





2017-18 Financial Report Narrative
October 10, 2017

2017-18 Net Income

	<u>Current Projection</u>	<u>Orig Bd Rpt</u>
CMO	\$43k	\$42k
Gilroy Prep	\$279k	\$294k
Hollister Prep	\$230k	\$235k
Total	\$552k	\$571k

- Gilroy Prep projected net income favorable variance highlights
 - \$100k favorable variance from Mandated Cost Reimbursements not budgeted.
 - \$50k favorable variance in Contingency Expenses due to the process that has begun to prioritize needs that were not budgeted for. It is anticipated that the contingency expense will be zeroed out by the next Board Report.
 - \$144k unfavorable variance in Salaries from staffing needs for an additional SPED paraprofessional and additional Teachers in Training to meet staffing needs to cover Teacher absences and Maternity Leaves.
 - \$72k unfavorable variance for Books & Supplies from anticipated technology expenses that were budgeted for the 2016-17 year but, due to late arrival of product, had to be recorded in 2017-18.

- Hollister Prep projected net income favorable variance highlights \$100k favorable variance from mandated cost reimbursements not budgeted.
 - \$25k favorable variance in contingency expenses due to the process that has begun to prioritize needs that were not budgeted for. It is anticipated that the contingency expense will be zeroed out by the next Board Report.
 - \$110k unfavorable variance in salaries from staffing needs for additional Teachers in Training to meet staffing needs to cover multiple Teacher Maternity Leaves.
 - \$23k unfavorable variance for Books & Supplies from anticipated technology expenses that were budgeted for the 2016-17 year but, due to late arrival of product, had to be recorded in 2017-18.