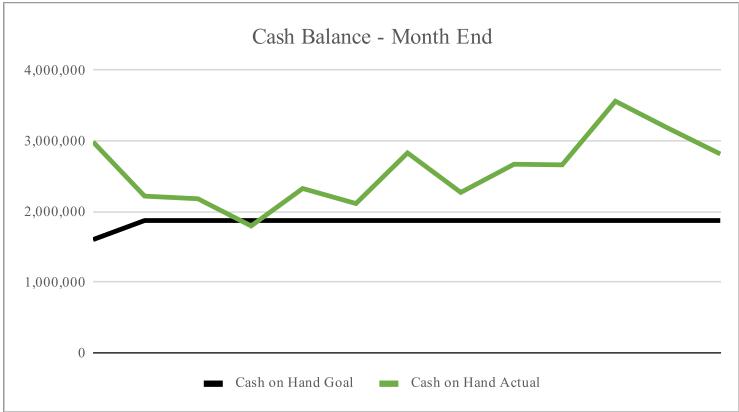
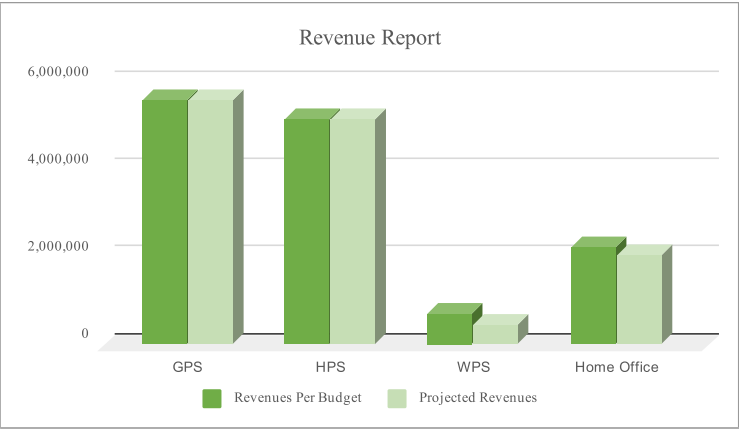
- Charter Management Office (CMO) projected net income variance highlights
  - \$60k favorable variance in revenue from Watsonville Prep School management fee not originally budgeted.
  - \$63k favorable variance in consulting Revenue that was not in the Board approved budget
  - \$285k unfavorable variance in fundraising due to the CMO not meeting its fundraising goal
  - \$50k unfavorable variance in Services, including legal fees and technology.
- Gilroy Prep School (GPS) projected net income variance highlights
  - \$140k favorable variance in salaries and benefits due to GPS being understaffed for most of the school year
  - \$20k unfavorable variance in services & other operating expenses due to special education contracts coming in higher than what was budgeted for
- Hollister Prep School (HPS) projected net income variance highlights
  - \$74k unfavorable variance in technology largely due to buying new technology with reimbursable grant money
  - \$89k unfavorable variance in salaries and benefits due to hiring of additional special education paraprofessional, school counselor going full time mid year and the innovation fellow being paid from HPS budget for 3 months due to reimbursable grant
  - \$25k favorable variance in revenue due to reimbursable grant to cover 3 months of fellow
  - \$71k favorable variance in revenue due to reimbursable grant used for technology
  - \$40k unfavorable revenue in other local revenue due to spirit wear sales, field trip and “all other local” revenue coming in under budget
  - \$30k unfavorable variance in state revenue due to special education and “other state” revenue coming in under budget
- Watsonville Prep School (WPS) projected net income variance highlights



- \$275k unfavorable variance due to fundraising totals projected to be lower than originally budgeted
- \$150k favorable variance from rent not expended through June 30, 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 June 30, 2019

