

Contra Costa School of Performing Arts Board Financial Update

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NOVEMBER 1, 2021



1. 2021-22 Financial Update

- A. Forecast Update
- B. Cash Flow Projections
- C. Debt Covenants
- D. Restricted Funding Plans

2. Exhibits

- A. YTD Financials
- B. Cash Flow
- C. Balance Sheet

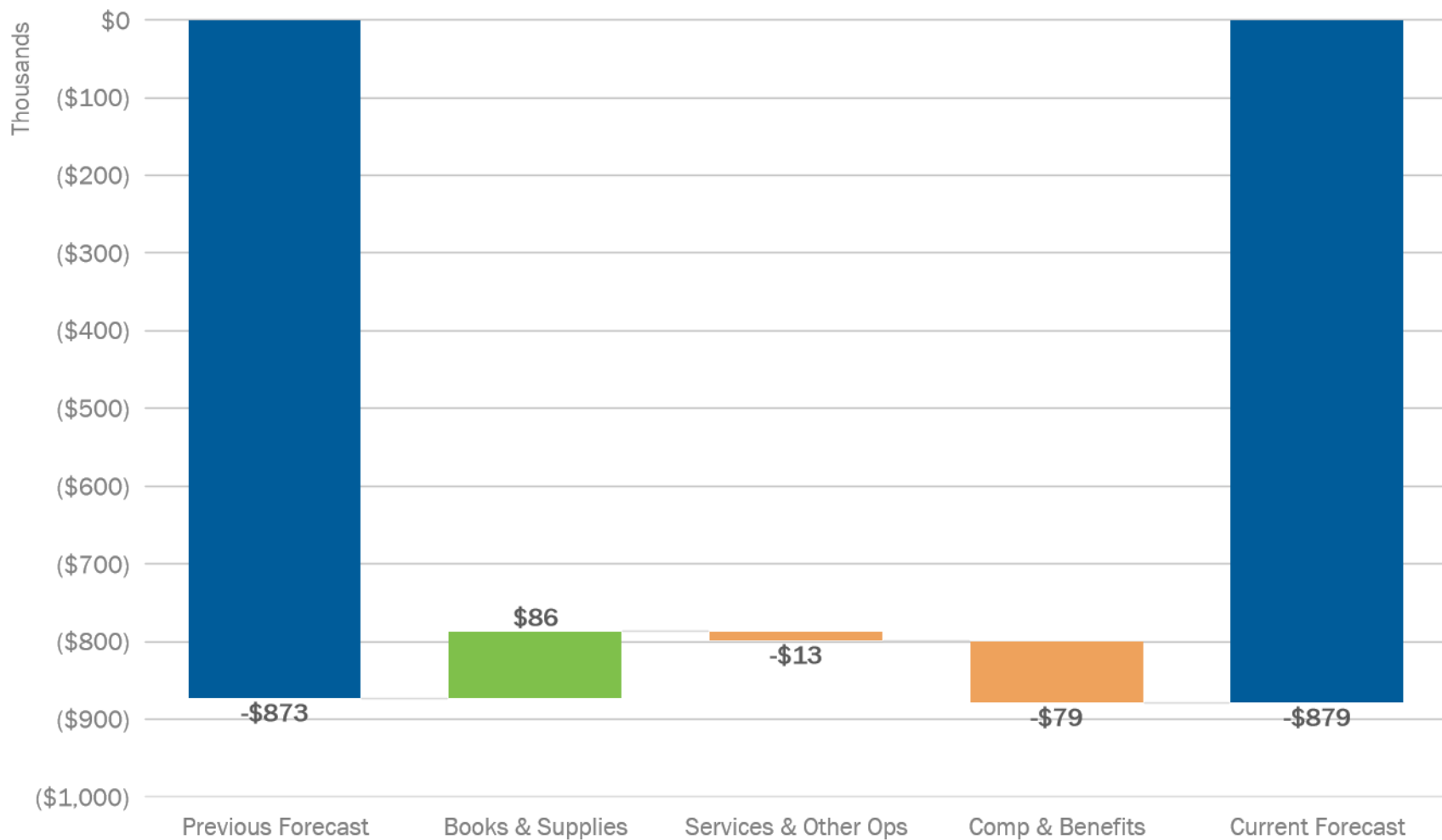
2021-22



2021-22 Forecast Update

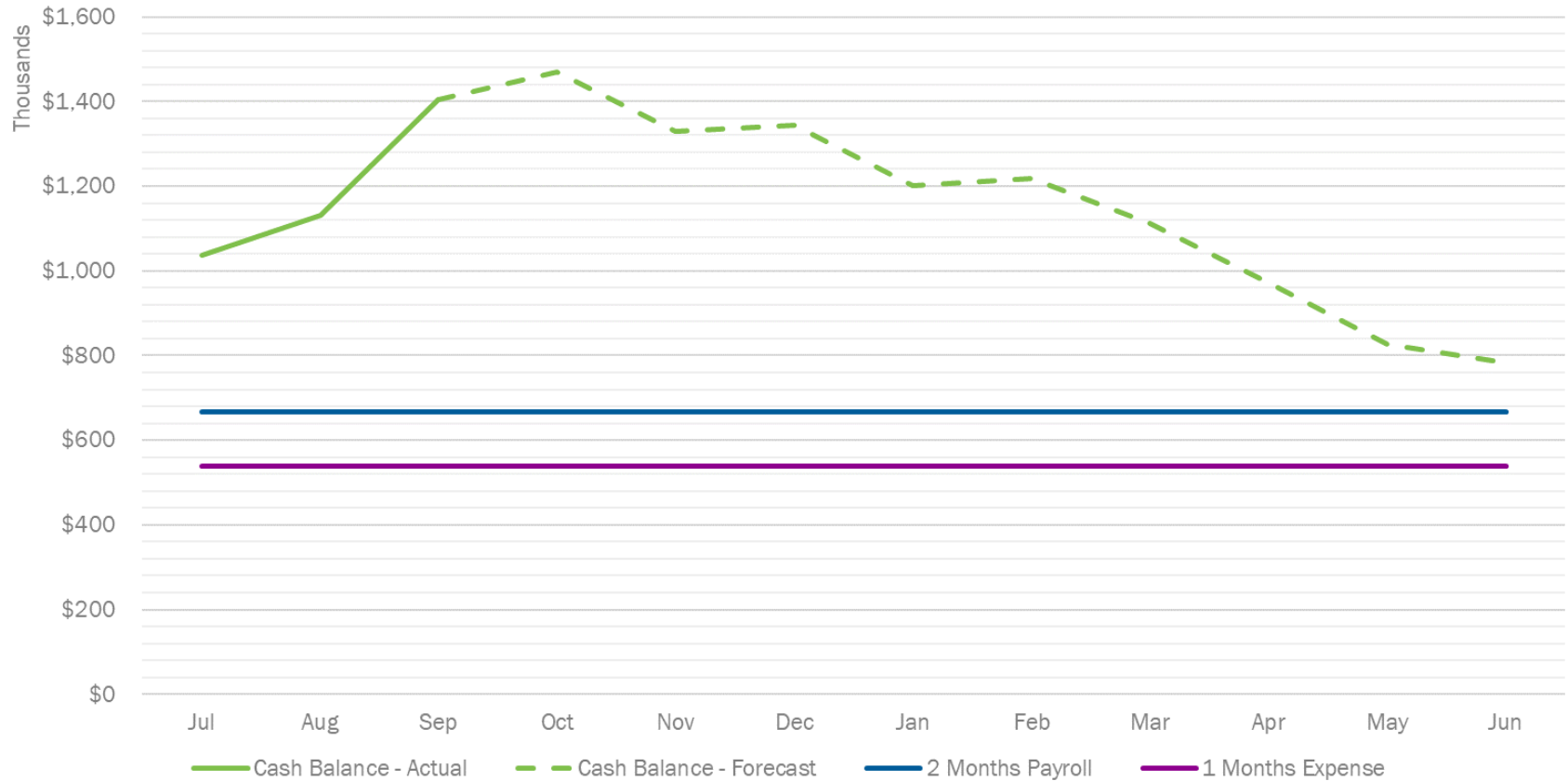


Operating income decrease of 6K since previous forecast



2021-22 Monthly Cash Balance

Cash flow drop in spring due to enrollment/ADA decrease



CCSPA meets minimum DSCR and DCOH for testing period ending 9/30/21

Debt Service Coverage Ratio

- Minimum requirement is 1.10x for FY22 (1.20x in FY23)
- Checked annually based on audited financial statements and quarterly on a rolling 12-month basis
- Projecting 0.35x debt service coverage for FY22 based on current forecast

Days Cash On Hand

- Minimum requirement of 25 days (FY22), 35 days (FY23), 45 days (FY24)
- Checked quarterly based on board financial report (cash flow)
- Projecting 76 days of cash on hand on Dec 31 and 44 days cash on hand on June 30

Failure to Meet Covenants

- If DSCR falls below 1.10x for any testing period in FY22, CCSPA is at risk of defaulting
- Failure to meet bond covenants shall trigger the selection of a financial consultant
- Minimum operating income needed in FY22 to meet DSCR is -450K (current operating income is at -879K)

Plans Due Throughout 2021-22



All plans **with the exception of El Dorado funds** require board approval

