



# NOVA CLASSICAL ACADEMY

Charter No. 4098-07

Financial Statements  
September 2019  
Preliminary



 **bergankDV**  
CPAS | ADVISORS

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*Prepared by:*  
Tyler Dehne  
Financial Manager

Nova Classical Academy  
St. Paul, Minnesota

September 2019 Financial Statements

Table of Contents

Executive Summary	Page 3
Financial Statement Dashboard	Page 5
Balance Sheet	Page 7
Statement of Revenues and Expenditures	Page 8
Contracted Services	Page 12
Cash Flow Projection	Page 13

# Nova Classical Academy St. Paul, Minnesota

## September 2019 Financial Statements

### Executive Summary

**Overall**

The current working budget projects revenues to exceed expenditures (annual surplus) in all funds of \$251,056.

School Leadership is budgeting state revenues based on 994 students. Currently the school has an ADM of 1,008 students.

	FY20 Working Budget	Year-to-Date	% of Budget
Revenues	\$ 11,711,512	\$ 2,887,773	25%
Expenditures	11,460,456	2,514,126	22%
Revenues in Excess of Expenditures	\$ 251,056	\$ 373,647	
Beginning Fund Balance	2,548,292	2,548,292	
Ending Fund Balance	\$ 2,799,348	\$ 2,921,939	
	Required	Current	
Fund Balance as a % of Expenditures	25.0%	25.5%	
Debt Service Coverage ratio	1.10	1.34	
Days Cash on Hand	60.00	59.26	

## **Balance Sheet**

The beginning balances shown on the Balance Sheet are based on the audited ending information as of June 30, 2019.

Due from Building Fund in the amount of \$250,548 represents the amount of improvements that the School has spent on behalf of Friends of Nova Building Company. Payments will be made by the Building Company over time to reimburse the School.

The School will receive their State holdback for FY 2018-2019 of \$1,040,563 over the next several months once FY 2018-2019 has been finalized.

State holdback for 2019-2020 fiscal year is estimated to be a receivable of \$604,027 at the time of this report. The holdback amount is approximately 10% of total state aids as of the reporting period. The remaining holdback amount will be paid back to the School in fiscal year 2021.

Prepaid Expenses and Deposits are made up of employee related payroll costs and other expenses prepaid at the end of September.

Accounts Payable represent amounts due for invoices received but not paid as of the end of the period.

Salaries and Wages Payable represents the proportion amount as of this reporting period owed to staff who receive a paycheck during the summer. This is an estimate as actual will be calculated on or near June 30.

Payroll Deductions and Contributions (Owed) represents the proportion amount as of this reporting period owed to staff who receive a paycheck during the summer. This is an estimate as actual will be calculated on or near June 30.

## **Statement of Revenue and Expenditures**

This report shows the budget approved for the year, the working budget, and year to date activity (revenues and expenditures).

Per review of the percent of working budget column on pages 8 through 11, nothing significant is worth noting at this time.

## **Statement of Cash Flows**

Nothing significant to note this month.

## **Supplemental Information**

A separate Management Report is provided that show checks that were written during the month, receipts that were accounted for, and journal entry transactions that were recorded.

Please feel free to contact Tyler Dehne at [tyler.dehne@bergankdv.com](mailto:tyler.dehne@bergankdv.com) should you have questions related to the financial statements.

**Nova Classical Academy**  
**St. Paul, MN**  
**Financial Statements Dashboard**  
**As of September 30, 2019**

**Financial Summary - Budgeted Amounts and Year to Date Activity**

**Resources to Operate Programs (Revenues):**

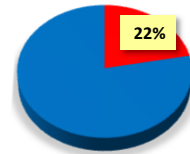
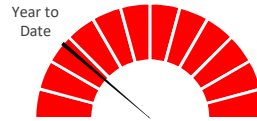
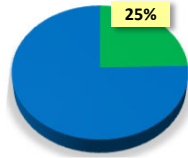
<b>Approved Budget</b>	\$11,712,154
<b>Working Budget</b>	\$11,711,512
<b>Year to Date</b>	\$2,887,773

**Funds Used to Provide Programs and Services (Expenses):**

<b>Approved Budget</b>	\$11,498,107	
<b>Working Budget</b>	\$11,460,456	
<b>Year to Date</b>	\$2,514,126	21.94%

