

# Contra Costa School of Performing Arts Board Financial Update

BRYCE FLEMING

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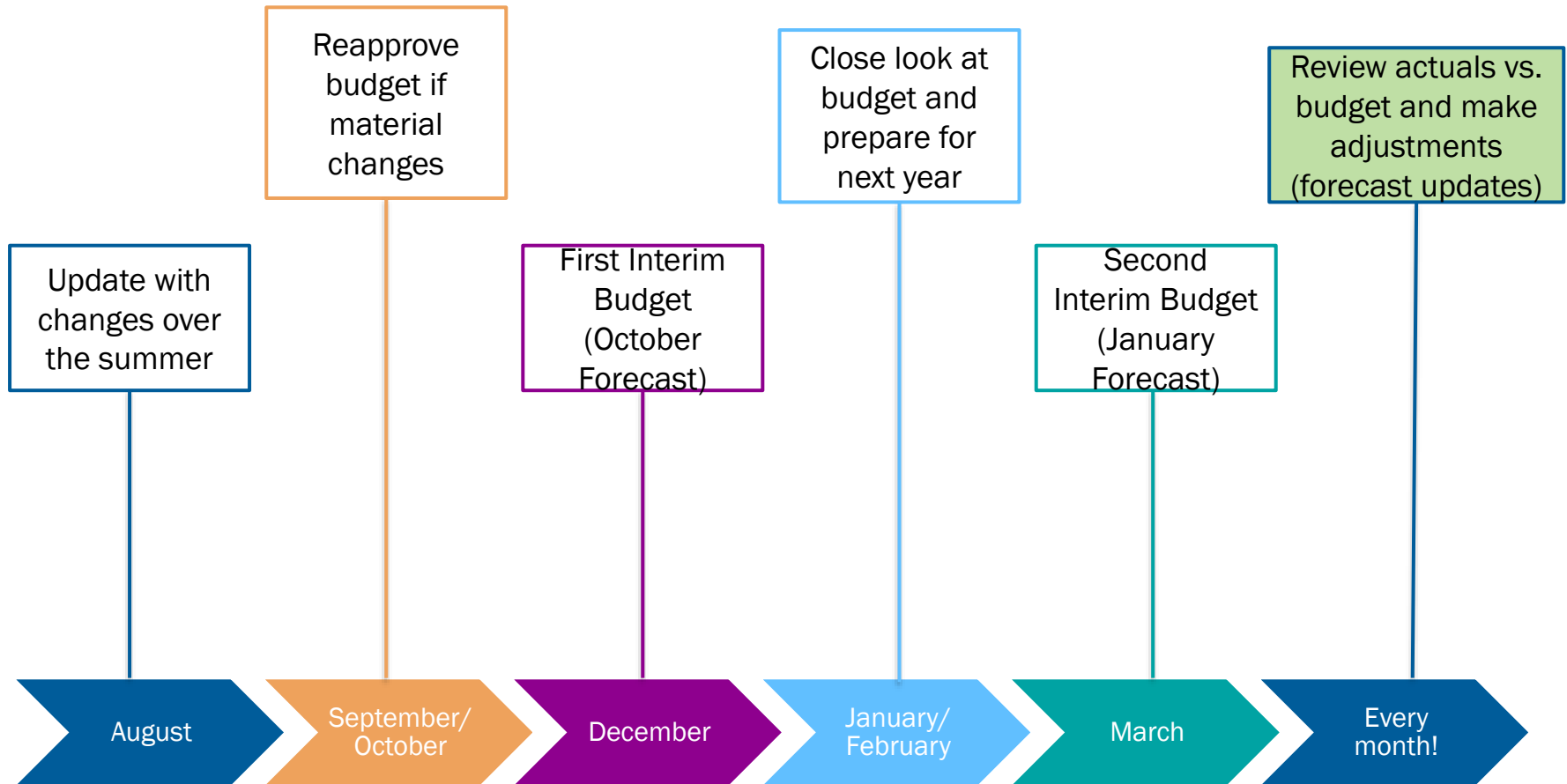
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# 2020-21



