

# Contra Costa School of Performing Arts Board Financial Update

BRYCE FLEMING

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MAY 9, 2022



1. **2021-22 Financial Update**
  - A. P-2 ADA
  - B. Forecast Update
  - C. Cash Flow
2. **2022-23 Budgeting Update**
  - A. One-time Funds
  - B. Budget Draft

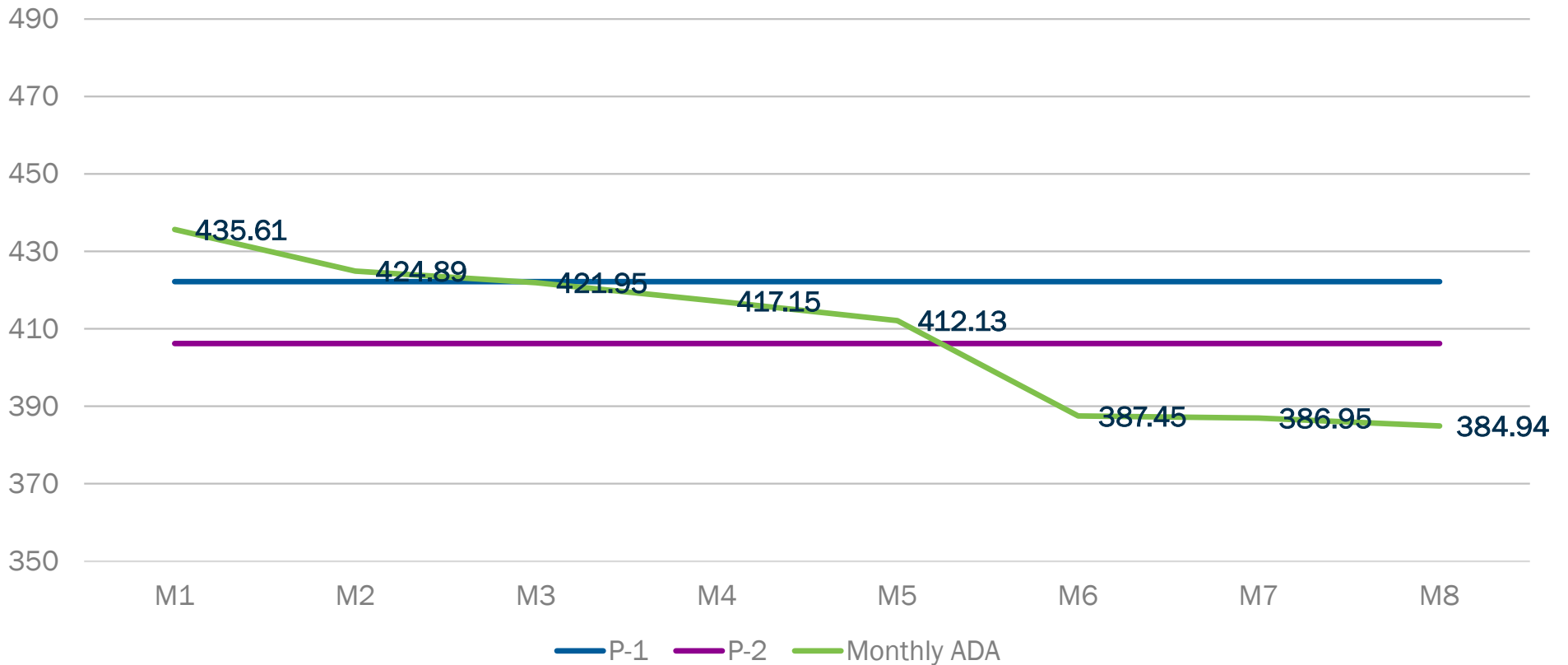
# 2021-22



# P-2 Attendance Update



## Recent LCFF changes stem from slight ADA decline throughout the year



FY22 Attendance

