



2020-21 Financial Report Narrative
 January 21, 2021 FC Meeting
 Financials through December 31, 2020

	NET INCOME	
	<u>Current Projection</u>	<u>BOD Approved Budget</u>
Gilroy Prep	\$214k	\$125k
Hollister Prep	\$186k	\$14k
Watsonville Prep	\$244k	\$163k
CMO	\$277k	\$129k

- Gilroy Prep School (GPS) projected net income variance highlights
 - \$26k favorable variance in Local Control Funding Formula (LCFF) revenue due to LCFF revenue based on the new Fiscal Crisis and Management Assistance Team’s (FCMAT) calculator. The budget was based on -7.9% of LCFF funding and ADA of 542.40. The new FCMAT calculations include full funding and ADA of 518.40
 - \$238k federal revenue due to receiving Learning Loss Mitigation funding (LLMF). This is expected to be offset with unbudgeted expenses due to distance learning, such as additional staffing, technology and operations supplies
 - \$40k in other state revenue due to receiving LLMF. This is expected to be offset with unbudgeted expenses due to distance learning
 - \$87k unfavorable variance in salaries and benefits due to hiring temporary employees to cover on site distance learning gaps and technology support
 - \$90k unfavorable variance in books and supplies due to additional operations supplies (PPE, cleaning/sanitizing, desk shields, etc) due to covid and replacement technology for distance learning
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- Hollister Prep School (HPS) projected net income variance highlights
 - \$68k favorable variance in Local Control Funding Formula (LCFF) revenue due to LCFF revenue based on the new FCMAT calculator. The budget was based on -7.9% of LCFF funding and ADA of 542.40. The new FCMAT calculations include full funding and ADA of 518.40
 - \$278k federal revenue due to receiving LLMF. This is expected to be offset with unbudgeted expenses due to distance learning, such as additional staffing, technology and operations supplies
 - \$21k favorable variance in other state revenue due to receiving LLMF. This is expected to be offset with unbudgeted expenses due to distance learning
 - \$87k unfavorable variance in salaries and benefits due to hiring temporary employees to cover on site distance learning gaps and technology support.
 - \$90k unfavorable variance in books and supplies due to additional operations supplies (PPE, cleaning/sanitizing, desk shields, etc) due to covid and replacement technology for distance learning

- Watsonville Prep School (WPS) projected net income variance highlights
 - \$57k favorable variance in Local Control Funding Formula (LCFF) revenue due to LCFF revenue based on the new FCMAT calculator. The budget was based on -7.9% of LCFF funding and ADA of 214.32. The new FCMAT calculations include full funding and ADA of 207.74
 - \$162k federal revenue due to receiving LLMF. This is expected to be offset with unbudgeted expenses due to distance learning, such as additional staffing, technology and operations supplies
 - \$15k favorable variance in other state revenue due to receiving LLMF. This is expected to be offset with unbudgeted expenses due to distance learning
 - \$87k unfavorable variance in salaries and benefits due to hiring temporary employees to cover on site distance learning gaps and technology support.
 - \$47k unfavorable variance in books and supplies due to additional operations supplies (PPE, cleaning/sanitizing, desk shields, etc) due to covid and additional technology for distance learning

