

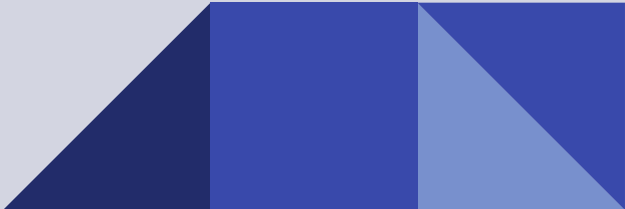
# West Contra Costa Unified School District

Fiscal Solvency Plan - January 8, 2025



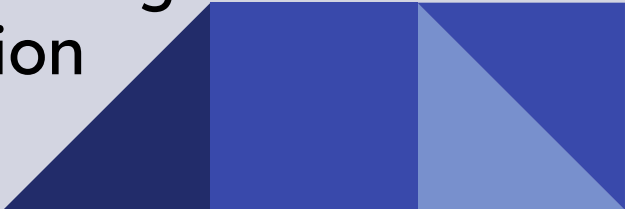
# Executive Summary

WCCUSD is in year two of the previously approved 2024-2026 fiscal solvency plan.

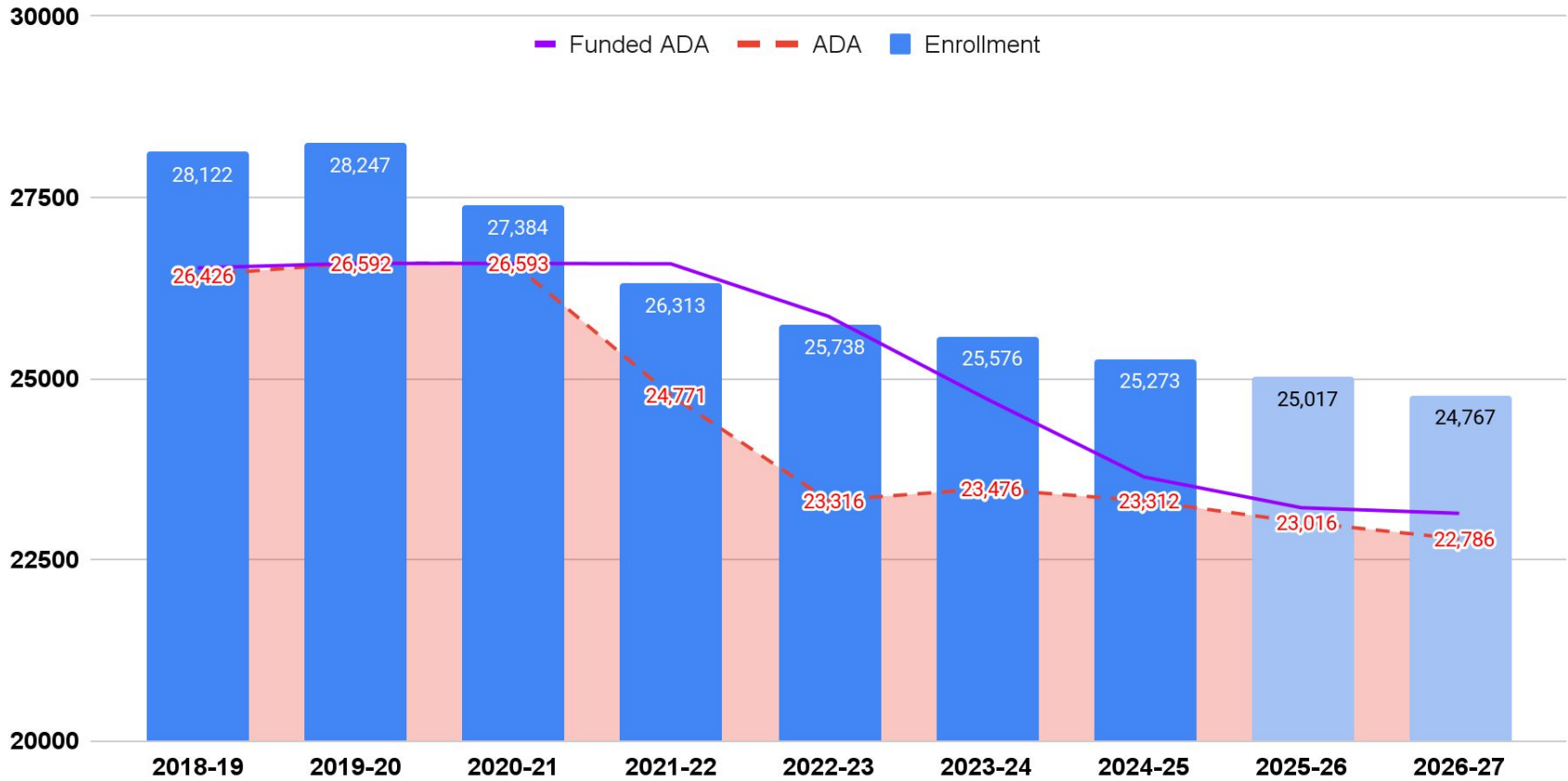
- \$19 million in reductions were implemented in 2024-25
  - Year two of the plan requires \$7 million in reductions for the 2025-26 fiscal year.
  - Our current projections require a plan to identify further reductions totaling \$6 million in the 2026-27 fiscal year.
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# Executive Summary

