



2020-21 Financials Narrative
 June 30, 2021
 Board of Directors Meeting

2020-21 Net Income (GAAP)

	Revised Budget Net Income (GAAP)	Projected Net Income (GAAP)
Charter Management Organization (CMO)	224K	1.8M
Gilroy Prep School (GPS)	552K	86K
Hollister Prep School (HPS)	500K	94K
Watsonville Prep School (WPS)	336K	463K
Total	1.6M	2.4M

- Charter Management Organization (CMO)
 - \$1.7M favorable variance due to the PPP loan being forgiven
 - per the auditors guidance, the PPP grant gets booked at the CMO level due to the original loan being held by the CMO
- Gilroy Prep School
 - \$348k unfavorable variance in salaries due to returning to hybrid
 - summer school budgeted at \$40k and coming in at \$107k
 - \$750 incentive to all staff who returned to in person totaling approximately \$53k
 - \$750 longevity bonus for staff who have been with Navigator 5 years and longer totaling approximately \$16k
 - added additional staff members to accommodate learning loss mitigation totaling approximately \$175k
 - \$38k unfavorable variance in benefits due to adding additional staff
 - \$72k unfavorable variance in revenue due to timing and booking of federal and state pandemic related grants
- Hollister Prep School
 - \$325k unfavorable variance in salaries due to returning to hybrid
 - summer school budgeted at \$40k and coming in at \$108k
 - \$750 incentive to all staff who returned to in person totaling approximately \$53k
 - \$750 longevity bonus for staff who have been with Navigator 5 years and longer totaling approximately \$12k



