New Horizon School for the Performing Arts
Renewal Application Narrative
Part B

New Horizon School for the Performing Arts ended the 2008-2009 fiscal year with an accumulated net asset deficit of ($190,972). The ADM for FY 2009 was 132.846.

For fiscal 2009-2010 the school's audited financial statements indicated an increase in net assets in the amount of $ 16,227, reducing the accumulated deficit to ($174,745). The ADM for FY 2010 was 134.740.

During the 2010-2011 fiscal year, New Horizon School for the Performing Arts devoted time and resources toward the development of the school's website and internet exposure. The increased exposure in concert with the school's reputation for providing quality education and exceptional opportunities for the performing arts resulted in a thirty (30) per cent increase in the ADM. The ADM for 2010-2011 was 175.260.

The Charter School Estimated Enrollment Summary for FY 2012 currently lists a student count of 173.

The June 30, 2011 Balance Sheet for New Horizon School for the Performing Arts includes a cash balance of $ 133,593. The school has also established a $ 100,000 line of credit. On June 30, 2011 the entire amount of the credit line is available.

New Horizon School for the Performing Arts owns the building and land where the school is located. The building including 1.5 acres of land has a 2010 property valuation of $ 2,775,324. The net basis of the land, buildings, and improvements listed on the June 30, 2011 Balance Sheet for New Horizon is $ 346,561. The principal financed is $ 545,196.

The Arizona State Board for Charter Schools Renewal Budget Plan projects that New Horizon will have an increase in net assets totaling $ 118,541 in FY 2010-2011. This increase will reduce the accumulated deficit to ($56,204). Projections for FY 2011-2012 indicate that the school will have a positive net asset value on June 30, 2012 and going forward.

The projected financial information is based upon the realistic assumption that there will not be material increases in state and federal funding through 2013 and that, as a result, expenses will need to remain constant.

New Horizon School for the Performing Arts has positioned itself with the management of the school's assets and the building of a student population to assure the continued financial sustainability of this enterprise in the future.

Renewal Budget Plan

New Horizon School for the Performing Arts

		Actual	Projected Financial Information		
		FY 2010	FY 2011	FY 2012	FY 2013
ADM:	***a***	***134.588***	***175.260***	***173.000***	***175.000***
REVENUE					
State Equalization Assistance		$726,600	$1,065,649	$1,054,000	$1,060,000
Classroom Site Fund		$39,535	$46,724	$45,000	$50,000
Instructional Improvement Fund		$4,919	$6,467	$6,000	$5,000
Federal Funds/Grants		$332,351	$162,710	$108,000	$100,000
Other State Funds/Grants		$4,461	$500	$0	$0
Food Service (e.g., NSLP, food sales)		$49,720	$73,357	$70,000	$70,000
Extracurricular Tax Credits		$125	$0	$0	$0
Contributions and Donations		$0	$0	$0	$0
Fundraising		$2,200	$1,876	$2,000	$2,000
Earnings on Investments		$11	$6	$0	$0
Student Activities		$17,421	$22,161	$20,000	$20,000
Kindergarten Tuition (Applies only to FY10 & FY11 unless expanded by Legislature)		$0	$0	$0	$0
Other	***b***	$30,961	$34,965	$35,000	$35,000
TOTAL REVENUE		$1,208,304	$1,414,415	$1,340,000	$1,342,000
EXPENSES					
Instructional					
Salaries		$459,449	$477,601	$475,000	$485,000
Payroll Taxes		$36,625	$38,560	$38,000	$39,000
Employee Benefits		$10,791	$12,670	$11,000	$12,000
Purchased Services (Consultants)		$13,725	$12,000	$13,200	$13,000
Purchased Services (Special Education)		$3,057	$1,525	$1,800	$2,000
Technology		$5,219	$12,416	$8,000	$8,000
Textbooks/Curriculum/Library		$4,250	$4,287	$4,000	$6,000
Instructional Supplies		$28,033	$20,616	$16,500	$22,000
Professional Development		$4,402	$345	$2,500	$3,000
Travel		$0	$0	$0	$0
Other		$0	$0	$0	$0
Total Instructional		$565,550	$580,020	$570,000	$590,000

Renewal Budget Plan

New Horizon School for the Performing Arts

		Actual	Projected Financial Information		
		FY 2010	FY 2011	FY 2012	FY 2013
Non-Instructional					
Salaries		$202,984	$248,727	$225,000	$230,000
Payroll Taxes		$16,378	$19,936	$18,000	$19,000
Employee Benefits		$16,773	$10,920	$9,000	$10,000
Purchased Services		$1,899	$1,371	$1,400	$1,500
Rent/Bond Payment		$1,800	$1,800	$1,800	$1,800
Repairs and Maintenance/Utilities		$66,040	$66,221	$64,000	$65,000
Property, Casualty, Liability Insurance		$14,972	$14,836	$14,000	$15,000
Interest/Property Taxes		$49,383	$45,680	$45,000	$45,000
Communications		$18,204	$10,885	$10,500	$10,000
Furniture and Other Equipment		$17,090	$29,111	$29,500	$25,000
Note/Loan/Non-Facility Lease Payments		$18,225	$18,445	$18,500	$18,000
Audit		$8,500	$6,500	$8,500	$9,000
Legal		$188	$4,680	$3,000	$3,000
Advertising/Marketing		$7,417	$3,417	$3,000	$4,000
Travel		$289	$173	$200	$200
Printing and Postage		$3,288	$4,842	$4,800	$5,000
Supplies		$22,036	$28,175	$26,500	$27,000
Food Service		$51,278	$69,093	$70,000	$75,000
Transportation		$0	$0	$0	$0
Student Activities		$23,081	$32,303	$31,500	$32,000
Fees and Dues		$28,406	$39,778	$36,500	$40,000
Other (Depreciation)	***c***	$58,296	$58,960	$60,000	$60,000
Total Non-Instructional		$626,527	$715,853	$680,700	$695,500
TOTAL EXPENSES		$1,192,077	$1,295,873	$1,250,700	$1,285,500
Increase (Decrease) in Net Assets		$16,227	$118,541	$89,300	$56,500
Net Assets, Beginning of Year		($190,972)	($174,745)	($56,204)	$33,096
Net Assets, End of Year		($174,745)	($56,204)	$33,096	$89,596

ASSUMPTIONS/NOTES

a ADM has increased 30% from FY 2010 to FY 2011 and is attributed to a successful Internet campaign and exposure.
b Income Received from Facility Rental
c Depreciation of Building & Equipment