

West Contra Costa Unified School District

March 11, 2026



2025-26 Second Interim Financial Report

Presented by
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Second Interim 2025-26

- Second Fiscal Reporting Period Ending January 31, 2026
- Update on District Financials
- Review the Latest Projected Revenue and Expenditures
- Adjustments to the Multi-Year Projection informed by the expenditure budget assumptions and information provided by the California Department of Education



Second Interim Process

- Compares changes of revenue and expenditure budgets from First Interim to Second Interim
- 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
- Amends the 2025-26 budget and multi-year budget projections to match our expected need

Changes Since First Interim

- Approved Tentative Agreement for Salary and Benefit Increases
- 2025 to 2028 Fiscal Solvency Plan
 - Fund 17 Reserves exhausted
 - Fund 71 Transfer removed
 - Positions, Materials, and Contract reductions in 26-27 and 27-28
- Decrease to Enrollment and Average Daily Attendance Projections
- Decrease in COLA to 2.41% in 2026-27 and 3.06% in 2027-28

LCFF Revenue Changes

	LCFF Revenue Change		
	2025-26 First Interim	2025-26 Second Interim	Change
ADA	22,877.35	21,941.81	-935.54
2025-26 Funded ADA	23,105.66	23,098.59	-7.07
COLA	2.30%	2.30%	0.00
Unduplicated	71.19%	71.19%	0.00%
Base	\$ 264,833,154	\$ 264,740,393	\$ (92,761)
Supp./Conc.	\$ 65,576,663	\$ 65,553,692	\$ (22,971)
TIIG	\$ 2,787,535	\$ 2,787,535	\$ -
Home-to-School Trans.	\$ 2,143,334	\$ 2,143,334	\$ -
Transitional Kindergarten	\$ 5,073,675	\$ 5,227,294	\$ 153,619
Total LCFF Revenue	\$ 340,414,361	\$ 340,452,248	\$ 37,887

Unrestricted Revenue Changes

2025-26 Unrestricted General Fund Revenues			
Source	First Interim	Second Interim	Change
LCFF Sources	\$ 340,414,361	\$ 340,452,248	\$ 37,887
Federal Revenue	\$ -	\$ -	\$ -
Other State Revenue	\$ 11,329,384	\$ 11,329,384	\$ -
Other Local Revenue	\$ 6,876,540	\$ 6,977,634	\$ 101,094
Total Revenue	\$ 358,620,285	\$ 358,759,266	\$ 138,981

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 increase interest estimations

Restricted Revenue Changes

2025-26 Restricted General Fund Revenues			
Source	First Interim	Second Interim	Change
LCFF Sources	\$ -	\$ -	\$ -
Federal Revenue	\$ 23,896,028	\$ 26,905,418	\$ 3,009,390
Other State Revenue	\$ 103,836,989	\$ 105,864,381	\$ 2,027,392
Other Local Revenue	\$ 22,029,094	\$ 22,568,207	\$ 539,113
Total Revenue	\$ 149,762,111	\$ 155,338,006	\$ 5,575,895

Restricted General Fund Revenue Increases:

- Federal Revenue increase is due to increased expenditures in Title I and Title IV expenditures and additional Special Ed revenue
- Other State Revenue increases in restricted grant funding due to Literacy Coaches and Reading Specialists Grant received
- Other Local has increased due to interest and local donations received since First Interim

Combined Revenue Changes

2025-26 Combined General Fund Revenues			
Source	First Interim	Second Interim	Change
LCFF Sources	\$ 340,414,361	\$ 340,452,248	\$ 37,887
Federal Revenue	\$ 23,896,028	\$ 26,905,418	\$ 3,009,390
Other State Revenue	\$ 115,166,373	\$ 117,193,765	\$ 2,027,392
Other Local Revenue	\$ 28,905,634	\$ 29,545,841	\$ 640,207
Total Revenue	\$ 508,382,396	\$ 514,097,272	\$ 5,714,876

