PRELIMINARY OFFICIAL STATEMENT DATED MAY 2, 2025

NEW ISSUE—FULL BOOK-ENTRY

RATING: S&P: "A+"
See "RATING" herein.

In the opinion of Nixon Peabody LLP, Bond Counsel, under existing law and assuming compliance with the tax covenants described herein, and the accuracy of certain representations and certifications made by the District described herein, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). Bond Counsel is also of the opinion that such interest is not treated as a preference item in calculating the alternative minimum tax imposed under the Code. Bond Counsel is further of the opinion that interest on the Bonds is exempt from personal income taxes of the State of California (the "State") under present State law. See "TAX MATTERS" herein regarding certain other tax considerations.

$71,865,000*
WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
(CONTRA COSTA COUNTY, CALIFORNIA)
2025 GENERAL OBLIGATION REFUNDING BONDS, SERIES A

Dated: Date of Delivery **Due: August 1, as shown on the inside cover page**

The West Contra Costa Unified School District (the "District") is issuing the West Contra Costa Unified School District (Contra Costa County, California) 2025 General Obligation Refunding Bonds, Series A (the "Bonds") pursuant to the Refunding Law (defined herein) and pursuant to a resolution of the Board of Education of the District (the "Resolution"). The Bonds are being issued (i) to current refund a portion of the District's outstanding general obligation bonds and (ii) to pay the cost of issuance of the Bonds as more fully described herein under the caption "PURPOSE OF THE BONDS AND FINANCING PLAN."

Interest on the Bonds is payable on August 1, 2025* and semiannually thereafter on each February 1 and August 1. Principal of the Bonds is payable on August 1 in each of the years and in the amounts shown on the maturity schedule on the inside cover page. See "THE BONDS" herein.

The Bonds will be issued in book-entry form only and will be initially issued and registered in the name of Cede & Co., as nominee for The Depository Trust Company, Brooklyn, New York ("DTC"). Purchasers will not receive physical certificates representing their interest in the Bonds. Payments of principal of and interest on the Bonds will be paid by U.S. Bank Trust Company, National Association, designated as the Paying Agent, Registrar and Transfer Agent, to DTC for subsequent disbursement to DTC Participants, who will remit such payments to the beneficial owners of the Bonds. See APPENDIX E — "BOOK-ENTRY ONLY SYSTEM."

The Bonds are subject to optional and mandatory redemption prior to maturity as more fully described herein.* See "THE BONDS — Redemption."

The Bonds are general obligations of the District payable solely from the proceeds of *ad valorem* property taxes. The Board of Supervisors of Contra Costa County has the power and is obligated to levy and collect *ad valorem* property taxes for each fiscal year upon the taxable property of the District in an amount at least sufficient, together with other moneys available for such purpose, to pay the principal of and interest on each Bond as the same becomes due and payable.

The Bonds are not payable from the General Fund of the District. The Bonds are not obligations of Contra Costa County, the State of California or any of its other political subdivisions. The Bonds are dated their date of delivery. See "SECURITY AND SOURCES OF REPAYMENT FOR THE BONDS" herein.

The District may apply to obtain an insurance policy, which, if obtained, would insure the scheduled payment of principal and interest on the Bonds when due. The District's decision whether or not to obtain such a policy will be made at or about the time of the pricing of the Bonds and will be based upon, among other things, market conditions at the time of such pricing. No assurance can be given as to whether the District will obtain such a policy, and, if so, whether such policy will cover all or fewer than all of the Bonds. See "BOND INSURANCE" herein.

MATURITY SCHEDULE
On Inside Cover

THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. IT IS NOT A SUMMARY OF THIS ISSUE. INVESTORS MUST READ THE ENTIRE OFFICIAL STATEMENT, INCLUDING BUT NOT LIMITED TO THE APPENDICES, TO OBTAIN INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT DECISION.

The Bonds will be offered when, as and if issued by the District and received by the Underwriters, subject to approval of their legality by Nixon Peabody LLP, San Francisco, California, Bond Counsel to the District. Certain legal matters will be passed upon for the District by Nixon Peabody LLP, as Disclosure Counsel to the District, and for the Underwriters by Hawkins Delafield & Wood LLP, Los Angeles, California. It is anticipated that the Bonds, in book-entry form, will be available for delivery through the facilities of DTC on or about ________, 2025.

J.P. Morgan **Raymond James & Associates**

Dated: ________, 2025.

* Preliminary; subject to change.

MATURITY SCHEDULE

$71,865,000*
WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
(CONTRA COSTA COUNTY, CALIFORNIA)
2025 GENERAL OBLIGATION REFUNDING BONDS, SERIES A

Base CUSIP†: 952347

Maturity (August 1)	Principal Amount	Interest Rate	Yield	Price	CUSIP† Suffix

$__________ – ______% Term Bonds due August 1, 20_____ Yield: ______%; CUSIP† Suffix: ____

* Preliminary, subject to change.

† CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services (CGS), which is managed on behalf of the American Bankers Association by FactSet Research Systems, Inc. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP numbers have been assigned by an independent company not affiliated with the District and are included solely for the convenience of the registered owners of the applicable Bonds. Neither the District nor the Underwriters, nor any of their agents or counsel, are responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the applicable Bonds or as included herein. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.

No dealer, broker, salesperson or other person has been authorized by the District to give any information or to make any representations other than those contained herein. If given or made, such other information or representations must not be relied upon as having been authorized by the District. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale. This Official Statement is not to be construed as a contract with the purchasers of the Bonds.

The financial and other information relating to the District presented or incorporated by reference in this Official Statement has been provided by the District, except for information expressly attributed to other sources. The presentation of information, including tables of receipts from taxes and other revenues, is intended to show recent historic information and is not intended to indicate future or continuing trends in the financial position or other affairs of the District. No representation is made that past experience, as it might be shown by such financial and other information, will necessarily continue or be repeated in the future.

The Bonds have not been registered under the Securities Act of 1933, as amended (the "Securities Act"), or the Securities Exchange Act of 1934, as amended (the "Exchange Act"), in reliance upon exemptions contained in Section 3(a)2 of the Securities Act and Section 3(a)12 of the Exchange Act, and have not been registered or qualified under the securities laws of any state.

The information and expressions of opinion herein are subject to change without notice, and neither delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the District since the date hereof. This Official Statement is being submitted in connection with the sale of the Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose, unless authorized in writing by the District.

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the Exchange Act, and Section 27A of the Securities Act. Such statements are generally identifiable by the terminology used such as a "plan," "expect," "estimate," "project," "budget" or similar words. Such forward-looking statements include, but are not limited to certain statements contained in the information under APPENDIX A — "DISTRICT FINANCIAL AND OPERATING INFORMATION."

The District maintains a website and a social media presence. However, the information presented thereon is not part of this Official Statement and should not be relied upon in making investment decisions with respect to the Bonds. The references to internet websites in this Official Statement are shown for reference and convenience only; unless explicitly stated to the contrary, the information contained within the websites is not incorporated herein by reference and does not constitute part of this Official Statement.

The Underwriters have provided the following sentence for inclusion in this Official Statement: "The Underwriters have reviewed the information in this Official Statement in accordance with, and as a part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information."

WITH RESPECT TO THIS OFFERING, THE UNDERWRITERS MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME. THE UNDERWRITERS MAY OFFER AND SELL THE BONDS DESCRIBED HEREIN TO CERTAIN DEALERS AND DEALER BANKS AND BANKS ACTING AS AGENTS AND OTHERS AT PRICES LOWER THAN THE PUBLIC OFFERING PRICES STATED IN THIS OFFICIAL STATEMENT AND OTHERS AT PRICES LOWER THAN THE PUBLIC OFFERING PRICES STATED IN THIS OFFICIAL STATEMENT AND SAID PUBLIC OFFERING PRICES MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITERS.

THIS OFFICIAL STATEMENT IS SUBMITTED IN CONNECTION WITH THE SALE OF THE BONDS REFERRED TO HEREIN AND MAY NOT BE REPRODUCED OR USED, IN WHOLE OR IN PART, FOR ANY OTHER PURPOSE.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

BOARD OF EDUCATION

Leslie Reckler, President
Guadalupe Enllana, Clerk
Cinthia Hernandez, Member
Demetrio Gonzalez-Hoy, Member
Jamela Smith-Folds, Member

ADMINISTRATION

Dr. Kim Moses, Interim Superintendent[(1)]
Katherine Acosta-Verprauskus, Chief Academic Officer/Associate Superintendent, Educational Services
Summerlynn Sigler, Associate Superintendent/Chief Operations Officer, K-12 Operations
Melissa Payne, Interim Associate Superintendent, Operations
David Hart, Interim Associate Superintendent, Business Services[(2)]
Dr. Camille Johnson, Associate Superintendent, Human Resources
Laurie Wong Roberts, Chief Technology Officer
Guthrie Fleischman, Special Education Local Plan Area Director

PROFESSIONAL SERVICES

Bond & Disclosure Counsel

Nixon Peabody LLP

Municipal Advisor

KNN Public Finance, LLC
Berkeley, California

Paying Agent

U.S. Bank Trust Company, National Association

Verification Agent

Causey Public Finance

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(1) The District is undergoing a search for a permanent Superintendent, which it expects to appoint before the start of the 2025-26 fiscal year.
(2) Mr. Hart's contract expires on June 30, 2025. The District is undergoing a search for a permanent Associate Superintendent, Business Services.

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OFFICIAL STATEMENT

$71,865,000[*]
WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
(CONTRA COSTA COUNTY, CALIFORNIA)
2025 GENERAL OBLIGATION REFUNDING BONDS, SERIES A

INTRODUCTION

This Introduction is only a brief description of, and is qualified by, more complete and detailed information contained in the entire Official Statement, including the cover page through the appendices hereto, and the documents summarized or described herein. The offering of the Bonds to potential investors is made only by means of the entire Official Statement. A full review should be made of the entire Official Statement.

General

This Official Statement, which includes the cover page, inside cover pages and appendices hereto, is furnished to provide information concerning $71,865,000[*] aggregate principal amount of the West Contra Costa Unified School District (Contra Costa County, California) 2025 General Obligation Refunding Bonds, Series A (the "Bonds") to be offered by the West Contra Costa Unified School District (the "District").

Capitalized terms used but not defined herein shall have the meanings ascribed thereto in the Resolution (defined herein).

The District

The District, unified in November 1964, is located approximately 15 miles northeast of San Francisco, California, and consists of approximately 110 square miles in the western portion of the County. It provides educational services to the residents of the cities of El Cerrito, Hercules, Pinole, Richmond and San Pablo, the unincorporated communities of El Sobrante, Kensington and North Richmond, and certain other unincorporated areas in the County.

The District has certain outstanding general obligation bonds as set forth in APPENDIX A and under "SECURITY AND SOURCES OF REPAYMENT FOR THE BONDS – Overlapping and District Debt." The District's audited financial statements for fiscal year 2023-24 are attached hereto as APPENDIX C.

For further information concerning the District, see APPENDICES A and C attached hereto.

Description of the Bonds

Authorization. The Bonds are being issued pursuant to the provisions of Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (commencing with Sections 53550 and 53580, respectively) (the "Refunding Law"), a resolution of the Board of Education of the District (the "Board") adopted on April 30, 2025 (the "Resolution"), and other applicable laws and

[*] Preliminary, subject to change.

regulations of the State, to effect the refunding of the Refunded Bonds as described herein, and to pay costs of issuance of the Bonds. See "PURPOSE OF THE BONDS AND FINANCING PLAN."

Plan of Finance. The Bonds are being issued by the District (i) to current refund a portion of the District's general obligation bonds described herein and (ii) to pay costs of issuance of the Bonds. See "PURPOSE OF THE BONDS AND FINANCING PLAN."

Security and Source of Payment. The Bonds are general obligations of the District only, payable from *ad valorem* property taxes which may be levied upon all taxable property in the District, without limitation as to rate or amount (except with respect to certain personal property which is taxable at limited rates). For more complete information regarding taxation of property within the District, see "SECURITY AND SOURCES OF REPAYMENT FOR THE BONDS."

All general obligation bonds issued by or on behalf of the District are payable from *ad valorem* property taxes, which may be levied upon all taxable property in the District. See "SECURITY AND SOURCES OF REPAYMENT FOR THE BONDS — *Overlapping and District Debt*" for a summary of the District's outstanding general obligation bonds (collectively, the "Outstanding General Obligation Bonds").

THE BONDS ARE GENERAL OBLIGATIONS OF THE DISTRICT, SECURED BY AND PAYABLE SOLELY FROM *AD VALOREM* PROPERTY TAXES ASSESSED ON TAXABLE PROPERTY WITHIN THE DISTRICT, WITHOUT LIMITATION AS TO RATE OR AMOUNT (EXCEPT FOR CERTAIN PROPERTY TAXABLE AT LIMITED VALUES). THE BONDS ARE NOT PAYABLE FROM THE GENERAL FUND OF THE DISTRICT. THE BONDS ARE NOT OBLIGATIONS OF THE COUNTY, THE STATE OF CALIFORNIA OR ANY OF ITS OTHER POLITICAL SUBDIVISIONS. SEE "PURPOSE OF THE BONDS AND FINANCING PLAN" AND "SECURITY AND SOURCES OF REPAYMENT FOR THE BONDS" HEREIN.

Redemption. The Bonds are subject to redemption prior to their stated maturity as further described herein[*]. See "THE BONDS – Redemption" herein.

Payments. The Bonds will be issued in denominations of $5,000 or any integral multiple thereof. The Bonds will bear interest currently, be dated as of their initial date of delivery (the "Date of Delivery"). Interest on the Bonds will accrue from the Date of Delivery, and is payable semiannually on each February 1 and August 1 of each year (each, an "Interest Payment Date"), commencing August 1, 2025[*].

The principal amount of the Bonds is payable at maturity or at earlier redemption upon surrender of the applicable Bond for payment. Payments of the principal of and interest on the Bonds will be made by U.S. Bank Trust Company, National Association, as the initial paying agent for the Bonds (the "Paying Agent") to The Depository Trust Company, Brooklyn, New York ("DTC") for subsequent distribution through DTC Participants (the "DTC Participants") to the Beneficial Owners of the Bonds.

Form and Registration. The Bonds will be issued in fully registered form only, and will be initially registered in the name of Cede & Co., as nominee of DTC, who will act as securities depository for the Bonds. See APPENDIX E – "BOOK-ENTRY ONLY SYSTEM" hereto. Purchasers of the Bonds (the "Beneficial Owners") will not receive physical certificates representing their interests in the Bonds purchased. In the event that the book-entry only system described herein is no longer used with respect to the Bonds, the Bonds will be registered in accordance with the Resolution.

[*] Preliminary, subject to change.

Bond Owner's Risks

The Bonds are general obligations of the District, payable from *ad valorem* property taxes which may be levied upon all taxable property in the District, without limitation as to rate or amount (except with respect to certain personal property which is taxable at limited rates). For more complete information regarding taxation of property within the District, see "SECURITY AND SOURCES OF REPAYMENT FOR THE BONDS."

The District is currently faced with a structural deficit due to factors such as declining enrollment and ADA, imbalances in staffing levels, and the exhaustion of one-time State and federal aid funding. For more complete information regarding declining enrollment in the District, see APPENDIX A — "DISTRICT FINANCIAL AND OPERATING INFORMATION – DISTRICT FINANCIAL INFORMATION – State Funding of Education – *Local Control Funding Formula* " and APPENDIX A – "DISTRICT FINANCIAL AND OPERATING INFORMATION – DISTRICT FINANCIAL INFORMATION – State Funding of Education – *Average Daily Attendance*", and for more information on the District's budget for fiscal year 2024-25, see APPENDIX A – "DISTRICT FINANCIAL AND OPERATING INFORMATION -- DISTRICT FINANCIAL INFORMATION – Budgets and Financial Results."

This Official Statement makes reference to resolutions, other documents and statutes and constitutional provisions of the State of California (the "State"). Such references do not purport to be complete, comprehensive or definitive, and are qualified in their entirety by reference to each such resolution, document, statute, and constitutional provision.

Continuing Disclosure

This Official Statement speaks only as of its date, and the information contained herein is subject to change. Neither delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the District since the date hereof. Except as required by the Continuing Disclosure Certificate of the District relating to the Bonds (the "Continuing Disclosure Certificate"), the District has no obligation to update the information in this Official Statement.

Pursuant to that certain Continuing Disclosure Certificate relating to the Bonds, the District will covenant for the benefit of the Owners and Beneficial Owners of the Bonds to make available certain financial information and operating data relating to the District and to provide notices of the occurrence of certain listed events, in compliance with Rule 15c2-12 (the "Rule") promulgated by the Securities and Exchange Commission. See "LEGAL MATTERS — *Continuing Disclosure*" and APPENDIX D — "FORM OF CONTINUING DISCLOSURE CERTIFICATE."

Professionals Involved in the Offering

Nixon Peabody LLP is acting as Bond Counsel and Disclosure Counsel to the District with respect to the Bonds. Nixon Peabody LLP will receive compensation from the District contingent upon the sale and delivery of the Bonds. J.P. Morgan Securities LLC and Raymond James & Associates, Inc. are acting as Underwriters with respect to the Bonds (the "Underwriters"). KNN Public Finance, LLC, Berkeley, California, is acting as Municipal Advisor to the District with respect to the Bonds.

Forward-Looking Statements

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as "plan," "intend," "expect," "estimate," "project," "budget," or other similar words. Such forward-looking statements include, but are not limited to, certain statements contained in the information regarding the District herein.

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES, AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED FROM SUCH FORWARD-LOOKING STATEMENTS. THE DISTRICT DOES NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THE FORWARD-LOOKING STATEMENTS SET FORTH IN THIS OFFICIAL STATEMENT.

THE BONDS

Authority for Issuance

The Bonds are being issued pursuant to the Refunding Law and other applicable laws and regulations of the State, and the Resolution, to effect the refunding of the Refunded Bonds as described herein, and to pay costs of issuance of the Bonds. See "PURPOSE OF THE BONDS AND FINANCING PLAN."

Description of the Bonds

The Bonds will mature on the dates and in the amounts and bear interest at the rates per annum, all as set forth on the inside cover page of this Official Statement. The Bonds will be dated their date of delivery and will be issued in initial denominations of $5,000 each or any integral multiple thereof. Interest on the Bonds will accrue from the date of delivery and is payable semiannually on February 1 and August 1 of each year (each, an "Interest Payment Date"), commencing on August 1, 2025*, computed on the basis of a 360-day year consisting of twelve 30-day months. Each Refunding Bond will bear interest from the Interest Payment Date next preceding the date of registration thereof unless (i) it is registered after the close of business on the fifteenth calendar day of the month next preceding an Interest Payment Date (the "Record Date") and before the close of business on the immediately following Interest Payment Date, in which event, interest thereon is payable from such following Interest Payment Date; or (ii) it is registered prior to the close of business on the date which is fifteen days prior to the first interest payment date for the Bonds, in which event interest will be payable from its dated date; *provided, however*, that if at the time of registration of any Refunding Bond, interest thereon is in default, such interest will be payable from the Interest Payment Date to which interest has previously been paid or made available for payment. Payments of interest on the Bonds will be made on each Interest Payment Date by check or draft of the Paying Agent sent by first-class mail, postage prepaid, to the registered owner thereof appearing on the Bond Register (the "Owner") on the Record Date, or by wire transfer to the account specified by the Owner on or prior to the Record Date for such Interest Payment Date; *provided, however*, that payments of defaulted interest will be payable to the person in whose name such Refunding Bond is registered at the close of business on

* Preliminary, subject to change.

a special record date fixed therefor by the Paying Agent, which will not be more than fifteen days and not less than ten days prior to the date of the proposed payment of defaulted interest.

Form and Registration. The Bonds will be issued in fully registered form of a separate single fully registered Bond for each of the series and maturities of the Bonds and, when issued, will be registered in the name of Cede & Co., as registered owner and nominee of DTC. DTC will act as securities depository for the Bonds. The Bonds will be issued with principal or denominational amount payable at the maturity dates of the respective Bonds or upon their earlier redemption. **The Bonds are not subject to acceleration.**

So long as Cede & Co., as nominee of DTC, is the registered owner of the Bonds, references herein to the owners or registered owners mean Cede & Co. as aforesaid, and do not mean the Beneficial Owners (as defined in APPENDIX E hereto) of the Bonds. So long as Cede & Co. is the registered owner of the Bonds, principal amount of and interest or premium, if any, on the Bonds are payable by wire transfer or New York Clearing House or equivalent next-day funds or by wire transfer of same day funds by the Paying Agent to Cede & Co., as nominee for DTC. DTC is obligated, in turn, to remit such amounts to the DTC Participants (as defined in APPENDIX E hereto) for subsequent disbursement to the Beneficial Owners. See APPENDIX E — "BOOK-ENTRY ONLY SYSTEM" hereto.

Application of Funds; Permitted Investments

The proceeds of the Bonds, together with other available funds, will be applied to the Escrow Fund (defined herein) established under the Escrow Agreement (defined herein), in an amount necessary to purchase securities needed to pay principal of and interest on the Refunded Bonds. Any premium and accrued interest shall be deposited upon receipt in the interest and sinking fund of the District (the "Debt Service Fund") in the County Treasury. Taxes collected to pay principal of and interest on the Bonds will also be invested in the Debt Service Fund. Earnings on the investment of moneys in the Debt Service Fund will be retained in the fund and used only for the purpose to which that fund may lawfully be applied. Moneys in the Debt Service Fund may only be applied to make payments of interest, principal, and redemption premium, if any, on the applicable Bonds.

All amounts deposited into the Debt Service Fund, as well as proceeds of taxes held therein for payment of the Bonds, shall be invested at the sole discretion of the County Treasurer pursuant to law and the investment policy of the County. See APPENDIX G – "COUNTY INVESTMENT POLICY AND TREASURER'S QUARTERLY INVESTMENT REPORT AS OF SEPTEMBER 30, 2024." The County Treasurer neither monitors investments for arbitrage compliance, nor does it perform arbitrage calculations. The District shall maintain or cause to be maintained detailed records with respect to the applicable proceeds.

Redemption*

Optional Redemption of the Bonds. The Bonds maturing on or after August 1, 20___, are subject to redemption prior to their respective stated maturity dates, at the option of the District, from any source of available funds, as a whole or in part on any date on or after August 1, 20___, at a redemption price equal to the principal amount of such Bonds called for redemption, together with interest accrued thereon to the date of redemption, without premium.

Mandatory Sinking Fund Redemption of the Bonds. The Bonds maturing on August 1, 20___, are subject to mandatory redemption on August 1 in each of the years and in the respective principal amounts as set forth in the following schedule, at a redemption price equal to 100% of the principal amount

* Preliminary, subject to change.

thereof to be redeemed, together with interest accrued thereon to the date fixed for redemption, without premium:

Mandatory Sinking Fund Payment Date (August 1)	Mandatory Sinking Fund Payment

(1) Final maturity.

Selection of Bonds for Redemption. If less than all Outstanding Bonds are to be redeemed, the Paying Agent, upon written instruction from the District given as provided in the respective Resolution, shall select the Bonds for redemption in the manner directed by the District.

The Paying Agent will select such Bonds for redemption as directed by the District, or, in the absence of such direction, by inverse order of maturity. Within a maturity, the Paying Agent will select Bonds for redemption as directed by the District, or in the absence of such direction, by lot. Redemption by lot will be in such manner as the Paying Agent will determine; provided, however, that the portion of any Bond to be redeemed in part will be in the Principal Amount or Denominational Amount, as applicable, of $5,000 or any integral multiple thereof.

In the event that a Term Bond is optionally redeemed, the Principal Amount of each remaining sinking fund payment with respect to such Term Bond will be reduced as directed by the District in the aggregate amount equal to the amount so redeemed.

Notice of Redemption. When redemption is authorized or required pursuant to the Resolution, the Paying Agent will give notice (each, a "Redemption Notice") of the redemption of the affected Bonds. Such Redemption Notice will specify: (a) the Bonds or designated portions thereof (in the case of any Bond to be redeemed in part but not in whole) which are to be redeemed, (b) the date of redemption, (c) the place or places where the redemption will be made, including the name and address of the Paying Agent, (d) the redemption price, (e) the CUSIP numbers (if any) assigned to the Bonds to be redeemed, (f) the bond numbers of the Bonds to be redeemed in whole or in part and, in the case of any Bond to be redeemed in part only, the principal amount of such Bond to be redeemed, and (g) the original issue date, interest rate, and stated maturity date of each Bond to be redeemed in whole or in part. Such Redemption Notice will further state (i) that on the specified date there will become due and payable upon each Bond or portion thereof being redeemed the redemption price, together with the interest accrued to the redemption date, and (ii) that from and after such date, interest thereon will cease to accrue and be payable.

At least 20 days but not more than 45 days prior to the redemption date, such Redemption Notice will be given by the Paying Agent to the respective Owners of the Bonds designated for redemption by first-class mail, postage prepaid, at their addresses appearing on the Bond Register and to the Municipal Securities Rulemaking Board (the "MSRB").

In the event that the Bonds are no longer held in book-entry-only form, at least 35 but not more than 45 days prior to the redemption date, such Redemption Notice will be given by (i) first-class mail, postage prepaid, (ii) telephonically confirmed facsimile transmission, or (iii) overnight delivery service, to the MSRB, DTC and such other securities depositories as the District may designate, in accordance with then-current guidelines of Securities and Exchange Commission (the "SEC").

Neither failure to receive any Redemption Notice nor any defect in any such Redemption Notice so given will affect the sufficiency of the proceedings for the redemption of the affected Bonds. Each check issued or other transfer of funds made by the Paying Agent for the purpose of redeeming Bonds will bear the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

Conditional Notice of Redemption. Any Redemption Notice relating to an optional redemption of the Bonds may be conditioned upon the satisfaction of certain conditions and/or the receipt of sufficient moneys to pay the redemption price of the designated Bonds and may be rescinded by the District at any time prior to the scheduled date of redemption by so notifying the Owners of affected Bonds and the Electronic Municipal Market Access website ("EMMA") of the MSRB and any other information services designated by the District in accordance with then-current SEC guidelines, in the event such conditions are not met and are not expected to be met and/or such funds are not received or are not expected to be received, in the same manner in which the Redemption Notice was originally given. In the event that a Redemption Notice contains such a condition and such moneys are not so received and/or such conditions are not met, the redemption will not be made and the Paying Agent will, within a reasonable time thereafter give notice, to the persons to whom and in the manner in which the Redemption Notice was given, that such moneys were not so received and/or such condition was not met.

Partial Redemption. Upon the surrender of any Bond redeemed in part only, the Paying Agent will execute and deliver to the Owner thereof a new Bond or Bonds of like series, tenor, maturity and interest rates and of authorized denominations equal in principal amounts to the unredeemed portion of the Bond surrendered. Such partial redemption will be valid upon payment of the amount required to be paid to such Owner, and the District will be released and discharged thereupon from all liability to the extent of such payment.

Effect of Notice of Redemption. Notice having been given as required in the Resolution, and the moneys for redemption (including the interest to the date of redemption) having been set aside in the respective Debt Service Fund established therefor, or deposited with a duly appointed escrow agent, in trust, the Bonds to be redeemed will become due and payable on such date of redemption.

If on such redemption date, money for the redemption of all the Bonds to be redeemed, together with interest to such redemption date, is held by the Paying Agent or deposited with a duly appointed escrow agent, in trust, so as to be available therefor on such redemption date, and any conditions to such redemption described in the Redemption Notice are met, and if notice of redemption thereof has been given, then from and after such redemption date, interest on the Bonds to be redeemed will cease to accrue and become payable. All money held by or on behalf of the Paying Agent for the redemption of the Bonds will be held in trust for the account of the Owners of the Bonds to be so redeemed.

Transfer and Exchange

The registration of any Bond may be transferred upon the Bond Register upon surrender of such Bond to the Paying Agent. Such Bond will be endorsed or accompanied by delivery of a written instrument of transfer, duly executed by the Owner or such Owner's duly authorized attorney, and payment of such reasonable transfer fees as the Paying Agent may establish. Upon such registration of transfer, a new Bond or Bonds, of like series, tenor and maturity in the same principal amount and in authorized denominations, will be executed and delivered to the transferee in exchange therefor.

The Paying Agent will deem and treat the person in whose name any Outstanding Bond is registered upon the Bond Register as the absolute owner of such Bond, whether the principal, premium, if any, or interest with respect to such Bond will be overdue or not, for the purpose of receiving payment of principal of and premium, if any, and interest on such Bond and for all other purposes, and any such payments so made to any such Owner or upon such Owner's order will be valid and effective to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and the District or the Paying Agent will not be affected by any notice to the contrary.

Bonds may be exchanged at the office of the Paying Agent for Bonds of like series, tenor and maturity of other authorized denominations. All Bonds surrendered in any such exchange will thereupon be cancelled by the Paying Agent. The Paying Agent may charge the Owner a reasonable sum for each new Bond executed and delivered upon any exchange (except in the case of the first exchange of any Bond in the form in which it is originally delivered, for which no charge shall be imposed) and the Paying Agent may require the payment by the Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange.