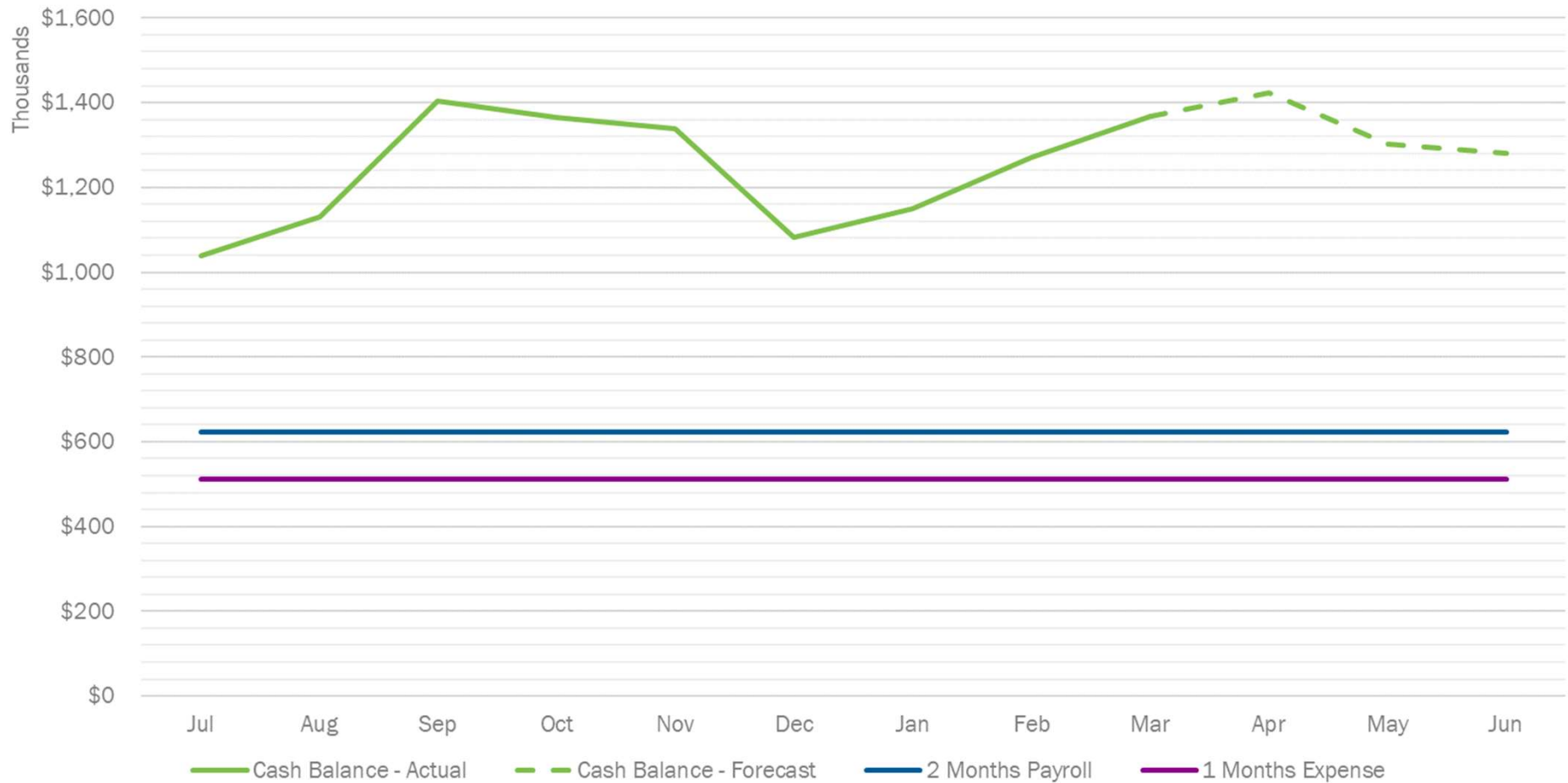
# 2021-22 Forecast Update

## Operating income decreases \$16K since previous forecast



# 2021-22 Monthly Cash Balance

## Ending the year with strong cash flow



## On track to meet Days Cash on Hand and Coverage Ratio for FY22

### Debt Service Coverage Ratio

- Amount of times school can cover annual debt
- Current ratio is 2.46 (4/1/21-3/31/22)
- Projecting 1.10 debt service coverage for end of FY22
- **Minimum requirement is 1.10**