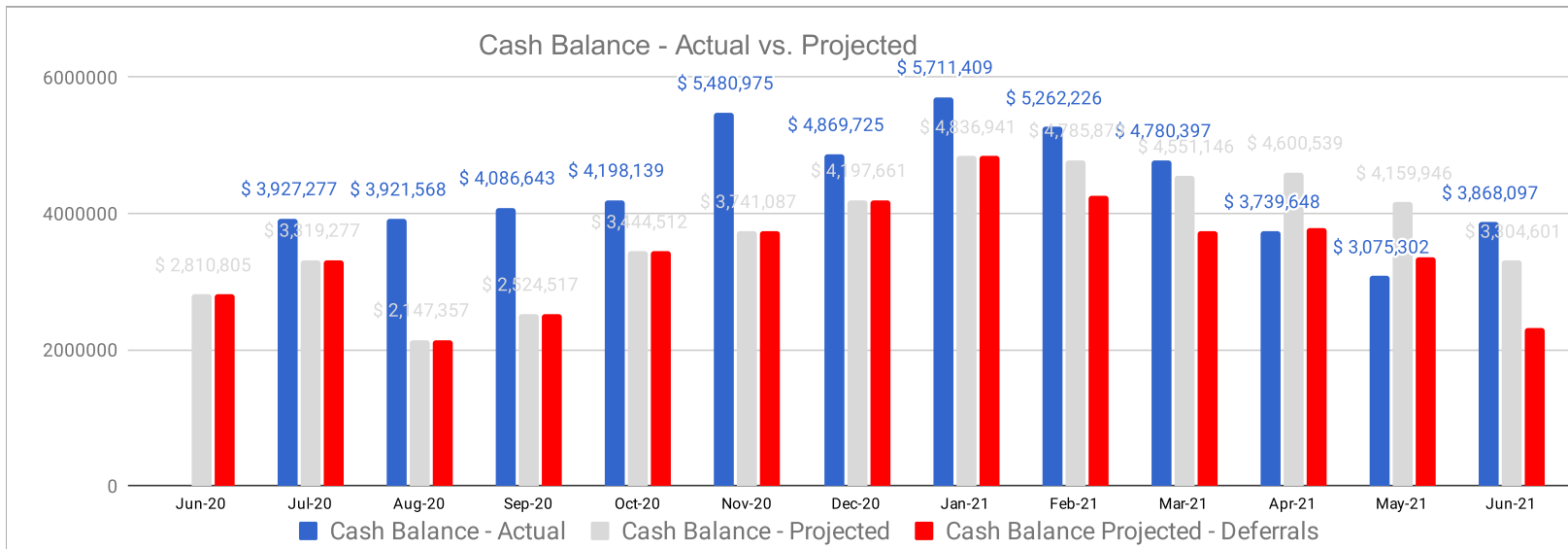
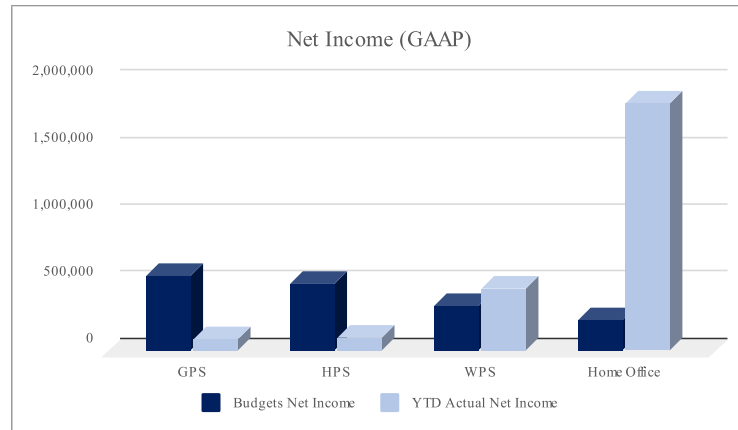
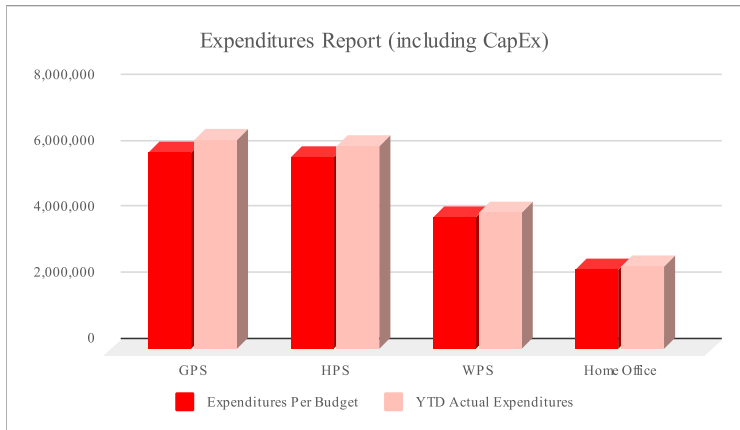
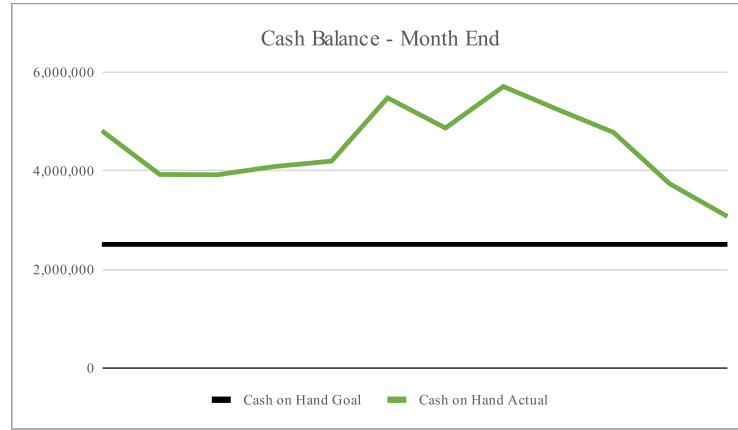
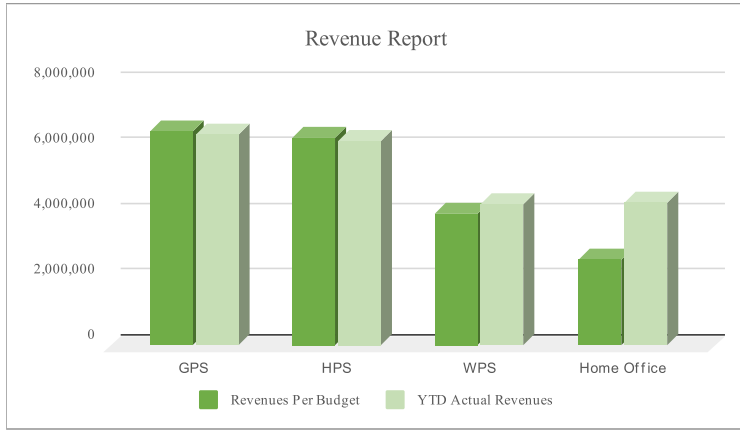
- added additional staff members to accommodate learning loss mitigation totaling approximately \$225k
 - \$22k unfavorable variance in benefits due to adding additional staff
 - \$93k unfavorable variance in revenue due to timing and booking of federal and state pandemic related grants
- Watsonville Prep School
 - \$70k unfavorable variance in salaries due to returning to hybrid
 - summer school budgeted at \$20k and coming in at \$71k
 - \$750 incentive to all staff who returned to in person totaling approximately \$30k
 - \$750 longevity bonus for staff who have been with Navigator 5 years and longer totaling approximately \$4k
 - \$285k favorable variance in revenue due to the PCSGP grant ending and having spent all reimbursable funds
 - \$115K unfavorable in books and supplies due to technology being \$65k over budget and student food service being \$45k over budget