The Paying Agent is not required to register the transfer or exchange of any Bond (i) during the period beginning at the close of business on any Record Date through the close of business on the immediately following Interest Payment Date, or (ii) that has been called or is subject to being called for redemption, during a period beginning at the opening of business 15 days before any selection of Bonds to be redeemed through the close of business on the applicable redemption date, except for the unredeemed portion of any Bond to be redeemed only in part.

Discharge and Defeasance

If all or any portion of the outstanding Bonds is paid and discharged in any one of the following ways:

(a) by paying or causing to be paid the principal of, premium, if any, and interest on such Bonds, as and when the same become due and payable;

(b) by depositing with the Paying Agent or with a duly appointed escrow agent, in trust, at or before maturity, cash which, together with the amounts transferred from or then on deposit in the applicable Debt Service Fund (and the accounts therein other than amounts that are not available to pay Debt Service) together with interest to accrue thereon without the need for further investment, is fully sufficient to pay such Bonds at maturity or earlier redemption thereof, including any premium and all interest thereon, notwithstanding that any Bonds will not have been surrendered for payment; or

(c) by depositing in escrow with an institution selected by the District that meets the requirements of serving as successor Paying Agent pursuant to the Resolution, in trust, lawful moneys or noncallable direct obligations issued by the United States Treasury (including State and Local Government Series) or obligations which are unconditionally guaranteed by the United States of America or "prerefunded" municipal obligations rated in the highest category by Moody's or S&P, in such amount as will, together with the interest to accrue thereon without the need for further investment, be fully sufficient, as fully verified by the report of an independent certified public accountant licensed to practice in the State, to pay and discharge such Bonds at maturity or earlier redemption thereof, for which notice has been given or provided for, including any premium and all interest thereon, notwithstanding that any Bonds shall not have been surrendered for payment;

then all obligations of the District and the Paying Agent under the Resolution with respect to such Bonds will cease and terminate, except only the obligation of the Paying Agent or escrow agent to pay or cause to be paid to the Owners of such Bonds all sums due thereon, and the obligation of the District to pay the Paying Agent amounts owing to the Paying Agent under the Resolution.

DEBT SERVICE SCHEDULE

The following table shows the annual debt service requirements with respect to the Bonds (assuming no optional redemptions).

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
2025 General Obligation Refunding Bonds, Series A

Year Ending (August 1)	Principal	Interest	Total Debt Service
Total			

PURPOSE OF THE BONDS AND FINANCING PLAN

The Bonds are being issued to (i) current refund the Refunded Bonds (defined below) and (ii) pay the costs of issuing the Bonds.

The following tables show information with respect to the specific maturities of the District's general obligation bonds to be refunded with proceeds of the Bonds, including (i) a portion of the District's General Obligation Bonds, 2010 Election, 2015 Series C (the "2015C Bonds"), (ii) a portion of the District's General Obligation Bonds, 2012 Election, 2015 Series B (the "2015B Bonds"), (iii) a portion of the District's General Obligation Bonds, 2010 Election, 2016 Series D (the "2016D Bonds"), (iv) a portion of the District's General Obligation Bonds, 2012 Election, 2016 Series C (the "2016C Bonds") and (v) a portion of the District's General Obligation Refunding Bonds, 2016 Series A (the "2016A Bonds") (such general obligation bonds, as refunded, the "Refunded Bonds").

A portion of the net proceeds of the Bonds will be used to effect the defeasance of all or a portion of the Series 2015C Bonds to maturity identified below.

West Contra Costa Unified School District
(Contra Costa County, California)
General Obligation Bonds, 2010 Election, 2015 Series C

Maturity Date (August 1)	Principal Amount	Refunded Amount	Redemption Date (August 1)	CUSIP (952347)
2026	$675,000	$	2025	H70
2027	475,000		2025	H88
2028	730,000		2025	H96
2029	735,000		2025	J29
2030	680,000		2025	J37
2031	925,000		2025	J45
2032	970,000		2025	J52
2035	100,000		2025	J86
2040	5,250,000		2025	K43
2045	7,450,000		2025	J94

A portion of the net proceeds of the Bonds will be used to effect the defeasance of all or a portion of the Series 2015B Bonds to maturity identified below.

West Contra Costa Unified School District
(Contra Costa County, California)
General Obligation Bonds, 2012 Election, 2015 Series B

Maturity Date (August 1)	Principal Amount	Refunded Amount	Redemption Date (August 1)	CUSIP (952347)
2035	$575,000		2025	G22
2040	10,000,000		2025	K35
2045	14,010,000		2025	G30

A portion of the net proceeds of the Bonds will be used to effect the defeasance of all or a portion of the Series 2016D Bonds to maturity identified below.

West Contra Costa Unified School District
(Contra Costa County, California)
General Obligation Bonds, 2010 Election, 2016 Series D

Maturity Date (August 1)	Principal Amount	Refunded Amount	Redemption Date (August 1)	CUSIP (952347)
2029	$1,155,000	$	2025	K76
2030	1,200,000		2025	K84
2041	8,310,000		2025	L75
2046	10,110,000		2025	L83

A portion of the net proceeds of the Bonds will be used to effect the defeasance of all or a portion of the Series 2016C Bonds to maturity identified below.

West Contra Costa Unified School District
(Contra Costa County, California)
General Obligation Bonds, 2012 Election, 2016 Series C

Maturity Date (August 1)	Principal Amount	Refunded Amount	Redemption Date (August 1)	CUSIP (952347)
2029	$1,180,000	$	2025	M41
2030	1,070,000		2025	M58
2041	8,720,000		2025	N40
2046	10,610,000		2025	N57

A portion of the net proceeds of the Bonds will be used to effect the defeasance and refunding of all or a portion of the 2016A Bonds identified below.

West Contra Costa Unified School District
(Contra Costa County, California)
General Obligation Refunding Bonds, 2016 Series A

Maturity Date (August 1)	Principal Amount	Refunded Amount	Redemption Date (August 1)	CUSIP (952347)
2026	$80,000	$	2025	R20
2027	85,000		2025	R38
2028	75,000		2025	R46
2029	5,625,000		2025	N81
2030	6,580,000		2025	N99
2031	4,280,000		2025	P22
2033	2,955,000		2025	P89
2034	3,890,000		2025	P97
2035	4,950,000		2025	Q21

On the date of delivery of the Bonds, a portion of the net proceeds of the Bonds will be deposited into an escrow fund (the “Escrow Fund”) established pursuant to an Escrow Deposit and Trust Agreement (the “Escrow Agreement”), by and between the District and U.S. Bank Trust Company, National Association in the capacity of Escrow Agent (the “Escrow Agent”). Amounts in the Escrow Fund will be used to pay interest on the Refunded Bonds as it comes due, and to pay the principal of Refunded Bonds on or prior to their respective maturity dates.

The Escrow Agreement provides for the investment of the proceeds of the Bonds deposited thereunder in noncallable direct obligations issued by the United States Treasury (including State and Local Government Series Obligations) or obligations which are unconditionally guaranteed by the United States of America. Causey Public Finance (the “Verification Agent”), will verify the sufficiency of amounts so deposited and invested to provide for such payments.

ESTIMATED SOURCES AND USES OF FUNDS

The estimated sources and uses of the funds with respect to the Bonds are as follows:

Sources of Funds	**Total**
Principal Amount	$
Original Issue Premium	
Total Sources:	$
Uses of Funds	
Deposit to Escrow Fund	$
Costs of Issuance[(1)]	
Total Uses:	$

(1) Includes the fees of the Municipal Advisor, Bond Counsel, Disclosure Counsel, Underwriters' discount, Paying Agent, Verification Agent, rating agency fees, bond insurance premium, if any, printing costs and other miscellaneous fees and expenses.

SECURITY AND SOURCES OF REPAYMENT FOR THE BONDS

General

The Bonds are general obligations of the District payable solely from the proceeds of *ad valorem* property taxes. The Board of Supervisors of the County (the "County Board"), on behalf of the District, is empowered and obligated to levy and collect *ad valorem* taxes, without limitation as to rate or amount, in an amount sufficient to pay the principal of and interest on the Bonds due and payable in the next succeeding bond year upon all property subject to taxation by the District (except certain personal property which is taxable at limited rates). The Bonds are not payable from the General Fund of the District. The Bonds are not obligations of the County, the State, or any of its other political subdivisions.

Deposit of* Ad Valorem *Property Taxes. The *ad valorem* property taxes levied by the County for the payment of the Bonds, when collected, will be deposited and kept separate and apart in the applicable Debt Service Fund. Amounts in the Debt Service Fund may be used only for the payment of principal of and interest on the applicable Bonds. Pursuant to the Resolution, the District has pledged monies on deposit in the Debt Service Fund to the payment of the Bonds. Moneys in the Debt Service Fund, to the extent necessary to pay the principal of and interest on the Bonds as the same become due and payable, will be transferred to the Paying Agent.

The proceeds of the *ad valorem* taxes levied to repay the Bonds and moneys held in the Debt Service Fund may be invested in any investment permitted by law. It is anticipated that the *ad valorem* tax proceeds and moneys in the Debt Service Fund will be invested in the County Investment Pool. See APPENDIX G — "COUNTY INVESTMENT POLICY AND TREASURER'S QUARTERLY INVESTMENT REPORT AS OF SEPTEMBER 30, 2024" for a discussion of the composition of the pool and see "LEGAL MATTERS — *Limitation on Remedies; Amounts Held in the County Investment Pool*" and "— *Special Revenues*" for discussion of the possible effects of a bankruptcy filing on the deposited property taxes.

California Senate Bill 222. On July 13, 2015, the Governor of the State (the "Governor") signed Senate Bill 222 ("SB 222") into law, effective January 1, 2016, to clarify the process of lien perfection for general obligation bonds issued by or on behalf of California school and community college districts. By clarifying that the lien created with each general obligation bond issuance is a "statutory" lien (consistent with bankruptcy statutory law and case precedent), SB 222, while it does not prevent default, should reduce the ultimate bankruptcy risk of non-recovery on local general obligation bonds, and thus potentially improve ratings, interest rates and bond cost of issuance. See "LEGAL MATTERS – Limitations on Remedies; – California Senate Bill SB 222; and – Special Revenues" herein for more information on SB 222.

Assessed Valuation

Constitutional and Statutory Initiatives.

Article XIIIA of the California Constitution. Article XIIIA of the State Constitution ("Article XIIIA") limits the amount of any *ad valorem* tax on real property to one percent of the full cash value thereof, except that additional *ad valorem* taxes may be levied to pay debt service on indebtedness approved by the voters prior to July 1, 1978 and on bonded indebtedness for the acquisition or improvement of real property which has been approved on or after July 1, 1978 by two-thirds of the voters on such indebtedness or 55% of voters voting on the proposition. Article XIIIA defines full cash value to mean "the county assessor's valuation of real property as shown on the 1975-76 tax bill under "full cash value," or thereafter, the appraised value of real property when purchased, newly constructed, or a change in ownership have occurred after the 1975 assessment." The full cash value may be increased at a rate not to exceed two percent per year to account for inflation.

Article XIIIA has subsequently been amended to permit reduction of the "full cash value" base in the event of declining property values caused by damage, destruction or other factors, to provide that there would be no increase in the "full cash value" base in the event of reconstruction of property damaged or destroyed in a disaster and in other minor or technical ways.

Legislation Implementing Article XIIIA. Legislation has been enacted and amended a number of times since 1978 to implement Article XIIIA. Under current law, local agencies are no longer permitted to levy directly any property tax (except to pay voter approved indebtedness). The 1% property tax is automatically levied by the county and distributed according to a formula among taxing agencies. The formula apportions the tax roughly in proportion to the relative shares of taxes levied prior to 1979.

Increases of assessed valuation resulting from reappraisals of property due to new construction, change in ownership or from the 2% annual adjustment are allocated among the various jurisdictions in the "taxing area" based upon their respective "situs." Any such allocation made to a local agency continues as part of its allocation in future years. Local agencies and schools will share in the "base" sources from the tax rate area. Article XIIIA effectively prohibits the levying of any other *ad valorem* tax above the 1% limit except for taxes to support indebtedness approved by the voters as described above.

All taxable property value included in this Official Statement is shown at 100% of taxable value (unless noted differently) and all tax rates reflect the $1 per $100 of taxable value.

Assessed Valuation in the District. The County will levy and collect *ad valorem* taxes on all taxable parcels within the District that are pledged specifically to the repayment of the Bonds and the Outstanding General Obligation Bonds. The general *ad valorem* tax levy levied in accordance with Article XIIIA and its implementing legislation is a source of funding to operate the District's educational program. As described herein, the general *ad valorem* tax levy and the additional *ad valorem* tax levy pledged to repay the Bonds and the Outstanding General Obligation Bonds will be collected through annual tax bills distributed by the County to the owners of parcels within the boundaries of the District.

State law exempts $7,000 of the assessed valuation of an owner-occupied principal residence. This exemption does not result in any loss of revenue to local agencies since an amount equivalent to the taxes that would have been payable on such exempt value is made up by the State.

Both the general *ad valorem* tax levy and the additional *ad valorem* levy for payment of debt service on District general obligation bonds, including the Bonds and the Outstanding General Obligation Bonds, are based upon the assessed valuation of taxable property in the District. Property taxes allocated to the District are collected by the County at the same time and on the same tax rolls as are County, city and special district taxes. The assessed valuation of each parcel of property is the same for both District and County taxing purposes. The valuation of secured property by the County is established as of January 1 and is subsequently equalized in September of each year.

The base values of property within the District could be reduced due to factors beyond the District's control, such as a decline in general economic conditions or a general market decline in property values (including those which may be caused by outbreaks of infectious disease), changes in supply and demand for real property in the area, reclassification of property to a class exempt from taxation, whether by ownership or use (such as exemptions for property owned by State and local agencies and property used for qualified educational, hospital, charitable or religious purposes that are exempt from property taxation and do not appear on the tax rolls and no reimbursement is made by the State for such exemptions), or other governmental regulations such as zoning, a relocation out of the District or financial difficulty or bankruptcy by one or more major property taxpayers, or the complete or partial destruction of taxable property caused by natural or manmade disaster (such as earthquake, flood, fire, wildfire, acts of terrorism, geopolitical events, or toxic contamination).

Appeals of Assessed Value; Proposition 8 Reductions. A property owner may appeal a county assessor's determination of assessed value based on Proposition 8, passed by the voters in November 1978 ("Proposition 8"), or based on a challenge to the base year value.

Proposition 8 requires that for each January 1 lien date, the taxable value of real property must be the lesser of its base year value, annually adjusted by the inflation factor pursuant to Article XIIIA of the State Constitution, or its full cash value, taking into account reductions in value due to damage, destruction, depreciation, obsolescence, removal of property or other factors causing a decline in value. Property owners may apply for a Proposition 8 reduction of their property tax assessment with the County board of equalization or assessment appeals board. In most cases, an appeal is based on the property owner's belief that market conditions cause the property to be worth less than its current assessed value. Proposition 8 reductions may also be unilaterally applied by the county assessor.

Any reduction in the assessed value granted as a result of a Proposition 8 appeal, or unilateral reassessment by the county assessor, applies to the year for which the application or reassessment is made. These reductions are subject to annual review and the assessed values are adjusted back to the original values when market conditions improve. Once the property has regained its prior value, adjusted for inflation, it becomes subject to the annual inflationary factor growth rate allowed under Article XIIIA.

Appeals for reduction in the base year value of an assessment, if successful, reduce the assessment for the year in which the appeal is made and thereafter. The base year is determined by the completion date of new construction or the date of change of ownership. Any base year appeal must be made within four years of change of ownership or new construction date.

In addition to the above-described taxpayer appeals, county assessors may independently reduce assessed valuations based on changes in the market value of property, or for other factors such as the complete or partial destruction of taxable property caused by natural or human-made disasters, such as earthquakes, floods, fire, drought or other toxic contamination pursuant to relevant provisions of the State Constitution. Such reductions are subject to yearly reappraisals by the County Assessor and may be adjusted back to their original values when real estate market conditions improve. Once property has regained its prior assessed value, adjusted for inflation, it once again is subject to the annual inflationary growth rate factor allowed under the State Constitution.

The District cannot predict the changes in assessed values that might result from pending or future appeals by taxpayers. Any reduction in aggregate assessed valuation of property within the District due to appeals, as with any reduction in assessed valuation due to other causes, will result in an increase of the tax rate levied upon all property subject to taxation within the District for the payment of principal of and interest on the Bonds, when due.

Effect of Natural Disasters on Assessed Valuation. Assessed valuations are subject to change in each year and such changes may result from a variety of factors, including natural disasters. In recent years, there have been several notable natural disasters in the State, including wildfire, drought conditions, and winter storms.

On August 27, 2018, the California Natural Resources Agency released its Fourth Climate Change Assessment, which included as key findings that the frequency of drought and the amount of acres burned by wildfire in the State would both increase in the future. This report details significant economic impact to the State as a result of these and other natural disasters. The report is publicly available at http://www.climateassessment.ca.gov/. The reference to this internet website is shown for reference and convenience only; the information contained within the website may not be current, has not been reviewed by the District and is not incorporated herein by reference.

The District cannot predict or make any representation regarding the effects that natural disasters, such as fire, or wildfire, outbreaks of disease or pandemic, drought or extended drought conditions, earthquakes, or other natural or man-made conditions have or may have on the value of taxable property within the District, or to what extent the effects of such natural disasters might have on economic activity within the District or throughout the State. See the heading "– Appeals of Assessed Value; Proposition 8 Reductions."

Seismic. The District is located in a seismically active region that includes at least two active earthquake faults, the Hayward and Calaveras Faults. Both of those faults are branches of the San Andreas Fault underlying the City and County of San Francisco and much of the State. Although no significant earthquake activity has occurred in the District within the last 20 years, an earthquake of large magnitude could result in extensive damage to property within the District and could adversely affect the region's economy and necessitate a corresponding increase in the annual tax rate to be levied to pay the principal of and interest on the Outstanding General Obligation Bonds and the Bonds.

Wildfire, Drought, and Winter Storms. In addition, major wildfires have occurred in recent years in different regions of the State. The District has not sustained any serious property losses as a result of these recent fires. However, serious and significant property damage has resulted in other areas of the State due to fire damage. Property damage due to wildfire could result in a significant decrease in the value of property within the District, and significant property damage has resulted in other areas of the State due to fire damage. The Governor has signed a number of measures into law addressing issues related to increased wildfire risk in the State, including forest management, mutual aid for fire departments, emergency alerts and safety mandates.

State law requires that all local jurisdictions identify very high fire hazard severity zones ("VHFSZs") within their areas of jurisdiction. Inclusion within these zones is based on vegetation density, slope severity and other relevant factors that contribute to fire severity. There are two elementary school sites (Olinda and Kensington) whose parcel is located in a VHFSZ, as recommended by the State Fire Marshal on February 24, 2025. Per the Office of the State Fire Marshal, the financial responsibility of preventing and suppressing wildfires is primarily the responsibility of a local agency (city, county, city and county, or district).

The State has been subject to numerous drought emergencies in recent years, affecting substantial portions of the State, including at times the areas in which the District is located. Governor Newsom declared regional drought emergencies throughout the State during 2021, including in Contra Costa County, and issued a number of drought proclamations in response. Since then, the State experienced a record-breaking dry period in January and February of 2022, which led the Governor to maintain the aforementioned emergency drought proclamations, and established State Water Resources Board review of emergency regulations related to drought conditions.

There can be no assurance that drought conditions will not return in the future, and any such drought conditions could impact the District. Unseasonably wet winters or winter storms can also lead to an increase in vegetation, creating conditions that lead to more substantial wildfires. As stated above, the District cannot make any prediction about the impact of drought conditions, wildfires, or winter storms on the District or the payment of the Bonds.

However, California experienced an unexpected increase in the amount of winter storms and increased rainfall and snowpack, leading to an unseasonably wet winter in late 2022 and early 2023, which impacted communities across the State (the "2022-23 Winter Storms"). The increased rainfall caused by the 2022-23 Winter Storms eased drought conditions across the State considerably. Accordingly, in March 2023, the Governor rescinded some of the State's drought restrictions, including restrictions in the County. In addition, in January 2023, the Governor announced an extension of its tax filing deadline for residents and businesses in Counties which were impacted by the 2022-23 Winter Storms and the resulting mudslides and flooding (the "2023 Winter Storm Tax Extension"). Most counties in the State were included in the 2023 Winter Storm Tax Extension, such that certain individual and business tax payments which would have typically been due at various times between January and September 2023 were due on October 16, 2023. It is not possible for the District to make any representation regarding the extent to which any winter storms, or related increased rainfall, mudslides or flooding conditions, could cause reduced economic activity within the boundaries of the District or the extent to which such conditions may impact District facilities or the assessed value of taxable property within the District.

Chevron USA. In fiscal year 2013-14, the District experienced a decline in assessed value due in part to a fire in August 2012 at a petroleum refinery owned by Chevron USA (together, all land, improvements, fixtures, personal property, intangible assets and rights and possessory interests owned by Chevron USA in the District are collectively referred to herein as the "Refinery"). See Table 1 herein for the Assessed Valuations within the District from fiscal years 2012-13 through 2024-25 and "— *Chevron Property Tax Appeals and the Settlement Agreement*" herein for more discussion of Chevron USA and the assessed value of the Refinery in the District.

Proposition 50 and Proposition 171. On June 3, 1986, the voters of the State approved Proposition 50. Proposition 50 amends Section 2 of Article XIIIA of the State Constitution to allow owners of property that was "substantially damaged or destroyed" by a disaster, as declared by the Governor (the "Damaged Property"), to transfer their existing base year value (the "Original Base Year Value") to a comparable replacement property within the same county, which is acquired or constructed within five years after the disaster. At the time of such transfer, the Damaged Property will be reassessed at its full cash value immediately prior to damage or destruction (the "Original Cash Value"); however, such property will retain its base year value notwithstanding such a transfer. Property is substantially damaged or destroyed if either the land or the improvements sustain physical damage amounting to more than 50% of either the land or improvements full cash value immediately prior to the disaster. There is no filing deadline, but the assessor can only correct four years of assessments when the owner fails to file a claim within four years of acquiring a replacement property.

Under Proposition 50, the base year value of the replacement property (the "Replacement Base Year Value") depends on the relation of the full cash value of the replacement property (the "Replacement Cash Value") to the Original Cash Value: if the Replacement Cash Value exceeds 120% of the Original Cash Value, then the Replacement Base Year Value is calculated by combining the Original Base Year Value with such excessive Replacement Cash Value; if the Replacement Cash Value does not exceed 120% of the Original Cash Value, then the Replacement Base Year Value equals the Original Base Year Value; if the Replacement Cash Value is less than the Original Cash Value, then the Replacement Base Year Value equals the Replacement Cash Value. The replacement property must be comparable in size, utility, and function to the Damaged Property.

On November 2, 1993, the voters of the State approved Proposition 171. Proposition 171 amends subdivision (e) of Section 2 of Article XIIIA of the State Constitution to allow owners of Damaged Property to transfer their Original Base Year Value to a "comparable replacement property" located within another county in the State, which is acquired or newly constructed within three years after the disaster.

Intra-county transfers under Proposition 171 are more restrictive than inter-county transfers under Proposition 50. For example, Proposition 171 (1) only applies to (a) structures that are owned and occupied by property owners as their principal place of residence and (b) land of a "reasonable size that is used as a site for a residence;" (2) explicitly does not apply to property owned by firms, partnerships, associations, corporations, companies, or legal entities of any kind; (3) only applies to replacement property located in a county that adopted an ordinance allowing Proposition 171 transfers; (4) claims must be timely filed within three years of the date of purchase or completion of new construction; and (5) only applies to comparable replacement property, which has a full cash value that is of "equal or lesser value" than the Original Cash Value.

Within the context of Proposition 171, "equal or lesser value" means that the amount of the Replacement Cash Value does not exceed either (1) 105% of the Original Cash Value when the replacement property is acquired or constructed within one year of the destruction, (2) 110% of the Original Cash Value when the replacement property is acquired or constructed within two years of the destruction, or (3) 115% of the Original Cash Value when the replacement property is acquired or constructed within three years of the destruction.

Taxation of State-Assessed Utility Property. A portion of the property tax revenue of the District is derived from utility property subject to assessment by the State Board of Equalization (the "SBE"), including railways, telephone and telegraph companies, and companies transmitting or selling gas or electricity. State-assessed property, or "unitary property," is property of a utility system with components located in many taxing jurisdictions that are assessed as part of a "going concern" rather than as individual pieces of real or personal property. The assessed value of unitary and certain other state-assessed property is allocated to the counties by the SBE, taxed at special county-wide rates, and the tax revenues distributed to taxing jurisdictions (including the District) according to statutory formulae generally based on the distribution of taxes in the prior year. In general, if any unitary property is transferred or converted to a non-utility use, due to reorganization or sale or other change, such transfer would increase the assessed valuation within the District since the property would be taxed locally. The transfer or conversion of property located within the District to a utility use would have the opposite effect. The District is not able to predict any future transfers of State-assessed property or its impact on the District's utility tax revenues, or whether future legislation or litigation may affect unitary property, or the method by which the SBE currently assesses or allocates such revenues.

The following table sets forth a 13-year history of assessed valuations in the District.

TABLE 1
WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
ASSESSED VALUATIONS FISCAL YEARS 2012-13 THROUGH 2024-25(1)

Fiscal Year	Local Secured	Utility(2)	Unsecured	Total	Annual % Change
2012-13	$22,393,219,395(3)	$10,751,749	$1,228,955,895	$23,632,927,039	6.60%
2013-14	21,027,153,899(4)	10,668,095	1,187,310,326	22,225,132,320	(5.96)
2014-15	23,340,902,819	7,634,386	1,263,093,047	24,611,630,252	10.74
2015-16	25,443,884,960	7,689,346	1,248,504,024	26,700,078,330	8.49
2016-17	27,209,155,520	5,818,929	1,196,384,975	28,411,359,424	6.41
2017-18	28,722,524,321	5,847,461	1,214,644,134	29,943,015,916	5.39
2018-19	30,758,596,908	5,424,119	1,274,563,344	32,038,584,371	6.99
2019-20	32,280,503,113	5,408,972	1,298,159,668	33,584,071,753	4.82
2020-21	33,982,803,174	5,351,339	1,317,324,746	35,305,479,259	5.13
2021-22	34,859,088,529	6,031,315	1,273,492,175	36,138,612,019	2.36
2022-23	37,617,703,066	6,744,437	1,319,110,316	38,943,557,819	7.76
2023-24	39,848,197,692	6,678,786	1,455,410,816	41,310,287,294	6.08
2024-25	41,662,208,057	6,618,884	1,522,451,753	43,191,278,694	4.55

(1) Total assessed value includes the homeowner exemption which is reimbursed by the State.

(2) Includes property owned by each utility within the District. Periodically, certain parcels may be reclassified from utility to local secured or unsecured causing revenue associated with such parcels to be reallocated.

(3) Based on equalized roll. Does not reflect $915,762,371 decrease in the valuation of the Refinery due to a double reporting by the County Assessor. Does not reflect $581,657,121 decrease resulting from a settlement agreement between Chevron USA and the County Assessor as discussed further herein. See "*– Chevron Property Tax Appeals and the Settlement Agreement*."

(4) Reflects $915,762,371 decrease in the valuation of the Refinery due to a double reporting by the County Assessor in 2012-13. Reflects $581,657,121 decrease resulting from a settlement agreement between Chevron USA and the County Assessor as discussed further herein. The Refinery lost an additional $532,929,632 in value as of 2013-14 as a result of a fire in August 2012.

Source: California Municipal Statistics, Inc. Final column calculated by KNN Public Finance, LLC, Municipal Advisor to the District.

Pursuant to Proposition 8, commencing in tax year 2008-09, the County Assessor temporarily reduced base values of properties within the County. The most significant base value reductions, by percentage of value, occurred in 2008-09 through 2010-11. Under Proposition 8, any reduction in the assessed value granted as a result of either (i) a Proposition 8 appeal, or (ii) a discretionary reassessment by the County Assessor, applies only to the year for which the application or reassessment is made. The reductions are subject to annual review and the assessed values are adjusted back to the original values when market conditions improve. Once adjusted back, the values become subject to the annual inflationary factor growth rate allowed by law. See also "*— Appeals of Assessed Value; Proposition 8 Reductions*" and "*— Largest Taxpayers in the District — Chevron Property Tax Appeals and the Settlement Agreement*" herein.

Assessed Valuation by Land Use. The following table reflects the 2024-25 assessed valuation and parcels by land use within the District.

