



Committee Report

Committee Name:	Budget & Finance
Date of Report:	4/21/2022
Written/submitted by:	Jennie Winter
Date of last meeting:	4/20/2022
Date of next meeting:	5/18/2022, 5-6:30 pm, online: Please join my meeting from your computer, tablet or smartphone. https://www.gotomeet.me/diecisf/nova-classical-academy---finance-meeting You can also dial in using your phone. United States (Toll Free): 1 866 899 4679 United States: +1 (571) 317-3116 Access Code: 408-910-245 (Board members: please be aware that with four board members on the Budget & Finance committee, we are close to a six-person Board quorum . Should you visit a Budget and Finance meeting, please be prepared to sign off as needed to avoid breaking open meeting law. All other public are welcome to visit our meetings. Thank you.)

Motions/Action Items for the	3/16/2022	Board Meeting	Goal
1. NA			2

2021 - 2022 Committee Goals		
Goal	Brief Update on Progress	Completed
1. Monitor and recommend 2021-22 budget revisions to Board of Directors for review and approval.	Recommended by committee and approved by board in January, 2022.	Yes

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2. Review and recommend 2022-23 budget, which includes five-year pro forma projections, to Board of Directors for review and approval.	Recommended by committee to the board in March. Reviewed five-year pro forma projections at April meeting.	Yes
3. Review and update financial controls.		
4. Finish the year within three percent of projected revenue and expenses.		
5. Review contract calendar and forward to the board for its information.	Dr. Wedlund brought a working draft of the contract calendar to the April finance meeting and heard input.	
6. Review Covid financial impact summary documentation and forward to the board for its information.	Joe Aliperto and Brett Wedlund have updated the committee throughout the year with information about Covid impacts, and they will share a summary overview at our May or June finance meeting.	

Discussion:

Meeting highlights:

1. **FY22 YTD budget as of March 31:** Nova is forecast to meet all three of its bond and authorizer financial requirements this year.
2. **Expectation of another budget revision:** We will likely see another FY22 budget revision in May or June so that we can shore up any budget variances as we close out the year.
3. **Five-year pro forma:** Mr. Aliperto presented a five-year pro forma budget forecast and explained his assumptions. There was discussion about both the usefulness of planning ahead and the limitations inherent in budgeting with assumptions that will be impacted by future events we cannot foresee. **The budget assumptions in this pro forma showed that the FY23 budget that the committee recommended for board approval last month appears to support at least five-year sustainability, which is defined as meeting authorizer and bond holder minimum requirements** (ie: 25% fund balance; 60 days cash on hand; and 1.0 debt service coverage when at least 60 days cash on hand or 1.1 debt service coverage ratio if less than 60 days cash on hand). If you would like to review the pro forma, please visit the Finance website (it is on Nova's website in the board committees section), and follow this path: Financials, Budgets, Five Year Projections.
4. **Contracts calendar:** Dr. Wedlund shared a new working document used to track vendor contracts that come before the board. We hope to share it with the board soon.
5. **Line of Credit:** We will be reviewing the Line of Credit contract once we get it from the bank.

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