



Board of Directors Meeting
 Finance update
 February 13, 2024

The enclosed financial information covers Navigator Schools fiscal year 2023-2024 for the period ending December 31, 2023. The following financial information is noted for the purposes of the Board of Directors meeting held on February 13, 2024.

Financial highlights

Consolidated Activities	2023-2024 Budgeted Net Income/(Loss)	2023-2024 Projected Net Income/(Loss)
Charter Management Organization (CMO)	(\$ 373,823)	(\$972,164)
Gilroy Prep School (GPS)	(\$ 91,573)	(\$33,092)
Hollister Prep School (HPS)	\$ 32,603	\$692,927
Hayward Collegiate School (HCS)	(\$353,708)	(\$491,309)
Watsonville Prep School (WPS)	\$706,916	\$1,046,535
Consolidated Total	(\$ 79,585)	\$242,897

Cash balances

Cash balance as of 1/31/2024 (includes reserves)	\$ 5,128,144
Actual expenditures thru Dec 2023-Schools only	\$ 14,669,109
Projected Expenditures	\$ 27,136,614
Remaining expenditures Jan23-Jun24	\$ 12,467,505
Number of Months Cash on Hand	2.47

Compensation Review Project

With our commitment to maintaining a high-performing workforce and remaining competitive in the market, we previously reported that we initiated a comprehensive analysis of staff compensation. The review aims to address concerns regarding compensation competitiveness, internal equity, alignment with job duties, and retention. So far, our Paraprofessional and SGI positions have been adjusted, and the remaining hourly staff positions are being reviewed and will be adjusted accordingly within Q3.

- The contemplated increases are included in our projections for the 2023-24 fiscal year.

Additionally, the compensation review includes our leadership staff and other positions needed to strengthen our support services for growth planning.

School Highlights

- The Books & Supplies, and Services & Other Operating Expenses are trending on target against year-end projections for all schools.

CMO

- Salary and Benefits have an unfavorable variance of \$257,504 due to the addition of staff positions needed to support operations. Positions include Talent Recruiter (new hire), Data Clerk (new hire), Development Officer (current search), and Communications Manager (transfer from HPS).
- Services & Other Operating Expenses - have an unfavorable variance of \$270,229. This increase includes costs not included in the original budget approval because they were not contemplated during the budget period in June 2023. However, the increases are necessary to support the implementation and improvements in operating activities. The increases include additional costs for:
 - Legal fees \$60k,
 - Communications/Public Relations support \$90k,
 - Leadership and board retreat planning \$66k,
 - Budget management software \$21k,
 - Other tech and support services \$33k.

GPS

- Salary and Benefits have a favorable variance of \$58,481 based on payroll projections that also include compensation adjustments.

HPS

- Salary and Benefits have a favorable variance of \$660,324 based on payroll projections that also include compensation adjustments.

HCS

- Salary and Benefits have an unfavorable variance of \$137,601 based on payroll projections that also include compensation adjustments.

WPS

- Salary and Benefits have a favorable variance of \$339,619 based on payroll projections that also include compensation adjustments.