TABLE 2
WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
2024-25 ASSESSED VALUATION AND PARCELS BY LAND USE

	2024-25 Assessed Valuation[1]	% of Total	No. of Parcels	% of Total
Non-Residential:				
Commercial	$2,986,530,125	7.17%	1,520	1.89%
Vacant Commercial	69,533,555	0.17	340	0.42
Professional/Office	407,521,469	0.98	367	0.46
Industrial	5,889,116,349	14.14	725	0.90
Vacant Industrial	132,862,111	0.32	357	0.44
Recreational	25,312,578	0.06	17	0.02
Government/Social/Institutional	96,231,058	0.23	1,315	1.64
Other Vacant	28,155,424	0.07	988	1.23
Miscellaneous	87,421,539	0.21	615	0.76
Subtotal Non-Residential	$9,722,684,208	23.34%	6,244	7.76%
Residential:				
Single Family Residence	$26,334,441,108	63.21%	58,622	72.89%
Condominium/Townhouse	2,539,001,127	6.09	9,184	11.42
2-4 Residential Units	1,293,277,759	3.10	3,636	4.52
5+ Residential Units/Apartments	1,642,192,945	3.94	812	1.01
Mobile Homes	6,969,587	0.02	200	0.25
Miscellaneous Residential Improvements	18,532,054	0.04	34	0.04
Vacant Residential	105,109,269	0.25	1,690	2.10
Subtotal Residential	$31,939,523,849	76.66%	74,148	92.24%
Total	$41,662,208,057	100.00%	80,422	100.00%

[1] Local Secured Assessed Valuation, excluding tax-exempt property.
Source: California Municipal Statistics, Inc.

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Assessed Valuation of Single-Family Homes. The following table provides the 2024-25 assessed valuation of single-family residential parcels within the District.

TABLE 3
WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
PER PARCEL FISCAL YEAR 2024-25 ASSESSED VALUATION OF SINGLE-FAMILY HOMES

	No. of Parcels	2024-25 Assessed Valuation	Average Assessed Valuation	Median Assessed Valuation
Single-Family Residential	58,622	$26,334,441,108	$449,225	$391,159

2024-25 Assessed Valuation	No. of Parcels(1)	% of Total	Cumulative % of Total	Total Valuation	% of Total	Cumulative % of Total
$0 - $49,999	1,079	1.841%	1.841%	$40,390,772	0.153%	0.153%
$50,000 - $99,999	4,646	7.925	9.766	341,370,454	1.296	1.450
$100,000 - $149,999	3,516	5.998	15.764	440,507,366	1.673	3.122
$150,000 - $199,999	4,308	7.349	23.112	754,628,903	2.866	5.988
$200,000 - $249,999	4,399	7.504	30.616	988,327,230	3.753	9.741
$250,000 - $299,999	4,257	7.262	37.878	1,167,577,500	4.434	14.175
$300,000 - $349,999	4,052	6.912	44.790	1,315,682,962	4.996	19.171
$350,000 - $399,999	3,700	6.312	51.102	1,386,503,461	5.265	24.436
$400,000 - $449,999	3,608	6.155	57.257	1,532,264,519	5.818	30.254
$450,000 - $499,999	3,365	5.740	62.997	1,599,364,735	6.073	36.327
$500,000 - $549,999	3,112	5.309	68.305	1,631,851,984	6.197	42.524
$550,000 - $599,999	2,934	5.005	73.310	1,684,031,291	6.395	48.919
$600,000 - $649,999	2,607	4.447	77.757	1,626,813,150	6.178	55.096
$650,000 - $699,999	2,206	3.763	81.521	1,487,729,698	5.649	60.746
$700,000 - $749,999	2,015	3.437	84.958	1,459,368,956	5.542	66.287
$750,000 - $799,999	1,747	2.980	87.938	1,353,632,717	5.140	71.428
$800,000 - $849,999	1,362	2.323	90.261	1,122,186,033	4.261	75.689
$850,000 - $899,999	1,055	1.800	92.061	922,103,309	3.502	79.190
$900,000 - $949,999	951	1.622	93.683	878,265,893	3.335	82.525
$950,000 - $999,999	704	1.201	94.884	685,509,376	2.603	85.128
$1,000,000 and greater	2,999	5.116	100.000	3,916,330,799	14.872	100.000
	58,622	100.000%		$26,334,441,108	100.000%	

(1) Improved single family residential parcels. Excludes condominiums and parcels with multiple family units.
Source: California Municipal Statistics, Inc.

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Assessed Valuation by Jurisdiction. The following table provides the 2024-25 assessed valuation within the District by jurisdiction.

TABLE 4
WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
2024-25 ASSESSED VALUATION BY JURISDICTION

Jurisdiction	Assessed Valuation in District	% of District	Assessed Valuation of Jurisdiction	% of Jurisdiction in District
Incorporated Contra Costa County:				
City of El Cerrito	$6,075,986,503	14.07%	$6,075,986,503	100.00%
Town of Hercules	4,615,497,270	10.69	$4,875,025,245	94.68%
City of Pinole	3,312,485,276	7.67	$3,312,485,276	100.00%
City of Richmond	19,928,999,595	46.10	$19,928,999,595	100.00%
City of San Pablo	2,574,690,336	5.96%	$2,574,690,336	100.00%
Unincorporated Contra Costa County:				
Kensington Community Services District	1,841,861,200	4.26	1,841,861,200	100.00%
Other Unincorporated Contra Costa County	4,841,758,514	11.21	$52,882,638,220	9.16%
Total District	$43,191,278,694	100.00%		
Contra Costa County	$43,191,278,694	100.00%	279,419,231,789	15.46%

Source: California Municipal Statistics, Inc.

Largest Taxpayers in the District

The 20 largest taxpayers in the District, as shown on the 2024-25 secured tax roll, and the amounts of their assessed valuation for all taxing jurisdictions within the District, are shown below. Assessed valuation for the 20 largest taxpayers amounts to $5,330,274,656, or approximately 12.79% of the District's total 2024-25 secured tax roll. As further discussed under "– *Appeals of Assessed Value; Proposition 8 Reductions*" herein, the *ad valorem* property tax is subject to certain appeals and reclassification, and may be challenged from time to time. The below table does not take into account any such appeal or challenge. However, see "— *Chevron Property Tax Appeals and the Settlement Agreement*" herein for a discussion of challenges by Chevron, the largest taxpayer in the District, to the County Assessment Appeals Board of property taxes paid in prior fiscal years and the Chevron/County Settlement.

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TABLE 5

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
LARGEST 2024-25 LOCAL SECURED TAXPAYERS

	Property Owner	Primary Land Use	2024-25 Assessed Valuation	% of Total[1]
1.	Chevron USA Inc.	Industrial	$3,349,598,934	8.04%
2.	Guardian & KW Hilltop LLC	Apartments	225,150,521	0.54
3.	Bio-Rad Laboratories Inc.	Industrial	203,749,715	0.49
4.	Centerpoint Properties Trust	Industrial	172,894,776	0.41
5.	Lone Oak-Contra Costa LLC	Industrial	142,800,000	0.34
6.	Arroyo & Livermore Business Park LP	Industrial	117,489,720	0.28
7.	Hilltop Community Partners	Shopping Center	115,024,481	0.28
8.	MC MP Ford Point Realty LLC	Industrial	107,839,540	0.26
9.	MCD-RCCA-El Cerrito LLC	Shopping Center	107,285,314	0.26
10.	LIPT Giant Road Inc.	Industrial	100,696,409	0.24
11.	Richmond Essex LP	Apartments	87,874,090	0.21
12.	Hercules Block Q&R Development Partners	Apartments	80,705,530	0.19
13.	Gateway Pinole Vista LLC	Shopping Center	77,714,840	0.19
14.	Duke Realty	Industrial	71,549,620	0.17
15.	WCV Aventine Hercules LLC	Apartments	67,944,198	0.16
16.	KMF X El Cerrito LLC	Apartments	64,301,256	0.15
17.	Transmontaigne Partners LP	Industrial	61,516,507	0.15
18.	IPT Richmond DC III	Industrial	59,836,163	0.14
19.	KM Phoenix Holdings LLC	Industrial	58,621,226	0.14
20.	Pinole Point Owner LLC	Industrial	57,681,816	0.14
			$5,330,274,656	12.79%

[1] 2024-25 Local Secured Assessed Valuation: $41,662,208,057.
Source: California Municipal Statistics, Inc.

The more property (by assessed value) which is owned by a single taxpayer within the District, the greater amount of tax collections that are exposed to weaknesses in such a taxpayer's financial situation and ability or willingness to pay property taxes. Each taxpayer listed above is a name listed on the tax rolls. The District cannot make any representation as to whether individual persons, corporations or other organizations are liable for tax payments with respect to multiple properties held in various names that in aggregate may be larger than is suggested by the table above.

Chevron Property Tax Appeals and the Settlement Agreement. For fiscal year 2024-25, Chevron USA, the largest taxpayer in the District, represents 8.04% of the total local secured assessed valuation in the District. The Refinery is located on approximately 2,700 acres, comprised of approximately 45 parcels located primarily within the City of Richmond, California. Between 2004 and 2012, Chevron USA, Chevron Corporation and all other Chevron affiliates (collectively, "Chevron") annually appealed their assessed property valuations to the County Assessment Appeals Board (the "Appeals Board"), seeking to reduce the assessed valuation of the Refinery. Over the years, the Appeals Board has adopted findings and issued decisions that have resulted in tax refunds to Chevron as well as decisions requiring Chevron to pay more property taxes than it would have paid based on the County Assessor's valuation. Chevron has challenged every Appeals Board decision in Contra Costa County Superior Court. Below are historical local secured assessed valuations of the Refinery, commencing with fiscal year 2012-13.

TABLE 6
WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
CHEVRON USA – HISTORY OF SECURED ASSESSED VALUATION

Year	Assessed Valuations
2012-13	$3,280,000,000[1]
2013-14	2,747,070,368[2]
2014-15	2,712,446,835
2015-16	3,058,226,716
2016-17	3,180,324,406
2017-18	2,987,174,106
2018-19	3,326,965,834
2019-20	3,039,701,589
2020-21	3,026,428,290
2021-22	2,636,254,366
2022-23	2,849,273,552
2023-24	3,168,778,520
2024-25	3,349,598,934

(1) Accounts for roll correction of $915,762,371 due to a double reporting by the County Assessor and $581,657,121 decrease resulting from a settlement agreement between Chevron USA and County Assessor discussed below.
(2) In August 2012, the Refinery experienced a fire and thus a decrease in revenues resulting in the closure of a portion of the Refinery from August 2012 to April 2013. The Refinery lost $532,929,632 in value as of fiscal year 2013-14.
Source: California Municipal Statistics, Inc.

Chevron, the County, the County Assessor and the City of Richmond negotiated a settlement agreement to settle Chevron's pending property tax claims, appeals, and litigation for 2004 through 2012 (the "Chevron/County Settlement"). The Board of Supervisors of the County and the City Council of the City of Richmond separately approved the Chevron/County Settlement on September 17, 2013.

Under the terms of the Chevron/County Settlement, Chevron and the County Assessor requested the Appeals Board to (i) approve the assessed values of the Refinery for 2010-11 and (ii) reduce the 2012 taxable value of the Refinery from $3.87 billion to $3.28 billion, and the Appeals Board has taken these actions. The 2012 reduction in taxable value resulted in an overpayment of $8 million by Chevron. Pursuant to the Chevron/County Settlement, Chevron has relinquished its right to receive a refund of those property taxes, such that the County and its agencies would not lose additional property tax money to pay a refund to Chevron.

Chevron and the County Assessor agreed to meet annually and confer regarding the value of the Refinery. For any assessment year from January 1, 2014 through January 1, 2023, if Chevron disagreed with property tax assessments, the County Assessor and Chevron agreed to mediate the claims before asking the Appeals Board to adjudicate the property tax dispute. Since 2023, the County addresses assessments in the same manner it does for other refineries, including collecting assessment information, occasionally engaging in meetings and, every other year, touring the refineries by the County's refining experts. The District is not party to and has no knowledge of any mediations that occur between the County Assessor and Chevron.

The Chevron/County Settlement does not prevent Chevron from filing future claims, litigation or appeals concerning the value of the Refinery nor, with limited exceptions, does it limit the issues that can be raised in future disputes. The Chevron/County Settlement does prevent challenges to the historical base year values (Proposition 13 value) of the Refinery, the values enrolled for the Refinery for any year up to and including January 1, 2013, or any previous Appeals Board decisions regarding the value of the Refinery, unless (1) the Appeals Board changes the enrolled value or categorizations of the Refinery for any period on or before January 1, 2013; or (2) the County Assessor issues assessments for property at the Refinery for any period on or before January 1, 2013.

The District cannot predict what effect the Chevron/County Settlement or subsequent actions by Chevron will have on the total local assessed valuation in the District.

Tax Levies, Collections and Delinquencies

Annual Tax Rates. The amount of annual *ad valorem* taxes levied by the County to repay the Outstanding General Obligation Bonds and the Bonds will be determined by the relationship between the assessed valuation of taxable property in the District and the amount of debt service due on the Outstanding General Obligation Bonds and the Bonds. Fluctuations in the annual debt service on the Bonds and the Outstanding General Obligation Bonds and the assessed value of taxable property in the District may cause the annual tax rate applicable to the Outstanding General Obligation Bonds and the Bonds to fluctuate.

Taxes are levied for each fiscal year on taxable real and personal property which is situated in a county as of the preceding January 1. Real property which changes ownership or is newly constructed is revalued at the time the change in ownership occurs or the new construction is completed. The current year property tax rate will be applied to the reassessment, and the taxes will then be adjusted by a proration factor to reflect the portion of the remaining tax year for which taxes are due. For assessment and collection purposes, property is classified either as "secured" or "unsecured" and is listed accordingly on separate parts of the assessment roll. The "secured roll" is that part of the assessment roll containing State assessed property and real property having a tax secured by a lien which is sufficient, in the opinion of the assessor, to secure payment of the taxes. Unsecured property comprises all property not attached to land such as personal property or business property. Unsecured property is assessed on the "unsecured roll."

Property taxes on the secured roll are due in two installments, on November 1 and February 1 of each fiscal year. If unpaid, such taxes become delinquent after December 10 and April 10, respectively, when a penalty of 10% attaches immediately to any delinquent payment. In addition, property on the secured roll with respect to which taxes are delinquent is declared tax-defaulted on or about June 30 of the fiscal year. Such property may thereafter be redeemed by payment of the delinquent taxes and the delinquency penalty, plus costs and redemption penalty of 1.5% per month to the time of redemption. If taxes are unpaid for a period of five years or more, the tax-defaulted property is subject to sale by the treasurer and tax collector of the county levying the tax.

Property taxes on the unsecured roll are due as of the January 1 lien date prior to the commencement of a fiscal year and become delinquent, if unpaid, on August 31. A 10% penalty attaches to delinquent unsecured taxes and an additional penalty of 1.5% per month begins to accrue on November 1. A county has four ways of collecting delinquent unsecured personal property taxes: (1) bringing a civil action against the taxpayer; (2) filing a certificate in the office of the county clerk specifying certain facts in order to obtain a judgment lien on certain property of the taxpayer; (3) filing a certificate of delinquency for recordation in the county recorder's office in order to obtain a lien on certain property of the taxpayer; and (4) seizing and selling of personal property, improvements, bank accounts or possessory interests belonging or assessed to the delinquent taxpayer.

The County levies and collects all property taxes for property falling within its taxing boundaries.

The District cannot predict or anticipate whether property tax payments will be delinquent or whether action will be taken by the State or the County with respect to property tax payment or deadlines or delinquent payment of property taxes, requests to cancel penalties on late property tax payments, any potential future adjustments to property tax payments or payment deadlines, or the impact of any such delay or delinquencies on the District's financial conditions or operations. The County has adopted the Teeter Plan (as described below), according to which the County distributes to the District the amount levied on the secured and supplemental tax rolls, instead of the amount actually collected. The District cannot confirm that the County will always maintain the Teeter Plan or will have sufficient funds available to distribute the full amount of the District's share of property tax levies to the District. See "*– Teeter Plan and Tax Losses Reserve Fund*" herein. However, State law requires the County to levy *ad valorem* property taxes sufficient to pay debt service on the Bonds when due. If delinquencies increase substantially, the County does have the authority to increase allowances for annual reserves in the tax levy to avoid fluctuating tax levies. However, no representation can be made that the County will levy for any such reserve, or that any such levy will be able to make up for a shortfall in *ad valorem* tax collections in any particular year.

Teeter Plan and Tax Losses Reserve Fund. The County has adopted the alternative method of secured property tax apportionment available under Section 4701 *et seq.* of the State Revenue and Taxation Code (also known as the "Teeter Plan") and has created a tax losses reserve fund. Under the Teeter Plan, each participating local agency, including school districts, levying property taxes in the County receives the amount of uncollected taxes credited to its fund, in the same manner as if the amount credited had been collected. In return, the County receives and retains delinquent payments, penalties and interest as collected that would have been due the local agency. The County applies the Teeter Plan to taxes on the secured roll levied for the repayment of school district general obligation bonds, including those of the District. Unsecured roll taxes are not covered under the County's Teeter Plan.

The Teeter Plan is to remain in effect unless the County Board orders its discontinuance or unless, prior to the commencement of any fiscal year of the County (which commences on July 1) the Board of Supervisors receives a petition for its discontinuance from two-thirds of the participating revenue districts in the County. The Board of Supervisors may also, after holding a public hearing on the matter, discontinue the procedures under the Teeter Plan with respect to any tax levying agency in the County if delinquencies within that agency's area exceed 3% in any tax year. Although delinquencies in the District exceeded 3% in fiscal years 2008-09 and 2009-10, the County did not order discontinuance of the Teeter Plan and the Teeter Plan remains in effect as of the date of this Official Statement. In the event that the Teeter Plan were terminated, receipt of revenue of *ad valorem* taxes in the District would depend upon the actual collections of the *ad valorem* taxes and delinquency rates experienced with respect to parcels within the District. The District has no information suggesting that the County intends to discontinue the Teeter Plan.

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The following table shows a ten-year history of secured tax charges and delinquencies in the District.

TABLE 7
WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
SECURED TAX CHARGES AND DELINQUENCIES(1)

Fiscal Year	Secured Tax Charge	Amount Delinquent as of June 30	Percent Delinquent June 30
2014-15	$64,559,158	$704,266	1.09%
2015-16	70,045,170	676,950	0.97
2016-17	70,114,021	756,459	1.08
2017-18	68,427,489	592,775	0.87
2018-19	73,020,972	620,452	0.85
2019-20	76,253,011	867,966	1.14
2020-21	82,130,365	809,140	0.99
2021-22	101,743,466	961,515	0.95
2022-23	96,444,606	942,667	0.98
2023-24	98,080,080	1,179,877	1.20

(1) The history of tax collections and delinquencies with respect to the District's general obligation bond debt service tax levy.
Source: California Municipal Statistics, Inc.

As long as the Teeter Plan described above remains in effect, the secured roll *ad valorem* taxes to pay debt service on the Bonds and the Outstanding General Obligation Bonds are unaffected by delinquencies or foreclosures that occur within the District.

Tax Rates

The State Constitution permits the levy of an *ad valorem* tax not to exceed 1% of the full cash value of taxable property, and State law requires the full 1% tax to be levied. The levy of special *ad valorem* taxes in excess of the 1% levy is permitted as necessary to provide for the debt service payments on school bonds and other voter-approved indebtedness. The tax rate necessary to pay debt service on the Bonds and the Outstanding General Obligation Bonds in any given year depends on the assessed value of property in that year. For taxing purposes, the State Board of Equalization divided the area served by the District into tax rate areas (each, a "TRA"). The largest TRA in the District is TRA 8-001.

The following table summarizes components of the combined tax rate levy in TRA 8-001 from fiscal year 2017-18 to fiscal year 2023-24.

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TABLE 8
WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
LARGEST COMPONENT PARTS OF TRA 8-001[(1)]
(Percentage of Assessed Valuation)

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
General Tax Rate	1.0000%	1.0000%	1.0000%	1.0000%	1.0000%	1.0000%	1.0000%
City of Richmond	.1400	.1400	.1400	.1400	.1400	.1400	.1400
Bay Area Rapid Transit District	.0084	.0070	.0120	.0139	.0060	.0140	.0134
East Bay Regional Park District	.0021	.0021	.0094	.0014	.0020	.0058	.0057
West Contra Costa Unified School District	.2397	.2390	.2379	.2432	.2939	.2564	.2464
Contra Costa Community College District	.0114	.0110	.0188	.0161	.0176	.0162	.0146
Total	**1.4016%**	**1.3991%**	**1.4181%**	**1.4146%**	**1.4595%**	**1.4324%**	**1.4201%**

(1) The 2023-24 assessed valuation of TRA 8-001 is $7,563,418,415, which is 18.31% of the District's total assessed valuation, as compared to $6,984,329,556 in 2022-23, $6,532,076,391 in 2021-22, $6,776,265,770 in 2020-21, $6,625,258,142 in 2019-20, $6,729,967,445 in 2018-19, and $6,153,831,723 in 2017-18.
Source: California Municipal Statistics, Inc.

Overlapping and District Debt

In addition to the general obligation bonds issued by the District, there is other debt issued by entities with taxing power within or overlapping the District that is payable from *ad valorem* taxes levied on parcels in the District. Set forth below is a schedule of direct and overlapping debt prepared by California Municipal Statistics Inc. for debt issued as of May 1, 2025 and effective as of such date. The table is included for general information purposes only. The District has not reviewed this table for completeness or accuracy and makes no representations in connection therewith. The first column in the table names each public agency which has outstanding debt as of the date of the report and whose territory overlaps the District in whole or in part. The second column shows the percentage of each overlapping agency's assessed value located within the boundaries of the District. This percentage, multiplied by the total outstanding debt of each overlapping agency (which is not shown in the table) produces the amount shown in the third column, which is the apportionment of each overlapping agency's outstanding debt to taxable property in the District.

In addition to the Outstanding General Obligation Bonds, discussed further after the table, and debt of the District paid from its General Fund, the schedule generally includes long-term obligations sold in the public credit markets by public agencies whose boundaries overlap the boundaries of the District. Such long-term obligations generally are not payable from revenues of the District (except as indicated) nor are they necessarily obligations secured by land within the District. In many cases, long-term obligations issued by a public agency are payable only from the general fund or other revenues of such public agency. For additional information regarding District debt paid from its General Fund, see APPENDIX A — "DISTRICT FINANCIAL AND OPERATING INFORMATION — DISTRICT FINANCIAL INFORMATION — *Other District Debt*."

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WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
DIRECT AND OVERLAPPING DEBT
As of May 1, 2025

2024-25 Assessed Valuation: $43,191,278,694

DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:	% Applicable	Debt 5/1/25
Bay Area Rapid Transit District	4.122%	$ 98,567,737
Contra Costa Community College District	15.506	91,776,138
West Contra Costa Unified School District	**100.000**	**1,284,029,975**[(1)]
East Bay Regional Park District	6.431	9,384,758
West Contra Costa Healthcare District Parcel Tax Obligations	91.633	36,795,231
Richmond Redevelopment Community Facilities District No. 1998-1	100.000	1,095,000
California Statewide Communities Development Authority 1915 Act Bonds	100.000	5,511,284
City 1915 Act Bonds	100.000	5,893,354
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		$1,533,053,477
DIRECT AND OVERLAPPING GENERAL FUND DEBT:		
Contra Costa County General Fund Obligations	15.458%	$ 26,509,697
Alameda-Contra Costa Transit District Certificates of Participation	9.524	914,304
West Contra Costa Unified School District General Fund Obligations	**100.000**	**2,845,000**
City of El Cerrito General Fund Obligations	100.000	4,920,000
City of Hercules Certificates of Participation	94.676	11,346,500
City of Pinole Pension Obligation Bonds	100.000	2,089,508
City of Richmond General Fund Obligations	100.000	73,800,000
City of Richmond Pension Obligation Bonds	100.000	154,140,000
City of San Pablo General Fund Obligations	100.000	46,770,000
Kensington Community Service District Police and Fire Protection Pension Bonds	100.000	3,721,000
TOTAL GROSS DIRECT AND OVERLAPPING GENERAL FUND DEBT		$ 327,056,009
Less: Contra Costa County obligations supported by revenue funds		-6,281,717
TOTAL NET DIRECT AND OVERLAPPING GENERAL FUND DEBT		$ 320,774,292
OVERLAPPING TAX INCREMENT DEBT (Successor Agencies):		$ 141,998,625
GROSS COMBINED TOTAL DEBT		$2,002,108,111[(2)]
NET COMBINED TOTAL DEBT		$1,995,826,394

Ratios to 2024-25 Assessed Valuation:

- **Direct Debt ($1,284,029,975)..........2.97%**
- Total Direct and Overlapping Tax and Assessment Debt..........3.55%
- **Total Direct Debt ($1,286,874,975)..........2.98%**
- Gross Combined Total Debt..........4.64%
- Net Combined Total Debt..........4.62%

Ratios to 2024-25 Redevelopment Incremental Valuation ($12,544,001,958):

- Total Overlapping Tax Increment Debt..........1.13%

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(1) Excludes issue to be sold.
(2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.
Source: California Municipal Statistics, Inc.

The District has Outstanding General Obligation Bonds issued under six different voter-approved authorizations that are payable from *ad valorem* taxes as further described in the paragraphs below. Since 1998, voters have authorized the District to issue up to $2.21 billion of general obligation bonds. The District has approximately $[1.064] billion of general obligation bonds currently outstanding, prior to the issuance of the Bonds.

On June 2, 1998, the District received voter approval, through a bond measure known as Measure E, which required two-thirds voter approval, by a vote of 75%, to issue up to $40 million in general obligation bonds to fund various capital improvement programs and to construct a middle school (the "1998 Authorization"). The bonds of the 1998 Authorization were issued in four separate series and were refunded with proceeds of the District's 2001 General Obligation Refunding Bonds, Series A and Series B (the "2001 Refunding Bonds, Series A" and the "2001 Refunding Bonds, Series B").

On November 7, 2000, the District received voter approval, through a bond measure known as Measure M, which required two-thirds voter approval, by a vote of 77.5%, to issue up to $150 million in general obligation bonds to construct, improve, furnish and equip elementary schools (the "2000 Authorization"). The bonds of the 2000 Authorization were issued in three series (the "Series 2000A Bonds," the "Series 2000B Bonds" and the "Series 2000C Bonds"). In September of 2009, the District issued its 2009 General Obligation Refunding Bonds (the "2009 Refunding Bonds") to refund a portion of the then-outstanding (i) Series 2000A Bonds, (ii) Series 2000B Bonds, (iii) Series 2005A Bonds (described below) and (iv) Series 2005B Bonds (described below). Portions of the Series 2000C Bonds were refunded in 2011 and 2012, as further described in the paragraph below.

On March 5, 2002, the District received voter approval, through a bond measure known as Measure D, which required 55% approval, by a vote of 71.8%, to issue up to $300 million in general obligation bonds to continue constructing, improving, furnishing and equipping the District's elementary schools and to renovate secondary schools (the "2002 Authorization"). The bonds of the 2002 Authorization were issued in four series (the "Series 2002A Bonds," the "Series 2002B Bonds," the "Series 2002C Bonds," and the "Series 2002D Bonds"). In August 2011, the District issued its 2011 General Obligation Refunding Bonds (the "2011 Refunding Bonds") to refund a portion of the then-outstanding (i) Series 2000C Bonds, (ii) Series 2002A Bonds, and (iii) Series 2002B Bonds. On July 10, 2012, the District issued its 2012 General Obligation Refunding Bonds (the "2012 Refunding Bonds") to refund all of the then-outstanding Series 2000C Bonds, Series 2002A Bonds and Series 2002B Bonds and a portion of the Series 2002C Bonds. On August 13, 2014, the District issued its General Obligation Refunding Bonds, 2014 Series A (2002 Election Bonds) to refund a portion of the then-outstanding Series 2002C Bonds. On May 10, 2018, the District issued its 2018 General Obligation Refunding Bonds (Federally Taxable) (the "2018 Refunding Bonds") to refund a portion of the then-outstanding Series 2002C Bonds, a portion of the 2009 Refunding Bonds and a portion of the Series 2010A Bonds. On May 12, 2020, the District issued its 2020 General Obligation Refunding Bonds (Federally Taxable) (the "2020 Refunding Bonds"), to refund a portion of the 2011 Refunding Bonds and the 2012 Refunding Bonds. On June 17, 2021, the District issued its 2021 General Obligation Refunding Bonds, Series A and 2021 General Obligation Refunding Bonds Series B (Federally Taxable) (collectively, the "2021 Refunding Bonds") to refund a portion of the 2011 Refunding Bonds and the 2012 Refunding Bonds. On June 29, 2022, the District issued its 2022 General Obligation Refunding Bonds (Federally Taxable), which were converted to tax-exempt on August 1, 2024 (the "2022 Refunding Bonds"), to refund all of the then-outstanding General Obligation Refunding Bonds, 2014 Series A (2002 Election Bonds). On August 1, 2023, the District issued its 2023 General Obligation Refunding Bonds (the "2023 Refunding Bonds") to purchase a portion of the then-outstanding 2018 Refunding Bonds, 2020 Refunding Bonds and 2021 Refunding Bonds pursuant to a tender offer. On October 31, 2024, the District issued its 2024 General Obligation Refunding Bonds, Series A (the "2024A Refunding Bonds") to refund a portion of the then-outstanding 2018 Refunding Bonds. On October 31, 2024, the District issued its 2024 General Obligation Refunding Bonds, Series B (Tender) (the "2024B Refunding Bonds") to purchase a portion of the then-outstanding 2018 Refunding Bonds and 2021 Refunding Bonds pursuant to a tender offer.