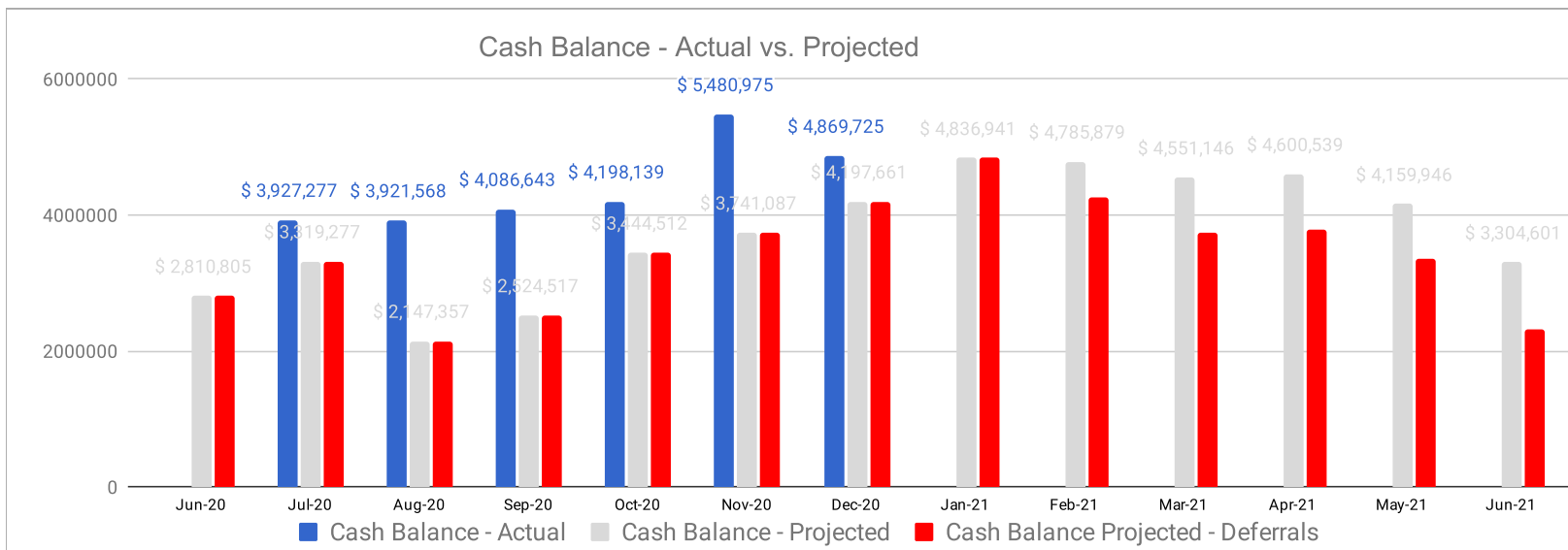
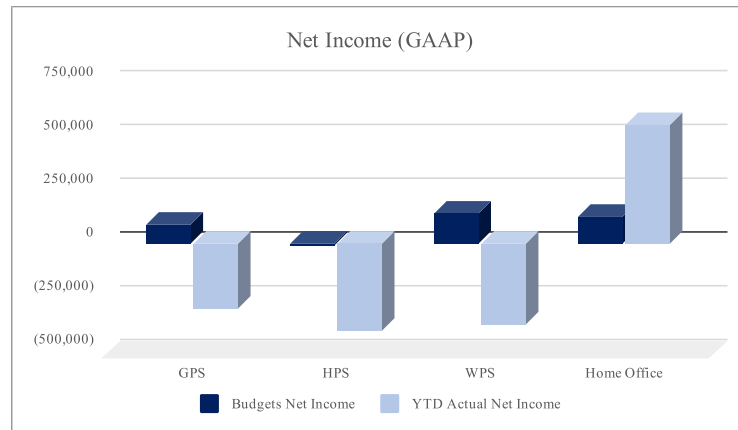
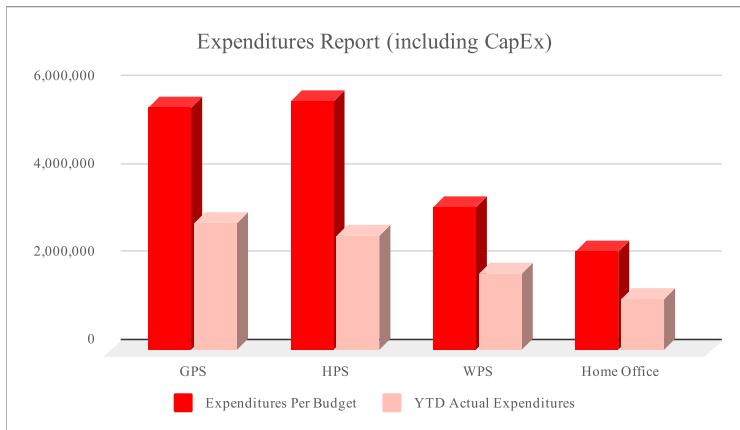
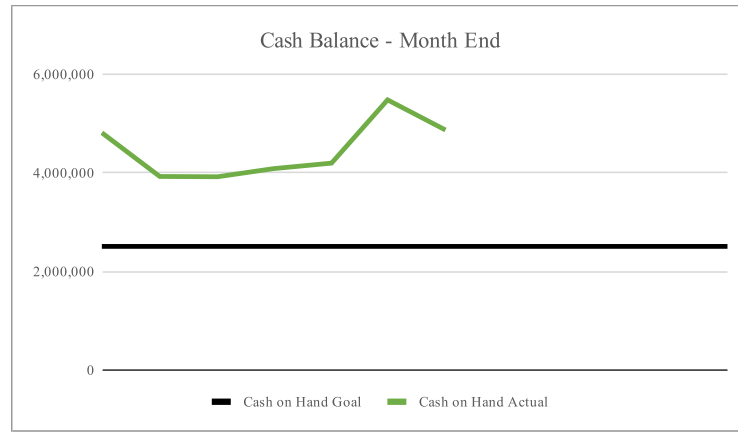
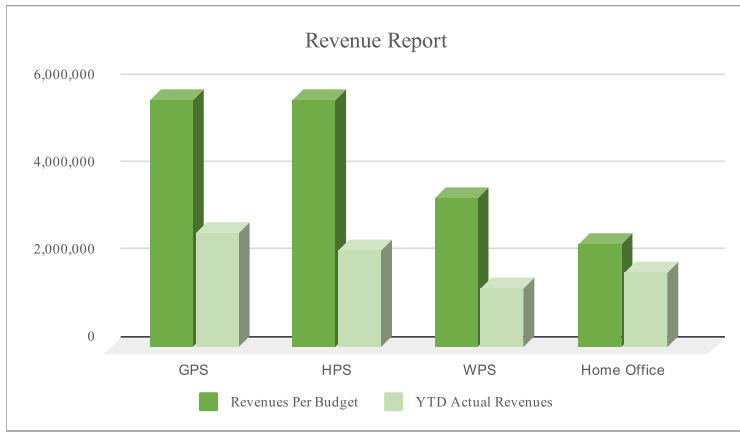
- Charter Management Organization (CMO) projected net income variance highlights
 - \$180k favorable variance in fundraising due to additional grants being awarded that were not budgeted for
 - \$43k favorable variance in interest income due to the PPP loan funds earning interest that was not budgeted for
 - \$14k unfavorable variance books and supplies due to purchasing operations supplies (PPE, cleaning/sanitizing, desk shields, etc) due to covid
 - \$60k unfavorable variance for services and supplies for additional consulting support for WPS expansion and fundraising