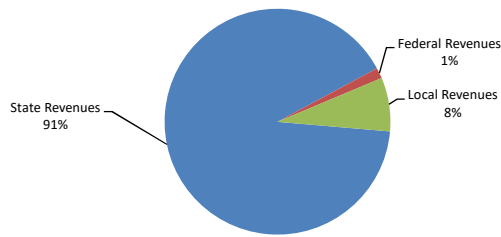
**Excess / Deficit**

<b>Approved Budget</b>	\$214,047
<b>Working Budget</b>	\$251,056
<b>Year to Date</b>	\$373,647

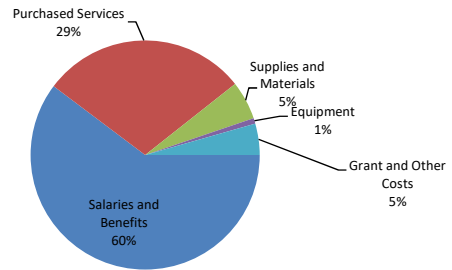


**Budgets for the Year**

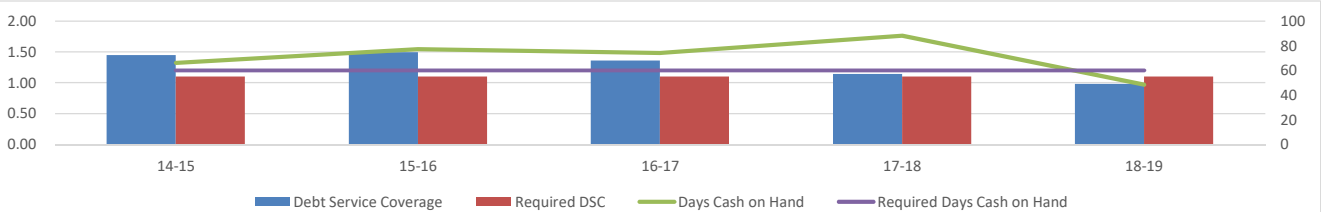
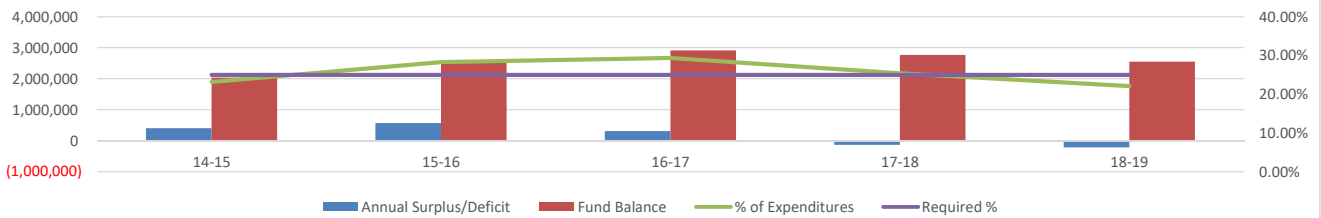
**Where funds will come from to operate the school:**