Navigator Schools
 Consolidated Balance Sheet Comparison
 June 30, 2021

	6/30/21	
	<u>Navigator</u>	<u>407 Main</u>
Cash	3,869,882	3,883,835
Accounts Receivable	4,029,802	0
Prepaid Expense	505,787	0
Fixed Assets, net of depreciation	734,634	3,018,351
Other Assets	1,104	0
Total Assets	9,141,209	6,902,186
Accrued Liabilities	1,624,106	56,651
Loans Payable	428,704	7,049,211
Total Liabilities	2,052,810	7,105,863
Beginning Fund Balance	4,884,799	0
Net Income	2,203,601	-203,677
Ending Fund Balance	7,088,399	-203,677
Total Liabilities & Fund Balance	9,141,209	6,902,186

****Loans Payable**

Watsonville Prep School	\$197,915	California Department of Education
Watsonville Prep School	\$230,789	Pacific Charter School Development
407 Main St	\$5,880,000	CIVIC
Navigator Schools (407 Main)	\$1,169,211	Pacific Charter School Development



Navigator Schools - 2020-2021 Budget vs. Projection

Unaudited Actuals	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	Projection	2020-21	2020-21	2020-21	Projection	2020-21	2020-21	2020-21	Projection	2020-21	2020-21	2020-21	Projection	2020-21	2020-21	2020-21	Projection
	BOD Approved	Unaudited	Unaudited	Variance	BOD Approved	Unaudited	Unaudited	Variance	BOD Approved	Unaudited	Unaudited	Variance	BOD Approved	Unaudited	Unaudited	Variance	BOD Approved	Unaudited	Unaudited	Variance
	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	1299	1080		565	539	540		565	539	540		228	221	225					
REVENUE:																				
LCFF Revenue	11,994,140	11,812,254	11,812,254	(181,886)	4,725,123	4,684,567	4,684,567	(40,556)	4,907,676	4,824,925	4,824,925	(82,751)	2,361,341	2,302,762	2,302,762	(58,579)	0	0	0	0
Federal Revenue	3,118,314	2,782,617	2,782,617	(335,697)	1,124,870	966,587	966,587	(158,283)	913,600	609,640	609,640	(303,960)	1,079,844	1,206,390	1,206,390	126,546	0	0	0	0
Other State Revenue	1,368,819	1,920,948	1,920,948	552,129	642,538	751,069	751,069	108,531	508,169	787,642	787,642	279,473	218,112	382,237	382,237	164,125	0	0	0	0
Donations & Grants	1,265,000	1,265,249	1,265,249	1,447	8,802	401	401	(8,402)	5,000	10	10	(4,990)	350,000	386,394	386,394	36,394	900,000	878,445	878,445	(21,555)
Other Revenue	60,500	1,870,221	1,870,221	1,809,721	10,000	36,582	36,582	26,582	7,500	26,786	26,786	19,286	0	16,494	16,494	16,494	43,000	1,790,360	1,790,360	1,747,360
CMO Management Fees	1,679,180	1,679,180	1,679,180	0													1,679,180	1,679,180	1,679,180	0
REVENUE	19,484,755	21,330,469	21,330,469	1,845,714	6,511,333	6,439,205	6,439,205	(72,128)	6,341,945	6,249,002	6,249,002	(92,943)	4,009,297	4,294,277	4,294,277	284,980	2,622,180	4,347,985	4,347,985	1,725,805
EXPENDITURES:																				
Salaries	9,561,101	10,383,623	10,383,623	822,522	3,126,997	3,474,823	3,474,823	347,826	3,128,756	3,454,159	3,454,159	325,403	1,732,355	1,802,076	1,802,076	69,721	1,572,993	1,652,565	1,652,565	79,572
Benefits & Taxes	2,421,145	2,415,524	2,415,524	(5,621)	767,965	805,901	805,901	37,936	771,502	793,458	793,458	21,956	443,967	455,347	455,347	11,380	437,711	360,818	360,818	(76,893)
Books & Supplies	1,868,729	2,026,479	2,026,479	157,750	750,816	790,038	790,038	39,222	425,001	380,718	380,718	(44,283)	659,012	774,255	774,255	115,243	33,900	81,468	81,468	47,568
Services & Other Operating Expense	2,273,243	2,273,915	2,273,915	672	616,434	586,159	586,159	(30,275)	812,673	822,724	822,724	10,051	490,704	451,955	451,955	(38,749)	353,432	413,077	413,077	59,645
CMO Management Fees	1,679,180	1,679,180	1,679,180	0	661,517	661,517	661,517	0	687,075	687,075	687,075	0	330,588	330,588	330,588	0				0
Capital Outlay	343,472	348,147	348,147	4,675	13,820	27,899	27,899	14,079	0	13,440	13,440	13,440	329,652	306,808	306,808	(22,844)	0	0	0	0
EXPENDITURES	18,146,870	19,126,868	19,126,868	979,998	5,937,549	6,346,338	6,346,338	408,789	5,825,007	6,151,574	6,151,574	326,567	3,986,278	4,121,029	4,121,029	134,751	2,398,036	2,507,928	2,507,928	109,892
REVENUE LESS EXPENDITURES	1,337,885	2,203,601	2,203,601	865,716	573,784	92,868	92,868	(480,916)	516,938	97,428	97,428	(419,510)	23,019	173,248	173,248	150,229	224,144	1,840,057	1,840,057	1,615,913
GAAP Adjustments:																				
Revenue Less Expenditures	1,337,885	2,203,601	2,203,601	865,716	573,784	92,868	92,868	(480,916)	516,938	97,428	97,428	(419,510)	23,019	173,248	173,248	150,229	224,144	1,840,057	1,840,057	1,615,913
Add back Capita Outlay to Net income	343,472	348,147	348,147	4,675	13,820	27,899	27,899	14,079	0	13,440	13,440	13,440	329,652	306,808	306,808	(22,844)	0	0	0	0
Subtract Depreciation Expense	(69,000)	(69,000)	(69,000)	0	(35,000)	(35,000)	(35,000.00)	0	(17,000)	(17,000)	(17,000)	0	(17,000)	(17,000)	(17,000.00)	0	0	0	0	0
Net income - GAAP Basis 2020-21	1,612,357	2,482,748	2,482,748	870,391	552,604	85,767	85,767	(466,837)	499,938	93,868	93,868	(406,070)	335,671	463,056	463,056	127,385	224,144	1,840,057	1,840,057	1,615,913
Beginning Net Assets @ 6/30/20	4,963,222	4,963,222	4,963,222		1,974,485	1,974,485	1,974,485		1,944,910	1,944,910	1,944,910		212,796	212,796	212,796		831,031	831,031	831,031	
Net Income - GAAP Basis 2020-21	1,612,357	2,482,748	2,482,748		552,604	85,767	85,767		499,938	93,868	93,868		335,671	463,056	463,056		224,144	1,840,057	1,840,057	
Ending Net Assets @ 6/30/21	6,575,579	7,445,970	7,445,970		2,527,089	2,060,252	2,060,252		2,444,848	2,038,778	2,038,778		548,467	675,852	675,852		1,055,175	2,671,088	2,671,088	

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	1238.4	524.9	502.2	211.32
2020-21 ADA %- Approved Budget	95.6%	96.0%	96.0%	94%
2020-21 ADA % @ 4/9/21	94.9%	97.5%	93.0%	92%
2020-21 Enrollment - Approved Budget	1308.0	540.0	540.0	228
2020-21 Enrollment @ 4/9/21	1305.0	536.0	540.0	229



	<u>Actual</u>
Cash balance as of 06/30/21	3,869,882
Projected Annual Expenditures (not including CMO Mgmt Fees)	17,447,688
Number of Months Cash on Hand	2.66