	Actual <u>6/30/2019</u>	Actual <u>6/30/2018</u>	Actual <u>6/30/2017</u>
Cash	2,810,805	2,981,724	2,008,555
Accounts Receivable	1,217,232	776,899	1,126,497
Prepaid Expense	114,565	221,301	209,415
Fixed Assets, net of depreciation	444,919	324,446	312,895
Other Assets	4,763	2,915	
<b>Total Assets</b>	<b>4,592,284</b>	<b>4,307,284</b>	<b>3,657,361</b>
Accrued Liabilities	738,734	845,666	657,592
CDE Loan Payable	0	0	62,500
<b>Total Liabilities</b>	<b>738,734</b>	<b>845,666</b>	<b>720,092</b>
Beginning Fund Balance	3,461,617	2,937,269	2,469,528
Net Income	391,932	524,348	467,741
Ending Fund Balance	3,853,550	3,461,617	2,937,269
<b>Total Liabilities &amp; Fund Balance</b>	<b>4,592,284</b>	<b>4,307,284</b>	<b>3,657,361</b>



Navigator Schools - 2018-19 Budget vs. Projection

Actuals through June 30, 2019

**Summary Level**

	Total 2018-19 BOD Approved <u>Budget</u> <i>Enrollment Projection</i> 1020	TOTAL 2018-19 YTD <u>Actuals</u> 1019	GPS 2018-19 Revised <u>Budget</u> 540	GPS 2018-19 YTD <u>Actuals</u> 539	HPS 2018-19 Revised <u>Budget</u> 480	HPS 2018-19 YTD <u>Actuals</u> 480	WPS 2018-19 Original <u>Budget</u> 0	WPS 2018-19 YTD <u>Actuals</u> 0	CMO 2018-19 Original <u>Budget</u> 0	CMO 2018-19 YTD <u>Actuals</u> 0
REVENUE:										
LCFF Revenue	8,998,732	8,977,329	4,633,098	4,591,163	4,365,634	4,386,166	0	0	0	0
Federal Revenue	462,392	637,485	306,080	342,309	156,312	295,176	0	0	0	0
Other State Revenue	983,529	995,443	507,503	549,940	476,026	445,503	0	0	0	0
Donations & Grants	1,440,885	817,175	12,885	8,579	63,000	3,466	700,000	425,000	665,000	380,130
Other Revenue	187,811	179,362	115,954	83,878	71,557	31,883	0	0	300	63,601
CMO Management Fees	1,529,785	1,585,646							1,529,785	1,585,646
REVENUE	13,603,134	13,192,440	5,575,520	5,575,869	5,132,529	5,162,194	700,000	425,000	2,195,085	2,029,377
EXPENDITURES:										
Salaries	6,756,620	6,839,062	2,787,031	2,735,395	2,364,209	2,505,981	153,000	109,992	1,452,380	1,487,694
Benefits & Taxes	1,850,520	1,656,011	767,446	670,401	661,032	607,519	38,258	21,738	383,784	356,353
Books & Supplies	860,440	972,868	407,362	395,402	377,588	495,468	28,790	27,836	46,700	54,162
Services & Other Operating Expense	1,738,395	1,681,214	576,064	597,169	715,088	661,583	153,935	80,939	293,308	341,523
CMO Management Fees	1,529,785	1,585,646	787,627	780,498	742,158	745,648	0	59,500		
Capital Outlay	375,000	0	0	0	75,000	0	300,000	0	0	0
EXPENDITURES	13,110,760	12,734,801	5,325,530	5,178,865	4,935,075	5,016,199	673,983	300,005	2,176,172	2,239,732
REVENUE LESS EXPENDITURES	492,374	457,639	249,990	397,004	197,454	145,995	26,017	124,995	18,913	(210,355)
GAAP Adjustments:										
Revenue Less Expenditures	492,374	457,639	249,990	397,004	197,454	145,995	26,017	124,995	18,913	(210,355)
Add back Capita Outlay to Net income	375,000	0	0	0	75,000	0	300,000	0	0	0
Subtract Depreciation Expense	(52,000)	(65,707)	(35,000)	(47,405)	(17,000)	(18,302)	0	0	0	0
Net Income - GAAP Basis 2018-19	815,374	391,932	214,990	349,599	255,454	127,693	326,017	124,995	18,913	(210,355)
Beginning Net Assets @ 6/30/18	3,461,617	3,461,617	1,528,118	1,528,118	1,639,883	1,639,883	0	0	293,616	293,616
Net Income - GAAP Basis 2018-19	815,374	391,932	214,990	349,599	255,454	127,693	326,017	124,995	18,913	(210,355)
Ending Net Assets @ 6/30/19	4,276,991	3,853,549	1,743,108	1,877,717	1,895,337	1,767,576	326,017	124,995	312,529	83,261

