West Contra Costa Unified School District
December 10, 2025

2025-26 First Interim Financial Report

Presented by
Jeff Carter, Executive Director Business Services
Kim Moses, Ed.D., Associate Superintendent, Business Services

First Interim 2025-26

- First Fiscal Reporting Period Ending October 31, 2025
- Update on District Enrollment
- Review the Latest Projected Revenue and Expenditures
- Adjustments to the Multi-Year Projections informed by the expenditure budget assumptions and information provided by the California Department of Education

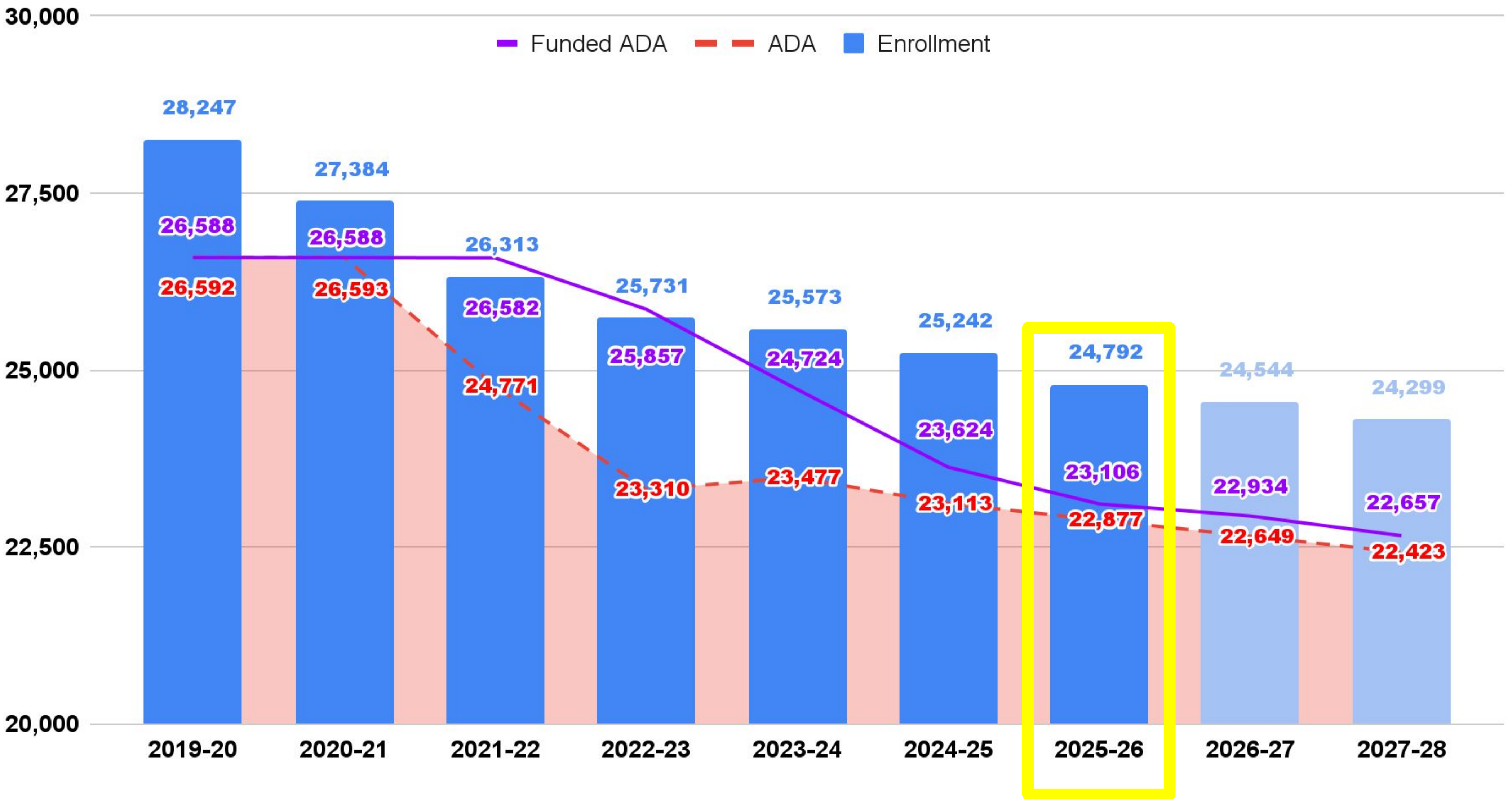
First Interim Process

- Reviews all financial resources and departmental budgets to ensure that we can meet our financial obligations through June 30, 2026
- Examines adjustments to annual revenues and expenses based on new information
- Compares changes of revenue and expenditure from Adopted Budget (June) to First Interim (October)
- Amends the 2025-26 budget and multi-year budget projections to match the expected need