## **Need for Reductions**

- WCCUSD has a significant structural budget deficit
  - Fund 17 reserves are estimated to be exhausted within the next three years
  - One-time COVID funding has expired
  - Declining enrollment and Average Daily Attendance have led to decreased funding
  - Unfunded and underfunded mandates from the state and federal government, including increased costs for special education programs and services.
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# WCCUSD Enrollment Trend



# Multi-year Budget Projections - Unrestricted Operating Budget Revenues

	2024-25	2025-26	2026-27
COLA	1.07%	2.93%	3.08%
Projected ADA for Funding	23,641.00	23,214.96	23,137.33
STRS Rate	19.10%	19.10%	19.10%
PERS Rate	27.05%	27.10%	27.50%
LCFF	337,694,040	341,328,857	349,434,734
Federal Revenue (Restricted)	-	-	-
State Revenue (Unrestricted)	9,973,698	9,994,927	10,018,172
All Other Revenue	5,766,839	5,766,839	5,766,839
Contribution <b>FROM</b> FUND 17	11,499,312	13,556,247	7,322,748
Contribution <b>TO</b> REQUIRED PROGRAMS (Special Education & Maintenance)	(106,803,838)	(108,628,838)	(110,453,838)
<b>Total Revenues</b>	<b>258,130,051</b>	<b>262,018,032</b>	<b>262,088,655</b>



# Multi-year Budget Projections - Unrestricted Operating Budget Expenses

	2024-25	2025-26	2026-27
Certificated Salaries	115,800,761	120,140,783	121,462,332
Classified Salaries	38,537,994	39,278,620	39,710,685
Employee Benefits	75,100,360	77,792,667	79,055,904
Books & Supplies	3,536,074	3,536,074	3,536,074
All Other Operating Costs	39,494,799	38,878,187	38,944,608
Capital Outlay	-	-	-
Other Outgo	456,360	456,360	456,360
Indirect Cost	(9,513,077)	(8,428,493)	(7,741,214)
<b>Total Expenditures</b>	<b>263,413,271</b>	<b>271,654,198</b>	<b>275,424,749</b>
Net Increase(Decrease)	(5,283,220)	(9,636,166)	(13,336,094)

# Multi-year Budget Projections - Unrestricted Operating Budget Fund Balances

	2024-25	2025-26	2026-27
<b>Total Revenues</b>	<b>258,130,051</b>	<b>262,018,032</b>	<b>262,088,655</b>
<b>Total Expenditures</b>	<b>263,413,271</b>	<b>271,654,198</b>	<b>275,424,749</b>
Net Increase(Decrease)	(5,283,220)	(9,636,166)	(13,336,094)
Beginning Fund Bal	24,198,665	18,915,445	16,295,504
Fiscal Solvency Reductions 2025-26		7,016,225	7,016,225
Fiscal Solvency Reductions 2026-27			6,000,000
Ending Bal (Pre-Reserve)	18,915,445	16,295,504	15,975,635
3% Required Reserve (Required)	16,642,050	15,995,503	15,675,634
Non-Spendable	300,000	300,000	300,000
Ending Fund Balance	1,973,395	1	1