On November 8, 2005, the District received voter approval, through a bond measure known as Measure J, which required 55% approval, by a vote of 56.7%, to issue up to $400 million in general obligation bonds to continue constructing, improving, furnishing and equipping all District facilities and to improve classroom safety and technology (the "2005 Authorization"). The District has issued approximately $322 million of the bonds of the 2005 Authorization in six series (the "Series 2005A Bonds," the "Series 2005B Bonds," the "Series 2005C-1 Bonds," the "Series 2005C-2 Bonds," the "Series 2005D-1 Bonds" and the "Series 2005D-2 Bonds"). The Series 2005C-2 Bonds were issued as Build America Bonds authorized under the American Recovery and Reinvestment Act of 2009, and the Series 2005D-1 Bonds were issued as Qualified School Construction Bonds. The District expects to receive on or about February 1 and August 1 of each year, a cash subsidy from the United States Department of the Treasury (the "Treasury") relative to the interest payable on such bonds by the District, until the last of such bonds matures. A portion of the proceeds of the District's 2009 Refunding Bonds was used to refund a portion of the Series 2005A Bonds and the Series 2005B Bonds. A portion of the proceeds of the District's General Obligation Refunding Bonds, 2014 Series A (2005 Election Bonds) was used to refund all of the then-outstanding Series 2005A Bonds. A portion of the proceeds of the District's General Obligation Refunding Bonds, 2016 Series A (the "2016 Refunding Bonds") was used to refund a portion of the Series 2005B Bonds and the Series 2005C-1 Bonds. On September 6, 2017, the District issued its 2017 General Obligation Refunding Bonds, Series A-1 (Tax-Exempt) and Series A-2 (Federally Taxable 2019 Crossover) (the "2017 Refunding Bonds") to refund a portion of the Series 2005B Bonds and, on a crossover basis, all of the Series 2005C-2 Bonds. The 2022 Refunding Bonds refunded all of the then-outstanding General Obligation Refunding Bonds, 2014 Series A (2005 Election Bonds) (the "2014 Refunding Bonds"). A portion of the 2023 Refunding Bonds was used to purchase a portion of the then-outstanding 2016 Refunding Bonds and 2017 Refunding Bonds pursuant to a tender offer. A portion of the 2024A Refunding Bonds was used to refund a portion of the then-outstanding 2017 Refunding Bonds. A portion of the 2024B Refunding Bonds was used to purchase a portion of the then-outstanding 2016 Refunding Bonds and 2017 Refunding Bonds pursuant to a tender offer. Approximately $77.6 million remains authorized and unissued under the 2005 Authorization.

On June 8, 2010, the District received voter approval, through a bond measure known as Measure D, which required 55% approval, by a vote of 62.6%, to issue up to $380 million in general obligation bonds to continue constructing, improving, furnishing and equipping the District's elementary and secondary schools (the "2010 Authorization"). On November 22, 2011, the District issued $100 million of bonds under the 2010 Authorization, consisting of its Series 2010A Bonds and its Series 2010A-1 Bonds. The Series 2010A-1 Bonds were issued as Qualified School Construction Bonds and the District expects to receive on or about February 1 and August 1 of each year a cash subsidy from the Treasury relative to the interest payable on such bonds by the District, until the last of the Series 2010A-1 Bonds matures on August 1, 2030. On October 31, 2013, the District issued its 2010 Series B Bonds under the 2010 Authorization in the amount of $40 million to continue repairing all District facilities. On March 12, 2015, the District issued its General Obligation Bonds, 2010 Election, 2015 Series C (the "Series 2015C Bonds" under the 2010 Authorization in the amount of $50 million. On March 15, 2016, the District issued its General Obligation Bonds, 2010 Election, 2016 Series D (the "Series 2016D Bonds") under the 2010 Authorization in the amount of $60 million. On May 10, 2018, the District issued $65 million under the 2010 Authorization (the "2010 Series E Bonds"). The 2020 Refunding Bonds refunded a portion of the 2010 Series A Bonds and 2010 Series B Bonds. On June 17, 2020, the District issued $65 million under the 2010 Authorization, exhausting the remaining general obligation bond authorization under the 2010 Authorization. On June 17, 2021, the District used its 2021 Refunding Bonds to refund a portion of the Series 2010A all of the Series 2010B Bonds. A portion of the 2023 Refunding Bonds was used to purchase a portion of the then-outstanding Series 2015C Bonds and Series 2016D Bonds pursuant to a tender offer.

A portion of the 2024B Refunding Bonds was used to purchase a portion of the then-outstanding Series 2015C Bonds pursuant to a tender offer.

On November 6, 2012, the District received voter approval, through a bond measure known as Measure E, which required 55% approval, by a vote of 64.4% approval to issue up to $360 million in general obligation bonds to continue constructing, improving, furnishing and equipping the District's elementary and secondary schools (the "2012 Authorization"). On October 31, 2013, the District issued $85 million of bonds under the 2012 Authorization. On March 12, 2015, the District issued its General Obligation Bonds, 2012 Election, 2015 Series B (the "Series 2015B Bonds") under the 2012 Authorization in the amount of $85 million to continue repairing all District facilities. On March 15, 2016, the District issued its General Obligation Bonds, 2012 Election, 2016 Series C (the "Series 2016C Bonds") under the 2012 Authorization in the amount of $65 million. On May 10, 2018, the District issued $60 million under the 2012 Authorization. On June 17, 2020, the District issued $65 million under the 2012 Authorization, exhausting the remaining general obligation bond authorization under the 2012 Authorization. A portion of the 2023 Refunding Bonds was used to purchase a portion of the then-outstanding Series 2015B Bonds pursuant to a tender offer. A portion of the 2024B Refunding Bonds was used to purchase a portion of the then-outstanding Series 2015B Bonds and Series 2016C Bonds pursuant to a tender offer.

On March 3, 2020, the District received voter approval through a bond measure known as Measure R, which required 55% approval, by a vote of approximately 58.73% approval to issue up to $575 million in general obligation bonds to continue constructing, improving, furnishing and equipping the District's elementary and secondary schools. On July 15, 2021, the District issued $75 million under the 2020 Authorization. On October 31, 2024, the District issued $250,000,000 under the 2020 Authorization.

The Outstanding General Obligation Bonds and the Bonds issued under each of the Authorizations described above or any future authorizations that the voters in the District may approve, including refunding bonds, are payable from an unlimited *ad valorem* tax upon all property subject to taxation within the District. The County Board is empowered and obligated to levy such tax for the repayment of such bonds. No assurance can be given with respect to the future financial condition of the District or any actions that may or may not be taken in connection with any future financial condition. The financial condition of the District, however, does not impact the obligation of the County Board to levy *ad valorem* taxes for the payment of amounts due in connection with the Bonds. See "SECURITY AND SOURCES OF REPAYMENT FOR THE BONDS." The following table reflects the District's Outstanding General Obligation Bonds as of May 1, 2025 and the approximate amount of remaining unissued bonds that may be issued under each authorization.

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WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
OUTSTANDING GENERAL OBLIGATION BONDS
AS OF MAY 1, 2025[1]

Authorization / Series Name	Issue Date	Final Maturity (August 1)	Original Issue Amount	Principal Outstanding	Remaining Authorized and Unissued
1998 Authorization (Authorization Amount: $40 million)					$ 0
2001 Refunding Bonds, Series A[2]	Nov. 6, 2001	2025	$28,610,000	$100,000	
2001 Refunding Bonds, Series B[2]	Nov. 6, 2001	2024	10,255,000	0	
2000 Authorization (Authorization Amount: $150 million)					$ 0
2020 Refunding Bonds (2012 Refunding)[8]	May 12, 2020	2032	32,305,000	21,290,000	
2021 Refunding Bonds (2012 Refunding)[9]	June 17, 2021	2026	12,630,000	7,300,000	
2023 Refunding Bonds[10]	Aug. 1, 2023	2032	6,845,000	6,845,000	
2002 Authorization (Authorization Amount: $300 million)[3]					$ 2,517
Series 2002C Capital Appreciation Bonds	Aug. 11, 2004	2034	29,999,377	15,600,457	
Series 2002D Capital Appreciation Bonds	Oct. 19, 2005	2034	99,998,106	48,128,547	
2020 Refunding Bonds (2012 Refunding)[8]	May 12, 2020	2032	44,425,000	29,475,000	
2021 Refunding Bonds (2012 Refunding)[9]	June 17, 2021	2026	15,485,000	11,580,000	
2022 Refunding Bonds (2014 Refunding)[7]	June 29, 2022	2034	20,017,000	19,547,000	
2023 Refunding Bonds[10]	Aug. 1, 2023	2032	10,085,000	9,785,000	
2005 Authorization (Authorization Amount: $400 million)[3]					$ 77,590,292
Series 2005B Bonds	July 15, 2008	2035	120,000,000	27,200,000	
Series 2005C-1 (Capital Appreciation Bonds)	Sept. 3, 2009	2033	52,084,759	39,694,022	
Series D-1 Qualified School Construction Bonds	June 24, 2010	2024	25,000,000	0	
Series D-2 Capital Appreciation Bonds	June 24, 2010	2036	2,499,949	2,499,949	
2014 Refunding Bonds[4]	Aug. 13, 2014	2035	54,775,000	2,685,000	
2016 Refunding Bonds[5]	Mar. 15, 2016	2035	65,940,000	49,125,000	
2017 Series A-1 Refunding Bonds	Sept. 6, 2017	2027	3,680,000	1,640,000	
2017 Series A-2 Refunding Bonds	Sept. 6, 2017	2034	55,800,000	0	
2018 Refunding Bonds[6]	May 10, 2018	2031	9,565,000	2,180,000	
2022 Refunding Bonds[7]	June 29, 2022	2035	36,883,000	36,015,000	
2023 Refunding Bonds[10]	Aug. 1, 2023	2035	30,130,000	30,025,000	
2024 Refunding Bonds, Series B[11]	Oct. 31, 2024	2035	15,615,000	15,615,000	
2024 Refunding Bonds, Series A[12]	Oct 31, 2024	2034	14,955,000	14,955,000	
2010 Authorization (Authorization Amount: $380 million)					$ 0
Series 2010A-1 Qualified School Construction Bonds	Nov. 22, 2011	2030	21,000,000	21,000,000	
Series 2010C Bonds	Mar. 12, 2015	2054	50,000,000	39,020,000	
Series 2010D Bonds	Mar. 15, 2016	2054	60,000,000	49,975,000	
Series 2010E Bonds	May 10, 2018	2047	65,000,000	62,660,000	
2018 Refunding Bonds[6]	May 10, 2018	2041	71,890,000	1,775,000	
2020 Refunding Bonds[8]	May 12, 2020	2027	2,650,000	1,495,000	
Series 2010F Bonds	June 17, 2020	2049	65,000,000	47,165,000	
2021 Refunding Bonds (Refund Series B Bonds)[9]	June 17, 2021	2045	35,420,000	16,290,000	
2023 Refunding Bonds[10]	Aug. 1, 2023	2045	22,075,000	21,990,000	
2024 Refunding Bonds, Series B[11]	Oct. 31, 2024	2035	28,705,000	28,705,000	
2024 Refunding Bonds, Series A[12]	Oct 31, 2024	2034	28,790,000	28,790,000	
2012 Authorization (Authorization Amount: $360 million)					$ 0
Series 2012B Bonds	Mar. 12, 2015	2054	85,000,000	62,825,000	
Series 2012C Bonds	Mar. 15, 2016	2054	65,000,000	52,220,000	
Series 2012D Bonds	May 10, 2018	2047	60,000,000	57,850,000	
Series 2012E Bonds	June 17, 2020	2049	65,000,000	50,050,000	
2021 Refunding Bonds (Refund Series A Bonds)[9]	June 17, 2021	2045	77,400,000	51,030,000	
2023 Refunding Bonds[10]	Aug. 1, 2023	2045	12,930,000	12,930,000	
2024 Refunding Bonds, Series B[11]	Oct. 31, 2024	2035	14,220,000	14,220,000	
2020 Authorization (Authorization Amount: $575 million)					$250,000,000
Series 2021A-1	July 15, 2021	2051	$69,120,000	35,795,000	
Series 2024B	Oct. 31, 2024	2054	236,960,000	236,960,000	
TOTAL				**$ 1,284,029,978**	**$327,592,809**

(Footnotes on next page,)

[(1)] This table does not reflect the issuance of the Bonds or the refunding of the Refunded Bonds.
[(2)] The 2001 Refunding Bonds, Series A and B, were issued to refund four series of bonds in the initial aggregate principal amount of $40,000,000 issued under the 1998 Authorization.
[(3)] The outstanding capital appreciation bonds are expressed in terms of original denominational amount; the accreted interest amount is not included in principal.
[(4)] The 2014 Refunding Bonds refunded a portion of the Series 2002C Bonds and all of the Series 2005A Bonds.
[(5)] The 2016 Refunding Bonds refunded a portion of the Series 2005B Bonds and the Series 2005C-1 Bonds.
[(6)] The 2018 Refunding Bonds refunded a portion of the Series 2002C Bonds, the 2009 Refunding Bonds, and the Series 2010A Bonds.
[(7)] The 2022 Refunding Bonds refunded a portion of the 2014 Refunding Bonds.
[(8)] The 2020 Refunding Bonds refunded a portion of the Series 2010A Bonds, the 2011 Refunding Bonds, and the 2012 Refunding Bonds.
[(9)] The 2021 Refunding Bonds refunded a portion of the 2011 Refunding, 2012 Refunding, 2010 Series A, 2010 Series B and 2012 Series A Bonds
[(10)] The 2023 Refunding Bonds refunded portions of the 2010 Series C, 2012 Series B, 2016 Refunding, 2017 Series A-2 Refunding, 2018 Refunding, 2020 Refunding, 2021 Refunding and 2010 Series D.
[(11)] The 2024 Refunding Series B Bonds refunded portions of the 2010 Series C, 2012 Series B & C, 2016 Refunding Series A, 2017 Refunding, Series A-2, 2018 Refunding Bonds and 2021 Refunding Bonds.
[(12)] The 2024 Refunding Series A Bonds refunded Series 2017 Refunding Series A-2 and 2018 Refunding Bonds

Source: West Contra Costa Unified School District.

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The following table shows the combined debt service schedule with respect to all Outstanding General Obligation Bonds issued by the District as of May 1, 2025.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
COMBINED ANNUAL DEBT SERVICE SCHEDULE
AS OF MAY 1, 2025[1]

Year Ending (June 30)	1998 Authorization	2000 Authorization	2002[2] Authorization	2005[2][3] Authorization	2010[3] Authorization	2012 Authorization	2020 Authorization	Total Annual Debt Service
2026	$102,875.00	$5,194,216.35	$24,050,884.38	$30,794,971.61	$17,760,821.68	$14,289,384.92	$29,350,650.00	$121,543,803.94
2027		5,279,771.55	24,148,018.08	31,830,029.86	18,030,459.85	14,545,436.32	24,996,900.00	118,830,615.66
2028		4,851,137.15	24,852,623.38	33,032,942.76	16,911,906.55	14,155,915.72	10,203,775.00	104,008,300.56
2029		4,915,071.50	26,344,881.30	34,681,661.96	18,470,813.88	14,702,343.42	10,244,525.00	109,359,297.06
2030		4,923,755.30	27,776,382.60	36,428,831.36	19,612,399.46	16,016,133.62	10,287,150.00	115,044,652.34
2031		4,914,535.25	29,250,247.10	38,145,256.26	21,328,996.36	17,974,529.07	10,731,150.00	122,344,714.04
2032		4,881,890.60	31,126,939.60	39,810,916.66	21,242,496.35	18,070,520.39	11,043,900.00	126,176,663.60
2033		4,874,347.90	32,015,030.80	42,146,092.86	21,449,246.34	19,717,480.61	11,374,450.00	131,576,648.51
2034			32,880,000.00	39,277,541.56	21,523,721.35	19,991,422.13	11,707,425.00	125,380,110.04
2035			34,705,000.00	41,251,709.51	21,650,921.35	19,904,141.68	12,050,400.00	129,562,172.54
2036				26,856,828.98	21,817,721.34	20,104,207.68	12,401,925.00	81,180,683.00
2037				29,860,000.00	22,006,583.84	20,349,493.05	12,765,425.00	84,981,501.89
2038					22,175,958.84	20,439,025.55	13,134,375.00	55,749,359.39
2039					22,245,558.42	20,724,547.23	13,517,125.00	56,487,230.65
2040					22,471,770.50	20,377,929.43	13,911,775.00	56,761,474.93
2041					22,625,020.50	20,451,223.10	14,316,425.00	57,392,668.60
2042					22,749,686.13	20,717,460.88	14,734,000.00	58,201,147.01
2043					16,926,973.01	20,549,125.38	15,162,350.00	52,638,448.39
2044					16,998,477.01	20,631,907.63	15,604,200.00	53,234,584.64
2045					17,516,230.01	20,733,254.88	16,062,075.00	54,311,559.89
2046					17,594,025.13	20,841,538.00	16,528,450.00	54,964,013.13
2047					13,386,175.00	15,709,787.50	17,005,800.00	46,101,762.50
2048					13,405,837.50	15,727,550.00	17,501,275.00	46,634,662.50
2049					8,530,300.00	11,225,700.00	18,006,850.00	37,762,850.00
2050					8,522,500.00	11,211,900.00	18,529,425.00	38,263,825.00
2051					5,749,700.00	8,263,300.00	19,097,225.00	33,110,225.00
2052					5,743,700.00	8,261,500.00	19,656,125.00	33,661,325.00
2053					5,739,900.00	8,253,400.00	20,202,800.00	34,196,100.00
2054					5,737,900.00	8,248,600.00	20,791,775.00	34,778,275.00
2055					5,732,400.00	8,241,600.00	21,395,150.00	35,369,150.00
Total	$102,875.00	39,834,725.60	287,150,007.24	424,116,783.38	495,658,200.40	490,430,358.19	472,314,875.00	2,209,607,824.81

(1) This table does not reflect the issuance of the Bonds or the refunding of the Refunded Bonds; this table represents remaining principal and interest payments expected as of May 1, 2025 on all Outstanding General Obligation Bonds of the District including all general obligation bonds issued under the 1998 Authorization, the 2000 Authorization, the 2002 Authorization, the 2005 Authorization, the 2010 Authorization, the 2012 Authorization, and the 2020 Authorization, but does not include general fund and other indebtedness of the District.

(2) The 2002 Authorization and the 2005 Authorization columns reflect the 2022 Refunding Bonds, issued as "Cinderella bonds," converted from a taxable to a tax-exempt interest rate on August 1, 2024.

(3) The District anticipates receiving federal subsidy payments in connection with certain qualified school construction bonds and Build America Bonds issued under the 2005 Authorization and the 2010 Authorization. The annual debt service shown above is not adjusted for these anticipated federal subsidy payments.

Source: West Contra Costa Unified School District.

Under the Education Code of the State, the amount of general obligation bond indebtedness that the District, as a unified school district, can issue is limited to 2.5% of the assessed value of all taxable property within the District. The District to date has requested and has been granted five waivers of this limit by the California State Board of Education (the "State Board"). In May 2002, the State Board granted a waiver (the "2002 Waiver") allowing the District to increase its bonding limit from the statutory maximum of 2.5% to a maximum of 3% that applied only to bonds issued under the 1998 Authorization, the 2000 Authorization and the 2002 Authorization. The 2002 Waiver was authorized for bonds issued during the period between August 1, 2004 and ending August 1, 2009. In May 2009, the State Board granted a waiver (the "2009 Waiver") allowing the District to issue general obligation bonds in an amount not to exceed 3.5% of the assessed value of taxable property within the District for a period between May 7, 2009 and May 7, 2014. On March 11, 2011, the State Board granted a third waiver (the "2011 Waiver"), thereby allowing the District to issue general obligation bonds in an amount not to exceed 5% of the assessed value of taxable property within the District, which applies only to bonds issued pursuant to the 2010 Authorization between March 11, 2011 and December 31, 2021 (including the 2010 Series E Bonds). In May 2013, the State Board granted a fourth wavier (the “2013 Waiver”), allowing the District to issue general obligation bonds in an amount not to exceed 5% of the assessed value of taxable property within the District. The 2013 Waiver applies only to bonds issued pursuant to the 2012 Authorization between May 9, 2013 and December 31, 2025. In January 2021, the State Board granted a fifth waiver (the “2021 Waiver”) allowing the District to issue general obligation bonds up to, but not to exceed, 4.05% of the assessed value of taxable property within the District. The 2021 Waiver applies only to bonds issued pursuant to the 2020 Authorization and the 2005 Authorization between January 14, 2021 and June 30, 2028.

Should any major reductions and deferrals for school district funding materialize and be significant in future fiscal years, the District may need to rely on interfund borrowing, its existing reserves, or the issuance of tax and revenue anticipation notes to manage cash flow during such fiscal years.

TAX MATTERS

Federal Income Taxes

The Internal Revenue Code of 1986, as amended (the “Code”), imposes certain requirements that must be met subsequent to the issuance and delivery of the Bonds for interest thereon to be and remain excluded from gross income for federal income tax purposes. Noncompliance with such requirements could cause the interest on the Bonds to be included in gross income for federal income tax purposes retroactive to the date of issue of the Bonds. Pursuant to the Resolution and the Tax and Nonarbitrage Certificate (the “Tax Certificate”), the District has covenanted to comply with the applicable requirements of the Code in order to maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes pursuant to Section 103 of the Code. In addition, the District has made certain representations and certifications in the Resolution and the Tax Certificate. Bond Counsel will not independently verify the accuracy of those representations and certifications.

In the opinion of Nixon Peabody LLP, Bond Counsel, under existing law and assuming compliance with the aforementioned covenant, and the accuracy of certain representations and certifications made by the District described above, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Code. Bond Counsel is also of the opinion that such interest is not treated as a preference item in calculating the alternative minimum tax imposed under the Code. Interest on the Bonds will be taken into account in computing the alternative minimum tax imposed on certain corporations under the Code to the extent that such interest is included in the “adjusted financial statement income” of such corporations.

In rendering these opinions, Bond Counsel has relied upon representations and covenants of the District in the Tax Certificate concerning the property financed with Bond proceeds, the investment and use of Bond proceeds and the rebate to the federal government of certain earnings thereon. In addition, Bond Counsel has assumed that all such representations are true and correct and that the District will comply with such covenants. Bond Counsel has expressed no opinion with respect to the exclusion of the interest on the Bonds from gross income under Section 103(a) of the Code in the event that any of such District representations are untrue or the District fails to comply with such covenants, unless such failure to comply is based on the advice or the opinion of Bond Counsel.

State Taxes

Bond Counsel is also of the opinion that interest on the Bonds is exempt from personal income taxes of the State of California (the "State") under present State law. Bond Counsel expresses no opinion as to other State or local tax consequences arising with respect to the Bonds nor as to the taxability of the Bonds or the income therefrom under the laws of any state other than the State of California.

Original Issue Discount

Bond Counsel is further of the opinion that the excess of the principal amount of a maturity of the Bonds over its issue price (i.e., the first price at which price a substantial amount of such maturity of the Bonds was sold to the public, excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) (each, a "Discount Bond" and collectively, the "Discount Bonds") constitutes original issue discount which is excluded from gross income for federal income tax purposes to the same extent as interest on the Bonds. For this purpose, principal amount at maturity includes all debt service payments other than "qualified stated interest", where qualified stated interest is stated interest on a bond that is unconditionally payable in cash at least annually at a single fixed rate during the term of such bond. Further, such original issue discount accrues actuarially on a constant interest rate basis over the term of each Discount Bond and the basis of each Discount Bond acquired at such issue price by an initial purchaser thereof will be increased by the amount of such accrued original issue discount. The accrual of original issue discount may be taken into account as an increase in the amount of tax-exempt income for purposes of determining various other tax consequences of owning the Discount Bonds, even though there will not be a corresponding cash payment. Owners of the Discount Bonds are advised that they should consult with their own advisors with respect to the state and local tax consequences of owning such Discount Bonds.

Original Issue Premium

Bonds sold at prices in excess of their principal amounts are "Premium Bonds". An initial purchaser with an initial adjusted basis in a Premium Bond in excess of its principal amount will have amortizable bond premium which offsets the amount of tax exempt interest and is not deductible from gross income for federal income tax purposes. The amount of amortizable bond premium for a taxable year is determined actuarially on a constant interest rate basis over the term of each Premium Bond based on the purchaser's yield to maturity (or, in the case of Premium Bonds callable prior to their maturity, over the period to the call date, based on the purchaser's yield to the call date and giving effect to any call premium). For purposes of determining gain or loss on the sale or other disposition of a Premium Bond, an initial purchaser who acquires such obligation with an amortizable bond premium is required to decrease such purchaser's adjusted basis in such Premium Bond annually by the amount of amortizable bond premium for the taxable year. The amortization of bond premium may be taken into account as a reduction in the amount of tax-exempt income for purposes of determining various other tax consequences of owning such Bonds. Owners of the Premium Bonds are advised that they should consult with their own advisors with respect to the state and local tax consequences of owning such Premium Bonds.

Ancillary Tax Matters

Ownership of the Bonds may result in other federal tax consequences to certain taxpayers, including, without limitation, certain S corporations, foreign corporations with branches in the United States, property and casualty insurance companies, individuals receiving Social Security or Railroad Retirement benefits, individuals seeking to claim the earned income credit, and taxpayers (including banks, thrift institutions and other financial institutions) who may be deemed to have incurred or continued indebtedness to purchase or to carry the Bonds. Prospective investors are advised to consult their own tax advisors regarding these rules.

Interest paid on tax-exempt obligations such as the Bonds is subject to information reporting to the Internal Revenue Service (the "IRS") in a manner similar to interest paid on taxable obligations. In addition, interest on the Bonds may be subject to backup withholding if such interest is paid to a registered owner that (a) fails to provide certain identifying information (such as the registered owner's taxpayer identification number) in the manner required by the IRS, or (b) has been identified by the IRS as being subject to backup withholding.

Bond Counsel is not rendering any opinion as to any federal tax matters other than those described in the opinions attached as APPENDIX B. Prospective investors, particularly those who may be subject to special rules described above, are advised to consult their own tax advisors regarding the federal tax consequences of owning and disposing of the Bonds, as well as any tax consequences arising under the laws of any state or other taxing jurisdiction.

Changes in Law and Post-Issuance Events

Legislative or administrative actions and court decisions, at either the federal or state level, could have an adverse impact on the potential benefits of the exclusion from gross income of the interest on the Bonds for federal or state income tax purposes, and thus on the value or marketability of the Bonds. This could result from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), repeal of the exclusion of the interest on the Bonds from gross income for federal or state income tax purposes, or otherwise. It is not possible to predict whether any legislative or administrative actions or court decisions having an adverse impact on the federal or state income tax treatment of holders of the Bonds may occur. Prospective purchasers of the Bonds should consult their own tax advisors regarding the impact of any change in law on the Bonds. Bond Counsel has not undertaken to advise in the future whether any events after the date of issuance and delivery of the Bonds may affect the tax status of interest on the Bonds. Bond Counsel expresses no opinion as to any federal, state or local tax law consequences with respect to the Bonds, or the interest thereon, if any action is taken with respect to the Bonds or the proceeds thereof upon the advice or approval of other counsel.

FINANCIAL STATEMENTS

The audited financial statements of the District for the fiscal year ended June 30, 2024 are included as APPENDIX C attached hereto. The financial statements referred to in the preceding sentence have been audited by Christy White Associates (the "Auditor"), independent certified accountants. In connection with the inclusion of the financial statements and the report of the Auditor thereon in APPENDIX C to this Official Statement, the District did not request the Auditor to, and the Auditor has not undertaken to, update its report or to take any action intended or likely to elicit information concerning the accuracy, completeness or fairness of the statements made in this Official Statement, and no opinion is expressed by the Auditor with respect to any event subsequent to the date of its report.

BOND INSURANCE

Bond Insurance Policy

The District may obtain a municipal bond insurance policy (the "Policy") from a bond insurer (the "Bond Insurer") for the Bonds which, if obtained, would insure the scheduled payment of principal of and interest on the Bonds when due. The District's decision whether or not to obtain such a Policy will be made at or about the time of the pricing of the Bonds and will be based upon, among other things, market conditions at the time of such pricing. No assurance can be given as to whether the District will obtain such Policy, and, if so, whether such Policy will cover all or less than all of the Bonds.

RISKS OF BOND INSURANCE

If the District obtains the Policy and in the event of default of the payment of principal or interest with respect to the Bonds when all or some becomes due, any Owner of the Bonds shall have a claim under the Policy issued by the Bond Insurer for such payments. However, in the event of any acceleration of the due date of such principal by reason of mandatory or optional redemption, other than any advancement of maturity pursuant to a mandatory sinking fund payment, the payments are to be made in such amounts and at such times as such payments would have been due had there not been any such acceleration. If a Policy is obtained, the Policy does not insure against redemption premium, if any. If a Policy is obtained, the payment of principal and interest in connection with mandatory or optional prepayment of the Bonds by the District which is recovered by the District from the Bond Owner as a voidable preference under applicable bankruptcy law is covered by the Policy, however, such payments will be made by the Bond Insurer at such time and in such amounts as would have been due absence such prepayment by the District unless the Bond Insurer chooses to pay such amounts at an earlier date.

Under most circumstances, default of payment of principal and interest does not obligate acceleration of the obligations of the Bond Insurer without appropriate consent. If a Policy is obtained, the Bond Insurer may direct and must consent to any remedies and the Bond Insurer's consent may be required in connection with amendments to any applicable bond documents.