# Board Financial Update Process

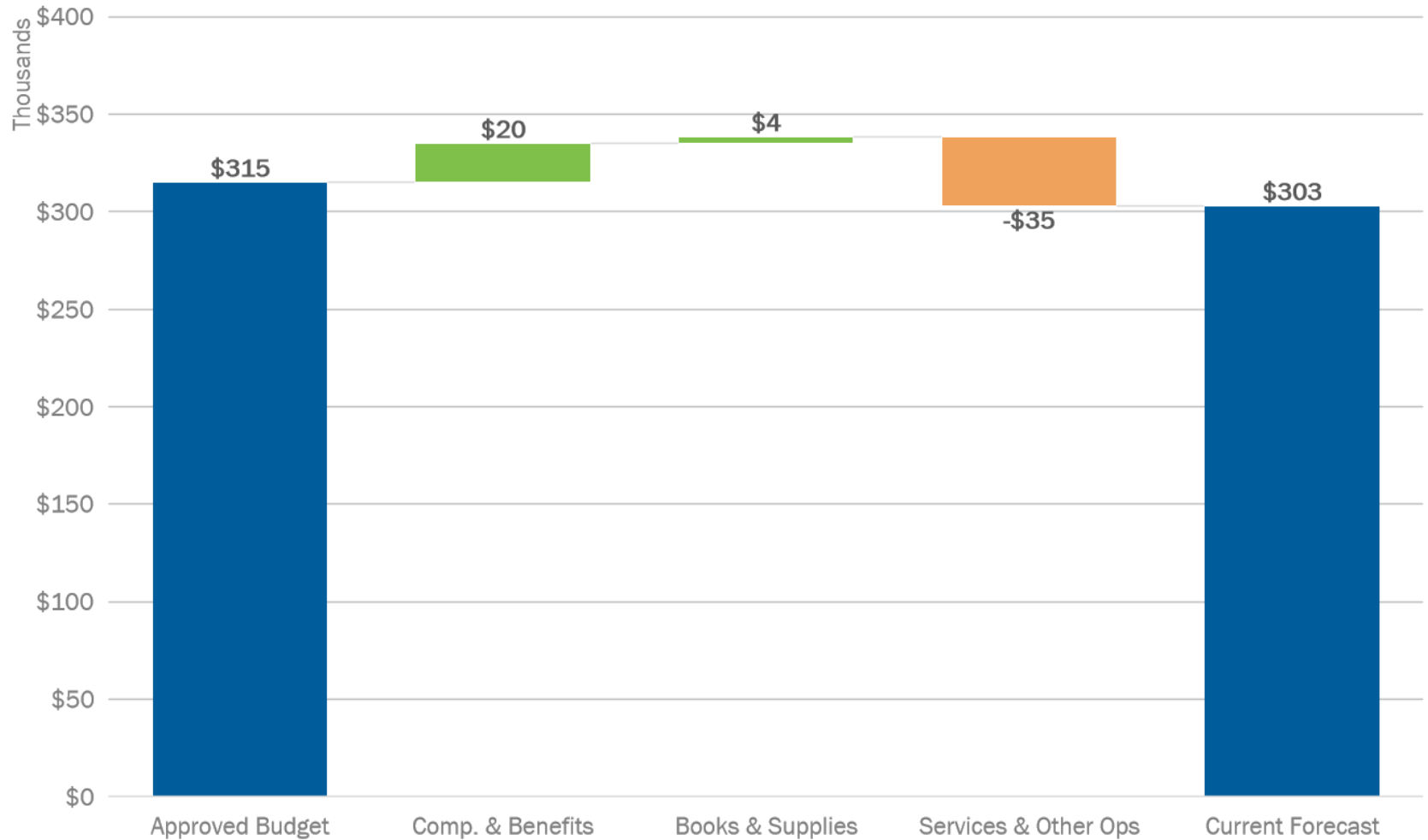
## Monthly forecast with comparisons to previous forecast/approved budget