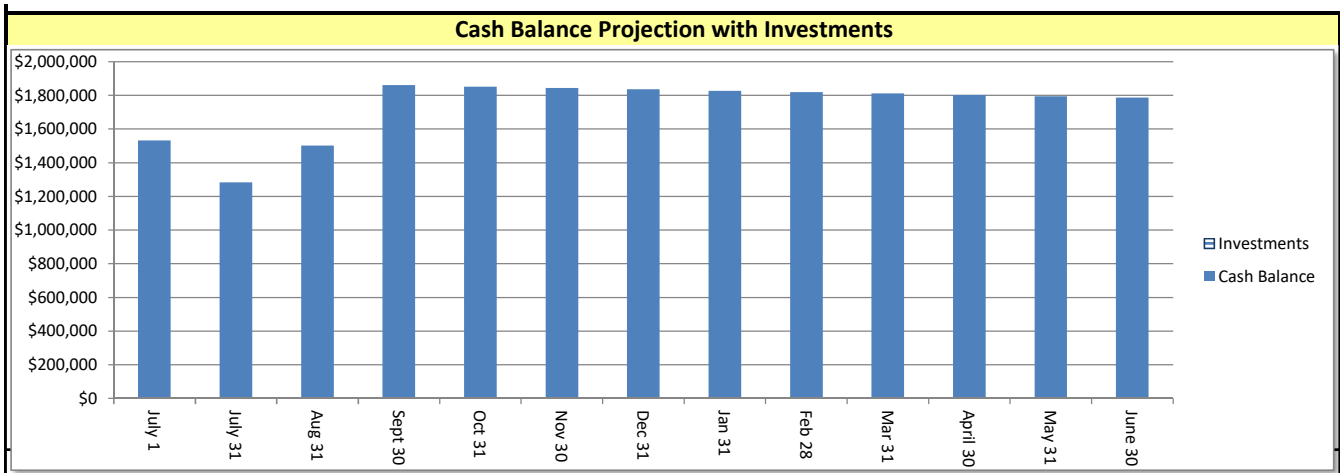
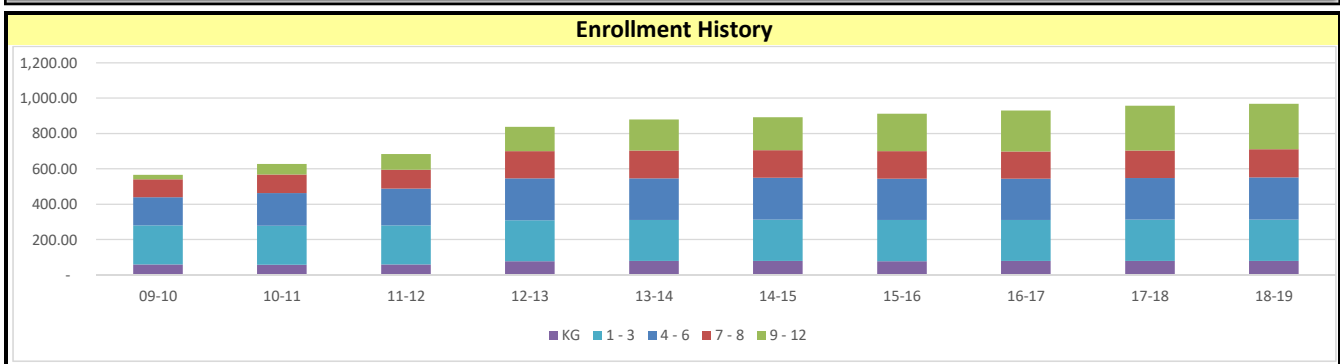
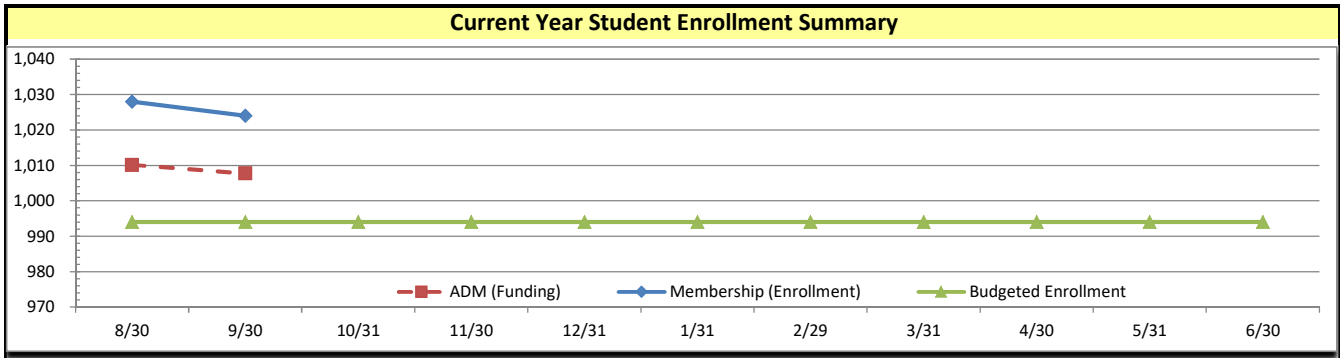
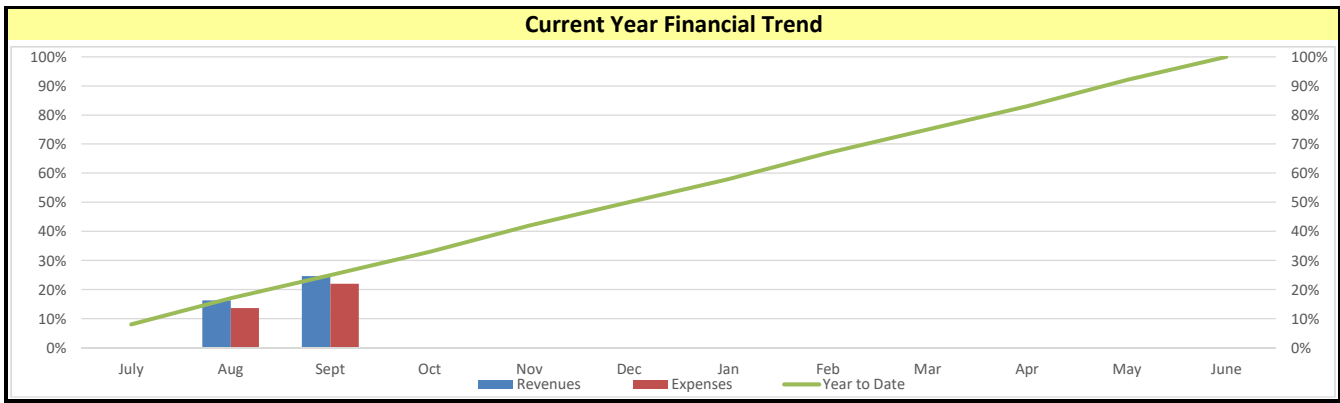