Combined Revenue Changes:

- Changes are attributed to increased revenue allocated or received after First Interim Reporting period

Unrestricted Expenditure Changes

2025-26 Unrestricted General Fund Expenditures				
Major Object	First Interim	Second Interim	Change	Notes
Certificated Salaries	\$ 114,515,738	\$ 122,484,536	\$ 7,968,798	5% raise in 25-26 retro to 7/1/2025
Classified Salaries	\$ 39,831,995	\$ 41,579,004	\$ 1,747,009	5% raise in 25-26 retro to 7/1/2025
Employee Benefits	\$ 74,195,731	\$ 70,217,993	\$ (3,977,738)	10% increase to health care, offset by reduction in OPEB transfer to Fund 71
Books and Supplies	\$ 4,714,599	\$ 4,871,020	\$ 156,421	Materials and Supplies for work stoppage
Services/Other Operating	\$ 36,321,809	\$ 36,229,541	\$ (92,268)	Reduction in conferences, consultants, software, and contracts
Capital Outlay	\$ -	\$ -	\$ -	-
Other Outgo	\$ 453,524	\$ 453,524	\$ -	-
Indirect Costs	\$ (6,922,832)	\$ (7,138,761)	\$ (215,929)	Change in indirect due to restricted expenditures
Interfund Transfers	\$ (13,737,649)	\$ (19,337,649)	\$ (5,600,000)	Increase in Fund 17 transfer due to salary increases
Total Expenditures	\$ 249,372,915	\$ 249,359,208	\$ (13,707)	

Restricted Expenditure Changes

2025-26 Restricted General Fund Expenditures				
Major Object	First Interim	Second Interim	Change	Notes
Certificated Salaries	\$ 64,390,805	\$ 66,692,325	\$ 2,301,520	5% raise in 25-26 retro to 7/1/2025
Classified Salaries	\$ 40,268,602	\$ 42,290,957	\$ 2,022,355	5% raise in 25-26 retro to 7/1/2025
Employee Benefits	\$ 67,369,211	\$ 63,287,034	\$ (4,082,177)	10% increase to health care, offset by reduction in OPEB transfer to Fund 71
Books and Supplies	\$ 13,692,528	\$ 14,586,933	\$ 894,405	New grants adding supplies (Lit Coaches, Cali Reads, CCCSIG), Facilities Use budgets
Services/Other Operating	\$ 83,088,800	\$ 81,991,780	\$ (1,097,020)	Reduction in conferences, consultants, and contracts
Capital Outlay	\$ 3,412,089	\$ 3,409,627	\$ (2,462)	Change in equipment over \$5,000
Other Outgo	\$ 2,360,000	\$ 2,270,598	\$ (89,402)	Adjustment to Parcel Tax Charter Transfer
Indirect Costs	\$ 5,412,304	\$ 5,642,855	\$ 230,551	Increased expenditures on grants resulting in more indirect
Interfund Transfers	\$ -	\$ -	\$ -	-
Total Expenditures	\$ 279,994,339	\$ 280,172,109	\$ 177,770	

Combined Expenditure Changes

2025-26 Combined General Fund Expenditures

Major Object	First Interim	Second Interim	Change
Certificated Salaries	\$ 178,906,543	\$ 189,176,861	\$ 10,270,318
Classified Salaries	\$ 80,100,597	\$ 83,869,961	\$ 3,769,364
Employee Benefits	\$ 141,564,942	\$ 133,505,027	\$ (8,059,915)
Books and Supplies	\$ 18,407,127	\$ 19,457,953	\$ 1,050,826
Services/Other Operating	\$ 119,410,609	\$ 118,221,321	\$ (1,189,288)
Capital Outlay	\$ 3,412,089	\$ 3,409,627	\$ (2,462)
Other Outgo	\$ 2,813,524	\$ 2,724,122	\$ (89,402)
Indirect Costs	\$ (1,510,528)	\$ (1,495,906)	\$ 14,622
Interfund Transfers	\$ (13,737,649)	\$ (19,337,649)	\$ (5,600,000)
Total Expenditures	\$ 529,367,254	\$ 529,531,317	\$ 164,063