### Days Cash On Hand

- # of days can pay for operating expenses without running out of cash
- March ends with 81 days cash on hand
- Projecting to end FY22 with 76 days of cash on hand
- **Minimum requirement of 25 days**

### Failure to Meet Covenants

- Independent consultant hired by CCSPA to submit written report and make recommendations
- At CCSPA's expense
- **If DSCR falls at or below 1.0, CCSPA is at risk of defaulting**

2022-23

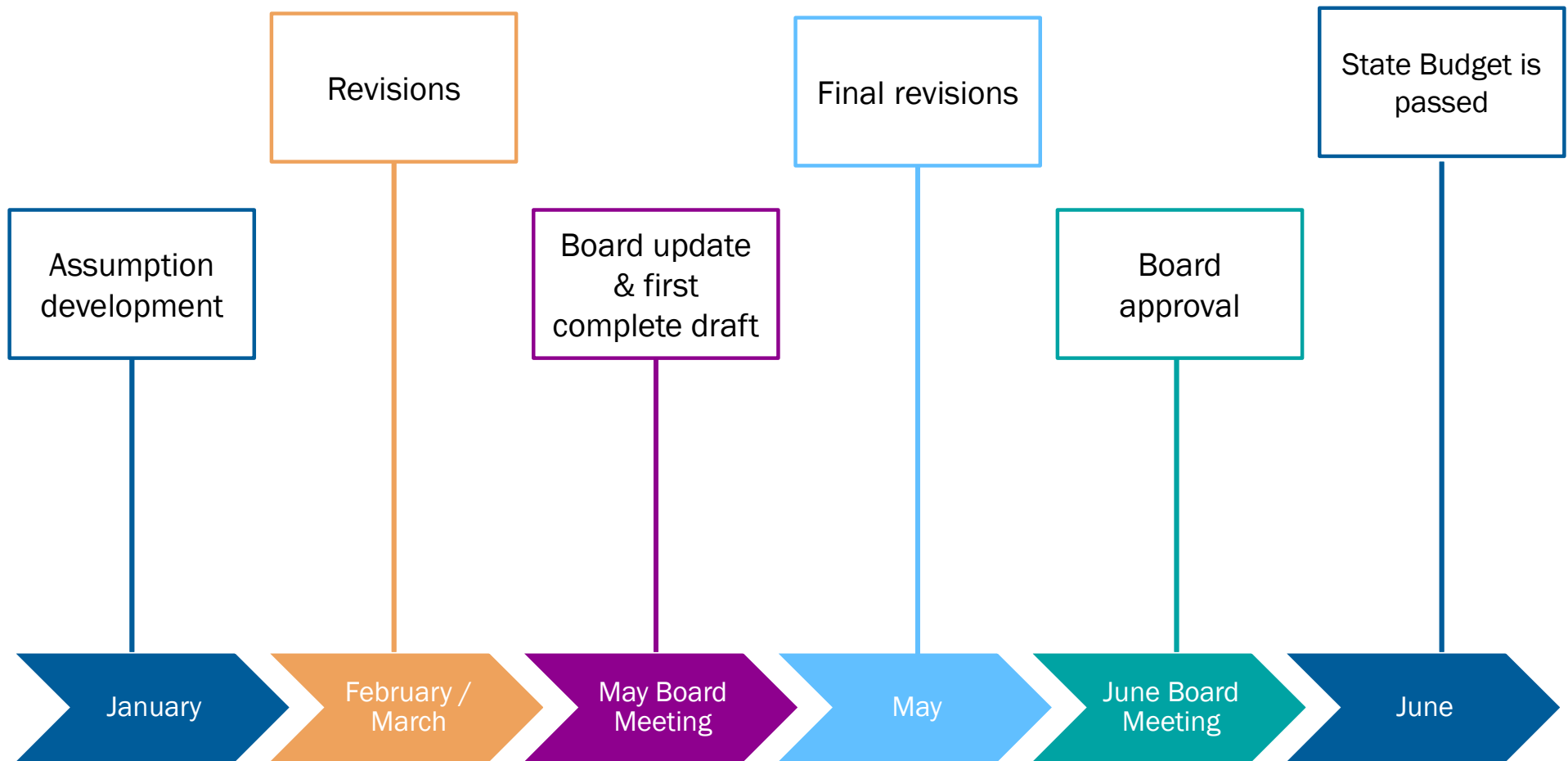
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# Budget Development