# 2020-21 Forecast Update



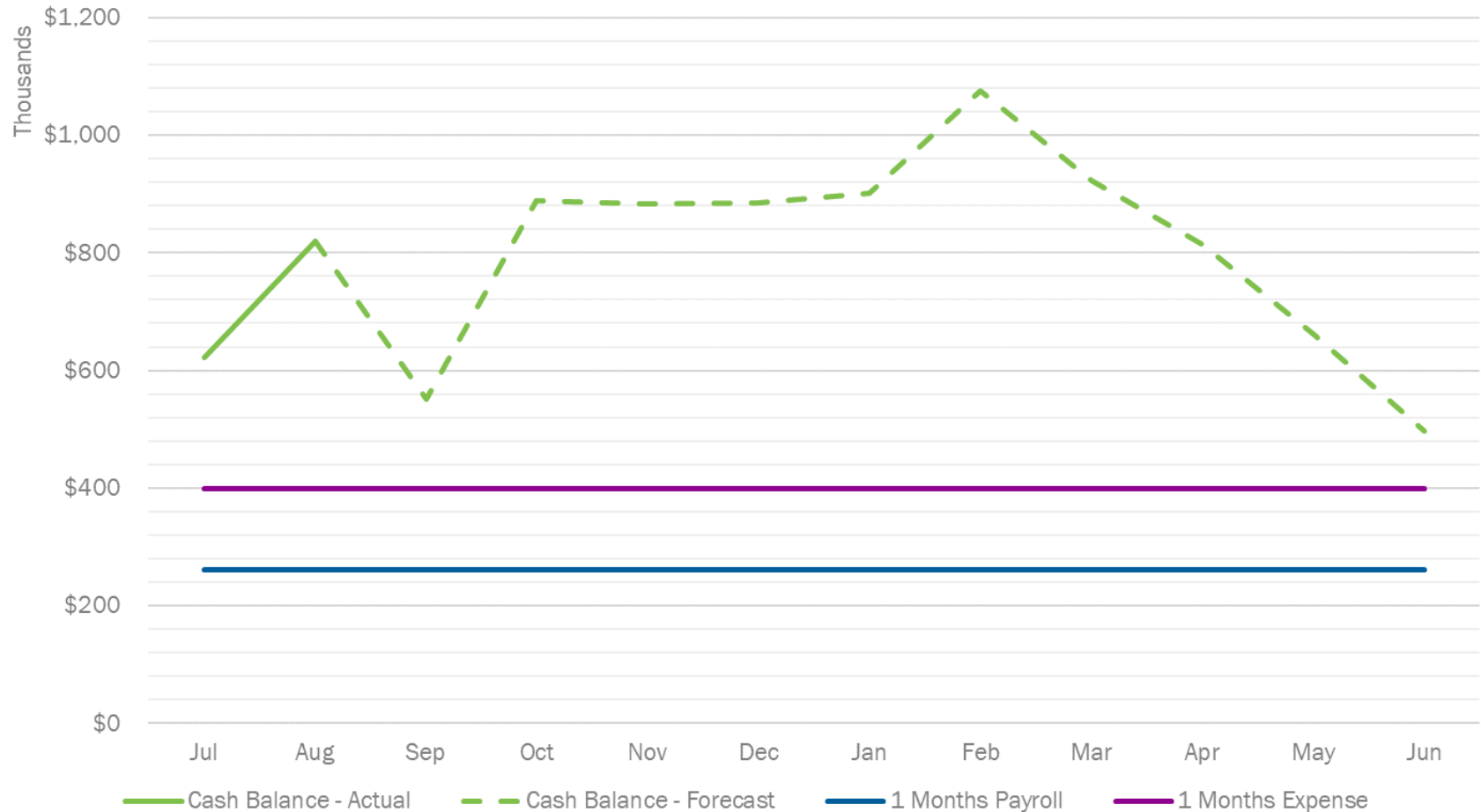
## 12K decrease in operating income due to changes in expenses



# 2020-21 Monthly Cash Balance



## Cash drops in spring due to deferrals in state aid



# Financial/Operating Covenants



## Debt Service Coverage Ratio

- Projecting 2.45x debt service coverage for FY21
- Minimum requirement is 1.00x for FY21 (1.10x in FY22 and 1.20x in FY23 and beyond)
- Checked annually based on audited financial statements

## Days Cash On Hand

- Projecting 68 days of cash on hand on Dec 31 and 38 days cash on hand on June 30
- Minimum requirement of 15 days (FY21), 25 days (FY22), 35 days (FY23), 45 days (FY24)
- Checked semi-annually on June 30 and December 31

## Other Reporting

- Monthly: Enrollment by Grade and Board Meeting Minutes/Packet
- Quarterly: Financials (Income Statement, Budget v. Actual, Balance Sheet)
- Annual: Enrollment, State Academic Report, Facility Inspection, Financials (Approved Budget, Audit Report), Insurance