Changes Since Adopted Budget

- Decreased fund balance from Unaudited Actuals
- Decreased enrollment projections
- Decreased Average Daily Attendance (ADA) from projections
- Increase in Transitional Kindergarten revenue
- Increased contributions to Routine Maintenance Account (RMA)
- Shifted $9M in unrestricted expenditures to block grants in the restricted budget: Student Support and Professional Development Grant (SSPD) and Learning Recovery Emergency Block Grant (LREBG)

WCCUSD Enrollment Trends



Effective COLA Analysis

Effective COLA Analysis	
2025-26 LCFF Revenues (First Interim)	$ 340,414,361.00
2024-25 LCFF Revenues (Unaudited Actuals)	$ 337,448,261.81
Change $	$ 2,966,099.19
Change %	0.88%

- 2.30% Cost of Living Adjustment (COLA)
  - Increase in revenue year-over-year due to new Transitional Kindergarten Add-On funding
- Percent change in revenue: +0.88%
  - Due to declining enrollment and declining 3 year average of funded Average Daily Attendance (ADA)

LCFF Revenue Changes

LCFF Revenue Change	2025-26 Adopted Budget	2025-26 First Interim	Change
2025-26 ADA	23,184.01	22,877.35	-306.66
2025-26 Funded ADA	23,184.01	23,105.66	-78.35
State COLA	2.30%	2.30%	0.00
Unduplicated Student %	71.12%	71.19%	0.07%
Base Grant	$ 265,159,386	$ 264,833,154	$ (326,232)
Supplemental/Concentration	$ 65,499,671	$ 65,576,663	$ 76,992
Targeted Instruction Grant	$ 2,787,535	$ 2,787,535	$ -
Home-to-School Transportation	$ 2,143,334	$ 2,143,334	$ -
Transitional Kindergarten Add-On	$ 3,110,476	$ 5,073,675	$ 1,963,199
Total LCFF Revenue	**$ 338,700,402**	**$ 340,414,361**	**$ 1,713,959**

Unrestricted Revenue Changes

2025-26 Unrestricted General Fund Revenues			
Source	**Adopted Budget**	**First Interim**	**Change**
LCFF Sources	$ 338,700,402	$ 340,414,361	$ 1,713,959
Federal Revenue	$ -	$ -	$ -
Other State Revenue	$ 11,263,388	$ 11,329,384	$ 65,996
Other Local Revenue	$ 6,869,513	$ 6,876,540	$ 7,027
Total Revenue	**$ 356,833,303**	**$ 358,620,285**	**$ 1,786,982**

Unrestricted General Fund Revenue Increases:

- Transition Kindergarten Add-On Funding increased the Local Control Funding Formula (LCFF) revenue
- Other State and Local Revenue had increases due to Mandated Block Grant and other grant donations

Restricted Revenue Changes

2025-26 Restricted General Fund Revenues			
Source	**Adopted Budget**	**First Interim**	**Change**
LCFF Sources	$ -	$ -	$ -
Federal Revenue	$ 19,055,769	$ 23,896,028	$ 4,840,259
Other State Revenue	$ 79,020,226	$ 103,836,989	$ 24,816,763
Other Local Revenue	$ 18,725,811	$ 22,029,094	$ 3,303,283
Total Revenue	**$ 116,801,806**	**$ 149,762,111**	**$ 32,960,305**

Restricted General Fund Revenue Increases:

- **Federal Revenue increase is due to Title I carryover and an increased federal allocation from original projections**
- **Other State Revenue increases in restricted grant funding for After-School Programs, Professional Development, Student Intervention Services, and Visual and Performing Arts**