Navigator Schools
 Consolidated Balance Sheet Comparison
 December 31, 2020

	<u>12/31/2020</u>
Cash	4,869,725
Accounts Receivable	1,155,652
Prepaid Expense	13,954
Fixed Assets, net of depreciation	706,176
Other Assets	4,763
Total Assets	6,750,270
Accrued Liabilities	519,484
Loans Payable	2,108,925
Total Liabilities	2,628,409
Beginning Fund Balance	4,596,365
Net Income	-474,504
Ending Fund Balance	4,121,861
Total Liabilities & Fund Balance	6,750,270

****Loans Payable**

Watsonville Prep School	\$208,332	California Department of Education
Watsonville Prep School	\$135,593	Pacific Charter School Development
CMO	\$1,765,000	Payroll Protection Program



Navigator Schools - 2020-2021 Budget vs. Projection

	December 31, 2020				GPS				HPS				WPS				CMO			
	Total	TOTAL	Total	Total	GPS	GPS	GPS	GPS	HPS	HPS	HPS	HPS	WPS	WPS	WPS	WPS	CMO	CMO	CMO	CMO
	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21
	BOD Approved YTD				BOD Approved YTD				BOD Approved YTD				BOD Approved YTD				BOD Approved YTD			
	Budget	Actuals	Projection	to Budget	Budget	Actuals	Projection	to Budget	Budget	Actuals	Projection	to Budget	Budget	Actuals	Projection	to Budget	Budget	Actuals	Projection	to Budget
Enrollment	1358	1292	1080		565	538	540		565	537	540		228	217	225					
REVENUE:																				
LCFF Revenue	11,843,462	4,151,213	11,994,140	150,678	4,698,880	1,875,599	4,725,123	26,243	4,839,878	1,623,699	4,907,676	67,798	2,304,704	651,916	2,361,341	56,637	0	0	0	0
Federal Revenue	1,276,509	1,109,222	1,953,363	676,854	399,931	463,235	637,520	237,589	304,898	341,420	582,614	277,716	571,680	304,567	733,229	161,549	0	0	0	0
Other State Revenue	1,070,361	518,867	1,146,954	76,593	457,228	239,645	497,738	40,510	424,865	206,520	446,026	21,161	188,268	72,701	203,190	14,922	0	0	0	0
Donations & Grants	1,119,807	1,153,401	1,219,300	180,000	6800	401	6800	0	37,500	0	37,500	0	325,000	303,000	325,000	0	670,000	850,000	850,000	180,000
Other Revenue	155,586	96,196	198,586	43,000	87,307	30,315	87,307	0	49,537	26,662	49,537	0	18,742	16,090	18,742	0	0	23,129	43,000	43,000
CMO Management Fees	1,681,085	829,043	1,681,085	0													1,681,085	829,043	1,681,085	0
REVENUE	17,066,303	7,857,942	18,193,428	1,127,125	5,650,146	2,609,195	5,954,488	304,342	5,656,678	2,198,301	6,023,353	366,675	3,408,394	1,348,274	3,641,502	233,108	2,351,085	1,702,172	2,574,085	223,000
EXPENDITURES:																				
Salaries	9,260,385	4,197,316	9,470,385	210,000	3,048,457	1,386,393	3,118,457	70,000	3,012,851	1,349,178	3,082,851	70,000	1,671,084	712,474	1,741,084	70,000	1,527,993	749,271	1,527,993	0
Benefits & Taxes	2,381,555	1,051,881	2,434,055	52,500	753,192	358,278	770,692	17,500	756,823	330,001	774,323	17,500	436,945	195,854	454,445	17,500	434,595	167,748	434,595	0
Books & Supplies	1,265,426	1,096,174	1,508,803	243,377	472,163	465,303	565,303	93,140	399,890	237,057	490,000	90,110	378,473	370,078	425,000	46,527	14,900	23,736	28,500	13,600
Services & Other Operating Expense	2,071,096	1,088,574	2,131,096	60,000	593,647	319,814	593,647	0	795,539	332,535	795,539	0	436,478	234,630	436,478	0	245,432	201,595	305,432	60,000
CMO Management Fees	1,658,085	829,043	1,658,085	0	657,843	328,922	657,843	0	677,583	338,792	677,583	0	322,659	161,330	322,659	0				0
Capital Outlay	0	69,458	158,819	158,819	0	13,819	13,819	13,819	0	0	0	0	0	55,639	145,000	145,000	0	0	0	0
EXPENDITURES	16,636,547	8,332,446	17,361,243	724,696	5,525,302	2,872,529	5,719,761	194,459	5,642,686	2,587,562	5,820,296	177,610	3,245,639	1,730,005	3,524,666	279,027	2,222,920	1,142,349	2,296,520	73,600
REVENUE LESS EXPENDITURES	429,756	(474,504)	832,185	402,429	124,844	(263,334)	234,727	109,883	13,992	(389,261)	203,057	189,065	162,755	(381,731)	116,836	(45,919)	128,165	559,822	277,565	149,400
GAAP Adjustments:																				
Revenue Less Expenditures	429,756	(474,504)	832,185	402,429	124,844	(263,334)	234,727	109,883	13,992	(389,261)	203,057	189,065	162,755	(381,731)	116,836	(45,919)	128,165	559,822	277,565	149,400
Add back Capita Outlay to Net income	0	21,629	158,819	137,190	0	0	13,819	13,819	0	0	0	0	0	21,629	145,000	123,371	0	0	0	0
Subtract Depreciation Expense	(69,000)	(69,000)	(69,000)	0	(35,000)	(35,000)	(35,000)	0	(17,000)	(17,000)	(17,000)	0	(17,000)	(17,000)	(17,000)	0	0	0	0	0
Net Income - GAAP Basis 2018-19	360,756	(521,875)	922,004	561,248	89,844	(298,334)	213,546	123,702	(3,008)	(406,261)	186,057	189,065	145,755	(377,102)	244,836	99,081	128,165	559,822	277,565	149,400
Beginning Net Assets @ 6/30/20	4,517,847	4,517,847	4,517,847		1,875,287	1,875,287	1,875,287		1,957,165	1,957,165	1,957,165		68,423	68,423	68,423		616,972	616,972	616,972	
Net Income - GAAP Basis 2020-21	360,756	(521,875)	922,004		89,844	(298,334)	213,546		(3,008)	(406,261)	186,057		145,755	(377,102)	244,836		128,165	559,822	277,565	
Ending Net Assets @ 6/30/21	4,878,603	3,995,972	5,439,851		1,965,131	1,576,953	2,088,833		1,954,157	1,550,904	2,143,222		214,178	(308,679)	313,259		745,137	1,176,794	894,537	