# Overview of Key Metrics & Financial Statements





# Key Financial Terms and Metrics



## Budget

Board-approved revenues and expenses for fiscal year (Required: June 30<sup>th</sup>, can approve mid-year)

## Forecast

Current expectation of revenues and expenses for fiscal year

## Operating Income

Revenues minus expenses, monthly or yearly

## Fund Balance / Reserve

Sum of all operating incomes for all years of operation

## Cash Balance

Amount of cash that a school has at given time

## Balance Sheet

List of all current assets and liabilities (snapshot in time)

# Reading Your Financial Statements: Income Statement

Shows monthly revenue & expense actuals as well as annual forecast

Contra Costa School of the Performing Arts  
Income Statement  
As of Aug FY2021

	Actual		YTD	Budget				
	Jul	Aug	Actual YTD	Approved Budget v2	Current Forecast	Approved Budget v2 vs. Current Forecast	Current Forecast Remaining	% Current Forecast Spent
<b>SUMMARY</b>								
<b>Revenue</b>								
LCFF Entitlement	-	442,488	442,488	3,886,053	3,886,053	-	3,443,566	11%
Federal Revenue	-	-	-	78,323	78,323	-	78,323	0%
Other State Revenues	11,599	14,439	26,038	822,404	822,404	-	796,366	3%
Local Revenues	321	1,689	2,011	149,120	149,120	-	147,109	1%
Fundraising and Grants	1,126	21,885	23,010	150,000	150,000	-	126,990	15%
<b>Total Revenue</b>	<b>13,046</b>	<b>480,500</b>	<b>493,546</b>	<b>5,085,900</b>	<b>5,085,900</b>	<b>-</b>	<b>4,592,354</b>	<b>10%</b>
<b>Expenses</b>								
Compensation and Benefits	107,140	252,048	359,187	3,148,817	3,128,844	19,973	2,769,656	11%
Books and Supplies	49,941	5,859	55,800	333,926	330,426	3,500	274,626	17%
Services and Other Operating Expenditures	104,100	100,787	204,887	1,232,366	1,267,783	(35,417)	1,062,896	16%
Depreciation	-	-	-	55,754	55,754	-	55,754	0%
Other Outflows	47,796	(47,492)	304	-	-	-	(304)	
<b>Total Expenses</b>	<b>308,976</b>	<b>311,202</b>	<b>620,178</b>	<b>4,770,862</b>	<b>4,782,806</b>	<b>(11,944)</b>	<b>4,162,629</b>	<b>13%</b>
<b>Operating Income</b>	<b>(295,930)</b>	<b>169,299</b>	<b>(126,631)</b>	<b>315,038</b>	<b>303,094</b>	<b>(11,944)</b>	<b>429,725</b>	
<b>Fund Balance</b>								
Beginning Balance (Unaudited)				500,958	500,958			
Operating Income				315,038	303,094			
<b>Ending Fund Balance</b>				<b>815,996</b>	<b>804,052</b>			
Fund Balance as a % of Expenses				17%	17%			
Operating Income as a % of Expenses				6.6%	6.3%			