**How the money is budgeted to be spent:**



**Fund Balance and Bond Covenant History**





# Nova Classical Academy

## Balance Sheet

**September 30, 2019**

	7/1/2019	9/30/2019
<b>Assets</b>		
Cash	\$ 1,532,281	\$ 1,860,644
Accounts Receivable	11,086	1,685
Due from Building Fund	242,249	250,548
State Aids Receivable	1,040,563	885,421
Federal Aids Receivable	25,811	42,221
Due from Other Government	534	-
Due From Building Company	-	-
Prepaid Expenses and Deposits	69,206	115,203
<b>Total Assets</b>	<b>\$ 2,921,730</b>	<b>\$ 3,155,722</b>
<b>Liabilities and Fund Balance</b>		
Salaries and Wages Payable	\$ 42,356	\$ -
Accounts Payable	271,104	217,465
Deferred Revenue	32,427	16,318
Payroll Deductions and Contributions	27,551	-
<b>Total Liabilities</b>	<b>373,438</b>	<b>233,783</b>
<b>Fund Balance</b>		
Beginning Fund Balance	\$ 2,771,014	\$ 2,548,292
Increase/(Decrease) due to Operations	(222,722)	373,647
	<b>2,548,292</b>	<b>2,921,939</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 2,921,730</b>	<b>\$ 3,155,722</b>
Days Cash on Hand	48.42	59.26

*Management has elected to omit substantially all disclosures and the Government-Wide Financial Statements*

*Or Required Supplementary Information*

*No CPA provides any assurance on these financial statements.*

Nova Classical Academy

Summary Revenue and Expense Statement - By Object Series  
For the year-ending June 30, 2020  
As of September 30, 2019

	FY 19 Actual	FY20 Original Budget	FY20 Working Budget	YTD Activity	25.0% % of Budget
	968.3 ADM	994 ADM	994 ADM	1,008 ADM	
<b>Total All Funds</b>					
<b>Revenues</b>					
State Revenues	\$ 10,244,487	\$ 10,631,710	\$ 10,631,067	\$ 2,620,481	24.7%
Federal Revenues	163,465	177,986	177,986	42,221	23.7%
Local Revenues and Scholar Zone	621,093	620,789	620,790	168,601	27.2%
Food Service Revenue	298,024	281,669	281,669	56,470	20.1%
<b>Total Revenues</b>	<b>\$ 11,327,068</b>	<b>\$ 11,712,154</b>	<b>\$ 11,711,512</b>	<b>\$ 2,887,773</b>	<b>24.7%</b>
Check #	11,327,068	11,712,154	11,711,512	2,887,773	
<b>Expenditures</b>					
Salaries and Benefits	\$ 6,965,514	\$ 6,986,068	\$ 6,904,917	\$ 1,508,943	21.9%
Purchased Services	3,370,623	3,312,838	3,336,838	692,648	20.8%
Supplies and Materials	640,425	619,260	618,760	195,928	31.7%
Equipment	132,955	93,400	93,400	16,242	17.4%
Grant and Other Costs	440,272	486,541	506,541	100,365	19.8%
<b>Total Expenditures</b>	<b>\$ 11,549,790</b>	<b>\$ 11,498,107</b>	<b>\$ 11,460,456</b>	<b>\$ 2,514,126</b>	<b>21.9%</b>
Check #	11,549,790	11,498,107	11,460,456	2,514,126	
<b>Net effect of Operations, All Funds</b>	<b>\$ (222,722)</b>	<b>\$ 214,047</b>	<b>\$ 251,056</b>	<b>\$ 373,647</b>	
<b>Beginning Fund Balance</b>	<b>\$ 2,771,014</b>	<b>\$ 2,548,292</b>	<b>\$ 2,548,292</b>	<b>\$ 2,548,292</b>	
<b>Ending Fund Balance</b>	<b>\$ 2,548,292</b>	<b>\$ 2,762,339</b>	<b>\$ 2,799,348</b>	<b>\$ 2,921,939</b>	
Fund Balance % of Expenditures	22.1%	24.0%	24.4%	25.5%	
Debt Service Coverage Ratio	0.98	1.25	1.27	1.34	