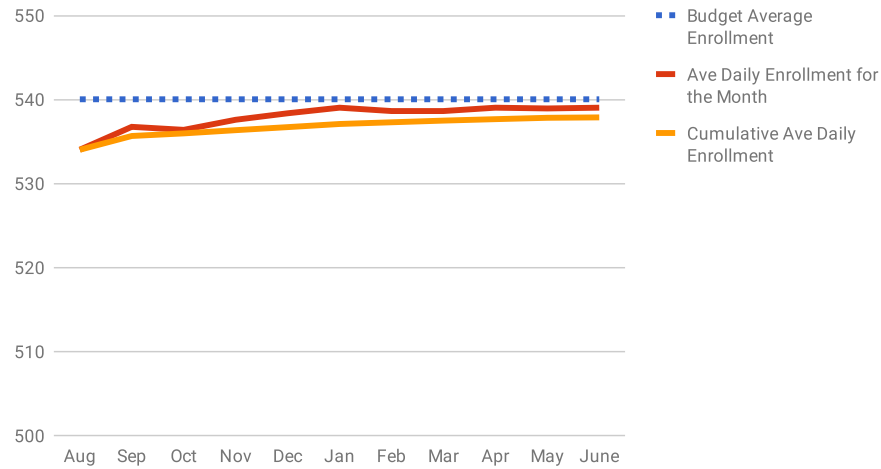
Navigator Schools - 2018-19 Unaudited Actuals Comparison to 2017-18 Actuals  
Actuals through June 30, 2019

Income Statement - Combined <i>CMO/GPS/HPS/WPS</i>	2018-19 Original <u>Budget</u>	2018-19 Unaudited <u>Actuals</u>	2017-18 Original <u>Budget</u>	2017-18 <b>Audited Actuals</b>
Revenue	12,073,349	11,606,794	10,991,368	<b>10,119,291</b>
Expenses	11,257,975	11,214,862	10,420,391	<b>9,594,946</b>
<b>Net Income - GAAP basis (audit)</b>	815,374	391,932	570,977	<b>524,345</b>
Less Capital Outlay	(375,000)	(170,533)	(157,550)	<b>(64,814)</b>
Revenue less expenses & capital outlay	440,374	221,399	413,427	<b>459,531</b>
	2018-19 Original <u>Budget</u>	2018-19 Latest <u>Projection</u>	2017-18 Original <u>Budget</u>	2017-18 <b>Audited Actuals</b>
Beginning Fund Balance	1,639,883	1,639,883	2,937,272	<b>2,937,272</b>
<b>Net Income - GAAP basis (audit)</b>	815,374	391,932	570,977	<b>524,345</b>
Ending Fund Balance	2,455,257	2,031,815	3,508,249	<b>3,461,617</b>

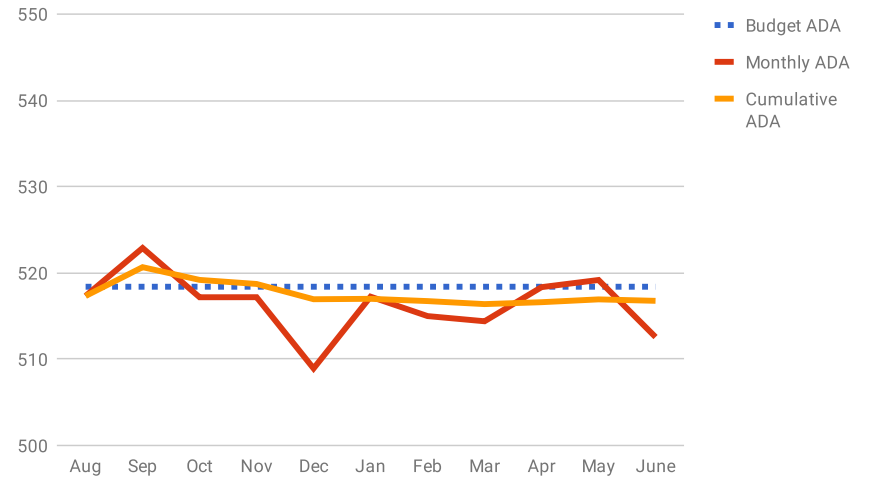
Revenues/Student *	11,837	11,379	91,595	<b>10,541</b>
Expenses/Student *	11,037	10,995	86,837	<b>9,995</b>
Fund Balance/Student at Year End	2,407	1,992	29,235	<b>3,606</b>

