

West Contra Costa Unified School District

As we have presented to the Board the first round of cuts will be focused on non-salary where the District will begin bringing forward groups of recommendations to the Board starting in January and at subsequent meetings until we meet a goal of significantly reducing those expenses with a minimum of \$6 million in ongoing reductions. Our next area of focus will be to identify reductions in management staffing. That process follows legal notification deadlines, but the goal will be to identify approximately \$4 million in ongoing reductions. In addition, the District will work to identify a reduction of discretionary budgets of an additional \$2 million.

With those reductions the District will still need to work with our associations to identify an additional \$36 million in ongoing reductions. Beginning in January 2020 the District and each of the associations will begin to negotiate options for those reductions. To ensure that this process fully evaluates the impact of all reductions it is anticipated that this process will take two full years to implement. As was discussed in the advocacy presentation there are several scenarios at the State level could impact the revenue received by the District which would potentially alter the targets of reductions required. Our approach will be to use a combination of negotiated cuts and the utilization of the OPEB trust to directly pay the retiree obligation in 2020-2021 to allow the negotiated cuts to be completed over this two-year process and not decimate necessary programs that serve our students and allow the advocacy portion of our solutions to provide some solutions while remaining the focus on student achievement in these trying times.

The January 15th Board meeting will include a report on the results of the survey, the annual audit and the first round of non-salary reductions presented to the Board along with a summary of the Governor's January Budget proposal. Due to the timing of the Governor's proposal, this information will be presented at the time of the meeting and will not be part of the agenda packet.

In the past several months the District has engaged multiple community groups and board committees including the DLCAP, AASAT, MDAC, Solutions Team, Retirees, Site Administrators and the DBEC. In addition, the District has obtained input from the survey and participated in the community question and answer period. Moving forward, the bulk of the reductions will require time spent in negotiations with each of the associations. The District will continue to engage with each of our stakeholder groups during this process but it must be understood the impact of this work on staff's time and balance the timelines of multiple Board meetings with the time to produce relevant information for this process. The priority of resources must be focused on completing the negotiations process. This process will require a significant time commitment from both our Business Services and Human Resources leadership in the months of January and February. For these reasons the staff is recommending, to the extent possible, that we limit the number of committee meetings over the next couple of months to focus on the deep work necessary to shore up the budget. In addition, the timing is aligned perfectly to identify some time to discuss governance and future communication strategies, possible through some Board retreats in the coming months. The District remains committed to bringing forward the required reductions for Board consideration based upon the timelines that we have outlined.

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Also, there may be concerns on the part of the Board that the SAB's positions were not brought

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Additional revenue flexibility provided through the voter-approved assessment district program and parcel tax, which was recently extended for a 10-year period; and
Good financial management policies and practices.

Partly offsetting the above strengths, in our view, are the district's projected budgetary deficits, declining reserve position, and comparatively high debt burden and debt service carrying charges.

Economy and tax base

West Contra Costa USD serves an estimated population of 249,441 in the cities of El Cerrito, Hercules, Pinole, Richmond, and San Pablo, as well as several unincorporated communities and unincorporated areas in western Contra Costa County. Given the district's location roughly 15 miles northeast of San Francisco, residents have access to the large and diverse employment base throughout the San Francisco Bay Area. The local economy is primarily residential, and includes a sizable industrial and commercial component. In our opinion, median household effective buying income is strong at 119% of the national level and per capita effective buying income is good at 105%.

The district's assessed value (AV) has grown steadily since fiscal 2014, reflective of what we believe to be a robust housing market recovery, and increased by 30.2% over the past five years to \$32 billion in 2019, surpassing its pre-mAr iwele Ne

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Budget Forum Engagement - Marcus Walton

The District budget forum engaged several hundred community members at the live meetings and several thousand more online. Here are a few statistics regarding the event:

We had 240 people sign the sign in sheet at the seven locations. Please note that well over 100 people were in the audience at DeJean, but only 86 signed in so there were some people missed. We received a total of 210 questions. There were 174 submitted at DeJean or at one of the satellite locations, 12 via email, and 24 from Facebook or Twitter.

On Twitter, more than 27,000 unique people saw #WCCUSDBudget and there were a total of 79 tweets using that hashtag from 46 contributors. Through Facebook, we reached 2,100 people on Monday, Dec. 9, with 1,404 watching all or some of the live stream, and about 500 more watching some of the archived video. In addition, our overall campaign publicizing the forum reached 12,581 unique people, with nearly 2,000 clicks on the content and 266 comments, likes, and shares.

We received 12 questions regarding the budget via email.

As of Friday at Noon, 1,161 survey responses had been received. Of those, 18 were on the Spanish survey.

We are unable to determine the number of people who watched the KCRT live stream or on the local cable channels.

California Dashboard Released – Marcus Walton

The California Department of Education released a new California School Dashboard in five languages this week (English, Spanish, Chinese, Tagalog, and Vietnamese). The California School Dashboard (<https://www.caschooldashboard.org>) is an online tool designed to help communities across the state access important information about K–12 schools and districts. The California School

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WCCUSD 2019 Student Group Report - This report displays the performance level (color) for each student group on all the state indicators.