Navigator Schools - Financial Data

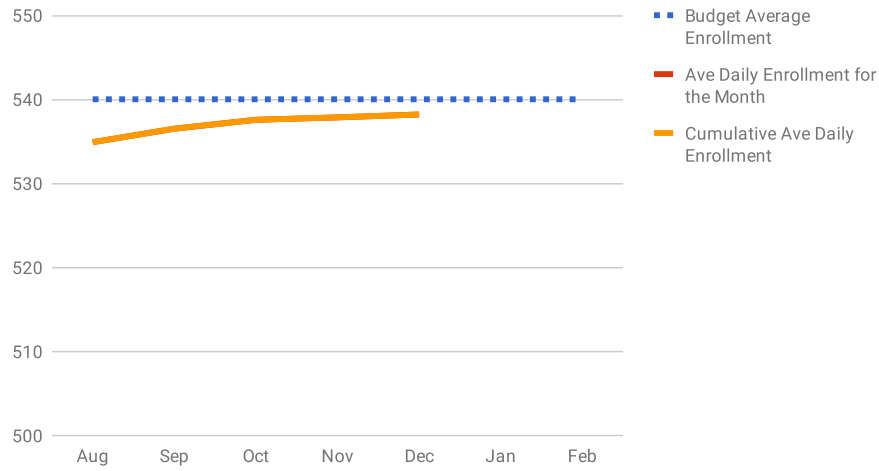
*Feb 29, 2020 was the P-2 ADA for the year

<u>Attendance and Enrollment Data</u>	<u>Total</u>	<u>GPS</u>	<u>HPS</u>	<u>WPS</u>
2020-21 ADA - Approved Budget	1250.8	518.4	518.4	214
2020-21 ADA thru 1/15/21	1259.3	523.4	526.6	209.36
2020-21 ADA %- Approved Budget	95.6%	96.0%	96.0%	94%
2020-21 ADA % thru 1/15/21	97.3%	97.2%	97.9%	95.6%
2020-21 Enrollment - Approved Budget	1308.0	540.0	540.0	228
2020-21 Ave Enrollment thru 1/15/21	1294.9	538.2	537.8	219
Enrollment as of 1/15/21	1299.0	539.0	539.0	221

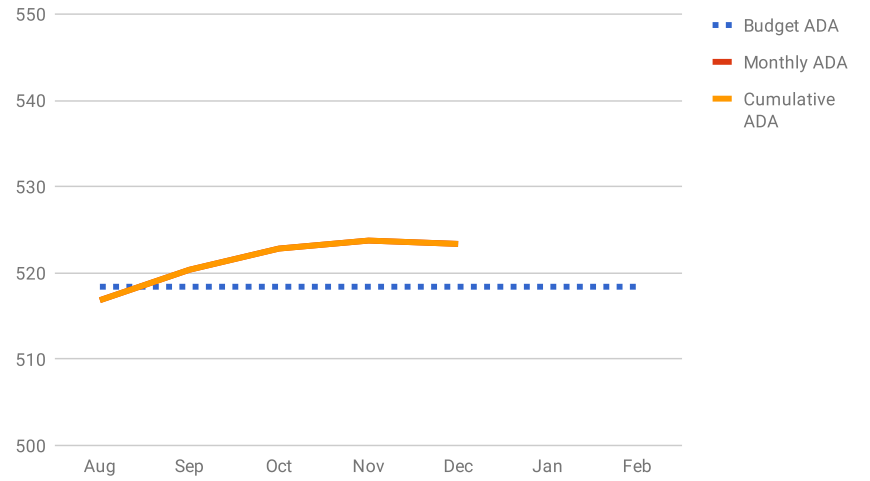


	<u>Actual</u>
Cash balance as of 10/31/2020	4,869,725
Projected Annual Expenditures (not including CMO Mgmt Fees)	15,703,158
Number of Months Cash on Hand	3.72