**General Fund - 01**

**Revenues**

**State Revenues**

General Education Aid	\$ 7,300,598	\$ 7,636,477	\$ 7,636,477	\$ 1,994,938	26.1%
Land Endowment Fund	39,871	39,871	39,871	21,516	54.0%
Charter School Lease Aid	1,386,432	1,437,779	1,437,779	-	0.0%
Literacy Aid	58,783	58,783	58,783	-	0.0%
Special Education Aid	933,800	924,880	924,237	-	0.0%
ADSSIS	130,725	149,142	149,142	-	0.0%
Q Comp	247,110	242,366	242,366	-	0.0%
Other Sources	8,811	-	-	-	0.0%
LT Facilities Maintenance Aid	138,357	142,412	142,412	-	0.0%
State Holdback Recognized	-	-	-	604,027	n/a
<b>Total State Revenues</b>	<b>\$ 10,244,487</b>	<b>\$ 10,631,710</b>	<b>\$ 10,631,067</b>	<b>\$ 2,620,481</b>	<b>24.7%</b>

**Federal Revenues**

Federal Special Ed, 419	125,875	119,606	119,606	42,221	35.3%
Federal Title I, Part A, 473	-	20,000	20,000	-	0.0%
Federal Title I, 401	22,530	23,007	23,007	-	0.0%
Federal Title II, 414	15,060	15,373	15,373	-	0.0%
<b>Total Federal Revenues</b>	<b>163,465</b>	<b>177,986</b>	<b>177,986</b>	<b>42,221</b>	<b>23.7%</b>



25.0%

	FY 19 Actual	FY20 Original Budget	FY20 Working Budget	YTD Activity	% of Budget
	968.3 ADM	994 ADM	994 ADM	1,008 ADM	

**Local Revenues**

Contributions and Gifts, Grants	157,934	150,000	150,000	7,459	5.0%
Fees from Patrons	23,161	15,000	15,000	15	0.1%
Fieldtrip Receipts	42,100	49,175	49,175	80	0.2%
Sport and Student Activity Fees	167,411	185,000	185,000	85,717	46.3%
Interest	17,352	15,450	15,450	3,858	25.0%
Rent	39,161	6,830	6,830	5,000	73.2%
Sale of Material	-	4,917	4,917	-	0.0%
Other Receipts	3,441	26,417	26,418	7,204	27.3%
<b>Total Local Revenues</b>	<b>450,560</b>	<b>452,789</b>	<b>452,790</b>	<b>109,333</b>	<b>24.2%</b>

**Total Revenues**

<b>\$ 10,858,512</b>	<b>\$ 11,262,485</b>	<b>\$ 11,261,843</b>	<b>\$ 2,772,035</b>	<b>24.6%</b>
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**Expenditures**