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

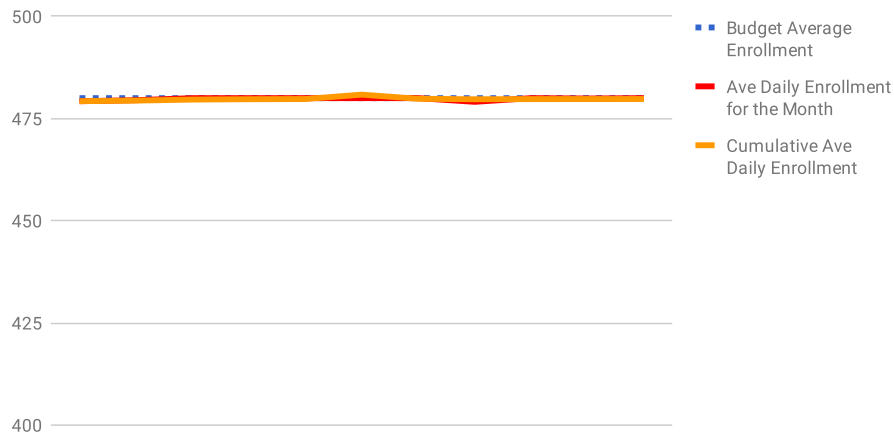
## GPS Enrollment



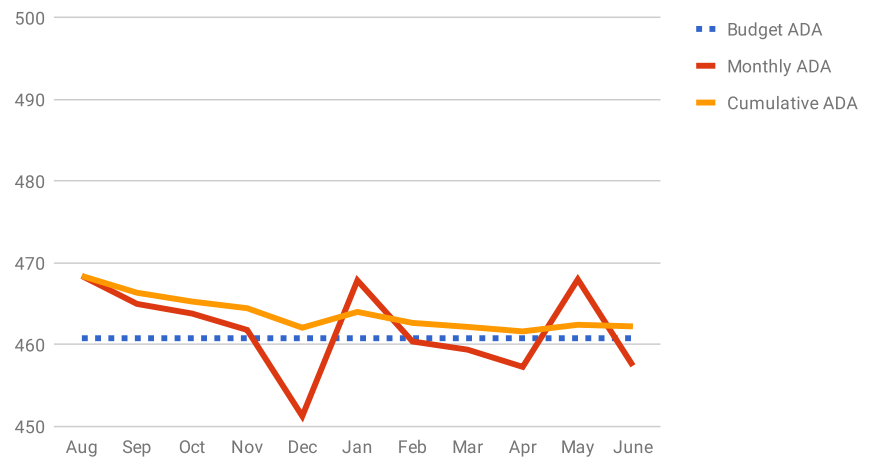
## GPS ADA



## HPS Enrollment



## HPS ADA



Navigator Schools - Financial Data  
Actuals through June 30, 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 4/30/19	978.2	516.6	461.6
2018-19 ADA % thru 4/30/19	96.2%	96.1%	96.2%
2018-19 Enrollment - Approved Budget	1020.0	540.0	480.0
2018-19 Ave Enrollment thru 4/30/19	1017.3	537.6	479.7
Enrollment as of 4/30/19	1019.0	539.0	480.0

\*Budgeted ADA is at 96%

	<u>Actual</u>
Cash balance as of 4/30/19	2,810,805
Annual Expenditures (not including CMO Mgmt Fees)	11,149,155
Number of Months Cash on Hand	3.03