Combined Revenue Changes

2025-26 Unrestricted & Restricted Combined General Fund Revenues			
Source	**Adopted Budget**	**First Interim**	**Change**
LCFF Sources	$ 338,700,402	$ 340,414,361	$ 1,713,959
Federal Revenue	$ 19,055,769	$ 23,896,028	$ 4,840,259
Other State Revenue	$ 90,283,614	$ 115,166,373	$ 24,882,759
Other Local Revenue	$ 25,595,324	$ 28,905,634	$ 3,310,310
Total Revenue	**$ 473,635,109**	**$ 508,382,396**	**$ 34,747,287**

Combined Revenue Changes:

- Changes are attributed to increased revenue allocated after the State Budget Adoption and Carryover funds from the Unaudited Actuals Reporting Period

Unrestricted Expenditure Changes

2025-26 Unrestricted General Fund Expenditures			
Major Object	**Adopted Budget**	**First Interim**	**Change**
Certificated Salaries	$ 116,175,121	$ 114,515,738	$ (1,659,383)
Classified Salaries	$ 39,549,673	$ 39,831,995	$ 282,322
Employee Benefits	$ 75,937,359	$ 74,195,731	$ (1,741,628)
Books and Supplies	$ 5,357,145	$ 4,714,599	$ (642,546)
Services/Other Operating	$ 43,287,628	$ 36,321,809	$ (6,965,819)
Capital Outlay	$ -	$ -	$ -
Other Outgo	$ 453,524	$ 453,524	$ -
Indirect Costs	$ (4,758,403)	$ (6,922,832)	$ (2,164,429)
Interfund Transfers	$ (23,639,472)	$ (13,737,649)	$ 9,901,823
Total Expenditures	**$ 252,362,575**	**$ 249,372,915**	**$ (2,989,660)**

Restricted Expenditure Changes

2025-26 Restricted General Fund Expenditures			
Major Object	**Adopted Budget**	**First Interim**	**Change**
Certificated Salaries	$ 57,747,904	$ 64,390,805	$ 6,642,901
Classified Salaries	$ 37,907,886	$ 40,268,602	$ 2,360,716
Employee Benefits	$ 63,363,902	$ 67,369,211	$ 4,005,309
Books and Supplies	$ 10,896,057	$ 13,692,528	$ 2,796,471
Services/Other Operating	$ 60,370,575	$ 83,088,800	$ 22,718,225
Capital Outlay	$ 4,075,811	$ 3,412,089	$ (663,722)
Other Outgo	$ 2,360,000	$ 2,360,000	$ -
Indirect Costs	$ 3,350,665	$ 5,412,304	$ 2,061,639
Interfund Transfers	$ -	$ -	$ -
Total Expenditures	**$ 240,072,800**	**$ 279,994,339**	**$ 39,921,539**

Combined Expenditure Changes

2025-26 Combined General Fund Expenditures			
Major Object	**Adopted Budget**	**First Interim**	**Change**
Certificated Salaries	$ 173,923,025	$ 178,906,543	$ 4,983,518
Classified Salaries	$ 77,457,559	$ 80,100,597	$ 2,643,038
Employee Benefits	$ 139,301,261	$ 141,564,942	$ 2,263,681
Books and Supplies	$ 16,253,202	$ 18,407,127	$ 2,153,925
Services/Other Operating	$ 103,658,203	$ 119,410,609	$ 15,752,406
Capital Outlay	$ 4,075,811	$ 3,412,089	$ (663,722)
Other Outgo	$ 2,813,524	$ 2,813,524	$ -
Indirect Costs	$ (1,407,738)	$ (1,510,528)	$ (102,790)
Interfund Transfers	$ (23,639,472)	$ (13,737,649)	$ 9,901,823
Total Expenditures	**$ 492,435,375**	**$ 529,367,254**	**$ 36,931,879**

Considerations for Multi-Year Projections

- Declining Enrollment Trends
- Increasing Expenses for Insurance, Utilities, Transportation and Special Education
- Current Expenditures Assigned to Expiring Funds
- $6.4 Million in Reductions Built in for Fiscal Solvency Plan
- Fund 17 Special Reserve: Usage & Balances
- Step & Column Salary Increases, Health Insurance Rate Increases
- Restricted Funds Usage & Balances
- Projected Attrition & Vacancies
- Parcel Tax Expiring in 2027-28