	24%	26%	26%	26%	
100's Salaries	\$ 4,742,916	\$ 4,483,421	\$ 4,423,422	\$ 1,076,061	24.3%
200's Employee Benefits	1,118,387	1,154,305	1,134,175	284,845	25.1%
FIN 335 Q-Comp	202,307	242,366	242,366	-	0.0%
305 Contracted Services	322,593	293,289	317,289	89,809	28.3%
315 Technology Maintenance	53,006	56,800	56,800	11,867	20.9%
320 Communications Services	8,123	12,240	12,240	2,495	20.4%
329 Postage	2,870	3,900	3,900	410	10.5%
330 Utilities	148,008	147,900	147,900	18,489	12.5%
340 Property & Liability Ins	58,505	53,040	53,040	22,878	43.1%
350 Repairs and Maintenance	333,015	309,000	309,000	46,810	15.2%
360 Contracted Transportation	367,683	389,785	389,785	76,803	19.7%
360 Field Trip Transportation	18,424	15,675	15,675	-	0.0%
366 Travel, Conf & Staff Training	13,734	14,000	14,000	1,845	13.2%
348-370 Building Lease	1,535,895	1,597,624	1,597,624	384,027	24.0%
370/380 Other Leases/Rentals	53,664	48,200	48,200	9,182	19.1%
369 Field Trips	17,251	33,500	33,500	339	1.0%
394 Pymts for Educational Purpose	11,165	18,500	18,500	-	0.0%
401 Office Supplies	68,555	55,000	55,000	6,269	11.4%
401 Maintenance Supplies	34,241	35,000	35,000	14,702	42.0%
405 Non Instructional Software & Technology	63,684	58,650	58,650	48,866	83.3%
406 Instructional Software & Technology	9,418	10,600	10,600	13,848	130.6%
430 Instructional Supplies	76,033	72,000	72,000	14,934	20.7%
460 Textbooks and Workbooks	44,758	40,000	40,000	45,241	113.1%
461 Standardized Tests	56,071	31,800	31,800	(80)	-0.3%
455 & 465 Non Instructional Tech Supplies	6,855	34,000	34,000	18,628	54.8%
456 & 466 Instructional Tech Devices	23,048	15,900	15,900	2,022	12.7%
470 Library Books	-	500	-	-	0.0%
490 Food	3,810	3,700	3,700	844	22.8%
510 & 520 Ground and Building Purchases	21,305	20,000	20,000	13,863	69.3%
530 Other Equipment (Furniture)	96,856	55,000	55,000	1,599	2.9%
555 & 556 Technology Equipment	14,134	15,900	15,900	-	0.0%

25.0%

	FY 19 Actual	FY20 Original Budget	FY20 Working Budget	YTD Activity	% of Budget
	968.3 ADM	994 ADM	994 ADM	1,008 ADM	
820 Dues and Memberships; Fees	30,447	32,255	32,255	5,639	17.5%
C520-585 Student Activities	221,672	295,000	295,000	51,876	17.6%
896 Taxes and Assessments	-	200	200	-	0.0%
Fin 372 Third Party Billing	616	1,100	1,100	629	57.2%
<b>State Special Education</b>					
100's Salaries	422,110	494,769	494,769	82,578	16.7%
200's Benefits	109,250	150,289	149,612	20,806	13.9%
300's Contracted Services	371,914	302,000	302,000	25,781	8.5%
400's Supplies	6,738	15,900	15,900	338	2.1%
Fin 723/728 Special Ed/Homeless Transportation	15,359	10,600	10,600	-	0.0%
<b>ADSIS</b>					
100's Salaries	164,465	220,490	220,490	420	0.2%
200's Benefits	38,883	69,700	69,355	68	0.1%
400's Supplies	-	-	-	1,600	0.0%
Federal Special Ed, 419	125,875	119,606	119,606	42,221	35.3%
Federal Title I, Part A, 473	-	-	20,000	-	0.0%
Federal Title I, 401	22,530	23,007	23,007	-	0.0%
Federal Title II, 414	15,060	15,373	15,373	-	0.0%
Pension Expense Allocation	24,072	-	-	-	
Scholarzone Overhead Allocation		(40,000)	(40,000)	(10,000)	25.0%
<b>Total Expenditures</b>	<b>\$ 11,095,305</b>	<b>\$ 11,031,884</b>	<b>\$ 10,994,233</b>	<b>\$ 2,428,552</b>	<b>22.1%</b>
<b>Net effect of Operations, General Fund</b>	<b>\$ (236,793)</b>	<b>\$ 230,601</b>	<b>\$ 267,610</b>	<b>\$ 343,483</b>	
<b>Beginning Fund Balance</b>	<b>\$ 2,715,874</b>	<b>\$ 2,479,081</b>	<b>\$ 2,479,081</b>	<b>\$ 2,479,081</b>	
<b>Ending Fund Balance</b>	<b>\$ 2,479,081</b>	<b>\$ 2,709,682</b>	<b>\$ 2,746,691</b>	<b>\$ 2,822,564</b>	
Fund Balance % of Expenditures	22.3%	24.6%	25.0%		