**Navigator Schools
Budget vs. Actuals
For Period Ending December 31, 2023**

	Consolidated Budget vs. Actuals				GPS Budget vs. Actuals				HPS Budget vs. Actuals			
	2023-24 Board Approved Budget	2023-24 YTD Actuals	2023-24 Projection	2023-24 \$ Variance to Budget	2023-24 Board Approved Budget	2023-24 YTD Actuals	2023-24 Projection	2023-24 \$ Variance to Budget	2023-24 Board Approved Budget	2023-24 YTD Actuals	2023-24 Projection	2023-24 \$ Variance to Budget
Enrollment	1741	1745	1755		540	540	540		540	535	540	
REVENUE:												
LCFF Revenue	\$ 21,115,186	\$ 5,260,836	\$ 21,115,186	\$ -	\$ 6,089,066	\$ 2,036,449	\$ 6,089,066	\$ -	\$ 6,350,849	\$ 775,013	\$ 6,350,849	\$ -
Federal Revenue	2,810,272	446,751	2,810,272	-	850,802	181,909	850,802	-	669,006	82,454	669,006	-
Other State Revenue	4,309,919	1,311,380	4,309,919	-	1,091,413	480,185	1,091,413	-	1,091,705	219,393	1,091,705	-
Donations & Grants	567,000	744,028	567,000	-	7,500	3,865	7,500	-	7,500	-	7,500	-
Other Local Revenue	94,300	23,847	94,300	-	20,000	15,762	20,000	-	20,000	930	20,000	-
Rental Income	2,956,126	1,478,095	2,956,126	-	-	-	-	-	-	-	-	-
CMO Management Fees		(66,900)	-									
Total Revenue	31,852,802	9,198,037	31,852,802	-	8,058,781	2,718,170	8,058,781	-	8,139,060	1,077,790	8,139,060	-
EXPENDITURES:												
Salaries	16,832,998	8,545,306	16,376,668	(456,330)	4,244,656	2,183,183	4,199,101	(45,555)	4,306,298	2,085,501	3,788,733	(517,565)
Benefits & Taxes	4,571,516	2,464,297	4,435,134	(136,383)	1,204,412	637,935	1,191,486	(12,926)	1,187,798	663,336	1,045,039	(142,759)
Books & Supplies	1,977,292	931,569	1,977,292	-	514,244	258,969	514,244	-	359,805	93,380	359,805	-
Services & Other Operating Expense	5,248,721	4,333,963	5,518,950	270,229	1,223,339	893,149	1,223,339	-	1,318,437	684,945	1,318,437	-
CMO Management Fees	2,956,126	1,478,094	2,956,126	-	852,469	426,235	852,469	-	889,119	444,559	889,119	-
Capital Outlay	345,734	-	345,734	-	111,234	-	111,234	-	45,000	-	45,000	-
Total Expenditures	31,932,387	17,753,229	31,609,904	(322,483)	8,150,354	4,399,471	8,091,873	(58,481)	8,106,458	3,971,721	7,446,133	(660,324)
Revenue Less Expenditures	(79,585)	(8,555,192)	242,898	322,483	(91,573)	(1,681,301)	(33,092)	58,481	32,603	(2,893,931)	692,927	660,324
GAAP Adjustments:												
Revenue Less Expenditures	(79,585)	(8,555,192)	242,898	322,483	(91,573)	(1,681,301)	(33,092)	58,481	32,603	(2,893,931)	692,927	660,324
Add back Capital Outlay to Net income*	345,734	-	-	(345,734)	111,234	-	-	(111,234)	45,000	-	-	(45,000)
Subtract Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	-
Net Income /(Loss)	266,149	(8,555,192)	242,898	(23,251)	19,661	(1,681,301)	(33,092)	(52,753)	77,603	(2,893,931)	692,927	615,324
Beginning Net Assets	11,352,638	11,352,638	11,352,638		2,523,207	2,523,207	2,523,207		2,612,729	2,612,729	2,612,729	
Net Income /(Loss)	266,149	(8,555,192)	242,898		19,661	(1,681,301)	(33,092)		77,603	(2,893,931)	692,927	
Ending Net Assets*	\$ 11,618,787	\$ 2,797,446	\$ 11,595,536		\$ 2,542,868	\$ 841,906	\$ 2,490,115		\$ 2,690,332	\$ (281,202)	\$ 3,305,656	