Process begins in late winter/early spring with budget approval by June 30



# COVID Funding Carry Over

## CCSPA's FY23 budget includes \$213K of COVID funds

	ESSER III	ELO-G
FY23 Starting Balance	173,492	40,000
FY23 Budgeted Revenue	173,492	40,000
Salaries & Benefits	173,492	40,000
Books & Supplies	-	-
Services & Other	-	-
Capital Projects	-	-
FY23 Ending Balance	173,492	40,000

# Other One-time Funding Carry Over

## CCSPA's FY23 budget includes \$172K of one-time funds

	Educator Effectiveness	ELO-P (Planning)	A-G Grant
<b>FY23 Starting Balance</b>	84,795	50,000	36,910
<b>FY23 Budgeted Revenue</b>	84,795	50,000	36,910
Salaries & Benefits	54,795	50,000	36,910
Books & Supplies	10,000	-	-
Services & Other	20,000	-	-
Capital Projects	-	-	-
<b>FY23 Ending Balance</b>	84,795	50,000	36,910

# 2022-23 Budget Draft

		2021-22	2022-23	Variance	Explanation
		<b>Current Forecast</b>	<b>Projected Budget</b>		
Revenue	LCFF Entitlement	3,886,243	4,476,898	590,655	5.33% LCFF COLA +33 ADA
	Federal Revenue	362,312	313,427	(48,885)	Adjusting ESSER funds
	Other State Revenues	1,053,671	906,443	(147,228)	One-time funds
	Local Revenues	233,967	150,433	(83,535)	B/S write off
	Fundraising and Grants	144,768	96,558	(48,210)	Fundraising goal adjustment
	<b>Total Revenue</b>	<b>5,680,961</b>	<b>5,943,758</b>	<b>262,797</b>	
Expenses	Compensation and Benefits	3,744,073	3,735,759	8,314	Updated staffing
	Books and Supplies	258,162	279,040	(20,878)	Furniture, Food
	Services and Other Operating Expenditures	2,084,482	2,134,511	(50,028)	COLA, Insurance
	Depreciation	50,133	16,414	33,719	-
	Other Outflows	-	-	-	-
	<b>Total Expenses</b>	<b>6,136,850</b>	<b>6,165,724</b>	<b>(28,874)</b>	
	<b>Operating Income</b>	<b>(455,889)</b>	<b>(221,966)</b>	<b>233,923</b>	
	Beginning Balance (Audited)	1,124,363	668,474	(455,889)	
	Operating Income	(455,889)	(221,966)	233,923	
<b>Ending Fund Balance (incl. Depreciation)</b>		<b>668,474</b>	<b>446,508</b>	<b>(221,966)</b>	
<b>Ending Fund Balance as % of Expenses</b>		<b>10.9%</b>	<b>7.2%</b>	<b>-3.7%</b>	