If a Policy is obtained and in the event the Bond Insurer is unable to make payment of principal and interest as such payments become due under the Policy, the Bonds are payable solely from the moneys received pursuant to the Resolution. In the event the Bond Insurer becomes obligated to make payments with respect to the Bonds, no assurance is given that such event will not adversely affect the market price of the Bonds or the marketability (liquidity) for the Bonds.

The long-term ratings on the Bonds are dependent in part on the financial strength of the Bond Insurer and its claim paying ability. The Bond Insurer's financial strength and claims paying ability are predicated upon a number of factors which could change over time. If a Policy is obtained, no assurance is given that the long-term ratings of the Bond Insurer and of the ratings on the Bonds insured by the Bond Insurer will not be subject to downgrade and such event could adversely affect the market price of the Bonds or the marketability (liquidity) for the Bonds. For a description of the rating on the Bonds, See "RATING" herein.

If a Policy is obtained, neither the District nor the Underwriters will make an independent investigation of the claims paying ability of the Bond Insurer, and no assurance or representation regarding the financial strength or projected financial strength thereof is being made by the District or the Underwriters in this Official Statement. Therefore, when making an investment decision with respect to the Bonds, potential investors should carefully consider the ability of the District to pay principal and interest on the Bonds, assuming that the Policy is not available, and the claims-paying ability of the Bond Insurer through final maturity of the Bonds.

If a Policy is obtained, the obligations of the Bond Insurer are general obligations of the Bond Insurer and in an event of default by the Bond Insurer, the remedies available may be limited by applicable bankruptcy law or other similar laws related to insolvency.

LEGAL MATTERS

Continuing Disclosure

The District has covenanted for the benefit of the owners and Beneficial Owners (as defined in the Continuing Disclosure Certificate) of the Bonds to provide certain financial information and operating data relating to the District (the "Annual Report") by not later than nine months following the end of each fiscal year (currently ending June 30) commencing with the report for the 2024-25 fiscal year (which is due no later than March 30, 2026) and to provide notices of the occurrence of certain enumerated events. The Annual Report will be filed by the District in searchable PDF or other acceptable electronic form with EMMA. The notices of certain enumerated events, if any, will also be filed by the District with EMMA. The specific nature of the information to be contained in the Annual Report or a notice of material event is set forth in APPENDIX D — "FORM OF CONTINUING DISCLOSURE CERTIFICATE." These covenants have been made in order to assist the Underwriters in complying with Securities and Exchange Commission Rule 15c2-12(b)(5) (the "Rule").

During the last five years the District has complied in all material respects with its previous undertakings to file annual reports. Since 2007, the District has engaged KNN Public Finance, LLC, as Dissemination Agent ("Dissemination Agent"), to assist it in complying with all of its continuing disclosure undertakings and to compile and disseminate its annual reports and other required notices and information required under its continuing disclosure undertakings.

Limited Responsibility for Official Statement

Neither the County Board nor any officer of the County has prepared or reviewed this Official Statement, and County Board and the various officers of the County take no responsibility for the contents or distribution thereof; provided, however, that solely with respect to a section contained or to be contained herein describing the County's investment policy, current portfolio holdings, and valuation procedures, as they may relate to funds of the District held by the County Treasurer, the County Treasurer is hereby authorized and directed to prepare and review such information for inclusion in this Official Statement and in a preliminary Official Statement as APPENDIX G — "COUNTY INVESTMENT POLICY AND TREASURER'S QUARTERLY INVESTMENT REPORT AS OF SEPTEMBER 30, 2024" attached hereto.

Limitation on Remedies; Amounts Held in the County Investment Pool

The opinion of Bond Counsel, the proposed form of which is attached hereto as APPENDIX B, are qualified by reference to bankruptcy, insolvency and other laws relating to or affecting creditor's rights. The rights of the owners of the Bonds are subject to certain limitations. Enforceability of the rights and remedies of the owners of the Bonds, and the obligations incurred by the District, are limited by applicable bankruptcy, insolvency, reorganization, moratorium, and similar laws relating to or affecting the enforcement of creditors' rights generally, now or hereafter in effect, equity principles that may limit the specific enforcement under State law of certain remedies, the exercise by the United States of America of the powers delegated to it by the Constitution, the reasonable and necessary exercise, in certain exceptional situations, of the police powers inherent in the sovereignty of the State and its governmental bodies in the interest of serving a significant and legitimate public purpose, and the limitations on remedies against school and community college districts in the State. Bankruptcy proceedings, if initiated, could subject the beneficial owners of the Bonds to judicial discretion and interpretation of their rights in bankruptcy or otherwise, and consequently may entail risks of delay, limitation, or modification of their rights.

Under Chapter 9 of the Federal Bankruptcy Code (Title 11, United States Code) (the "Bankruptcy Code"), which governs the bankruptcy proceedings for public agencies, no involuntary petitions for bankruptcy relief are permitted. While current State law precludes school districts from voluntarily seeking bankruptcy relief under Chapter 9 of the Bankruptcy Code without the concurrence of the State, such concurrence could be granted or State law could be amended.

California Senate Bill 222

On July 13, 2015, the Governor signed SB 222 into law, effective January 1, 2016. SB 222 amended Section 15251 of the California Education Code to clarify the process of lien perfection for general obligation bonds issued by or on behalf of California school and community college districts and amended the California Government Code to similarly clarify the process of lien perfection for general obligation bonds issued by cities, counties, authorities and special districts.

SB 222, applicable to general obligations bonds issued after its effective date, such as the Bonds, removes the extra step between (a) the issuance of general obligation bonds by cities, counties, cities and counties, school districts, community college districts, authorities and special districts; and (b) the imposition of a lien on the future *ad valorem* property taxes that are the source of repayment of the general obligation bonds. In a bankruptcy proceeding, secured creditors who possess a perfected and valid lien that secures their claims in specific collateral frequently obtain materially better recoveries than unsecured creditors. Accordingly, by clarifying that the lien created with each general obligation bond issuance is a "statutory" lien (consonant with bankruptcy statutory law and case precedent), SB 222, while it does not prevent default (because revenues subject to a statutory lien are treated differently for purposes of the automatic stay from those that are special revenues, discussed below), should reduce the ultimate bankruptcy risk of non-recovery on local general obligation bonds, and thus potentially improve ratings, interest rates and bond cost of issuance.

Special Revenues

If the District were to become a debtor in a Chapter 9 proceeding, because the Bonds are for the financing of specific capital projects and are supported by a consensual lien on *ad valorem* property taxes that are use-restricted under state law to the repayment of the Bonds, the District believes that those taxes are "special revenues" as defined in the Bankruptcy Code, and thus there is a special revenue lien in favor of owners of the Bonds in addition to, and separate and independent of, the statutory lien created by SB 222. In comparison to other consensual pledges and liens arising by agreement (that are all made ineffective post-bankruptcy by Section 552 of the Bankruptcy Code), special revenues acquired by a municipality during a Chapter 9 case will remain subject to the lien that arose from the security agreement entered into prior to the beginning of the case, and will survive the conclusion of the Chapter 9 proceeding. In addition, the automatic stay arising upon the filing of the bankruptcy petition has historically been understood not to stay the application of special revenues to payment of the bonds secured by such special revenues. Thus, regularly scheduled payments of principal and interest to owners of the Bonds likely would continue under 11 U.S.C. § 922(d) throughout any bankruptcy proceeding.

Based on the foregoing, if the District were to become a debtor in a Chapter 9 proceeding, the District believes that: the *ad valorem* property taxes could not be used for any other purpose other than repayment of the Bonds; the *ad valorem* property taxes should be determined to be special revenues in a Chapter 9 proceeding, and thus owners of the Bonds would ordinarily continue to be paid post-petition; and the *ad valorem* property taxes are also protected by a statutory lien in favor of the bondholders. However, bankruptcy courts are courts of equity and as such have broad discretionary powers, and there is no binding judicial precedent dealing with the treatment in bankruptcy proceedings of *ad valorem* property tax revenues collected for the payments of bonds in California, so no assurance can be given that a bankruptcy court would not hold otherwise. If the District were to become the debtor in a proceeding under Chapter 9 of the Bankruptcy Code, the bankruptcy court could find that the automatic stay exception for special revenues does not apply, and the parties to the proceedings may thus be prohibited from taking any action to collect any amount from the District (including *ad valorem* tax revenues), or to enforce any obligation of the District, without the bankruptcy court's permission. It is also possible that the bankruptcy court may not enforce the state law use restriction imposed on *ad valorem* property taxes.

Even if the *ad valorem* property tax revenues are determined to be "special revenues," the Bankruptcy Code provides that special revenues can be applied to necessary operating expenses of the project or system, before they are applied to other obligations. This rule applies regardless of the provisions of the transaction documents. Thus, a bankruptcy court could determine that the District is entitled to use the *ad valorem* property tax revenues to pay necessary operating expenses of the District and its schools, before the remaining revenues are paid to the owners of the Bonds. It should also be noted that it is possible – in the context of confirming a Plan of Adjustment (the "Plan") in a Chapter 9 case where the Plan has not received the requisite consent of the holders of the Bonds – a bankruptcy court may confirm a Plan that adjusts the timing of payments on the Bonds or the interest rate or other terms of the Bonds provided that (a) the bondholders retain their lien on the revenues subject to the statutory and/or special revenues lien, (b) the payment stream has a present value equal to the value of the revenues subject to the lien(s) and (c) the bankruptcy court finds that these and any other adjustments to the Bonds' terms are fair and equitable.

The Resolution and the California Government Code require the County to annually levy *ad valorem* taxes upon all property subject to taxation by the District, without limitation as to rate or amount (except as to certain personal property which is taxable at limited rates), for the payment of the principal of, premium, if any, and interest on the applicable Bonds. The County on behalf of the District is thus expected to be in possession of the annual *ad valorem* taxes and certain funds to repay the Bonds and may invest these funds in the County's Investment Pool, as described in APPENDIX G — "COUNTY INVESTMENT POLICY AND TREASURER'S QUARTERLY INVESTMENT REPORT AS OF SEPTEMBER 30, 2024" attached hereto. In the event the District or the County were to file for bankruptcy relief, a bankruptcy court might hold that the owners of the Bonds are unsecured creditors with respect to any funds received by the District or the County prior to the bankruptcy, which might include taxes that have been collected and deposited in the Debt Service Fund, where such amounts are deposited into the County Treasury Pool, and such amounts may not be available for payment of the principal and interest on the Bonds unless the owners of the Bonds can "trace" those funds. There can be no assurance that the owners could successfully so "trace" such taxes on deposit in the Debt Service Fund where such amounts are invested in the County Treasury Pool. Further, it is not entirely clear what procedures the owners of the Bonds would have to follow to attempt to obtain possession of such tax revenues, or what amount of time would be required for such procedures to be completed. Under any such circumstances, there could be delays or reductions in payments on the Bonds.

Litigation

The District is not aware of any litigation pending or threatened questioning the political existence of the District or contesting the District's ability to receive *ad valorem* property taxes or to collect other revenues or contesting the District's ability to issue the Bonds.

The District is subject to lawsuits and claims in the ordinary course of its operations. In the opinion of the District, the aggregate amount of the uninsured liabilities of the District under these lawsuits and claims will not materially affect the finances of the District.

The County is subject to lawsuits and claims posed by taxpayers or related to certain property tax payments from time to time in its ordinary course of business. These lawsuits may include allegations that the County is not authorized to levy certain taxes against certain taxpayers, that certain property be reclassified on the tax roll or is exempt from taxation, that certain taxes were not levied at the appropriate levels, or other claims generally related to property tax levies, collections, or payments. Such claims may include or relate to the *ad valorem* property tax necessary to provide for the debt service payments on community college district general obligation bonds, including the Bonds. The District is not aware of any litigation pending or threatened which would materially adversely affect the County's ability to levy or collect the *ad valorem* property taxes in the amounts necessary to make payment of principal of or interest on the Bonds.

Forensic Accounting Investigation

In response to allegations of potential financial mismanagement of the District's bond program (the "Bond Construction Program") by a District employee, at the direction of the Board, a special subcommittee was formed to investigate the allegations, and on April 29, 2015, the Board voted to pursue a forensic accounting investigation of its bond construction program (the "Forensic Accounting Investigation").

On October 7, 2015, the Board hired Vicenti Lloyd & Stutzman LLP, a Certified Public Accounting and Business Consulting firm (the "Forensic Accountant"), to conduct the Forensic Accounting Investigation. On January 7, 2016, the Forensic Accountant delivered to the Board a preliminary draft of its risk assessment. On January 20, 2016, the Board voted to direct the Forensic Accountant to conduct a second phase of the Forensic Accounting Investigation. On September 21, 2016, the Forensic Accountant delivered to the Board the final report of the Phase II Forensic Accounting Investigation of the Bond Construction Program (the "Final Report") and established a taskforce to track and monitor implementation. The Final Report is available on the District's web site at http://www.wccusd.net/audit. This web site is not incorporated by reference as part of this official statement.

In the Final Report, the Forensic Accountant made specific recommendations to improve internal controls and operational efficiencies based on the results of work performed and conclusions reached relating to the forensic accounting investigations. Specifically, the Final Report offered 112 recommendations to improve management and oversight of the District's bond program. One of the recommendations for the overall operational efficiency of the District included the formation of the Implementation Task Force ("ITF"). The ITF has outlined its plans to implement the recommendations contained in the Final Report and provides updates to the District's Board of Education.

On August 9, 2017, the District received a subpoena from the California Fair Political Practices Commission requesting documents used in the creation of the Forensic Accounting Investigation which relate to contributions to an organization that was founded by one current member and one now former member of the District's Board by certain vendors that have done business with the District and copies of correspondence with such current and former board members and the organization. The District provided the requested documents to the extent they were in the District's possession. The District does not believe the results of subpoena activity related to the Forensic Accounting Investigation to have an adverse effect on the collection of *ad valorem* taxes levied by the County to pay principal and interest on the Bonds or the District's payment of principal of and interest on the Bonds as they become due.

On June 2, 2021, the Board approved a Bond Program Management Plan (the "BPM Plan"). The purpose of the BPM Plan is to document the internal controls that properly implement the District's policies, safeguard its assets, provide compliance with all laws and regulations, and produce timely and accurate financial information. The BPM Plan is made up of four narrative sections: Programs & Operations, Administration, Fiscal, and Project Management. These sections provide supplemental information about the District's management and day-to-day processes. The BPM Plan includes the demonstration and implementation of the 112 recommendations from the Final Report throughout the BPM Plan. The BPM

Plan is available on the District's website at https://www.wccusd.net/Page/13520. This website is presented for information only and is not incorporated by reference into this Official Statement.

Approval of Legal Proceedings

Legal matters incident to the issuance of the Bonds are subject to the approving opinion of Nixon Peabody LLP, as Bond Counsel. A complete copy of the proposed form of opinion of Bond Counsel is included herein as APPENDIX B. Certain legal matters will be passed upon for the District by Nixon Peabody LLP, as Disclosure Counsel, and for the Underwriters by Hawkins Delafield & Wood LLP. Bond Counsel will receive compensation contingent upon the sale and delivery of the Bonds.

RATING

The Bonds received a rating of "A+ (negative outlook)" by S&P Global Ratings ("S&P"), which in the event the Policy is issued, will be the underlying rating of the Bonds. Such rating reflects only the views of S&P and an explanation of the significance of such ratings may be obtained as follows: S&P, 55 Water Street, New York, New York 10041, tel. (212) 438-7280. The District furnished such rating agency with certain information and materials relating to the Bonds that have not been included in this Official Statement. Generally, rating agencies base their ratings on the information and materials so furnished and on investigations, studies and assumptions by the rating agencies. There is no assurance that such rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely if, in the judgment of the rating agency, circumstances so warrant. The District has not undertaken any responsibility to bring to the attention of the owners of the Bonds any proposed revision or withdrawal of a rating of the Bonds or to oppose any such proposed revision or withdrawal. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the Bonds

UNDERWRITING

General

The Bonds are being purchased for offering to the public by the Underwriters pursuant to a Bond Purchase Agreement (the "Bond Purchase Agreement"), by and between the District and the Underwriters.

The Underwriters have agreed to purchase the Bonds at a price of $__________ (consisting of the principal amount of the Bonds of $________, plus/less net original issue premium/discount of $________ and less an Underwriters' discount of $________) .

Pursuant to the Bond Purchase Agreement, the Underwriters must purchase all of the Bonds if any are purchased, subject to terms and conditions required to be satisfied by the District. The Underwriters may offer and sell the Bonds to certain dealers and others at prices lower than the offering prices stated on the inside cover page. The offering prices may be changed from time to time by the Underwriters.

Distribution Agreement

The following paragraph in this "– Distribution Agreement" section has been provided by the Underwriters. The District cannot and does not make any representation as to the accuracy or the completeness thereof.

J.P. Morgan Securities LLC ("JPMS"), one of the Underwriters of the Bonds, has entered into negotiated dealer agreements (each, a "Dealer Agreement") with each of Charles Schwab & Co., Inc. ("CS&Co.") and LPL Financial LLC ("LPL") for the retail distribution of certain securities offerings at the original issue prices. Pursuant to each Dealer Agreement, each of CS&Co. and LPL may purchase authorized denominations of the Bonds from JPMS at the original issue price less a negotiated portion of the selling concession applicable to the portion of the Bonds that such firm sells.

MUNICIPAL ADVISOR

KNN Public Finance, LLC, Berkeley, California, is employed as Municipal Advisor (the "Municipal Advisor") to the District in connection with the issuance of the Bonds. The Municipal Advisor's fee for services rendered with respect to the sale of the Bonds is contingent upon the issuance and delivery of the Bonds. The Municipal Advisor does not assume any responsibility for the information, covenants and representations contained in any of the legal documents with respect to the federal-income tax status of the Bonds, or the possible impact of any present, pending or future actions taken by any legislative or judicial bodies on the Bonds.

The Municipal Advisor to the District has provided the following sentence for inclusion in this Official Statement. The Municipal Advisor has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to the District and, as applicable, to investors under the federal securities laws as applied to the facts and circumstance of this transaction, but the Municipal Advisor does not guarantee the accuracy or completeness of such information.

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ADDITIONAL INFORMATION

The purpose of this Official Statement is to supply information to prospective buyers of the Bonds. Quotations from and summaries and explanations of the Bonds, the Resolution, and the constitutional provisions, statutes and other documents described herein do not purport to be complete, and reference is made to said documents, constitutional provisions and statutes for full and complete statements of their provisions.

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the District and the purchasers or owners of any of the Bonds.

Copies of documents referred to herein and information concerning the Bonds are available from the District through the Interim Superintendent, West Contra Costa Unified School District, 1400 Marina Way South, Richmond, California 94804, Attention: Interim Superintendent, Telephone: (510) 231-1170. The District may impose a charge for copying, mailing and handling.

This Official Statement and its distribution have been duly authorized and approved by the District.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

By: ______________________________________
Interim Superintendent

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APPENDIX A

DISTRICT FINANCIAL AND OPERATING INFORMATION

Prospective purchasers of the Bonds should be aware that the following discussion of the financial condition of the West Contra Costa Unified School District (the "District"), its fund balances, budgets and obligations, is intended as general information only, and no implication is made that the payment of principal of or interest on the Bonds is dependent in any way upon the District's financial condition. The District relies on the County Treasurer-Tax Collector's Office for the collection of the* ad valorem *tax revenues and on the County Auditor-Controller's Office for the payment of the debt service on the Bonds utilizing the funds collected by Contra Costa County (the "County"). The County provides information for the District to include in its general ledger, State Reports and Annual Financial Statements. Pursuant to the Education Code, all tax revenues collected for payment of debt service on the Bonds must be deposited into the applicable Debt Service Fund of the District. The Bonds are payable only from the proceeds of* ad valorem *property taxes required to be levied by the County in amounts sufficient for the payment therefor.

This APPENDIX A provides information concerning the operations and finances of the District. The Bonds are not an obligation of the County, the State of California (the "State") or any of its other political subdivisions or of the General Fund (as defined herein) of the District. See "SECURITY AND SOURCES OF REPAYMENT FOR THE BONDS — Overlapping and District Debt" in the body of this Official Statement for information concerning the outstanding general obligation bonds payable from* ad valorem *taxes.

General Information

The District, which was previously known as the Richmond Unified School District, unified in November 1964. The District is located approximately 15 miles northeast of San Francisco, California, and consists of approximately 110 square miles in the western portion of the County. It provides educational services to the residents of the cities of El Cerrito, Hercules, Pinole, Richmond and San Pablo, the unincorporated communities of El Sobrante, Kensington and North Richmond, and certain other unincorporated areas in the County.

The District currently maintains 31 elementary schools, six K-8 schools, six middle/junior high schools, seven high schools and five alternative/continuation programs, one special education pre-school, seven adult education sites, nine operation sites and 11 State-funded preschools. The pupil teacher staffing ratio in the District is 12:1 for transitional kindergarten, 22:1 for kindergarten through third grade, 30:1 for grades 4 through 6 and for grades 6-8 in K-8 schools, and 35:1 maximum for middle and high schools (excluding electives and physical education).

Board of Education

The District is governed by a five-member Board of Education (the "Board"), each member of whom is elected to a four-year term. Elections for positions to the Board are held every two years, alternating between two and three available positions. The voters elect members based on trustee area.

The current members of the Board, their respective positions and the expiration of their respective terms are as follows:

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
BOARD OF EDUCATION

Name	Position	Expiration of Term
Leslie Reckler	President	December, 2026
Guadalupe Enllana	Clerk	December, 2028
Cinthia Hernandez	Member	December, 2028
Demetrio Gonzalez-Hoy	Member	December, 2026
Jamela Smith-Folds	Member	December, 2028

Source: West Contra Costa Unified School District.

District Executive Team

The District's executive team is led by the Interim Superintendent who has the authority and is responsible for administering the affairs of the District in accordance with the policies of the Board. Four Associate Superintendents oversee and manage the following divisions: Business Services; Educational Services; Facilities, Bond, Maintenance and Operations; and Human Resources. A SELPA Director that oversees Special Education and a Chief Technology Officer. The District's executive team serves at the discretion of the Superintendent. Brief biographical information for each of the principal members of the District's senior management team is provided below.

Dr. Kim Moses, Interim Superintendent. Appointed Interim Superintendent in October 2024, Dr. Moses has been in the field of education for thirty years. After teaching for thirteen years, she began a career in school administration in 2007 and has served as a manager in the District since that time. Mrs. Moses completed the FCMAT CBO induction program to ensure the efficient implementation of best practices to meet industry standards for effective school business management. Her formal education includes a Bachelor of Arts in Interdisciplinary Studies with an Education emphasis from UC Berkeley (1993), a Maters of Arts Degree in Urban Educational Leadership from UC Berkeley (2007), and a Doctorate in Education from East Carolina University (2024).

The District is undergoing a search for a permanent Superintendent, which it expects to appoint before the start of the 2025-26 fiscal year.

Katherine Acosta-Verprauskus, Chief Academic Officer/Associate Superintendent, Educational Services. Born and raised in Peru, Ms. Acosta-Verprauskus started in U.S. schools as an English Language Learner and is a first-generation college student. She earned her master's and undergraduate degree from the University of Kansas and began her career working for Kansas programs dedicated to supporting low-income youth to reach their college and career goals. Ms. Acosta-Verprauskus is a veteran West Contra Costa educator and instructional leader. She most recently served as Executive Director of Area 1 schools, served as the principal of Montalvin Manor K8 School for 11 years, and began her teaching career as a mild to moderate special education teacher at Lincoln Elementary School in Richmond.

Summerlynn Sigler, Associate Superintendent/Chief Operations Officer, K-12 Operations. Summer Sigler has worked for the district for eighteen years in various capacities. She began as an English teacher at Richmond High School, where she later also served as Assistant Principal. She was the Principal of De Anza High School and is proud of her collaborative work with the staff there to improve students' College & Career Readiness. After three years of service as Executive Director, Ms. Sigler moved into the position of Interim Associate Superintendent/Chief Operations Officer to work with the community, schools, and district leadership to build effective systems to support our schools**.**

Melissa Payne, Interim Associate Superintendent, Operations. Melissa Payne has served the District for the past nine years previously as both Executive Director and Director for Contracts Administration, overseeing the bond program, facilities, maintenance, and operations before being promoted to the interim position of Associate Superintendent in December of 2024. Ms. Payne earned her bachelor's degree in Sociology from UC Berkeley and recently earned her California School Business Officials Chief Business Official certification. Before joining the District, Ms. Payne spent more than ten years in School Facilities Operations and Administration, focusing on K-14 school districts.

David Hart, Interim Associate Superintendent, Business Services. David Hart began serving as the District's Interim Associate Superintendent, Business Services for the 2024-25 fiscal year. Before coming to the District, Mr. Hart served as Chief Business Officer for the Los Angeles Unified School District for five years. Mr. Hart also served as the Chief Financial Officer of the Cherry Creek School District for approximately three years - the last 18 months of which he also served as Cherry Creek's Chief Operating Officer. Before joining Cherry Creek, Mr. Hart was a Director at The PFM Group for nearly two years and a Senior Vice President in Public Finance at D.A. Davidson & Co. for approximately a year. Prior to that time, Mr. Hart served as the Chief Financial Officer for Denver Public Schools for four years and as Chief Financial Officer of the Douglas County School District for three years. He has also served as Manager of Revenue for the City and County of Denver, as Treasurer for the City and County of Denver and as Budget Director for the Douglas County School District. Mr. Hart attended the University of Colorado at Denver, where he received his Master of Public Administration: Policy Analysis and Evaluation.

Mr. Hart's contract expires on June 30, 2025. The District is undergoing a search for a permanent Associate Superintendent, Business Services.

Dr. Camille Johnson, Associate Superintendent, Human Resources. Dr. Johnson brings prior experience as Assistant Superintendent of Human Resources for Upland Unified School District and as an executive coach for district and school teams. Dr. Johnson earned her doctorate in education at the University of La Verne in 2018, Master of Arts in Education/leadership and Administration at Chapman University in 2006, and Bachelor of Science at Texas Woman's University in 1999.

Laurie Wong, Chief Technology Officer. Laurie Wong has been with the District serving in various capacities for more than twenty years. Ms. Wong is in charge of leading the District's technology vision. As the District's technology training program leader, she works to bridge the digital divide and leverage technology to provide all learners with access, opportunity and tools to thrive.

Guthrie Fleischman, SELPA Director. Guthrie Fleischman is from Berkeley, California. He attended UC Davis as an undergraduate, where he earned a bachelor's degree. in History with a minor in African and African American Studies. He then returned to the Bay Area and began teaching history and PE at Kennedy High School in the District. He went on to earn his master's degree in Education and Administrative Services Credential from UC Berkeley. He served for 5 years in the District as an assistant principal at Hercules Middle High School and El Cerrito High School. He then served as principal of Betty Reid Soskin Middle School for 7 years and director of secondary special education for 1 year. He is currently a doctoral student at UC Berkeley.

DISTRICT FINANCIAL INFORMATION

The District's financial and operational information contained in this APPENDIX A and other sections of this Official Statement is provided as supplementary information only and it should not be inferred that it is a complete description of the District's operations and finances. The information is summarized and excerpted from the District's audited financials, adopted budgets, estimated actuals, and other publicly available data, which together with other publicly available District information, can be obtained by visiting the District's website at www.wccusd.net, and clicking on the link "Budget Information." This website is not incorporated by reference herein. It should not be inferred that any portion of the principal of, or interest on, the Bonds is payable from the General Fund of the District. The Bonds are payable only from the proceeds of **ad valorem** ***property taxes required to be levied by the County in amounts sufficient for the payment therefor.***

State Funding of Education

Public school district revenues consist primarily of guaranteed State moneys, *ad valorem* taxes and funds received from the State and federal government in the form of categorical aid, which are amounts restricted to specific categories of use, under various ongoing programs. All State apportionment ("State Aid") is subject to the appropriation of funds in the State's annual budget. Decreases in State revenues may affect appropriations made by the State Legislature to the District.

Historically, approximately almost 96% of the District's annual General Fund revenues (unrestricted) have consisted of payments from or under the control of the State. Payments made to K-12 public schools and public colleges and universities are priority payments for State funds and are expected to be made prior to other State payment obligations. Although the State Constitution protects the priority of payments to K-12 schools, college and universities, it does not protect the timing of such payments, and other obligations may be scheduled and have been scheduled to be paid in advance of those dates on which payments to school districts are scheduled to be made.

On June 27, 2013, the State adopted a new method for funding school districts commonly referred to as the "Local Control Funding Formula" (the "LCFF"). Descriptions of the prior revenue limit funding system and the LCFF follow.

Revenue Limit Funding. School districts in the State historically received most of their revenues under a formula known as the "revenue limit." Generally, revenue limits were calculated for each school district by multiplying the average daily attendance ("ADA") for such district by a base revenue limit per unit of ADA. Revenue limit calculations were subject to adjustment to provide cost of living adjustments and to equalize revenues among school districts of the same type. Generally, State Aid to a school district amounted to the difference between the school district's revenue limit and the school district's local property tax allocation from the general 1% *ad valorem* tax levy. In Fiscal Year 2012-13, approximately 85% of the District's revenues (unrestricted) were derived from the revenue limit. The revenue limit system of funding has been replaced by the LCFF. A description of the revenue limit system is included herein as the District has historically received financial assistance from the State pursuant to this method of appropriations.