# Reading Your Financial Statements: Cash Flow

Shows actuals for closed months and projections for future months

Contra Costa School of the Perform  
Monthly Cash Forecast  
As of Aug FY2021

	2020-21												Forecast	Remaining Balance
	Jul Actuals	Aug Actuals	Sep Forecast	Oct Forecast	Nov Forecast	Dec Forecast	Jan Forecast	Feb Forecast	Mar Forecast	Apr Forecast	May Forecast	Jun Forecast		
Beginning Cash	632,869	621,238	820,135	551,728	889,210	882,411	884,580	900,366	1,074,464	923,571	814,901	661,099		
<b>REVENUE</b>														
LCFF Entitlement	-	442,488	247,560	342,467	320,853	320,853	342,467	437,810	215,648	188,396	166,781	166,781	3,886,053	693,951
Federal Revenue	-	-	1,829	1,829	1,829	1,829	1,829	1,829	1,829	30,017	1,829	1,829	78,323	31,846
Other State Revenue	11,599	14,439	23,573	263,546	23,573	35,286	56,573	109,774	9,884	42,864	32,122	138	822,404	199,054
Other Local Revenue	921	21,833	(7,842)	14,912	14,912	14,912	14,912	14,912	14,912	14,912	14,912	14,912	149,120	-
Fundraising & Grants	527	1,741	35,233	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	150,000	-
<b>TOTAL REVENUE</b>	<b>13,046</b>	<b>480,500</b>	<b>300,353</b>	<b>635,254</b>	<b>373,666</b>	<b>385,379</b>	<b>428,281</b>	<b>576,825</b>	<b>254,753</b>	<b>288,688</b>	<b>228,145</b>	<b>196,160</b>	<b>5,085,900</b>	<b>924,851</b>
<b>EXPENSES</b>														
Certificated Salaries	48,210	187,054	203,575	196,281	196,281	196,281	196,281	196,281	196,281	196,281	196,281	196,281	2,205,372	-
Classified Salaries	15,285	18,963	24,503	19,607	22,157	24,707	24,707	24,707	24,707	24,707	24,707	24,707	273,465	-
Employee Benefits	24,721	46,031	102,835	55,362	54,162	54,357	65,520	55,752	55,752	50,871	50,871	33,774	650,007	-
Books & Supplies	43,701	5,859	74,781	22,901	22,901	22,901	22,901	22,901	22,901	22,901	22,901	22,901	330,426	-
Services & Other Operating Expenses	97,616	100,787	118,715	117,015	108,024	108,024	108,024	108,024	110,944	107,537	92,125	87,542	1,267,783	3,406
Capital Outlay & Depreciation	-	-	13,938	4,646	4,646	4,646	4,646	4,646	4,646	4,646	4,646	4,646	55,754	-
Other Outflows	47,796	(47,492)	(304)	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL EXPENSES</b>	<b>277,328</b>	<b>311,202</b>	<b>538,024</b>	<b>415,812</b>	<b>408,171</b>	<b>410,916</b>	<b>422,079</b>	<b>412,311</b>	<b>415,231</b>	<b>406,944</b>	<b>391,531</b>	<b>369,851</b>	<b>4,782,806</b>	<b>3,406</b>
Operating Cash Inflow (Outflow)	(264,282)	169,299	(237,671)	219,442	(34,505)	(25,537)	6,201	164,513	(160,478)	(118,255)	(163,387)	(173,692)	303,094	921,445
Revenues - Prior Year Accruals	-	-	54,362	18,121	18,121	18,121	-	-	-	-	-	-	-	-
Accounts Receivable - Current Year	-	-	521	-	-	-	-	-	-	-	-	-	-	-
Other Assets	47,776	(47,741)	(35)	-	-	-	-	-	-	-	-	-	-	-
Fixed Assets	-	-	13,938	4,646	4,646	4,646	4,646	4,646	4,646	4,646	4,646	4,646	4,646	4,646
Due To (From)	273,265	206,003	-	90,335	-	-	-	-	-	-	-	-	-	-
Expenses - Prior Year Accruals	(146,467)	-	-	-	-	-	-	-	-	-	-	-	-	-
Accounts Payable - Current Year	140,035	(133,863)	(104,462)	-	-	-	-	-	-	-	-	-	-	-
Summerholdback for Teachers	(81,958)	5,200	4,939	4,939	4,939	4,939	4,939	4,939	4,939	4,939	4,939	4,939	-	-
<b>Ending Cash</b>	<b>621,238</b>	<b>820,135</b>	<b>551,728</b>	<b>889,210</b>	<b>882,411</b>	<b>884,580</b>	<b>900,366</b>	<b>1,074,464</b>	<b>923,571</b>	<b>814,901</b>	<b>661,099</b>	<b>496,992</b>		
Days Cash on Hand	47	63	42	68	67	68	69	82	71	62	51	38		