Reserved for Health Benefits Increase January 2025



# Summary of Proposed Reductions

# Restructure Central Office Services

## Reduce Central Office Positions & Services

Business Services Dept	\$392,000.00
Educational Services Dept	\$1,548,000.00
Special Education Dept	\$505,000.00
General Services Dept	\$195,000.00
Integrated Technology	\$152,000.00
K-12 Operations Department	\$456,000.00
	<u>\$3,248,000.00</u>



# Program Alignment & Adjustments

## System Alignment & Adjustments

Align with Enrollment	Independent Studies (4 teachers)	\$580,000.00
Align with Enrollment	Secondary Schools (7 teachers)	\$1,015,000.00
Align to High School Services	College & Career (6 teachers, one coach)	\$1,015,000.00
Align to Caseloads	Special Education Services (5 teachers)	\$725,000.00
Align to Caseloads	Special Education (6 paraprofessionals)	\$500,000.00
Professional Contracts Reduction	International Baccalaureate Program Fees	\$100,000.00
Shift Program Resources	Visual & Performing Arts Materials & Supplies	\$34,000.00
		<b>\$3,969,000.00</b>

# Summary 2025-26 Proposed Reductions

2025-26 STAFFING REDUCTION SUMMARY BY UNIT					
UNIT	2024-25 FTE COUNT	2025-26 FTE Reduction Suggestions		% of Staff	Estimated Reductions
United Teachers of Richmond	1608.38	26		1.62%	\$3,770,000
West Contra Costa Administrators Association	109.2	3		2.75%	\$615,000
Unrepresented Management	45.25	3.25		7.18%	\$692,000
School Supervisors Association	162	9		5.56%	\$1,368,000
Teamsters	1452.25	2		0.14%	\$190,000
<b>Totals</b>	<b>3377.08</b>	<b>43.25</b>		<b>1.28%</b>	<b>\$6,635,000</b>

DRAFT REDUCTION PLAN SUMMARY	
Total Staffing Reductions	\$6,635,000
Total Services Reductions	\$584,000
<b>Reduction Total</b>	<b>\$7,219,000</b>

# Summary 2026-27 Fiscal Solvency Plan Reductions


**2026-27 REDUCTIONS PLAN - The following recommendations represent budget reduction recommendations for 2026-27 Staffing Levels**

## 2026-27 STAFFING REDUCTION SUMMARY BY UNIT

UNIT	2025-26 FTE COUNT	2026-27 FTE Reduction Suggestions	% of Staff	Estimated Reductions
United Teachers of Richmond	1582.38	19	1.20%	\$2,793,000
West Contra Costa Administrators Association	106.2	2	1.88%	\$414,000
Unrepresented Management	43	4	9.30%	\$970,000
School Supervisors Association	153	2	1.31%	\$308,000
Teamsters	1450.25	20	1.38%	\$1,920,000
Totals	3334.83	47	1.41%	\$6,405,000

# Multi-year Budget Projections - Unrestricted Operating Budget Fund Balances

	2024-25	2025-26	2026-27
Beginning Fund Bal	24,198,665	18,915,445	16,295,504
Fiscal Solvency Reductions 2025-26		7,016,225	7,016,225
Fiscal Solvency Reductions 2026-27			6,000,000
Ending Bal (Pre-Reserve)	18,915,445	16,295,504	15,975,635
3% Required Reserve (Required)	16,642,050	15,995,503	15,675,634
Non-Spendable	300,000	300,000	300,000
Ending Fund Balance	1,973,395	1	1



The continuation of our fiscal solvency plan is necessary to ensure the district's fiscal solvency and maintain local control over budget decisions. We understand that these reductions will directly affect individuals who have dedicated their careers to serving our students.

Please remember that these recommendations are not made lightly and are driven by the need to align our expenditures with our revenues and address the district's structural deficit.

# How Can We Increase Future Revenue?

## ADA Increase

- Average Daily Attendance is currently estimated at 92.2%
- If we increased average daily attendance to 95% that would increase revenue by approximately \$7.7 Million
- Approximate revenue increase per 1% ADA is \$2.75 Million

## Other Ways to Decrease the Deficit:

- Increase enrollment across the district
- Decrease operating expenses & contributions
- Shift supplemental services to restricted funding sources (Grants, one-time monies)

# West Contra Costa Unified School District