Local Control Funding Formula. Effective in Fiscal Year 2013-14, the State established the LCFF, a new system for funding school districts, charter schools and county offices of education. The LCFF replaced the revenue limit funding system, as well as many categorical programs. The LCFF distributes State resources to schools through a guaranteed base funding grant per unit of ADA (a "Base Grant"). The Base Grants per unit of ADA for each grade span are: (i) $6,845 for grades K-3; (ii) $6,947 for grades 4-6; (iii) $7,154 for grades 7-8; and (iv) $8,289 for grades 9-12. Full implementation of the LCFF was accomplished in fiscal year 2018-19. During the implementation period, an annual transition adjustment was calculated for each school district, equal to such district's proportionate share of appropriations included in the State budget to close the gap between the prior-year funding level and the target allocation following full implementation of the LCFF. Beginning in Fiscal Year 2014-15, the Base Grants were adjusted for COLAs by applying the implicit price deflator for government goods and services. Following full implementation of the LCFF, the provision of COLAs will now be subject to appropriation for such adjustment in the annual State budget.

The Base Grants for grades K-3 are subject to adjustments of 10.4% to cover the costs of class size reduction. Unless otherwise collectively bargained for, school districts serving students in grades K-3 must maintain an average class enrollment of 24 or fewer students in grades K-3 at each school site in order to continue receiving the adjustment to the K-3 Base Grant. The Base Grants for grades 9-12 are subject to adjustments of 2.6% for the provision of career technical education.

School districts that serve students of limited English proficiency ("EL" students), students from low-income families that are eligible for free or reduced priced meals ("LI" students) and foster youth are eligible to receive additional funding grants. Enrollment counts are unduplicated; if the school district has students with both limited English proficiency and eligibility for reduced price meals, for instance, such students will not be duplicated for purposes of determining the additional funding grants. Foster youths automatically qualify for free or reduced priced meals. A supplemental grant add-on (each, a "Supplemental Grant") is authorized for school districts that serve EL/LI students, equal to 20% of the applicable Base Grant multiplied by such districts' percentage of unduplicated EL/LI student enrollment. School districts whose EL/LI populations exceed 55% of their total enrollment are eligible for a concentration grant add-on (each, a "Concentration Grant") equal to 50% of the applicable Base Grant multiplied the percentage of such district's unduplicated EL/LI student enrollment in excess of the 55% threshold.

The following table shows a breakdown of the District's ADA by grade span, total enrollment, and the percentage of EL/LI student enrollment, for fiscal years 2019-20 through 2023-24 and projections for fiscal year 2024-25.

Since fiscal year 2019-20, the District has experienced a decline in total ADA of 12.2% and a decline in total enrollment of 9.5%. The District's current enrollment is 25,124 students. The District's declining ADA and enrollment contribute to the structural deficit facing the District. From fiscal year 2013-14, the District experienced a slow, steady decline in enrollment with a short respite in fiscal year 2019-20. However, COVID-19 accelerated the decline as many families moved out of the region or State. Between fiscal year 2019-20 and fiscal year 2021-22, the District lost approximately 7% of its student population.

The District has identified additional factors that contribute to declines in student attendance, including transportation challenges, limited access to healthcare, mental health challenges, student disengagement, and parental work schedules and childcare constraints. The District has set goals to increase overall District attendance and reduce chronic absenteeism through the implementation of an attendance campaign including targeting schools with the lowest attendance, District-wide attendance strategies, and ongoing monitoring. The District experienced a small decline in enrollment in February 2025, to an attendance rate of 89.5% compared to an attendance rate of 91.1% in February 2024, which may be due in part to increased enforcement of immigration laws by the Trump administration, among other factors. The District is projecting an ongoing decrease in enrollment of approximately 1% per year.

These declines place the District in a position of providing programs for a projected number of students while simultaneously receiving less funds per student due to lower attendance rates. This contributes to staffing imbalances within the District, further exacerbating the financial strain on the District's efforts to maintain fiscal solvency. See "– Considerations Related to COVID-19", "– Average

Daily Attendance", and "– Budgets and Financial Results" below for more information on the District's structural deficit.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
ADA, ENROLLMENT AND EL/LI ENROLLMENT PERCENTAGE
FISCAL YEARS 2019-20 THROUGH 2024-25

	Average Daily Attendance[1]					Enrollment[2]	
Fiscal Year	**TK-3**	**4-6**	**7-8**	**9-12**	**Total ADA**	**Total Enrollment**	**% of EL/LI Enrollment**
2019-20	9,030	6,114	3,476	7,884	26,505	28,246	72.2
2020-21	9,030	6,114	3,476	7,884	26,505	27,383	70.9
2021-22	7,921	5,614	3,163	7,678	24,377	26,312	68.8
2022-23	7,585	5,348	3,005	7,159	23,099	25,737	71.1
2023-24	7,840	5,597	2,984	7,011	23,433	25,547	72.6
2024-25[3]	7,838	5,518	3,054	6,597	23,006	25,124	71.8

(1) Reflects Annual ADA.
(2) As of October report submitted to the California Basic Educational Data System (CBEDS).
(3) Projected data as of the District's Second Interim Report for fiscal year 2024-25
Source: West Contra Costa Unified School District.

The LCFF provides for a permanent economic recovery target ("ERT") add-on for school districts that would have received greater funding levels under the revenue limit system. The ERT is equal to the difference between the revenue limit allocations such districts would have received under the prior system in Fiscal Year 2020-21, and the target LCFF allocations owed to such districts in the same year. The District does not qualify for the ERT add-on.

The sum of a school district's adjusted Base, Supplemental and Concentration Grants will be multiplied by such district's P-2 ADA for the current or prior year, whichever is greater (with certain adjustments applicable to small school districts). This funding amount, together with any applicable ERT or categorical block grant add-ons, will yield a district's total LCFF allocation. Generally, the amount of annual State apportionments received by a school district will amount to the difference between such total LCFF allocation and such district's share of applicable local property taxes. See also, "*Average Daily Attendance*" for a discussion of LCFF funding considerations.

Beginning July 1, 2014, school districts were required to develop a three-year Local Control and Accountability Plan (each, an "LCAP"). Each County Superintendent of Schools and the State Superintendent of Public Instruction will review and provide support to the districts and county offices of education under their jurisdiction. In addition, the Fiscal Year 2013-14 State Budget created the California Collaborative for Education Excellence (the "Collaborative") to advise and assist school districts, county offices of education, and charter schools in achieving the goals identified in their plans. The State Superintendent of Public Instruction may direct the Collaborative to provide additional assistance to any district, county office, or charter school. For those entities that continue to struggle in meeting their goals, and when the Collaborative indicates that additional intervention is needed, the State Superintendent of Public Instruction has authority to make changes to the district or county office's local plan. For charter schools, the charter authorizer will be required to consider revocation of a charter if the Collaborative finds that the inadequate performance is so persistent and acute as to warrant revocation. The State will continue to measure student achievement through statewide assessments, produce an Academic Performance Index for schools and subgroups of students, determine the contents of the school accountability report card, and establish policies to implement the federal accountability system. The District was required to adopt its LCAP prior to the adoption of its fiscal year 2024-25 budget. Because the District was delayed in the adoption of its LCAP, the District's 2024-25 budget was not adopted until August 28, 2024. See "DISTRICT FINANCIAL INFORMATION – Budgets and Financial Results" below.

Since fiscal year 2013-14, funding has been determined pursuant to the LCFF and comprised of (1) local property tax, (2) Education Protection Account receipts, and (3) State Aid. The District received approximately $331 million and $344 million of LCFF revenues in fiscal years 2022-23 and 2023-24, respectively, and as of its Second Interim Report estimates receipt of $337.7 million of LCFF revenues for fiscal year 2024-25.

The following table sets forth the District's LCFF amounts per ADA for the fiscal years 2015-16 through 2024-25.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
LCFF per ADA
Fiscal Years 2015-16 through 2024-25

Fiscal Year	LCFF
2015-16	$8,979
2016-17	9,562
2017-18	9,819
2018-19	10,500
2019-20	10,761
2020-21	10,687
2021-22	11,273
2022-23	12,805
2023-24	13,921
2024-25	14,277[(1)]

(1) Projected as of the District's Second Interim Report for fiscal year 2024-25.
Source: West Contra Costa Unified School District.

Other Funding Sources. A large percentage of a school district's budgeted revenues come from categorical funds provided exclusively by the State and federal government. These funds are to be used for specific programs and typically cannot be used for any other purpose. The State lottery is another source of funding for school districts. Every school district receives the same amount of lottery funds per pupil from the State. The initiative authorizing the State lottery mandates the funds be used for instructional purposes and prohibits their use for land acquisition, construction or research and development. A small part of a school district's budget is from local sources other than property taxes, such as interest income, donations and sales of property. Some school districts derive a significant portion of their operating funds from voter-approved parcel taxes. See "— District Revenues" below for discussion of other funding sources of the District.

Average Daily Attendance. The District computes ADA based on actual attendance only, with no allowances for excused absences. The following table sets forth the funded Second Period ADA for fiscal years 2015-16 through 2023-24 and the projected funded Second Period ADA for fiscal year 2024-25. District ADA and enrollment have been and may continue to be impacted by COVID-19. In fiscal year 2020-21, the State utilized a temporary hold harmless provision to calculate LCFF apportionment of funding for school districts experiencing declining enrollment levels. In subsequent fiscal years, LCFF funding calculations now consider a school district's current fiscal year, prior fiscal year, or the average of three prior fiscal years' ADA to allow school districts more time to adjust to LCFF funding declines due to enrollment. Such provisions may change in subsequent fiscal years as part of the State budget process.

Because school districts are generally funded through ADA levels, increases in the truancy rate affects the amount of revenue the District receives from the State. Truancy rates have increased in recent fiscal years within the District.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
AVERAGE DAILY ATTENDANCE

Fiscal Year	Average Daily Attendance[1]
2015-16	27,172
2016-17	27,026
2017-18	26,808
2018-19	26,526
2019-20	26,505
2020-21	26,505
2021-22	24,767
2022-23	23,310
2023-24	23,474
2024-25[2]	23,284

(1) Includes grade levels K-12 and special education. Excludes charter school students.
(2) Projected as of the District's Second Interim Report for fiscal year 2024-25.
Source: West Contra Costa Unified School District.

A school district's enrollment can fluctuate due to factors such as population, competition from private, parochial, and public charter schools, inter-district transfers in or out of the district, and other causes. Losses in enrollment lower a school district's LCFF funding (and may result in loss of operating revenues), without necessarily permitting the district to make adjustments in fixed operating costs. The District's enrollment may be impacted due to the approval of three new charter schools (one from the District, two from the County), three District approved charter schools in fiscal year 2015-16, one District approved charter school in fiscal year 2016-17, and two District approved charter schools in fiscal year 2018-19.

At its Board meeting on April 30, 2025, the District declined to renew the charter of Amethod Public Schools Richmond Charter Academy ("RCA"), based upon fiscal concerns at RCA that could not be remedied, and a finding that RCA would not likely implement a corrective action plan due to substantial fiscal or governance factors.

State Budget

General. The District's operating income consists primarily of three components, which include the State Aid portion funded from the State General Fund and a locally generated portion derived from the District's share of the general 1% *ad valorem* tax levy authorized by the State Constitution. In addition, school districts, including the District, may be eligible for other special categorical funding, including State and federal programs. Currently, the District receives approximately 95% of its General Fund revenues from funds of or controlled by the State. As a result, decreases in State revenues, or in State legislative appropriations made to fund education, may significantly affect District operations.

The following description of the State's budget has been obtained from publicly available information which the District believes to be reliable. However, the District, the Municipal Advisor and the Underwriters do not guarantee the accuracy or completeness of this information and have not independently verified such information. Additional information regarding State budgets is available at various State-maintained websites, including www.dof.ca.gov. These websites are not incorporated herein by reference and the District, the Municipal Advisor and the Underwriters do not make any representation as to the accuracy of the information provided therein.

The State Budget Process. The State's fiscal year begins on July 1 and ends on June 30. According to the State Constitution, the Governor of the State (the "Governor") is required to propose a budget for the next fiscal year (the "Governor's Budget") to the State Legislature no later than January 10 of each year. Proposition 25, which was adopted by voters in the State at an election held on November 2, 2010, amended the State Constitution such that a final budget must be adopted by a simple majority vote of each house of the State Legislature by no later than June 15 and the Governor must sign the adopted budget by no later than June 30. The budget becomes law upon the signature of the Governor. In certain recent years, the State's final budget has not been timely adopted.

Under State law, the annual Governor's Budget cannot provide for projected expenditures in excess of projected revenues and balances available from prior fiscal years. Following the submission of the Governor's Budget, the State Legislature takes up the proposal. Under the State Constitution, money may be drawn from the State Treasury only through an appropriation made by law. The primary source of the annual expenditure authorizations is the Budget Act as approved by the State Legislature and signed by the Governor. The Governor may reduce or eliminate specific line items in the Budget Act or any other appropriations bill without vetoing the entire bill. Such individual line-item vetoes are subject to override by a two-thirds majority vote of each house of the State Legislature. Appropriations also may be included in legislation other than the Budget Act. Bills containing appropriations (except for K-14 education) must be approved by a two-thirds majority vote in each house of the State Legislature and be signed by the Governor. Bills containing K-14 education appropriations require only a simple majority vote. Continuing appropriations, available without regard to fiscal year, may also be provided by statute or the State Constitution. Funds necessary to meet an appropriation need not be in the State Treasury at the time such appropriation is enacted; revenues may be appropriated in anticipation of their receipt. However, delays in the adoption of a final State budget in any fiscal year may affect payments of State funds during such budget impasse.

The District also has the ability to rely on interfund borrowing or the issuance of tax and revenue anticipation notes to manage cash flow if necessary.

Fiscal Year 2024-25 State Budget

Introduction. On June 26, 2024, Governor Gavin Newsom signed the fiscal year 2024-25 budget (the "2024-25 State Budget"). In addressing a $46.8 billion deficit, the 2024-25 State Budget maintains a multiyear fiscal structure providing positive balances in the State's operating reserve, the Special Fund for Economic Uncertainties ("SFEU"), not only in the 2024-25 fiscal year, but also for fiscal year 2025-26. The 2024-25 State Budget includes commitments to support further budget resilience with agreements for additional legislation requiring the State to set aside a portion of anticipated surplus funds to be allocated in a subsequent budget act and adding further fiscal protections so that the State does not commit certain amounts of future anticipated revenues until those revenues have been realized. The 2024-25 State Budget solves the $46.8 billion deficit through a mix of broad-based solutions, which includes $16.0 billion in reduced funding for various items (including a reduction of approximately $500 million from the California Student Housing Revolving Loan Program and an ongoing reduction of $110 million in middle class scholarships beginning in fiscal year 2025-26), $13.6 billion from additional revenue sources and internal borrowing from special funds, $6.0 billion in withdrawals from reserves, $6.0 billion in shifting certain expenditures from the General Fund to other funds, $3.1 billion from delayed programs, and $2.1 billion from payment deferrals.

The 2024-25 State Budget projects State general fund revenues in the amount of $189.4 billion in fiscal year 2023-24 and $212.1 billion in fiscal year 2024-25. State general fund expenditures for fiscal year 2024-25 are expected to be $211.5 billion (a decrease of approximately $11.6 billion from fiscal year 2023-24 general fund expenditures), of which $81.3 billion (38.4 percent) is allocated to K-12 education and $23.5 billion (11.1 percent) is allocated to higher education. The 2024-25 State Budget projects that the State will end fiscal year 2023-24 with a balance of approximately $26.3 billion in budgetary reserves (comprised of approximately $2.9 billion in the SFEU, $0 in the PSSSA, $900 million in the Safety Net Reserve and $22.6 billion in the BSA). Further, the 2024-25 State Budget projects that the State will end fiscal year 2024-25 with an approximately $22.2 billion reserve balance (comprised of approximately $3.5 billion in the SFEU, $1.1 billion in the PSSSA, $0 in the Safety Net Reserve and $17.6 billion in the BSA). In addition to the balance of $3.5 billion in the SFEU in fiscal year 2024-25, the 2024-25 State Budget includes a positive SFEU in fiscal year 2025-26 of $1.5 billion, putting the State on more solid fiscal footing by balancing the budget through the next two fiscal years.

Over the past decade, the State has built historic levels of reserves to better prepare for economic downturns and to mitigate against the volatility in the State's revenue structure. In particular, the BSA met its constitutional maximum mandatory deposit limit of 10% of General Fund tax proceeds under the 2023-24 State Budget. The 2024-25 State Budget utilizes funds from the BSA, but does so over two fiscal years, assuming the use of approximately $5.1 billion in fiscal year 2024-25 and approximately $7.1 billion in fiscal year 2025-26. Spreading the use of the BSA over two years allows more of the structural budget issues to be addressed in fiscal year 2024-25 and provides greater budget resiliency.

The 2024-25 State Budget maintains core programs serving millions of the State's most vulnerable populations, which includes funding the minimum Proposition 98 guarantee for education at $115.3 billion ($82.6 billion General Fund) for fiscal year 2024-25 for Pre-K-12 schools and community colleges.

K-12 Education. The 2024-25 State Budget includes total funding of $133.8 billion ($81.5 billion General Fund and $52.3 billion other funds) for all K-12 education programs. The 2024-25 State Budget reflects significant Proposition 98 funding that enables increased support for core programs such as the LCFF, special education, transitional kindergarten, nutrition, and preschool.

<u>Proposition 98.</u> Proposition 98 is a voter-approved constitutional amendment that guarantees minimum funding levels for K-12 schools and community colleges (collectively referred to as "K-14 schools"). The Proposition 98 Minimum Guarantee (the "Guarantee"), which went into effect in the 1988-89 fiscal year, determines funding levels according to multiple factors including the level of funding in 1986-87, General Fund revenues, per capita personal income, and school attendance growth or decline. See "CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS—Proposition 98" in the body of this Official Statement for more information on Proposition 98. The LCFF is the primary mechanism for distributing these funds to support students attending K-12 public schools in the State.

Under certain circumstances, the State Constitution allows the Legislature to suspend the Guarantee and create a maintenance factor to be paid in future fiscal years when conditions require it. The 2024-25 State Budget suspends the Guarantee in fiscal year 2023-24 and projects the Guarantee to be in "Test 1" in fiscal year 2024-25. In Test 1 years, the Guarantee is equal to the percentage of General Fund appropriated for K-14 schools in the 1986-87 fiscal year. Suspending the Guarantee is projected to create a maintenance factor obligation of approximately $8.3 billion in fiscal year 2023-24 and is projected to result in a $4.1 billion maintenance factor payment in fiscal year 2024-25, which will be paid in addition to the Guarantee level in fiscal year 2024-25.

To accommodate enrollment increases related to the expansion of transitional kindergarten, and the implementation of Proposition 28, the 2024-25 State Budget rebenches the Test 1 percentage, from approximately 38.6 percent to approximately 39.2 percent, to increase the percentage of General Fund revenues obligated to the Guarantee. As fiscal year 2024-25 is a Test 1 year, the value of the Guarantee is the sum of 39.2 percent of General Fund revenues, fiscal year 2024-25 local property tax revenues, and the $4.1 billion maintenance factor payment.

The 2024-25 State Budget reflects Proposition 98 funding levels of $103.7 billion in fiscal year 2022-23, $98.5 billion in fiscal year 2023-24, and $115.3 billion in fiscal year 2023-24. Of the $103.7 billion in fiscal year 2022-23, the 2024-25 State Budget accrues approximately $6.2 billion of the State's General Fund costs to the 2026-27 through 2035-36 fiscal years for budgetary and financial reporting purposes.

Proposition 98 Rainy Day Fund. The 2024-25 State Budget reflects a total balance of $8.4 billion in the PSSSA at the end of fiscal year 2022-23 and reflects the withdrawal of this balance in fiscal year 2023-24. The 2024-25 State Budget also reflects a roughly $1.1 billion discretionary payment into the PSSSA in fiscal year 2024-25, leaving a balance in the account of $1.1 billion.

Under current law, there is a cap of 10 percent on school district reserves in fiscal years immediately succeeding those in which the balance in the PSSSA is equal to or greater than 3 percent of the total K-12 share of the Guarantee. Because there is no ending balance in the PSSSA in fiscal year 2023-24 and a balance of $1.1 billion in fiscal year 2024-25, school district reserve caps would not be triggered in fiscal year 2024-25 and are not projected to be triggered in fiscal year 2025-26.

Local Control Funding Formula ("LCFF"). The 2024-25 State Budget includes a LCFF cost-of-living adjustment of 1.07 percent. When combined with population growth adjustments, this will result in an increase of approximately $983 million, as compared to the 2023-24 State Budget, in discretionary funds for local educational agencies ("LEAs"). To fully fund the LCFF, the 2024-25 State Budget withdraws approximately $5.3 billion from the PSSSA to support LCFF costs in fiscal year 2023-24, and uses available reappropriation and reversion funding of $253.9 million to support ongoing LCFF costs in fiscal year 2024-25.

Deferrals. The 2024-25 State Budget reflects LCFF apportionment deferrals from fiscal year 2023-24 to fiscal year 2024-25 of approximately $3.6 billion and from fiscal year 2024-25 to fiscal year 2025-26 of approximately $246 million. Additionally, the 2024-25 State Budget reflects approximately $2.3 billion in categorical program deferrals from fiscal year 2022-23 to fiscal year 2023-24, with the deferred categorical amount being repaid using PSSSA resources.

Learning Recovery Emergency Block Grant. The 2024-25 State Budget focuses the use of allocated but unexpended Learning Recovery Emergency Block Grant funds on actions to address the needs of students most impacted by learning loss, based on an assessment of needs, and incorporates the use of these funds into the existing LCAP development process. The 2024-25 State Budget also clarifies that the allowable uses of the Learning Recovery Emergency Block Grant include professional development aligned to the new Mathematics Framework and the English Language Arts/English Language Development Framework.

Employee Protections. To ensure stable employment for school staff, the 2024-25 State Budget includes a suspension of the August 15, 2024, layoff window for certificated and classified staff.

Instructional Continuity and Attendance Recovery. The 2024-25 State Budget includes statutory changes to allow LEAs to provide attendance recovery opportunities to students to make up lost instructional time, thereby offsetting student absences, and mitigating learning loss, as well as related fiscal impacts to LEAs. For example, the 2024-25 State Budget beginning in fiscal year 2025-26, allows LEAs to add up to 10 days of attendance recovery time per pupil to the attendance data submitted to the California Department of Education ("CDE") for funding purposes. Attendance recovery programs that are offered during summer school, intersessional school, on weekends, or before/after school, must be taught by certificated teachers, be exempt from minimum day requirements, and be non-compulsory.

The 2024-25 State Budget also allows Expanded Learning Opportunities Program funds to be utilized for attendance recovery programs when an LEA operates the program in conjunction with, and on the same school site as, its expanded learning opportunities program.

There is also the requirement that CDE to report an alternative chronic absenteeism rate calculation, in addition to the existing chronic absenteeism rate, that includes pupil attendance accrued through attendance recovery programs.

Beginning July 1, 2025, the 2024-25 State Budget requires LEAs to include an instructional continuity plan in their School Safety Plan as a component of their emergency funding application. The plan must include procedures for student engagement within 5 days of an emergency and a plan to provide hybrid or remote learning opportunities to students within 10 instructional days. The plan can include supporting students and their families with temporary reassignment to another school.

When students must be absent for any reason, the 2024-25 State Budget encourages LEAs to provide remote instruction to mitigate learning loss by streamlining independent study. Specifically, the language allows LEAs to earn funding for independent study programs regardless of duration, reduces the burden on teachers to account for remote/hybrid learning, and provides flexibility on when signed written agreements for short-term independent study must be collected.

Additionally, the 2024-25 State Budget directs the department to explore local student information systems to identify opportunities and make recommendations to allow LEAs to report individual student absence data to the state in a manner that allows for, at a minimum, local and statewide disaggregation of absences related to emergency events that prevent students from attending school. The 2024-25 State Budget also includes $4 million one-time Proposition 98 General Fund to research existing, and develop new models of hybrid and remote learning to support students' attendance, including developing and disseminating guidance and resources for LEAs to develop their own hybrid and remote learning programs to enable instructional continuity.

<u>Teacher Professional Development and Preparation.</u> To further expand the State's educator training infrastructure, the 2024-25 State Budget:

- Provides $25 million one-time Proposition 98 General Fund to support necessary costs, including training for educators to administer literacy screenings to meet the requirement to screen students in kindergarten through second grade for risk of reading difficulties, including dyslexia, by the 2025-26 school year.

- Provides $20 million one-time Proposition 98 General Fund for a county office of education to work with the University of California Subject Matter Projects, as well as other well-qualified governmental or non-profit providers, to develop and provide training aligned with the new California Mathematics Framework for mathematics coaches and leaders who in turn can provide training and support to mathematics teachers to deliver high-quality instruction.

Additionally, to encourage more well-prepared individuals to enter the field of teaching, the 2024-25 State Budget includes statutory changes to recognize the completion of a bachelor's degree as satisfying the basic skills requirement for a credential and to improve transcript review to certify subject matter competency.

State Preschool.

Significant budget adjustments:

- The 2024-25 State Budget includes $53.7 million General Fund to support reimbursement rate increases previously supported by available one-time federal stimulus funding.

- The 2024-25 State Budget reflects one-time savings of $190.7 million General Fund and $522.3 million Proposition 98 General Fund. These adjustments align with the level of support necessary for CDE to meet preschool collective bargaining agreement requirements.

- The 2024-25 State Budget authorizes California State Preschool Program providers to serve two-year-old children, in addition to three and four-year old children, until June 30, 2027.

- The 2024-25 State Budget maintains that the California State Preschool Program continue to require providers to reserve 5 percent of funded enrollment for children with disabilities. However, the 2024-25 State Budget suspends provisions to increase this requirement to 7.5 percent in fiscal year 2025-26 and 10 percent in fiscal year 2026-27.

- The 2024-25 State Budget provides authority for CDE to develop and implement a streamlined request for application process to award new State Preschool slots to existing providers.

Transitional Kindergarten. The 2024-25 State Budget provides $988.7 million Proposition 98 General Fund to support the second year (the 2023-24 school year) of expanded eligibility for transitional kindergarten, shifting age eligibility from all children turning five-years-old between September 2 and February 2 to all children turning five-years-old between September 2 and April 2 (roughly 36,000 additional children). Additionally, the 2024-25 State Budget provides $390.2 million Proposition 98 General Fund to support the second year of adding one additional certificated or classified staff person to every transitional kindergarten class.

Further, the 2024-25 State Budget provides $1.5 billion ongoing Proposition 98 General Fund to support the third year (the 2024-25 school year) of expanded eligibility for transitional kindergarten, shifting age eligibility from all children turning five between September 2 and April 2 to all children turning five-years-old between September 2 and June 2 (roughly 38,000 additional children). The 2024-25 State Budget also provides $515.5 million ongoing Proposition 98 General Fund to support the third year of adding one additional certificated or classified staff person to every transitional kindergarten class.

Addressing the Budget Problem. To address the projected budget shortfall, the 2024-25 State Budget includes General Fund solutions to achieve a balanced budget. These include:

- School Facility Program—Forgoes a planned investment of $875 million to support the School Facility Program.

- California Preschool, Transitional Kindergarten and Full-Day Kindergarten Facilities Grant Program—Forgoes a planned investment of $550 million to support the California Preschool, Transitional Kindergarten and Full-Day Kindergarten Facilities Grant Program.

- Zero-Emission School Buses—Forgoes a planned $500 million one-time Proposition 98 General Fund investment in fiscal year 2024-25 to support greening school bus fleets through programs operated by the California Air Resources Board and the California Energy Commission.

Other K-12 Budget Adjustments.

Other significant budget adjustments include:

- The Arts and Music in Schools: Funding Guarantee and Accountability Act (Proposition 28) - $907.1 million to support the Arts and Music in Schools: Funding Guarantee and Accountability Act in fiscal year 2024-25.

- Categorical Program Cost-of-Living Adjustments - $89.2 million ongoing Proposition 98 General Fund to reflect a 1.07-percent cost-of living adjustment for specified categorical programs.

- Nutrition - An additional $179.4 million ongoing Proposition 98 General Fund and an additional $120.8 million one-time Proposition 98 General Fund to fully fund the universal school meals program in the 2023-24 and 2024-25 fiscal years. This is on top of $1.6 billion in base funding for the program.

- Classified School Employee Summer Assistance Program - $9 million one-time Proposition 98 General Fund for the Classified School Employee Summer Assistance Program, which provides supplemental pay for classified staff during intersessional months when they are not employed.

- Curriculum-Embedded Performance Tasks for Science - $7 million one-time Proposition 98 General Fund to support inquiry-based science instruction and assessment through the development of a bank of curriculum-embedded performance tasks.

- California Teachers Collaborative for Holocaust and Genocide Education - $5 million one-time Proposition 98 General Fund to support the California Teachers Collaborative for Holocaust and Genocide Education.