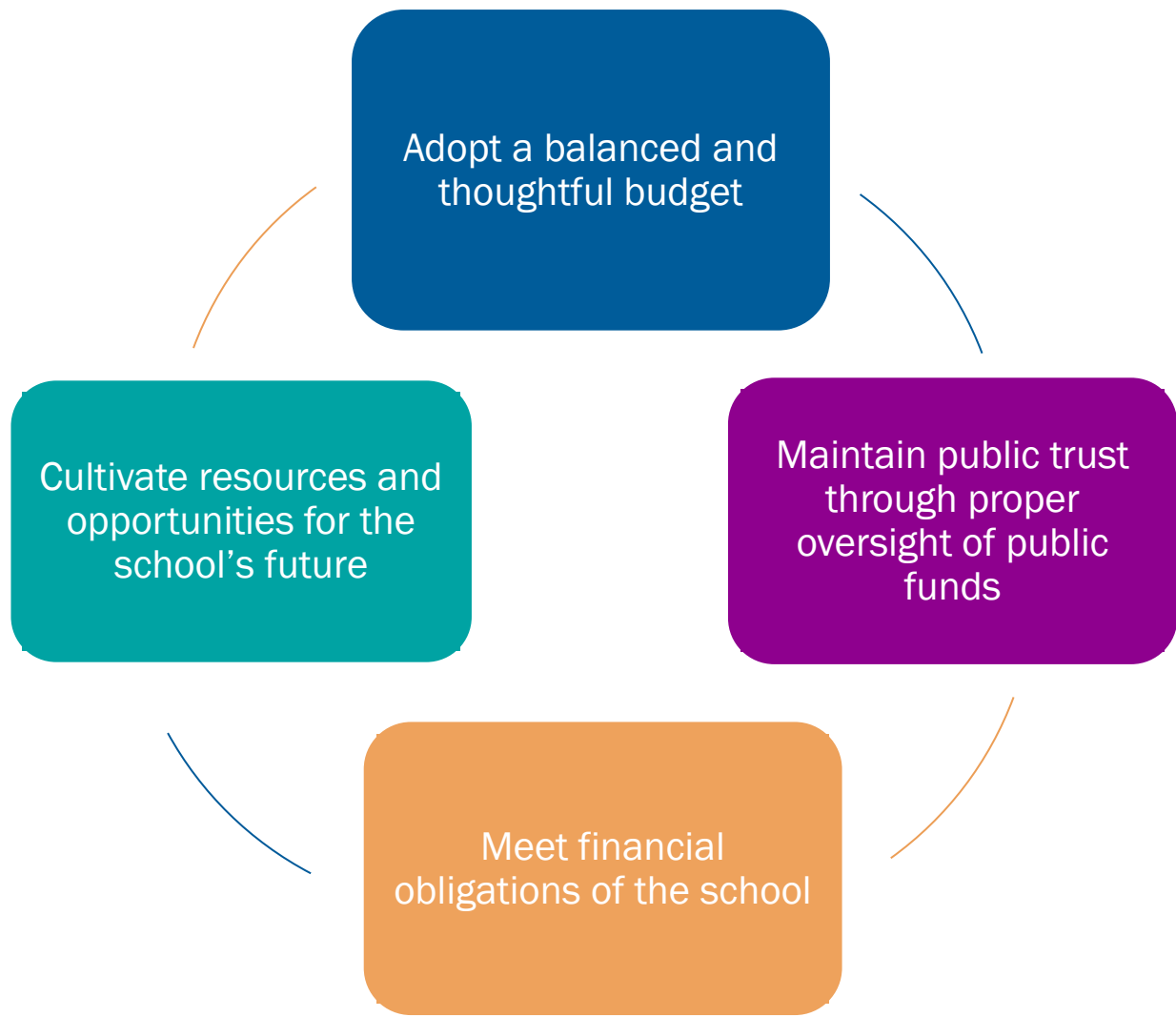
# Reading Your Financial Statements: Balance Sheet