Considerations for Multi-Year Projections

- Salary and Benefits Contractual Increases
- Step & Column Salary Increases
- Fiscal Solvency Plan Reductions
- Declining Enrollment, ADA, & COLA Trends
- Current Expenditures Assigned to Expiring Funds
- Fund 17 & 71 Usage & Balances
- Restricted Funds Usage & Balances
- Projected Attrition & Vacancies
- Rising Costs for Health Care, Property Insurance, Utilities, Transportation and Special Education
- Parcel Tax Expiring in 2027-28

Unrestricted General Fund MYP

UNRESTRICTED General Fund Multi-Year Summary			
	2025-26	2026-27	2027-28
Revenues	\$358,759,266	\$359,940,109	\$362,957,674
Expenditures + Contributions	\$377,810,977	\$370,475,101	\$372,252,152
Operating Surplus (Deficit)	-\$19,051,711	-\$10,534,992	-\$9,294,478
Beginning Fund Balance	\$16,495,243	\$16,781,181	\$16,282,701
Projected Ending Fund Balance	-\$2,556,468	\$6,246,189	\$6,988,223
Transfers In - Fund 17 Reserve	\$19,337,649	\$10,036,512	\$0
Projected Ending Fund Balance	\$16,781,181	\$16,282,701	\$6,988,223
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	\$16,481,181	\$15,982,701	\$15,363,321
Unassigned/Unappropriated	\$0	\$0	-\$8,675,098

Combined General Fund MYP

COMBINED General Fund Multi-Year Summary			
	2025-26	2026-27	2027-28
Revenues	\$514,097,272	\$503,179,660	\$491,420,987
Expenditures	\$548,868,966	\$531,572,501	\$512,110,685
Operating Surplus (Deficit)	-\$34,771,694	-\$28,392,841	-\$20,689,698
Beginning Fund Balance	\$108,359,672	\$92,925,627	\$74,569,298
Projected Ending Fund Balance	\$73,587,978	\$64,532,786	\$53,879,600
Transfers In - Fund 17	\$19,337,649	\$10,036,512	-
Projected Ending Fund Balance	\$92,925,627	\$74,569,298	\$53,879,600
Components of Ending Fund Balance			
Nonspendable	\$300,000	\$300,000	\$300,000
Restricted	\$76,144,447	\$58,286,597	\$46,891,378
Committed	\$0	\$0	\$0
Assigned	\$0	\$0	\$0
Unassigned/Unappropriated			
Reserve for Economic Uncertainty	\$16,481,180	\$15,982,701	\$15,363,320
Unassigned/Unappropriated	\$0	\$0	-\$8,675,098

Fund 17 Projected Remaining Balance

- **2025-26**
 - Beginning Balance: \$27,974,161
 - 2024-25 Contribution: \$19,337,649
 - 2024-25 Ending Balance: \$10,036,512
- **2026-27**
 - Projected Balance: \$10,036,512
 - 2025-26 Contribution: \$10,036,512
 - 2025-26 Ending Balance: \$0
- **2027-28**
 - Projected Balance: \$0
 - 2025-26 Contribution: \$0
 - 2025-26 Ending Balance: \$0

Multi-Year Projection Outlook

- 2025-26
 - **Can meet** the 3% required reserve in General Fund
 - With a \$19.4 million contribution from Fund 17 and no \$15 million transfer to Fund 71
- 2026-27
 - **Can meet** the 3% required reserve in General Fund
 - With Fiscal Reductions, a \$10 million contribution from Fund 17, and no \$15 million transfer to Fund 71
- 2027-28
 - **May not** meet the 3% required reserve in General Fund
 - With Fiscal Reductions, no contribution from Fund 17, and no \$15 million transfer to Fund 71

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.