Planning Factors for Multi-Year Projections

Planning Factor	2025-26	2026-27	2027-28
Cost of Living Adjustment (COLA)			
LCFF COLA	2.30%	3.02%	3.42%
Special Education COLA	2.30%	3.02%	3.42%
Employer Benefit Rates			
CalSTRS	19.10%	19.10%	19.10%
CalPERS-Schools	26.81%	26.90%	27.80%
State Unemployment Insurance	0.05%	0.05%	0.05%

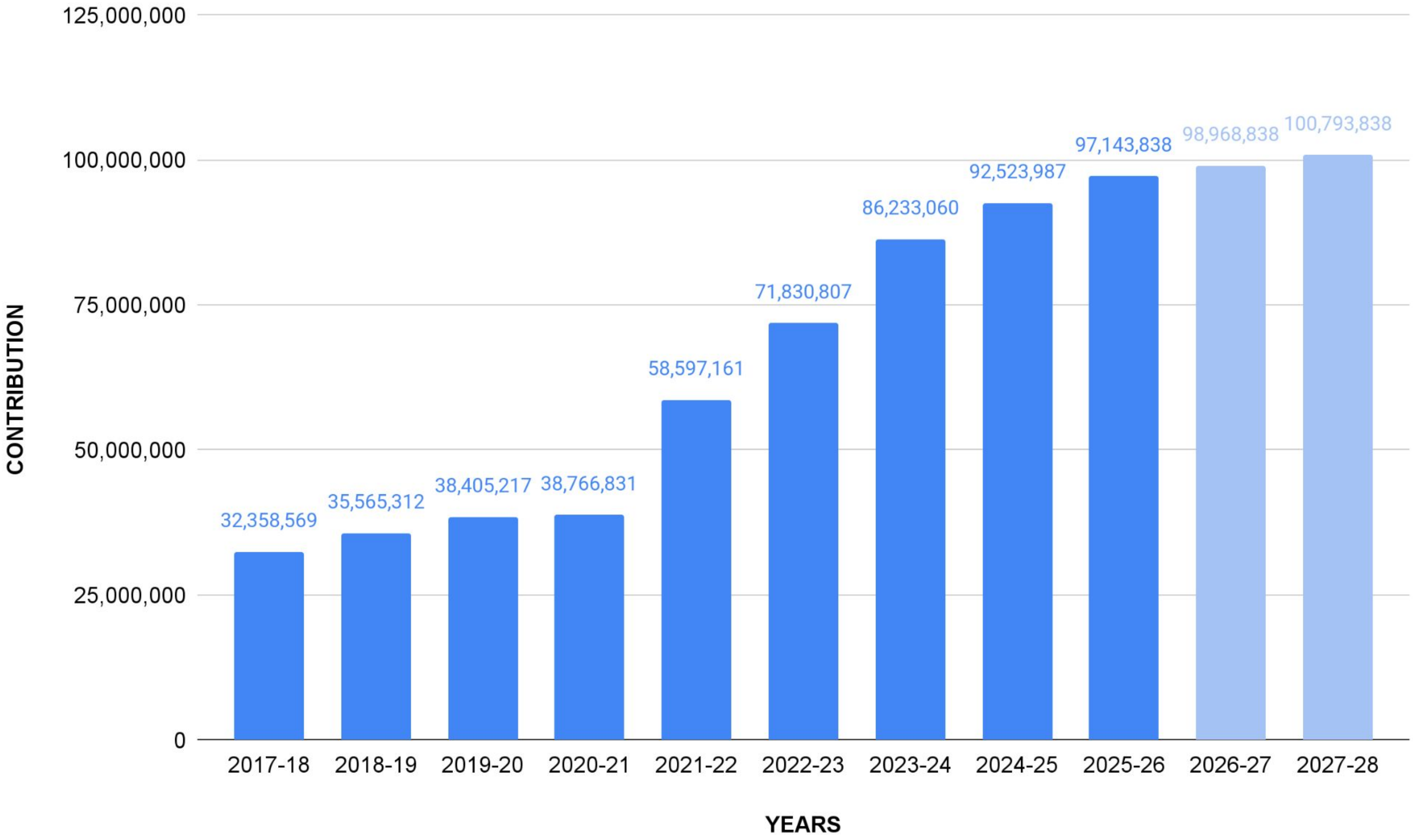
Unrestricted General Fund MYP

UNRESTRICTED General Fund Multi-Year Summary			
	2025-26	**2026-27**	**2027-28**
Unrestricted Revenues	$358,620,285	$365,113,134	$371,060,092
Unrestricted Expenditures	$372,224,684	$384,302,385	$396,808,188
Operating Surplus (Deficit)	**-$13,604,399**	**-$19,189,251**	**-$25,748,096**
Beginning Fund Balance	$16,495,243	$16,628,493	$12,275,753
Projected Ending Fund Balance	$2,890,844	**-$2,560,758**	**-$13,472,343**
Transfers In - Fund 17 Reserve	$13,737,649	$14,836,512	-
Projected Ending Fund Balance	$16,628,493	$12,275,754	**-$13,472,343**
Components of Ending Fund Balance:			
Nonspendable	$300,000	$300,000	$300,000
Restricted	$0	$0	$0
Committed	$0	$0	$0
Assigned	$0	$0	$0
Unassigned/Unappropriated:			
Reserve for Economic Uncertainty	$16,293,147	$15,906,899	$15,569,089
Unassigned/Unappropriated	$35,346	**-$3,931,145**	**-$29,341,432**

Combined General Fund MYP

UNRESTRICTED & RESTRICTED COMBINED Multi-Year Summary			
	2025-26	**2026-27**	**2027-28**
Combined Revenues	$508,382,396	$497,099,580	$488,270,300
Combined Expenditures	$543,104,903	$530,229,981	$518,969,626
Operating Surplus (Deficit)	**-$34,722,507**	**-$33,130,401**	**-$30,699,326**
Beginning Fund Balance	$108,359,672	$87,374,814	$69,080,925
Projected Ending Fund Balance	$73,637,165	$54,244,413	$38,381,599
Transfers In - Fund 17	$13,737,649	$14,836,512	-
Projected Ending Fund Balance	$87,374,814	$69,080,925	$38,381,599
Components of Ending Fund Balance			
Nonspendable	$300,000	$300,000	$300,000