- After School Education and Safety Programs - $5 million one-time General Fund for Save the Children, which supports after school programs in rural districts.

- State Special Schools Infrastructure Support - $3.4 million General Fund, of which $380,000 is ongoing, to replace critical servers, maintain warranty coverage for network infrastructure, and refresh laptops, tablets, and workstations for students and staff at the State Special Schools and Diagnostic Centers.

- K-12 High Speed Network - $3.2 million ongoing Proposition 98 General Fund to support the K-12 High Speed Network program.

- Student Friendly Services - $2.1 million ongoing Proposition 98 General Fund to support the California College Guidance Initiative.

- Parks Access - $2.1 million ongoing Proposition 98 General Fund for the Sacramento County Office of Education to enable fourth graders attending public schools to access California state parks.

- Inclusive College Technical Assistance Center - $2 million ongoing Proposition 98 General Fund to establish a Technical Assistance Center to:

  - Assist LEAs with the development and submittal of federal comprehensive transition and postsecondary program applications, so that students can apply for the Free Application for Federal Student Aid.

  - Facilitate collaboration between LEAs and institutions of Higher Education to support students, including those with intellectual disabilities, and their parents to plan for postsecondary transition.

  - Assist LEAs with the identification of potential funding sources and student financial assistance opportunities.

- The 2024-25 State Budget includes statute to better equip school staff with the tools needed to recognize and offer appropriate mental health supports to students in a way that is aligned with other state investments in this area, including professional development opportunities.

LAO Overview of 2024-25 State Budget.

The Legislative Analyst's Office (the "LAO"), a nonpartisan State office which provides fiscal and policy information and advice to the State Legislature, released its analysis of the fiscal year 2024-25 State Budget Act, entitled "The 2024-25 Budget: Overview of the Spending Plan" (the "2024-25 Budget Overview"). In the 2024-25 Budget Overview, the LAO summarizes the 2024-25 State Budget and highlights certain major features, including the condition of the general fund, revenues and spending.

The LAO estimates that the State Legislature addressed a $55 billion budget problem in the 2024-25 State Budget package, noting that the budget problem is essentially unchanged from the Governor's May revision of the 2024-25 State Budget (the "May Revision"). However, the LAO notes that its estimate of the budget problem is higher than the figure cited by the administration, which was $47 billion. The reasons for the difference are the same as those the LAO cited in its analyses of the Governor's proposed budget for fiscal year 2024-25 and the May Revision, mainly being the differing treatment of baseline spending for schools and community colleges.

The LAO's report details that the State has several types of solutions or options for addressing a budget problem, with the most important being: reserve withdrawals, spending reductions, revenue increases and cost shifts. In addressing the budget problems for the current fiscal year, the LAO highlights that spending-related solutions (including both school and community college spending and other spending) total $39 billion and represent about 70 percent of the total solutions. Spending-related solutions include reductions, fund shifts, delays and reversions. In addition, the LAO notes that the 2024-25 State Budget includes approximately $6 billion in reserve withdrawals ($5 billion from the BSA and $900 million from the Safety Net Reserve), $2 billion in cost shifts ($1.7 billion in special fund loans to the General Fund and $400 million in savings generated by extending the repayment schedule for some existing loans), and $8 billion in revenue-related solutions (temporary increase in corporation tax revenues by about $6 billion in fiscal year 2024-25 and an increase to the managed care organization tax of approximately $2 billion to offset General Fund costs) to help solve the budget problem.

The LAO details how spending-related solutions (excluding school and community colleges spending) total approximately $20 billion. Schools and community college spending-related solutions total approximately $19 billion, of which $13 billion reduces spending by suspending Proposition 98 minimum funding requirements. In its report, the LAO details how for fiscal year 2023-24, the 2024-25 State Budget invokes a provision allowing the State to suspend the Proposition 98 minimum funding requirement with a two-thirds vote of each house of the State Legislature. The 2024-25 Budget Overview further details how the State then reduces spending on schools and community colleges by $8.3 billion relative to the level otherwise required for fiscal year 2023-24 and also makes a $2.6 billion reduction attributable to fiscal year 2022-23. According to the 2024-25 Budget Overview, the fiscal year 2022-23 reduction does not require suspension of the Proposition 98 minimum funding requirement because funding remains above the minimum requirement for that year. The LAO highlights that both of these reductions lower the Proposition 98 minimum funding requirement on an ongoing basis, though the suspension creates an obligation to increase funding more quickly in the future. The LAO notes that the combined effect of these reductions, including their effect on fiscal year 2024-25, is to reduce General Fund spending by $12.7 billion over the fiscal year 2022-23 through 2024-25 period.

Additionally, the 2024-25 Budget Overview details how the 2024-25 State Budget introduces a new type of fiscal maneuver that accrues $6.2 billion in previous school and community college payments to future fiscal years. Specifically, the State will not recognize these payments as a cost to the General Fund in the year it provided them (fiscal year 2022-23), but instead, it will recognize the cost in equal installments over ten years, beginning in fiscal year 2026-27. These costs, when recognized, will be attributed to the non-Proposition 98 side of the State's budget. The LAO notes that while not formally structured as borrowing, this maneuver is similar to the State taking an internal loan from its cash reserves. The maneuver does not delay or reduce any payments to schools or community colleges and does not reduce the Proposition 98 funding requirement moving forward. It will, however, reduce funding available for other State programs over the next ten years.

General Fund. The 2024-25 Budget Overview recognizes that under the 2024-25 State Budget's assumptions, the State will end fiscal year 2024-25 with approximately $21 billion in total reserves, consisting of (i) $17.6 billion in the BSA, (ii) $3.5 billion in the SFEU, and (iii) $0 in the Safety Net Reserve, and as required by the State Constitution, the 2024-25 State Budget also withdraws the entire balance from the Proposition 98 Reserve ($8.4 billion) in fiscal year 2023-24 to supplement the funding provided to schools and community colleges. The LAO recognizes that in fiscal year 2024-25 however, the budget begins to build back the Proposition 98 Reserve by making a discretionary deposit of nearly $1.1 billion.

Revenues. The 2024-25 Budget Overview highlights that revenues from the State's three major sources are expected to grow from fiscal year 2023-24 to 2024-25, including with 5 percent growth in the personal income tax, the State's single largest revenue source. Despite growing revenues in the budget year, the State faces a budget problem in fiscal year 2024-25 because revenue shortfalls relative to past estimates have occurred in the prior and current years.

Spending. The 2024-25 Budget Overview details that the spending plan assumes total State spending of $295 billion in fiscal year 2024-25 ($31 billion lower than the fiscal year 2023-24 level), and includes a 19 percent decrease in special fund spending and a 5 percent decrease in General Fund spending. The LAO attributes the decline in State spending in fiscal year 2024-25 generally to the State's budget problem.

School and Community College Budget. The 2024-25 Budget Overview highlights how compared with the estimate the State made in June 2023, the 2024-25 State Budget reflects a $9.8 billion decrease in Proposition 98 funding across fiscal years 2022-23 through 2024-25. This reduction consists of an $11.7 billion decrease in State General Fund, partially offset by a $1.9 billion increase in local property tax revenue. Most of the General Fund reduction is attributable to the suspension of the Proposition 98 minimum funding requirement in fiscal year 2023-24.

The 2024-25 Budget Overview further notes that the State allocates most funding to schools based on their average daily attendance, however, in response to significant declines in attendance over the past several years, the State adopted a series of policies temporarily funding school districts based on the attendance they reported prior to the COVID-19 pandemic. For fiscal year 2024-25, the 2024-25 State Budget assumes savings of $1.8 billion as these higher pre-pandemic attendance levels phase out of district funding calculations. Additionally, the 2024-25 Budget Overview highlights how the 2024-25 State Budget obtains $1.2 billion in savings by (1) deferring some payments from fiscal year 2024-25 to fiscal year 2025-26, (2) reducing funding for State preschool that is expected to go unused, and (3) repurposing certain unspent appropriations from previous years. Under the State constitution, the State must dedicate all of these savings to other school and community college purposes.

Finally, the 2024-25 Budget Overview recognizes that after accounting for the reduction in overall funding, reserve withdrawals and deposits, cost savings, and various other baseline adjustments, the State has $1.5 billion available to augment school and community college programs. The 2024-25 State Budget allocates most this amount to cover a 1.07 percent cost-of-living adjustment for existing programs. Most of the remaining funds are allocated to cover enrollment and caseload driven increases in a few specific areas.

The 2024-25 Budget Overview is available on the LAO website at www.labo.ca.gov. The District can take no responsibility for the continued accuracy of this internet address or for the accuracy, completeness or timeliness of information posted therein, and such information is not incorporated herein by such references.

Fiscal Year 2025-26 Proposed State Budget

Introduction. On January 10, 2025, Governor Newsom released his proposed fiscal year 2025-26 State budget (the "2025-26 Proposed State Budget"), which is a balanced budget that addresses the 2024-25 State Budget's projections of shortfalls in fiscal years 2024-25 and 2025-26 and makes significant upward revisions in the State's near-term economic condition. The 2025-26 Proposed State Budget projects general fund revenues at $217 billion in fiscal year 2024-25 and $218 billion in fiscal year 2025-26. The forecast upgrade is based primarily on the economy, stock market, capital gains realizations, and cash receipts all outperforming prior expectations. Notably, the fiscal year 2023-24 personal income growth projection is almost 50% higher than anticipated in the 2024-25 State Budget, due in part to higher than actual and projected wage growth in the technology sectors. Although the 2025-26 Proposed State Budget projects capital gains realizations to increase in fiscal years 2023-24 and 2024-25, it still recognizes that stock market and asset price volatility, geopolitical instability, and federal policy changes could negatively impact the State's economy and revenues. Additionally, while the 2025-26 Proposed State Budget is balanced and indicates significant reserves in fiscal year 2025-26, it still foresees shortfalls in subsequent fiscal years due to expenditures exceeding revenues.

The 2024-25 State Budget assumed a $7.1 billion withdrawal from the BSA in fiscal year 2025-26, and the 2025-26 Proposed State Budget maintains this planned withdrawal. Even with proposed withdrawals, the 2025-26 Proposed State Budget projects total reserve balances of approximately $17 billion at the end of fiscal year 2025-26, which includes $10.9 billion in the BSA, $1.5 billion in the PSSSA, and $4.5 billion in the SFEU. The 2025-26 Proposed State Budget sets forth an expectation that fiscal year 2024-25 will end with approximately $18 billion in the BSA, $8 billion in the SFEU, and $1.2 billion in the PSSSA.

The 2025-26 Proposed State Budget also proposes to increase the BSA deposit limit from the 10% constitutional maximum mandatory deposit limit to 20% of general fund revenues and proposes to exempt deposits into the BSA from the State Appropriations Limit in order to better mitigate against future economic downturns by saving more during economic upswings. See "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Proposition 2 (2014)."

Proposition 98. Under the 2025-26 Proposed State Budget, general fund expenditures for fiscal year 2025-26 are $228.9 billion (a decrease of nearly $3.2 billion from fiscal year 2024-25 general fund expenditures), of which $83.1 billion (36.3%) is allocated to TK-12 education. Due to the revised estimates of the general fund revenues, considerable adjustments in Proposition 98 funding for TK-12 schools and community colleges are presented in the 2025-26 Proposed State Budget, including $98.5 billion, $119.2 billion and $118.9 billion in fiscal years 2023-24, 2024-25, and 2025-26, respectively. While these revised Proposition 98 levels represent an increase of approximately $7.5 billion over the three-year period relative to the 2024-25 State Budget, the 2025-26 Proposed State Budget intends to appropriate only $117.6 billion in 2024-25 to mitigate against potential risks in revenue projections. Overall, the 2025-26 Proposed State Budget provides $137.1 billion in total funding for all TK-12 education programs (comprised of $83.3 billion general fund and $53.8 billion other funds).

Universal Transitional Kindergarten. The 2025-26 Proposed State Budget proposes a total of $1.5 billion ongoing Proposition 98 funds in academic year 2024-25 to support expanded eligibility for transitional kindergarten by shifting the eligibility age to include all children turning five years old between September 2 and June 2 (adding approximately 39,000 children). Additionally, the 2025-26 Proposed State Budget proposes a total of $2.4 billion ongoing Proposition 98 funds support the third year of adding one additional certificated or classified staff person to every transitional kindergarten class.

The 2025-26 Proposed State Budget also invests a total of $2.4 billion ongoing Proposition 98 funds (inclusive of all prior years' investments) to aid in the full implementation of universal transitional kindergarten, so that all children turning four years old by September 1 of the academic year can enroll in TK, along with an additional $1.5 billion ongoing Proposition 98 funds to continue supporting lowering the average student-to-adult ratio from 12:1 to 10:1 in every TK classroom.

Expanded Learning Opportunities Program. The Expanded Learning Opportunities Program aims to provide all students in low income communities with no-cost access to nine hours of developmentally appropriate academics and enrichment activities per instructional day and for six weeks each summer. The 2025-26 Proposed State Budget intends the program to be fully implemented by fiscal year 2025-26 and includes $435 million ongoing Proposition 98 funds to cover the cost of full implementation. This investment increases the total ongoing funding to $4.4 billion Proposition 98 funds for the program.

Master Plan for Career Education: TK-12 Education and Teacher Preparation and Professional Development. The Master Plan for Career Education has focused on creating pathways to in-demand careers in the State through dual enrollment, college career pathways and career technical education programs. The 2025-26 Proposed State Budget proposes an increase of $3 million ongoing Proposition 98 funds to support the California College Guidance Initiative and Cradle-to-Career Data System.

In an effort to address staffing and qualified teacher shortages, and ensure teachers are provided with adequate training, the 2025-26 Proposed State Budget also allocates $150 million in one-time Proposition 98 funds to provide financial assistance for teacher candidates through the new Teacher Recruitment Incentive Grant Program, along with $100 million in one-time Proposition 98 funds to extend the timeline of the existing National Board Certificate Incentive Program to support National Board Certified teachers to teach and mentor instructional staff in high poverty schools.

Additionally, the 2025-26 Proposed State Budget proposes $1.8 billion one-time Proposition 98 funding for a discretionary block grant which will provide LEAs with additional fiscal support to address rising costs and statewide priorities in the areas of teacher professional development, teacher recruitment and career pathways, and dual enrollment expansion efforts. The 2025-26 Proposed State Budget proposes including dual enrollment and career pathway programs as allowable expenditures for funds allocated through this grant.

Literacy. The State has invested in its English Language Arts/English Language Development Framework (the "ELA/ELD Framework") to guide literacy instruction over the past six years. The 2025-26 Proposed State Budget continues this support by proposing: $500 million in one-time Proposition 98 funds for TK-12 literacy and mathematics coaches; $40 million in one-time Proposition 98 funds to support necessary costs to administer literacy screenings, and $5 million Proposition 98 funds annually through fiscal year 2029-30 to launch a literacy network to serve as a clearinghouse for state-developed literacy resources and provide support to LEAs.

K-12 School Facilities. Since 1998, State voters have approved more than $50 billion in statewide general obligation bonds to construct or renovate public school classrooms used by the State's approximately six million TK-12 students. In November 2024, California voters approved the Proposition 2—Kindergarten through Grade 12 Schools and Local Community College Public Education Facilities Modernization, Repair, and Safety Bond Act of 2024, which authorizes a total of $8.5 billion in State general obligation bonds for TK-12 schools to be allocated through the School Facility Program. Proposition 2 funds include $4 billion for modernization projects, $3.3 billion for new construction, $600 million for charter schools and $600 million for career technical education programs, while also supporting programmatic changes for energy-efficient components in new construction and modernization projects and health and safety components in school facilities. The 2025-26 Proposed State Budget also includes roughly $3 billion from the General Fund to support the debt service costs associated with Proposition 2 bonds. See "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Proposition 2 (2024)" in the forepart of this Official Statement.

Other K-12 Budget Adjustments. The 2025-26 Proposed State Budget included the following significant adjustments affecting California TK-12 school districts:

- Learning Recovery Emergency Block Grant - $378.6 million in one-time Proposition 98 funds to support the Learning and Recovery Emergency Block Grant, which supports LEAs in establishing learning recovery initiatives through the 2027-28 school year.

- Cost-of-Living Adjustments - $204 million ongoing Proposition 98 funds to reflect a 2.43% cost-of-living adjustment for specified categorical programs and the LCFF Equity Multiplier. The specified categorical programs include Special Education, Child Nutrition, State Preschool, Youth in Foster Care, Mandates Block Grant, Adults in Correctional Facilities Program, Charter School Facility Grant Program, American Indian Education Centers, and the American Indian Early Childhood Education Program.

- Kitchen Infrastructure and Training - $150 million one-time Proposition 98 funds for specialized kitchen equipment, infrastructure, and training to support schools in providing more freshly prepared meals made with locally grown ingredients.

- Local Property Tax Adjustments - $125 million in additional Proposition 98 funds for school districts and county offices of education in fiscal year 2024-25, and a decrease of $1.5 billion ongoing Proposition 98 funds for school districts and county offices of education in fiscal year 2025-26, resulting from increased offsetting property taxes.

- Nutrition - $106.3 million in additional ongoing Proposition 98 funds to fully fund the universal school meals program in fiscal year 2025-26.

- County Offices of Education - $12.2 million ongoing Proposition 98 funds to reflect ADA changes applicable to the county office of education LCFF, and a 2.43% cost-of-living adjustment.

- English Language Proficiency Screener for Transitional Kindergarten Students - $10 million one-time Proposition 98 funds for the statewide use of English language proficiency screeners to support multilingual learnings in transitional kindergarten.

- TK-12 High Speed Network - $3.5 million in additional ongoing Proposition 98 funds to support the K-12 High Speed Network program.

- Individualized Education Program ("IEP") Template and Translation Digitization - $2 million one-time Proposition 98 funds to support the digitization of the IEP template and translate the template into multiple languages.

- Homeless Education Technical Assistance Centers - $1.5 million in additional ongoing Proposition 98 funds to maintain support for Homeless Education Technical Assistance Centers that were first established through the American Rescue Plan Act's Homeless Children and Youth Program. This funding would continue the momentum in increasing homeless youth identification, which is essential to providing the necessary support to improve outcomes.

- Curriculum Framework, Standards, and Instructional Materials Process - $1 million in one-time Proposition 98 funds to evaluate the State's process for developing and adopting standards, curriculum frameworks, and instructional materials and make recommendations to streamline and improve the process.

LAO Overview of 2025-26 Proposed State Budget. The LAO released its report on the 2025-26 Proposed State Budget entitled "The 2025-26 Budget: Overview of the Governor's Budget" on January 13, 2025 (the "2025-26 Proposed Budget Overview"). In the 2025-26 Proposed Budget Overview, the LAO assesses the 2025-26 Proposed State Budget to be "roughly balanced" and does not indicate the budget condition as having either a surplus or a deficit at this time. The LAO details that while there are a handful of differences in its budget estimates, the differences are not significant enough to substantively change its assessment of the budget condition. The LAO also agrees with the 2025-26 Proposed State Budget's projection of budget deficits in the coming years.

The 2025-26 Proposed State Budget provides for $1.6 billion less in total funding for schools and community colleges than the estimated constitutional minimum funding level for fiscal year 2024-25. This results in one-time general fund savings for that fiscal year, but also creates a "settle-up" obligation, which will need to be paid in a future year if revenues for fiscal year 2024-25 were to remain at, or come in higher than, its current projection. If revenues for fiscal year 2024-25 come in below current projections, this payment could decline all the way to zero and would reflect an overall worse budget condition. The LAO understands that while the 2025-26 Proposed State Budget indicates it will provide this payment in the future—after the final calculation of the minimum funding requirement—it notes that it also has not accounted for this future obligation in its multiyear planning estimates. The LAO does note that the 2025-26 Proposed State Budget $7.1 billion withdrawal from the BSA in fiscal year 2025-26 remains reasonable and recommends that the State Legislature maintain Governor Newsom's approach on the use of reserves in its own budget plan.

The 2025-26 Proposed State Budget projects operating deficits of $13 billion, $19 billion and $15 billion in fiscal years 2026-27, 2027-28 and 2028-29, respectively. The 2025-26 Proposed Budget Overview summarizes the differences in its multiyear revenues and spending estimates, as stemming from three factors: (1) the 2025-26 Proposed State Budget assumes the State continues to suspend deposits into the BSA throughout the multiyear period, while the LAO assumes there will be deposits of approximately $3 billion to $4 billion each year; (2) the 2025-26 Proposed State Budget estimates of revenues are somewhat higher than those of the LAO in fiscal years 2026-27 and 2027-28; and (3) the 2025-26 Proposed State Budget estimate of spending is lower than the LAO's estimate for fiscal year 2028-29. Despite this, the LAO does not find these estimation differences to be meaningful.

While the LAO does not view the differences as significant, the LAO further notes that it remains concerned about market volatility and its effects on the State's revenues. Though the 2025-26 Proposed State Budget highlights positive trends in tax collection, the LAO notes that these gains are not the result of improvements in the State's broader economy. The LAO highlights that the State's broader economy has underperformed, seen elevated unemployment, little job growth and low consumer spending. Additionally, a tax deadline delay has been implemented in response to the recent January 2025 wildfires in Los Angeles, which may affect tax collection trends in the next few months. The LAO notes that recent wildfires may also create budget uncertainty for the State as it continues to assess the extent of its costs from these fires and the costs related to cleanup, recovery, and other assistance. The LAO recommends that the State Legislature assess these risks and avoid relying on the revenue rebound until there are additional changes in the State's broader economy.

The LAO finds the 2025-26 Proposed State Budget's interest in changing the State's reserve policy by increasing the BSA deposit limit from the 10% constitutional maximum mandatory deposit limit to 20% of general fund revenues and exempting deposits into the BSA from the State Appropriations Limit to be reasonable steps in rethinking the State's reserve policies. However, the LAO also indicates that more changes are needed. The LAO recommends also changing the formulas that set aside funds each year to increase how much is saved.

The LAO further recommends that the State Legislature maintain the previous year's momentum in addressing the budget problems projected in future years. The State will have to increase revenues or reduce spending to balance the budget in the coming years and the LAO advises the State Legislature to begin reviewing programs performance to address the future structural deficits now, rather than waiting for the May budget revision.

The 2025-26 Proposed Budget Overview is available on the LAO website at www.lao.ca.gov. The District can take no responsibility for the continued accuracy of this internet address or for the accuracy, completeness or timeliness of information posted therein, and such information is not incorporated herein by such reference.

Changes in State Budget. The final fiscal year 2025-26 State budget, which requires approval by a majority vote of each house of the State Legislature, may differ substantially from Governor Newsom's budget proposal. Accordingly, the District cannot provide any assurances that there will not be any changes in the final fiscal year 2025-26 State budget from the 2025-26 Proposed State Budget. Additionally, the District cannot predict the impact that the final fiscal year 2025-26 State budget, or subsequent budgets, will have on its finances and operations. The final fiscal year 2025-26 State budget may be affected by national and State economic conditions and other factors which the District cannot predict.

Additional Information. Information about the State budget and State spending for education is regularly available at various State-maintained websites. Text of the State budget may be found at the website of the Department of Finance, www.dof.ca.gov, under the heading "California Budget." Summaries and detail of the State budget may be found at www.ebudget.ca.gov. Various analyses of the budget may be found at the website of the LAO at www.lao.ca.gov. In addition, various State official statements, many of which contain a summary of the current and past State budgets and the impact of those budgets on school districts in the State, may be found via the website of the State Treasurer, www.treasurer.ca.gov. The information presented in these websites is not incorporated by reference in this Official Statement.

Future State Budgets. The District cannot predict what actions will be taken in the future by the State Legislature and the Governor to address any future budget deficits and cash management practices. Future State budgets will be affected by national and State economic conditions over which the District has no control, and other factors over which the District will have no control. The District cannot predict whether the State will continue to encounter budgetary difficulties in future fiscal years. The District also cannot predict the impact future State Budgets will have on the District's finances and operations or what actions the State Legislature and the Governor may take to respond to changing State revenues and expenditures. In the event current or future State Budgets decrease the District's revenues or increase required expenditures by the District from the levels assumed by the District, the District will need to generate additional revenues, curtail programs or services, or use its reserve funds to ensure a balanced budget.

District Revenues

The District's general operating fund (the "General Fund") is used to account for the day-to-day operations of the District. The General Fund is divided into two sections: unrestricted and restricted. Unrestricted revenue may be spent at the District's discretion. Restricted funds are moneys that can only be used for the purposes allowed by the funding agency.

Other State Revenues. Other State Revenues, or categorical funds, consist primarily of restricted revenues that fund specific items, such as new curriculum and technology, special education programs, instructional materials, and mentor teachers.

State Lottery**.** The District receives a portion of the State Lottery (the "Lottery") revenues. Lottery revenues allocated to the District must be used for the education of students and cannot be used for non-instructional purposes, such as real property acquisition, facility construction, or the financing of research. Lottery net revenues (gross revenues less prizes and administration expenses) are allocated by computing an amount per ADA or full time equivalent ("FTE"). This figure is derived by dividing the total net revenues figures by the total ADA for grades K-12 and by the total FTE for the community colleges, University of California system and the California State University and College system. Each entity receives an amount equal to its total ADA or FTE, as applicable, multiplied by the per ADA or FTE figure. The District's Lottery revenues were approximately $8.2 million for fiscal year 2022-23, and approximately $7.9 million for fiscal year 2023-24. The District estimates receiving approximately $5.9 million for fiscal year 2024-25, as of its Second Interim Report.

Other District Revenues. The District receives revenue from State, federal and local sources, including grants and funding for specific programs. The District also collects revenues from other local sources such as parcel taxes, developer fees, support from the City of Richmond and certain assessments.

Developer Fees. As part of its local revenue income, the District collects development fees as provided under Education Code Sections 17620 *et seq*. In order to impose developer fees on new residential construction within the District, the District prepares and adopts a School Facilities Need Analysis annually as required by State law. The law requires all developer fees collected to be applied solely to construction of school facilities and also establishes the maximum fees (adjustable for inflation) which may be collected. Expenditures are restricted by Government Code Sections 65970-65981 and are generally limited to those expenditures necessary for the District to provide services to the areas impacted by the development. In prior years, the District collected millions of dollars in developer fees that were applied primarily for capital leases for portable classrooms and as otherwise required by law. The District collected approximately $1.5 million in fiscal year 2022-23, and approximately $2.2 million in fiscal year 2023-24. The District estimates collecting approximately $1.0 million in fiscal year 2024-25, as of its Second Interim Report. However, collection depends on development and the District cannot guarantee that these funds will become available.

Assessment District. On August 3, 1994, the District completed formation of a Maintenance and Recreation Assessment District ("MRAD") pursuant to the Landscape and Lighting Act of 1972 and Article XIIID of the California Constitution. This allows the District to levy taxes to support the maintenance and operations of fields and outdoor areas for the purpose of public use. Annual assessments are $72 per single-family equivalents. There are approximately 78,966 defined living units within the MRAD, and the District has received approximately $5.6 million annually in assessment revenue since fiscal year 2020-21, and has budgeted for approximately $5.6 million in fiscal year 2024-25. The use of MRAD revenue is restricted to expenditures for recreation, lighting, and landscape operations and maintenance of facilities generally available to the public; it does not count towards the District's revenue limit and effectively relieves the District from funding many of these expenditures from General Fund revenue. MRAD assessments are levied annually on approval by the Board.

Parcel Tax. On June 8, 2004, voters within the District approved a parcel tax to maintain reduced class sizes from kindergarten to third grade, purchase textbooks and teaching materials, attract and retain qualified teachers, aides and counselors, enhance core subjects, restore library services and athletic programs, and improve custodial services (the "Parcel Tax"). The District annually collects 7.2 cents ($0.072) per square foot of total building area of buildings within the District's geographic boundaries, with annual exemptions (i) for residents who are 65 years of age or older or (ii) residents who receive Supplemental Security Income ("SSI") for a disability regardless of age. The Parcel Tax became effective on July 1, 2004 and was scheduled to expire on June 30, 2009. In November 2008, voters renewed the Parcel Tax, extending the current rate for an additional five years, beginning July 1, 2009 and ending June 30, 2014. On November 6, 2012, the voters of the District renewed the existing Parcel Tax and extended the current tax rate an additional five years through June 30, 2019. On November 8, 2016, the voters of the District extended the tax through June 30, 2027. In *Bypass 93 Properties, et al. v. West Contra Costa Unified School District* (Contra Costa County Superior Court Case No. C13-00024), filed on January 4, 2013, the plaintiffs sought to invalidate the imposition of the Parcel Tax. The District and the plaintiffs entered into a settlement agreement dated November 20, 2013 pursuant to which the parties have agreed to sever the following provision from Measure G: "or a tax of $7.20 per unimproved parcel of taxable real property."

The Parcel Tax generated approximately $9.8 million in fiscal years 2021-22 and 2022-23. The District received approximately $10 million in fiscal year 2023-24 and estimates the receipt of approximately $10.1 million in fiscal year 2024-25, as of its Second Interim Report. As a result of the settlement of a lawsuit, the District shares a portion of the Parcel Tax proceeds it receives pursuant to the Parcel Tax with charter schools that operate within the District's boundaries.