**Navigator Schools
Budget vs. Actuals
For Period Ending December 31, 2023**

	WPS				HC				CMO				407 Main Street LLC			
	Budget vs. Actuals				Budget vs. Actuals				Budget vs. Actuals				Budget vs. Actuals			
	2023-24 Board Approved Budget	2023-24 YTD Actuals	2023-24 Projection	2023-24 \$ Variance to Budget	2023-24 Board Approved Budget	2023-24 YTD Actuals	2023-24 Projection	2023-24 \$ Variance to Budget	2023-24 Board Approved Budget	2023-24 YTD Actuals	2023-24 Projection	2023-24 \$ Variance to Budget	2023-24 Board Approved Budget	2023-24 YTD Actuals	2023-24 Projection	2023-24 \$ Variance to Budget
Enrollment	460	464	468		201	206	207									
REVENUE:																
LCFF Revenue	\$ 6,097,286	\$ 2,029,365	\$ 6,097,286	\$ -	\$ 2,577,985	\$ 420,009	\$ 2,577,985	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Revenue	957,910	92,356	957,910	-	332,553	90,032	332,553	-	-	-	-	-	-	-	-	-
Other State Revenue	1,471,168	441,692	1,471,168	-	655,633	170,110	655,633	-	-	-	-	-	-	-	-	-
Donations & Grants	1,500	150	1,500	-	50,500	180,000	50,500	-	500,000	560,013	500,000	-	-	-	-	-
Other Local Revenue	7,300	4,233	7,300	-	2,000	-	2,000	-	45,000	2,922	45,000	-	-	-	-	-
Rental Income	-	-	-	-	-	-	-	-	2,956,126	1,478,095	2,956,126	-	-	-	-	-
CMO Management Fees		(156,532)												89,632		
Total Revenue	8,535,164	2,411,264	8,535,164	-	3,618,671	860,151	3,618,671	-	3,501,126	2,041,030	3,501,126	-	-	89,632	-	-
EXPENDITURES:																
Salaries	3,628,039	1,877,674	3,363,657	(264,382)	2,030,826	997,242	2,144,495	113,669	2,623,179	1,401,706	2,880,683	257,504	-	-	-	-
Benefits & Taxes	1,032,457	542,253	957,220	(75,237)	427,571	279,702	451,503	23,932	719,278	341,071	789,886	70,608	-	-	-	-
Books & Supplies	612,576	310,645	612,576	-	444,517	208,872	444,517	-	46,150	59,535	46,150	-	-	168	-	-
Services & Other Operating Expense	1,676,556	1,068,510	1,676,556	-	544,047	405,719	544,047	-	486,342	699,643	756,571	270,229	-	581,997	-	-
CMO Management Fees	853,620	426,810	853,620	-	360,918	180,490	360,918	-	-	-	-	-	-	-	-	-
Capital Outlay	25,000	-	25,000	-	164,500	-	164,500	-	-	-	-	-	-	-	-	-
Total Expenditures	7,828,248	4,225,892	7,488,629	(339,619)	3,972,379	2,072,025	4,109,980	137,601	3,874,949	2,501,955	4,473,290	598,341	-	582,165	-	-
Revenue Less Expenditures	706,916	(1,814,628)	1,046,536	339,619	(353,708)	(1,211,874)	(491,309)	(137,601)	(373,823)	(460,925)	(972,163)	(598,341)	-	(492,533)	-	-
GAAP Adjustments:																
Revenue Less Expenditures	706,916	(1,814,628)	1,046,536	339,619	(353,708)	(1,211,874)	(491,309)	(137,601)	(373,823)	(460,925)	(972,163)	(598,341)	-	(492,533)	-	-
Add back Capital Outlay to Net income*	25,000	-	-	25,000	164,500	-	-	(164,500)	-	-	-	-	-	-	-	-
Subtract Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Income /(Loss)	731,916	(1,814,628)	1,046,536	314,619	(189,208)	(1,211,874)	(491,309)	(302,101)	(373,823)	(460,925)	(972,163)	(598,341)	-	(492,533)	-	-
Beginning Net Assets	1,694,212	1,694,212	1,694,212		2,009,910	2,009,910	2,009,910		2,512,580	2,512,580	2,512,580		2,512,580	2,512,580	2,512,580	
Net Income /(Loss)	731,916	(1,814,628)	1,046,536		(189,208)	(1,211,874)	(491,309)		(373,823)	(460,925)	(972,163)		-	(492,533)	-	
Ending Net Assets*	\$ 2,426,128	\$ (120,416)	\$ 2,740,748		\$ 1,820,702	\$ 798,036	\$ 1,518,601		\$ 2,138,757	\$ 2,051,655	\$ 1,540,417		\$ 2,512,580	\$ 2,020,047	\$ 2,512,580	