**Food Services Fund - 02**

<b>Revenues</b>					
Breakfast Aid	\$ 8,993	\$ 6,798	\$ 6,798	\$ 123	1.8%
Lunch Aid & Commodities	44,591	46,350	46,350	918	2.0%
After School Snack Aid	2,403	1,921	1,921	167	8.7%
Breakfast, Lunch & Ala Carte Fees	242,037	226,600	226,600	55,262	24.4%
<b>Total Revenues</b>	<b>\$ 298,024</b>	<b>\$ 281,669</b>	<b>\$ 281,669</b>	<b>\$ 56,470</b>	<b>20.1%</b>
<b>Expenditures</b>					
Salaries and Benefits	\$ 53,706	\$ 48,718	\$ 48,718	\$ 16,086	33.0%
Purchased Services	1,485	2,060	2,060	-	0.0%
Food and Milk	241,397	242,050	242,050	27,648	11.4%
Supplies	2,271	2,060	2,060	-	0.0%
Capital Assets & Other	660	2,500	2,500	780	31.2%
<b>Total Expenditures</b>	<b>\$ 299,518</b>	<b>\$ 297,388</b>	<b>\$ 297,388</b>	<b>\$ 44,514</b>	<b>15.0%</b>
<b>Net effect of Operations, Food Service</b>	<b>\$ (1,495)</b>	<b>\$ (15,719)</b>	<b>\$ (15,719)</b>	<b>\$ 11,956</b>	
Transfer In for Operations from Gen Fund	\$ -	\$ -	\$ -	\$ -	
<b>Beginning Fund Balance</b>	<b>\$ 7,615</b>	<b>\$ 6,121</b>	<b>\$ 6,121</b>	<b>\$ 6,121</b>	
<b>Ending Fund Balance</b>	<b>\$ 6,121</b>	<b>\$ (9,598)</b>	<b>\$ (9,598)</b>	<b>\$ 18,076</b>	

	FY 19 Actual	FY20 Original Budget	FY20 Working Budget	YTD Activity	25.0% % of Budget
	968.3 ADM	994 ADM	994 ADM	1,008 ADM	

#### Community Services Fund - 04

<b>Revenues</b>					
Scholar Zone Fees	\$ 170,533	\$ 168,000	\$ 168,000	\$ 59,268	35.3%
<b>Expenditures</b>					
Salaries and Benefits	113,491	122,010	122,010	28,079	23.0%
Contracted Services	37,929	4,725	4,725	1,913	40.5%
Supplies and Materials	3,547	2,100	2,100	1,068	50.9%
ScholarZone Overhead	-	40,000	40,000	10,000	25.0%
<b>Total Community Serv Fund Exp</b>	<b>\$ 154,967</b>	<b>\$ 168,835</b>	<b>\$ 168,835</b>	<b>\$ 41,060</b>	<b>24.3%</b>
<b>Net effect of Operations, Community Serv</b>	<b>\$ 15,566</b>	<b>\$ (835)</b>	<b>\$ (835)</b>	<b>\$ 18,208</b>	
<b>Beginning Fund Balance</b>	<b>\$ 47,524</b>	<b>\$ 63,090</b>	<b>\$ 63,090</b>	<b>\$ 63,090</b>	
<b>Ending Fund Balance</b>	<b>\$ 63,090</b>	<b>\$ 62,255</b>	<b>\$ 62,255</b>	<b>\$ 81,298</b>	