Restricted	$70,746,322	$56,805,172	$51,853,942
Committed	$0	$0	$0
Assigned	$0	$0	$0
Unassigned/Unappropriated			
Reserve for Economic Uncertainty	$16,293,147	$15,906,899	$15,569,089
Unassigned/Unappropriated	$35,345	**-$3,931,146**	**-$29,341,432**

Special Ed Contribution



Fund 17 Projected Remaining Balance

- **2025-26**
  - Current Balance: $27,974,161
  - 2025-26 Contribution: $13,737,649
  - 2025-26 Ending Balance: $14,836,512
- **2026-27**
  - Projected Balance: $14,836,512
  - 2026-27 Contribution: $14,836,512
  - 2026-27 Ending Balance: $0
- **2027-28**
  - Projected Balance: $0
  - 2027-28 Contribution: $0
  - 2027-28 Ending Balance: $0

Multi-Year Projection Outlook

- **2025-26**
  - Can meet 3% required reserve in General Fund
  - With a $13.7 million contribution from Fund 17
- **2026-27**
  - May Not meet 3% required reserve in General Fund
  - With current planned Fiscal Reductions of $6.4m and a $14.8m contribution from Fund 17
- **2027-28**
  - Will Not meet 3% required reserve in General Fund
  - With current Fiscal Reductions

Interim Certification

Budget certifications shall be based upon the governing board of the school district's assessment, on the basis of standards and criteria for fiscal stability adopted by the state board pursuant to Section 33127

- Positive: The district is projected to be able to meet its financial obligations all three years.
- Qualified: It is projected that the district may not meet its financial obligations in one of the three years.
- Negative: It is projected that district will not be able to meet its financial obligations in the current or next fiscal year.

Next Steps…

- January Governor’s Budget Proposal
- Labor Negotiation Outcome
- 2026-27 Fiscal Solvency Reductions
- 2027-28 Fiscal Solvency Reductions
- Parcel Tax Renewal Campaign
- Increased Budget Engagement: Community Meetings
- Second Interim Updates in March 2026


Thank
You