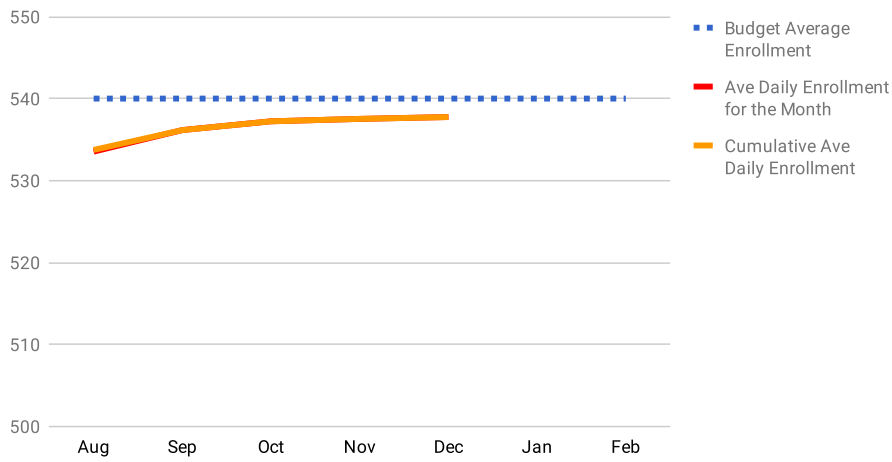
GPS Enrollment



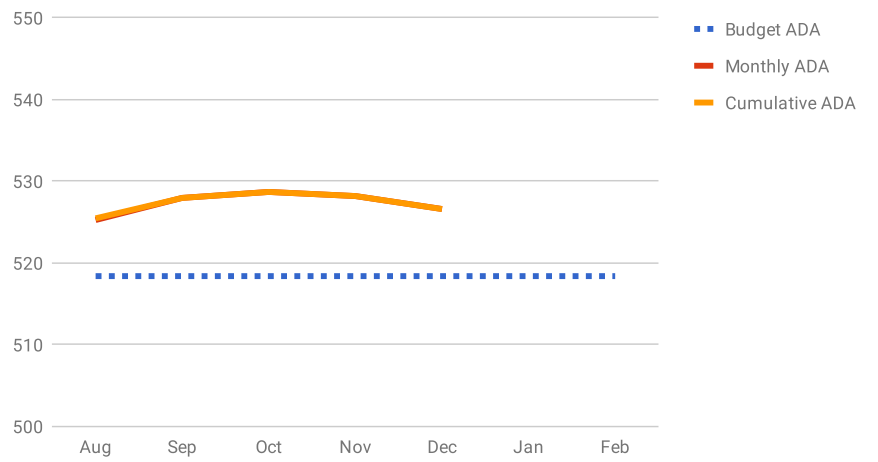
GPS ADA



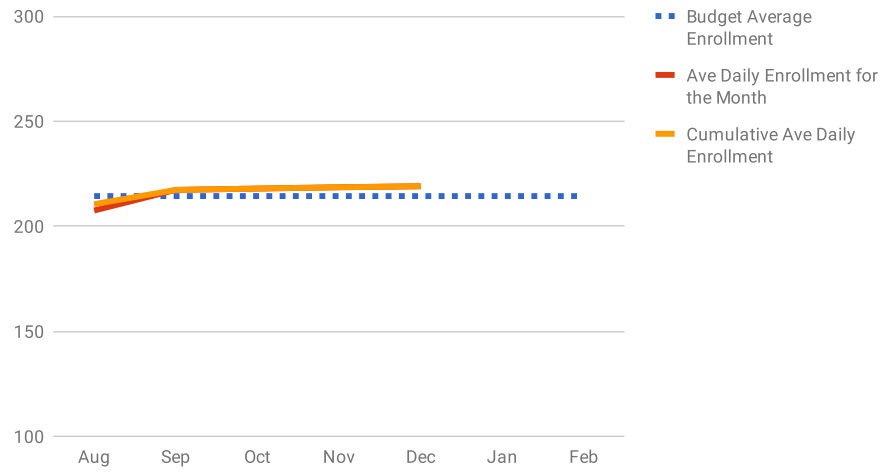
HPS Enrollment



HPS ADA



WPS Enrollment



WPS ADA

