

West Contra Costa Unified School District
Office of the Superintendent

Friday Memo
March 27, 2020

Upcoming Events – Matthew Duffy

April 1: Board of Education meetings via video conference/teleconference, 6:30 PM

Moving Forward Working Plan - Tony Wold

The District is working with our labor partners to move toward having our staff supporting students during the Shelter in Place and prepare to complete the necessary work that must be accomplished to function as an organization and support distance learning and nutrition services. All regularly scheduled employees are being paid during this period and we are working on protocols to keep them safe and maintain operations. To this end we have developed protocols to have as many of our employees as possible work from home during this time period. In the case of some classifications the work that they do requires them to be in the office or at a site. These include positions in Custodial, Maintenance and Operations, Nutrition Services (where meal service has been expanding by almost 500+ meals daily and was over 14,000 meals served on Thursday) and some of the District office operational function positions must utilize equipment that cannot be brought home. Working with SSA and Teamsters we are identifying ways for those employees to come into the District to work with strict social distancing protocols on average 2-3 days per week maximum to ensure continued operations of all of our necessary functions. This new “normal” is a challenge and we implement distance learning and ensure that critical functions in Human Resources, Payroll, and Accounts Payable continue to ensure that we maintain the necessary tools to serve our students. We want to commend our labor partners for working together as we define ways to operate in this environment and move forward toward entering into MOUs regarding the changing working conditions that we are facing. We anticipate that these agreements will be finalized and we will have a greater level of functionality several days a week after we return from Spring Break on April 13th.

Bond Ratings - Tony Wold

At the next Board meeting the District is presenting a resolution to refund several of our past bonds to take advantage of the current market rates. These refundings will save taxpayers over \$30 million without extending the life of those loans and is consistent with the District’s refunding Board policy. In preparation for this sale the District’s current bond rating is reviewed by Standard and Poors and Moody’s. **We are pleased to report that the District rating remains and AA- after a thorough review by the ratings agencies and a phone conference with Dr. Wold.** The ratings agencies reviewed the current District financial situation and the fact that we have submitted a qualified certification and assessed the actions that the Board and Management had taken to address our fiscal structural deficit. The opinion of the ratings agency is that we have indeed shown good diligence and stewardship to mitigate the issue and maintaining the rating was appropriate with the outlook negative due to uncertainty at the State and Federal levels.

For the upcoming sale, we have engaged our financial advisor, KNN, for their advice of the best methodology of the sale as well as the guidance of the ratings agencies. It is recommended that we utilize a negotiated sale during this time as there is a lot of emotional reactions in the market and negotiated sales allow for more explanation of the current financial situation and ensure better

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spreads and taxpayer savings at this time than competitive sales that happen without the opportunity to provide detail of the current operational structures in place that were the foundation for S&P maintaining our rating. We have attached a copy of the S&P report to this for your review. If you have any questions, please reach out to Tony Wold in the Business Office.