## Nova Classical Academy

### Contracted Services Summary As of September 30, 2019

	FY19 Actual	FY20		Actual	
		Original Budget	Revised Budget		
<b>305 - Contracted Services Detail</b>					
Advertising & Marketing	1,309	1,000	1,000	692	69.21%
Financial Management Services	102,372	102,372	102,372	25,593	25.00%
Audit & Tax Services	11,060	11,500	11,500	900	7.83%
Legal Services	12,429	12,500	12,500	475	3.80%
Bank Fees	13,030	15,000	15,000	4,142	27.61%
Substitutes	88,647	95,000	95,000	1,554	1.64%
Playworks Team UP Fees	14,400	19,400	19,400	19,400	100.00%
Speech & Language Services	17,743	5,000	5,000	-	0.00%
Nursing services	9,632	8,000	8,000	320	4.00%
Transportation Management	10,000	10,000	10,000	5,000	50.00%
Shredding Services	2,029	2,000	2,000	206	10.31%
Annual Emergency Response/Fire	4,235	5,000	5,000	2,950	59.00%
Cleaning Services	-	-	10,000	27,640	276.40%
Other Services	35,707	6,517	20,517	936	4.56%
	<u>322,593</u>	<u>293,289</u>	<u>317,289</u>	<u>89,809</u>	<u>28.31%</u>
	-	-	-	-	
<b>350 - Repairs &amp; Maintenance Detail</b>					
Cleaning Services	238,163	240,000	240,000	14,000	5.83%
Lawn & Snow Services	35,785	35,000	35,000	11,491	32.83%
Plumbing Repairs	3,529	1,000	1,000	-	0.00%
Boiler Repairs & Maintenance	8,798	5,000	5,000	2,043	40.85%
HVAC Repairs & Maintenance	11,894	5,000	5,000	3,860	77.20%
Elevator Repairs & Maintenance	487	500	500	1,158	231.53%
Electrical Work	12,204	5,000	5,000	-	0.00%
Pest Control	682	685	685	105	15.33%
Other Repairs	21,473	16,815	16,815	14,154	84.17%
	<u>333,015</u>	<u>309,000</u>	<u>309,000</u>	<u>46,810</u>	<u>15.15%</u>
	-	-	-	-	

**Nova Classical Academy**

**Cash Flow Projection Summary  
2019 - 2020 School Year**

Period Ending	Cash Inflows (Revenues)						Cash Outflows (Expenditures)				Cash Balance	Checking Account	Investments
	State Aid Payments	Federal Aid Payments	Other Receipts	Prior Year State/Federal Holdback	Payments from Building Company	Total Receipts	Salaries	Benefits & Other Expenses	Payments for Building Company	Total Expenses			
							<i>Beginning Balance</i>				<b>1,532,281</b>	<b>1,532,281</b>	<b>0</b>
July 31	658,487	0	36,098	8,792	0	703,378	275,542	676,242		951,784	1,283,875	1,283,875	0
Aug 31	658,841	0	116,797	330,838	0	1,106,476	264,554	624,560	0	889,114	1,501,237	1,501,237	0
Sept 30	699,288	1,045	74,194	445,883	0	1,220,410	301,365	559,639	0	861,004	1,860,644	1,860,644	0
Oct 31	839,038	25,779	68,922	31,207	0	964,946	523,368	449,804	0	973,173	1,852,417	1,852,417	0
Nov 30	839,038	25,779	68,922	31,207	0	964,946	523,368	449,804	0	973,173	1,844,191	1,844,191	0
Dec 31	839,038	25,779	68,922	31,207	0	964,946	523,368	449,804	0	973,173	1,835,964	1,835,964	0
Jan 31	839,038	25,779	68,922	31,207	0	964,946	523,368	449,804	0	973,173	1,827,737	1,827,737	0
Feb 28	839,038	25,779	68,922	31,207	0	964,946	523,368	449,804	0	973,173	1,819,511	1,819,511	0
Mar 31	839,038	25,779	68,922	31,207	0	964,946	523,368	449,804	0	973,173	1,811,284	1,811,284	0
April 30	839,038	25,779	68,922	31,207	0	964,946	523,368	449,804	0	973,173	1,803,058	1,803,058	0
May 31	839,038	25,779	68,922	31,207	0	964,946	523,368	449,804	0	973,173	1,794,831	1,794,831	0
June 30	839,038	25,779	68,922	31,207	0	964,946	523,368	449,804	0	973,173	1,786,604	1,786,604	0
<b>Projected</b>	9,567,960	233,055	847,390	1,066,374		11,714,779	5,551,775	5,908,681	0	11,460,456	57	Projected days cash on hand at year end	
<b>Totals</b>	9,567,960	233,055	847,390	1,066,374	0	11,714,779	5,551,775	5,908,681	0	11,460,456			

*Assumptions: 10% State Aid Holdback*

This cash flow projection is to be used only to show that if we follow our working budget for the year that we will not encounter cash flow issues and that we will be able to maintain normal operations. It is not meant to be used to accurately predict what expenditures will be incurred in the short-term. Due to the manner in which MDE regulates the funding, abrupt changes may occur in the amounts of the payments. However, the total amount of the state aids should be reasonable given a stable budget.

Management has elected to omit substantially all disclosures, government-wide financial statements, and required supplementary information. No CPA provides any assurance on these financial statements.