Shows what school owns and owes as of most recent monthly close

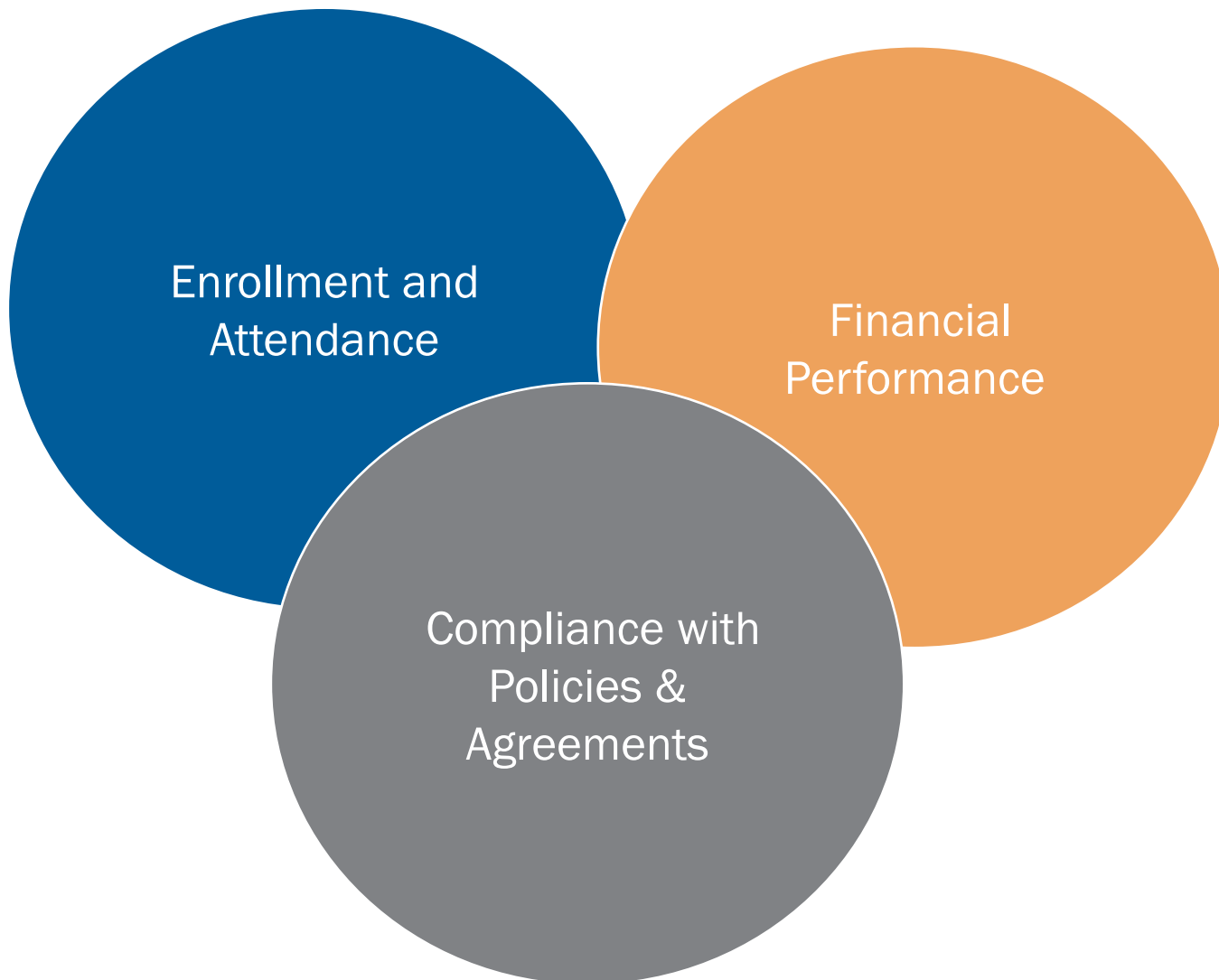
**Contra Costa School of the Performing Arts**  
**Balance Sheet**  
**As of Aug FY2021**

	Jun FY2020	Aug FY2021
<b>ASSETS</b>		
Cash Balance	632,869	820,135
Accounts Receivable	109,245	109,245
Other Current Assets	2,515	2,480
Prepays	33,065	1,417
Fixed Assets, Net	140,347	140,347
Due From Others	569,603	90,335
<b>TOTAL ASSETS</b>	<b>1,487,645</b>	<b>1,163,959</b>
<b>LIABILITIES &amp; EQUITY</b>		
Accounts Payable	244,758	107,624
Current Loans and Other Payables	641,923	582,002
Long-Term Loans and Other Liabilities	100,006	100,006
Beginning Net Assets	350,574	500,958
Net Income (Loss) to Date	150,384	(126,631)
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>1,487,645</b>	<b>1,163,959</b>

# Fiduciary Role of the Board



## Areas of focus for board members



# What Should Board Members Ask

Are staff & vendors paid on time?

How much are we borrowing?

Are we on track with student enrollment?

What are our current financial goals?

Where are we deviating from benchmarks?

What do our financial statements say? Why is there a variance? Is the Forecast Remaining realistic?

How much of the budget is going to staffing?

Are we meeting reporting obligations?

Are we accessing and utilizing all funding we are eligible for?

What is currently our biggest financial risk?

# Exhibits