Federal Revenues. The federal government provides funding for several District programs, including special education programs, programs under the Educational Consolidation and Improvement Act (Title 1), No Child Left Behind funding, specialized programs such as Drug Free Schools and Communities Act of 1989, vocational and technology incentives and various other incentives and pass-through federal sources. The District received approximately $37.3 million of restricted federal revenues in fiscal year 2022-23, approximately $50.4 million of restricted federal revenues in fiscal year 2023-24, and estimates receipt of $36.9 million of restricted federal revenues in fiscal year 2024-25, as of its Second Interim Report.

On January 27, 2025, the Acting Director of the Office of Management and Budget under the Trump Administration issued a memorandum (the "OMB Memo") directing federal agencies, to the extent permissible under applicable law, to temporarily pause all activities related to obligation or disbursement of federal financial assistance (including federal grants, loans and other financial assistance impacting educational programs). The OMB Memo was later rescinded, and on January 31, 2025, a federal judge issued a temporary restraining order that says the Trump Administration cannot pause, freeze, impede, block, cancel, or terminate federal financial-assistance obligations to the states. On March 6, 2025, a second federal judge granted a preliminary injunction preventing any potential spending freeze of payments under federal grants or congressionally approved government programs from taking effect.

In addition, on March 20, 2025, President Trump signed an executive order instructing the Secretary of Education to take all necessary steps to close the Department of Education (the "DOE") to the maximum extent appropriate and permitted by law. The executive order followed the mass dismissal of approximately half of the DOE's staff on Tuesday, March 11, 2025, and the cancellation of $1.5 billion in grants and contracts for the performance of DOE functions. The DOE provides funding to local school districts nationwide, including the District, primarily for special education services under the Individuals with Disabilities Education Act and under Title I to the Elementary and Secondary Education Act to districts that serve large populations of economically disadvantaged students.

Two separate complaints were filed on March 24, 2025, the first in the U.S. District Court for the District of Massachusetts by Democracy Forward, by a plaintiff group acting on behalf of the Easthampton School District and certain labor and parent groups. The second complaint was filed in the U.S. District Court for the District of Maryland, by a plaintiff group including the National Association for the Advancement of Colored People, the National Education Association, and other parent groups and education proponents. Each lawsuit generally challenges the layoffs of DOE staff and the executive order dismantling the DOE as exceeding the constitutional authority of the executive branch.

As of its Second Interim Report, federal revenues are estimated to comprise approximately 7.3% of the District's general fund revenues for fiscal year 2024-25, all of which are restricted. Any significant delay or reduction of restricted federal revenues would result in a corresponding reduction to supplemental services that the District provides.

On April 29, 2025, the District received notice from the DOE that a grant, pursuant to which the District would originally have received approximately $4.2 million over five years, had been reduced to the receipt of approximately $600,000 received over one year. While the District expects to appeal the reduction of the grant, its receipt was not included in its 2024-25 Adopted Budget, and the reduction is not expected to have a material impact on the District's finances.

The District is unable to predict whether the Trump Administration's review of spending will be upheld in full or in part or whether legal challenges to any freeze or pause in spending will be successful. Similarly, the District is unable to predict whether the executive order dismantling the DOE or the staff reductions or grant cancellations will be upheld after legal challenge. If the reductions in funding, elimination of the DOE, or staff layoffs are upheld in whole or in part, the District cannot anticipate whether the amount of federal revenues in the District's General Fund will be reduced, or the extent of any reduction, or whether any reduction would occur in the current or any future fiscal year.

If federal revenues are delayed, rescinded, or withheld, the District cannot predict whether such delay, rescission, or withdrawal will have a material effect on the finances or operations of the District.

District Expenditures

The largest part of each school district's general fund budget is used to pay salaries and benefits of certificated (credentialed teachers) and classified (non-instructional) employees. Any changes in salaries and benefits from one year to the next are generally based on changes in staffing levels, negotiated salary increases, and the overall cost of employee benefits. The District spent total salaries and benefits expenditures of approximately $362.7 million in fiscal year 2022-23 and approximately $395.9 million in fiscal year 2023-24. As of its Second Interim Report, the District estimates spending approximately $413.6 million in fiscal year 2024-25 on salaries and benefits.

Labor Relations and Collective Bargaining. As of its Second Interim Report, the District employed 1,601.1 full time equivalent (FTE) certificated, 1,467.8 FTE classified employees and 317.0 FTE management and confidential employees.

During the last several years, the District has reduced salary and post-retirement expenses through negotiated concessions with employees. In addition, since fiscal year 2009-10, employee benefits have been reduced through a tiered cap program. Other measures taken by the District to reduce expenditures, with the cooperation of employee groups, have been the reduction of the District's long-term liability for post-retirement health care. See "— *Other Post-Employment Benefits*" below for additional discussion concerning this issue.

The current collective bargaining agreements with each of the District's four bargaining units are shown in the following table. The District is working on successor contracts and does not anticipate any financial issues with these negotiations. Such contracts are set to expire as indicated below. The terms of the current collective bargaining agreements will remain in place until successor contracts become effective.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
LABOR ORGANIZATIONS

Labor Organization	Number of Employees (FTE)	Contract Expiration
United Teachers of Richmond	1,601.1	June 30, 2025
Teamsters 856	1,467.8	June 30, 2025
School Supervisors Association	163.0	June 30, 2025
Administrators Association	107.7	June 30, 2026

Source: West Contra Costa Unified School District.

Retirement Programs. The District participates in the State Teachers Retirement System ("STRS"). The plan provides retirement, disability and survivor benefits to beneficiaries. This plan covers all full-time certificated employees. The District's annual contributions to STRS for the fiscal years ended June 30, 2022 through June 30, 2024 were approximately $25.6 million, $30.2 and $49.5 respectively, totaling 100% of the required contributions for each year. As of its Second Interim Report, the District estimates contribution of approximately $48.8 million in fiscal year 2024-25.

The District also participates in the California Public Employees Retirement System ("PERS") Schools Pool ("Schools Pool"). The plan provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. This plan covers all classified personnel who are employed more than four hours per day. In order to receive PERS benefits, an employee must be at least 50 years old and have provided five years of creditable service in PERS. The District's annual contributions to PERS for the fiscal years ended June 30, 2022 through June 30, 2024 were approximately $15.2 million, $18.5 million and $19.1 million respectively, totaling 100% of the required contributions for each year. As of its Second Interim Report, the District estimates of approximately $20.3 million in fiscal year 2024-25.

The information set forth below regarding STRS and PERS has been obtained from publicly available sources and has not been independently verified by the District, the Underwriters or the Municipal Advisor, is not guaranteed as to the accuracy or completeness of the information and is not to be construed as a representation by the District, the Underwriters or the Municipal Advisor. Furthermore, the summary data below should not be read as current or definitive, as recent gains or losses on investments made by the retirement systems generally may have changed the unfunded actuarial accrued liabilities.

Both PERS and STRS are operated on a statewide basis. The PERS and STRS defined benefit programs are funded through a combination of investment earnings and contributions by members, employees and the State. Both PERS and STRS have substantial State unfunded actuarial liabilities. PERS may issue certain pension obligation bonds to reach funded status. Additional funding of STRS by the State and the inclusion of adjustments to such State contributions based on consumer price changes were provided for in 1979 Statutes, Chapter 282. The amounts of the pension/award benefit obligation (PERS) or actuarially accrued liability (STRS) will vary from time to time depending upon actuarial assumptions, rates of return on investments, salary scales, and levels of contribution. The District is unable to predict what the amount of liabilities will be in the future, or the amount of the contributions which the District may be required to make.

District contribution rates to PERS can vary annually depending on changes in actuarial assumption and other factors, such as liability. Unlike typical defined benefit programs, prior to fiscal year 2014-15, neither the STRS employer nor the State contribution rate varied annually to make up funding shortfalls or assess credits for actuarial surpluses. As a result, in recent years, the combined employer, employee and

State contributions to STRS have not been sufficient to pay actuarially required amounts. As a result, and due to significant investment losses, the unfunded actuarial liability of STRS increased significantly. The District is unable to predict what the STRS program liabilities will be in the future.

Declines in investment earnings may lead to increases in District contributions to each of these retirement systems. The District is unable to predict the likelihood or the amount of such increases on its contributions to STRS or PERS.

In order to address STRS funding inadequacies, the 2014-15 State Budget set forth a plan of shared responsibility among the State, school districts and teachers to shore up STRS. The first year's increased contributions from all three entities were approximately $275 million. The contributions would increase in subsequent years, reaching more than $5 billion annually. Then Governor Brown expected that this would eliminate the unfunded liability in approximately 30 years. The 2018-19 State Budget included $3.1 billion for state contributions to STRS, which reflects action by the STRS board to increase state contributions by 0.5% of teacher payroll. The 2019-20 State Budget included approximately $3.3 billion for State contributions to STRS and PERS. However, the 2020-21 State Budget redirected approximately $2.3 billion of this amount to further reduce employer contribution rates in fiscal years 2020-21 and 2021-22, reducing the STRS employer rate from 18.41% to approximately 16.15% in fiscal year 2020-21, and from 17.9% to approximately 16.92% in fiscal year 2021-22, and reducing the PERS employer rate from 22.67% to approximately 20.7% in fiscal year 2020-21, and from 24.6% to approximately 22.84% in fiscal year 2021-22. For fiscal year 2022-23, the State Teachers' Retirement Board adopted a 10.85% supplemental contribution rate resulting in a total employer contribution rate of 19.10%. The employer contribution rate for fiscal year 2023-24 was 19.10% and the rate will continue to be 19.10% for fiscal year 2024-25.

STATE OF CALIFORNIA
ACTUARIAL VALUE OF STATE RETIREMENT SYSTEMS

Name of Plan	Market Value of Assets	Actuarial Value of Assets[3]	Actuarial Obligation	Unfunded Actuarial Accrued Liability[4]	Funded Ratio (Market Value)	Funded Ratio (Actuarial Value)
Public Employees' Retirement Fund Schools Pool (PERS)[1]	$84.292 billion	—	$124.924 billion	$40.632 billion	67.5%	—
State Teachers' Retirement Fund Defined Benefit Program (STRS)[2]	$299.148 billion	$273.155 billion	$359.741 billion	$86.586 billion	76.2%	75.9%

Figures as of June 30, 2023.

(1) As of June 30, 2023, the PERS provided pension benefits to 1,446,497 active and inactive program members and 791,514 retirees, beneficiaries, and survivors.

(2) As of June 30, 2024, the STRS Defined Benefit Program had approximately 706,891 active and inactive program members and 333,410 retirees and benefit recipients.

(3) PERS no longer uses an actuarial value of assets and only uses the market value of assets.

(4) The PERS unfunded actuarial accrued liability is based on the market value of assets and the STRS unfunded actuarial accrued liability is based on the actuarial value of assets.

Source: PERS State and Schools Actuarial Valuation, STRS Defined Benefit Program Actuarial Valuation, PERS Annual Comprehensive Financial Report 2022-23, PERS Schools Pool Actuarial Valuation, as of June 30, 2023 and STRS Annual Comprehensive Financial Report 2023-24.

California State Teachers' Retirement System. STRS is a defined benefit program and member benefits are determined pursuant to the Education Code and are generally determined based on a member's age, final compensation and years of credited service. As a result of the California Public Employees' Pension Reform Act of 2013 (Chapter 296, Statutes of 2012), there are two benefit structures for members that apply according to the members' first date of hire to perform STRS creditable activities. Members first hired on or before December 31, 2012, are 100% vested in retirement benefits after five years of credited service and are eligible for "normal" retirement at age 60 and for early retirement at age 55 or at age 50 with 30 years of credited service. The normal retirement benefit is 2% of final compensation (as defined in the Education Code) for each year of credited service (up to 2.4% of final compensation for members retiring after age 60), and members who retire on or after January 1, 2011 with 30 or more years of service by December 31, 2010 receive monthly bonus payments of up to $400 per month. Members first hired on or after January 1, 2013 who retire at age 62 are eligible for a benefit equal to 2% of final compensation for each year of credited service (up to 2.4% of final compensation for members retiring after age 62). Additional benefits under both benefit structures include a 2% cost of living increase (computed on a simple, non-compounded, basis based on the initial allowance) on each September 1 following the first anniversary of the effective date of the benefit.

Prior to fiscal year 2014-15, neither the STRS employer nor the State contribution rate varied annually to make up funding shortfalls or assess credits for actuarial surpluses. As a result, the combined employer, employee and State contributions to STRS were not sufficient to pay actuarially required amounts. Assembly Bill 1469 ("A.B. 1469"), enacted in connection with the adoption of the 2014-15 State budget authorizes shared contribution increases among the program's three contributors – STRS members, employers and the State. Defined Benefit Program contribution rate increases for all contributing parties will be incrementally phased-in over the next several years, with the first increases having taken effect July 1, 2014. The rate increases authorized by A.B. 1469 are projected to fund the STRS Defined Benefit Program fully in 32 years.

Employer contribution rates, including those of the District, increased through fiscal year 2020-21 as shown in the following table. Beginning fiscal year 2021-22, employer contribution rates will be set each year by the STRS board to reflect the contribution required to eliminate unfunded liabilities by June 30, 2046.

		AB 1469 Increases	
Effective Date	**Prior Rate**	**Increase**	**Total**
July 1, 2017	8.25%	6.18%	14.43%
July 1, 2018	8.25	8.03	16.28
July 1, 2019	8.25	8.85	17.10
July 1, 2020	8.25	10.15	18.40

The State contributions are set pursuant to the Education Code. As of July 1, 2022, the State contributed 8.328% of members' annual earnings to the defined benefit plan for fiscal year 2022-23 and will contribute 8.328% for fiscal year 2023-24. The employee contribution rate for STRS members first hired on or before December 31, 2012 to perform STRS creditable activities (i.e., STRS 2% at 60 members) is 10.25% for fiscal year 2023-24 and will be 10.25% for fiscal year 2024-25. The employee contribution rate for STRS members first hired on or after January 1, 2013 to perform STRS creditable activities (i.e., STRS 2% at 62 members) is 10.205% for fiscal year 2023-24 and will be 10.205% for fiscal year 2024-25.

The State Teachers' Retirement Board has sole authority to determine the actuarial assumptions and methods used for the valuation of the defined benefit plan. The STRS actuarial consultant determines the actuarial value of the defined benefit plan's assets by using a one-third smoothed recognition method of the difference between the actual market value of assets to the expected actuarial value of assets. Accordingly, the actuarial value of assets will not reflect the entire impact of certain investment gains or losses on an actuarial basis as of the date of the valuation or legislation enacted subsequent to the date of the valuation.

In February 2017, the State Teacher's Retirement Board voted to revise the actuarial methods and assumptions beginning with the STRS Defined Benefit Program for fiscal year 2016. The actuarial assumptions set forth in the 2016 STRS actuarial valuation use a 7.25% investment rate of return for measurements as of June 30, 2016 and an assumed 7.00% investment rate of return for measurements subsequent to June 30, 2016 3.00% interest on member accounts, 3.50% wage growth, and 2.75% inflation. The STRS unfunded liability will vary based on actuarial assumptions, actual returns on investments and contribution rates.

The Defined Benefit Program of the California State Teachers' Retirement System, June 30, 2023 Actuarial Valuation (the "2023 STRS Actuarial Valuation") states that for fiscal year 2022-23 the funded ratio increased by 1.5% over the previous year, mainly due to the expected year-to-year change attributable to contributions received to pay down the unfunded actuarial obligation and the new assumptions (primarily the mortality assumption change) that were adopted for use with the 2023 STRS Actuarial Valuation.

California Public Employees' Retirement System. PERS is a defined benefit program and member benefits are determined pursuant to the Public Employees' Retirement Law and are generally determined based on a member's age, final compensation and years of credited service.

Member contribution rates are determined by the Public Employees' Retirement Law and depend on the respective employer's benefit formulas. Employer contribution rates are determined by periodic actuarial valuations or by statute. For fiscal year 2023-24, the employee contribution rate for classic plan members is 7.0% of monthly salary and the estimated employee contribution rate for PEPRA members is 7.0% of monthly salary. The employer contribution rate increased from 25.37% of covered payroll for fiscal year 2022-23, to 26.68% of covered payroll for fiscal year 2023-24. The employer contribution rate for fiscal year 2024-25 is 27.05%, as further discussed below.

At its April 17, 2013 meeting, the PERS Board of Administration approved a recommendation to change the PERS amortization and smoothing policies. Prior to this change, PERS employed an amortization and smoothing policy which spread investment returns over a 15-year period with experience gains and losses paid for over a rolling 30-year period. After this change, PERS will employ an amortization and smoothing policy that will pay for all gains and losses over a fixed 30-year period with the increases or decreases in the rate spread directly over a 5-year period. The new amortization and smoothing policy was used for the first time in the June 30, 2014 actuarial valuations. These valuations were performed in early 2015 and set employer contribution rates for the fiscal year 2015-16.

The actuarial methods and assumptions used for determining the rates are based on those adopted by Board of Administration of PERS. At its December 21, 2016 meeting, the PERS Board of Administration approved a discount rate assumption decrease from its current rate of 7.50% to 7.00% over the next three years. For the School Pool, the discount rate was lowered for the first time to 7.375% effective with the June 30, 2017 actuarial valuation (the "2017 PERS Schools Pool Actuarial Valuation"), impacting the Schools Pool employer contribution rates beginning in fiscal year 2018-19. The discount rate was lowered further to 7.25% for the June 30, 2018 actuarial valuation, to 7.00% for the June 30, 2019 actuarial valuation and lowered again to 6.8% for the June 30, 2021 actuarial valuation. Lowering the discount rate results in increases in both the normal cost and the accrued liabilities which results in higher required employer contributions. The District cannot predict how these changes will affect its contribution levels.

On December 20, 2017, the PERS Board of Administration adopted new actuarial demographic assumptions to update various assumptions including mortality, retirement rates and inflation. These new assumptions were applied beginning with the June 30, 2018 valuation for the schools pool, setting employer contribution rates for fiscal year 2019-20. As a result, the June 30, 2019 actuarial valuation assumed a reduced inflation rate of 2.50% per year and reduced payroll growth of 2.75% per year. The actuarial funding method used in the PERS Schools Pool Actuarial Valuation as of June 30, 2019 (the “2019 PERS Schools Pool Actuarial Valuation”) is the “Individual Entry Age Normal Cost Method.” At its February 12, 2018 meeting, the PERS Board of Administration approved a recommendation to change the PERS amortization policy once again. Prior to this change, PERS employed an amortization and smoothing policy which spread investment returns over a 30-year period with the increases or decreases in the rate spread directly over a 5-year period. After this change, PERS employed an amortization and smoothing policy that will pay for all gains and losses over a fixed 20-year period rather than a 30-year period. The new amortization policy was used for the first time in the June 30, 2019 actuarial valuations.

CalPERS reported a negative 6.1% net return on investments for fiscal year 2021-22, its first negative return on investments since fiscal year 2008-09, on July 20, 2022. This negative return on investments was less than the assumed 6.80% annual rate of returns on investments and resulted in a $12.4 billion investment loss. At that time, the employer contribution rates for future fiscal years were adjusted due, in part, to the negative return on investments for fiscal year 2021-22.

On April 15, 2024, the CalPERS Finance and Administration Committee of the Board was presented with a summary of the CalPERS Schools Pool Actuarial Valuation as of June 20, 2023 (the “2023 PERS Schools Pool Actuarial Valuation”). The summary reflected projections for future employer contribution rates of 27.0%, 27.6%, 28.0%, 29.2%, 29.0 and 28.8% in fiscal years 2024-25, 2025-26, 2026-27, 2027-28, 2028-29 and 2029-30 respectively. The summary based these projections on an expected actual investment return of 6.80% for fiscal year 2023-24.

In July 2024, CalPERS reported a preliminary net investment return of 9.3%, outpacing the expected investment return of 6.80%. A circular letter was subsequently released on August 30, 2024 with updated projections for future employer contribution rates that reflect the fiscal year 2023-24 preliminary net investment return of 9.3%. The circular letter reflects an employer contribution rate of 27.05% for fiscal year 2024-25 and also projects future employer contribution rates of 27.4%, 27.5%, 28.5%, 28.2% and 27.8% in fiscal years 2025-26, 2026-27, 2027-28, 2028-29 and 2029-30, respectively. These projections are based on an expected actual investment return of 6.80%, however the actual contribution requirements for the projected years will likely differ if the actual investment return is not 6.80%. Projected employer contribution rates may increase absent investment returns that are higher than the expected 6.80% in fiscal year 2024-25 and beyond. Additionally, pursuant to CalPERS’ amortization policy, required employer contributions may change gradually and significantly due to investment gains or losses that are amortized using a five-year ramp up (while making it less likely that there are significant changes in the required employer contributions in any one year). The District is unable to anticipate or predict the impact of future events (State, national or otherwise) on investment returns and employer contribution rates and no assurances can be given that the District’s required CalPERS contributions will not increase in the future.

The 2023 PERS Schools Pool Actuarial Valuation was later released in October 2024, but because the actual investment return for fiscal year 2023-24 was not yet known at the time of preparation, the report reflected identical projections for future employer contribution rates as the April 15, 2024 summary.

Both PERS and STRS are operated on a statewide basis and, based on available information, STRS and PERS both have unfunded liabilities. PERS may issue certain pension obligation bonds to reach funded status. Additional funding of STRS by the State and the inclusion of adjustments to such State contributions based on consumer price changes were provided for in 1979 Statutes, Chapter 282. The amounts of the pension/award benefit obligation (PERS) or actuarially accrued liability (STRS) will vary from time to time depending upon actuarial assumptions, rates of return on investments, salary scales, and levels of contribution.

STRS and PERS each issue separate annual comprehensive financial reports that include financial statements and required supplementary information. Copies of the STRS annual financial report may be obtained from www.calstrs.com or by written request mailed to STRS, P.O. Box 15275, Sacramento, California 95851-0275, and copies of the PERS annual financial report may be obtained from www.calpers.ca.gov or by written request mailed to the CalPERS Financial Services Division, P.O. Box 942703, Sacramento, California 94229-2703. The information presented in those reports is not incorporated by reference in this Official Statement.

The District is unable to predict what the amount of liabilities will be in the future, or the amount of future contributions that the District may be required to pay. See APPENDIX C – "DISTRICT FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED JUNE 30, 2024" for additional information concerning STRS and PERS contained in the notes to said financial statements.

Pension Reform Act of 2013 (Assembly Bill 340)

On September 12, 2012, then Governor Brown signed AB 340, a bill that enacted the California Public Employees' Pension Reform Act of 2013 ("PEPRA"), which amended various sections of the California Education and Government Codes. AB 340 (i) increased the retirement age for new State, school, and city and local agency employees depending on job function, (ii) capped the annual PERS and STRS pension benefit payouts, (iii) addressed abuses of the system, and (iv) requires State, school, and certain city and local agency employees to pay at least half of the costs of their PERS pension benefits. PEPRA will apply to all public employers except the University of California, charter cities and charter counties (except to the extent they contract with PERS.)

The provisions of AB 340 went into effect on January 1, 2013 with respect to new State, school, and city and local agency employees hired on that date and after; existing employees who are members of employee associations, including employee associations of the District, had a five-year window to negotiate compliance with AB 340 through collective bargaining. A city, public agency or school district could require employees to pay their half of the costs of PERS pension benefits, up to 8 percent of pay for civil workers and 11 percent or 12 percent for public safety workers.

PERS has predicted that the impact of AB 340 on employers, including the District and other employers in the STRS system, and employees will vary, based on each employer's current level of benefits. To the extent that the new formulas lower retirement benefits, employer contribution rates could decrease over time as current employees retire and employees subject to the new formulas make up a larger percentage of the workforce. This change would, in some circumstances, result in lower retirement benefits than employees currently earn. Additionally, PERS has noted that AB 340 changes may have an adverse impact on public sector recruitment in areas that have historically experienced recruitment challenges due to higher pay for similar jobs in the private sector.

With respect to STRS, for employees hired after January 1, 2013, members will pay the greater of either (1) at least 50 percent of the cost of their retirement plan, rounded to the nearest one-quarter percent, or (2) the contribution rate paid by current members. The member contribution rate could be increased from this level through collective bargaining or may be adjusted based on other factors. Public employers will pay at least the normal cost rate, after subtracting the member's contribution. The District is unable to predict the amount of future contributions it will make to STRS as a result of the implementation of AB 340 (being its future contributions for the normal costs of new employees), and as a result of negotiations with its employee associations, or, notwithstanding the adoption of AB 340, resulting from any legislative changes regarding STRS employer contributions that may be adopted in the future.

More information about AB 340 can be accessed through the PERS's web site at www.calpers.ca.gov and through the STRS website at www.calstrs.com. The references to these internet websites are shown for reference and convenience only; the information contained within the websites may not be current and has not been reviewed by the District and is not incorporated herein by reference.

GASB Statement Nos. 67 and 68. On June 25, 2012, GASB voted to approve two new standards that aimed to improve the accounting and financial reporting of public employee pensions by state and local governments. Statement No. 67, Financial Reporting for Pension Plans, revised existing guidance for the financial reports of most pension plans. Statement No. 68, Accounting and Financial Reporting for Pensions, revised and established new financial reporting requirements for most governments that provide their employees with pension benefits.

Statement 67 replaces the requirements of Statement No. 25, Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans and Statement 50, Pension Disclosures as they relate to pension plans that are administered through trusts or similar arrangements meeting certain criteria. Statement 67 builds upon the existing framework for financial reports of defined benefit pension plans, which includes a statement of fiduciary net position (the amount held in a trust for paying retirement benefits) and a statement of changes in fiduciary net position. Statement 67 enhances note disclosures and RSI for both defined benefit and defined contribution pension plans. Statement 67 also requires the presentation of new information about annual money-weighted rates of return in the notes to the financial statements and in 10-year required supplementary information schedules.

Statement 68 replaces the requirements of Statement No. 27, Accounting for Pensions by State and Local Governmental Employers and Statement No. 50, Pension Disclosures, as they relate to governments that provide pensions through pension plans administered as trusts or similar arrangements that meet certain criteria. Statement 68 requires governments providing defined benefit pensions to recognize their long-term obligation for pension benefits as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits. The Statement also enhances accountability and transparency through revised and new note disclosures and required supplementary information.

The provisions in Statement 67 became effective for financial statements for periods beginning after June 15, 2013. The provisions in Statement 68 became effective for fiscal years beginning after June 15, 2014.

See APPENDIX C — "DISTRICT FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED JUNE 30, 2024" for additional information, particularly Notes 1 and 14.

Other Post-Employment Benefits. In addition to the retirement plans with STRS and PERS, the District is obligated to provide certain other post-employment benefits to employees depending on their date of hire and on the bargaining agreement to which they are subject.

GASB Statement No. 45 ("GASB 45") requires municipalities to account for other post-employment benefits (meaning other than pension benefits) ("OPEB") liabilities much like municipalities are required to account for pension benefits. The expense is generally accrued over the working career of employees, rather than on a pay-as-you-go basis, which had been the practice for most municipalities and public sector organizations. OPEBs generally include post-employment health benefits (medical, dental, vision, prescription drug and mental health), life insurance, disability benefits and long term care benefits. Statement Number 45 was phased in over a three-year period based upon the entity's revenues.

GASB 45 explicitly incorporated Actuarial Standards of Practice ("ASOPs"). There was a change to ASOPs No. 6 ("ASOP 6") requiring reflection of "implicit subsidies" in OPEB costs and projections.

“Implicit subsidies” refers to an indirect cost sharing feature of OPEB plans. Using unadjusted flat-rate premiums as a cost basis for accounting was previously acceptable under GASB 45 when the health plans are considered “community-rated.” Community-rated plans have premium levels determined without adjustment for the demographics of an individual employer buying coverage. Although these subsidies were previously allowed to be excluded, the changes to ASOP 6 eliminated the community-rated exemption. As a result, the District was required to reflect these implicit subsidies in its OPEB liability accounting beginning with fiscal year 2016-17.

In June 2015, GASB voted to approve a new standard that aimed to improve the accounting and financial reporting for OPEB by state and local governments. Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (“GASB 75”) required the recognition of the entire OPEB liability, new disclosures and notes in financial reporting, supplemental information, and a more comprehensive measure of OPEB expense. These changes followed a comprehensive review of the effectiveness of preexisting standards of accounting and reporting. GASB established the requirements of GASB 75 to improve the decision-usefulness of financial information and to enhance its value for assessing accountability and inter-period equity. GASB 75 replaces GASB 45 and became effective beginning in fiscal year 2017-18.

For fiscal year 2022-23 information on annual OPEB cost and obligations, see APPENDIX C — “DISTRICT FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED JUNE 30, 2024 — Note 10.”

The District’s most recent actuarial valuation report (the “Actuarial Report”) of post-employment benefits was prepared by the Nicolay Consulting Group, and uses an actuarial valuation date of June 20, 2022, a measurement date of June 30, 2023 (the “Measurement Date”), is as of the fiscal year ended June 30, 2024, and is dated October 30, 2024. The Actuarial Report is available on the District’s website. The information on the website and/or in the Actuarial Report is not incorporated herein by reference.

The Actuarial Report indicates that as of the Measurement Date, the District’s net OPEB liability was $292,730,750, consisting of a $322,166,360 total OPEB liability, less a plan fiduciary net position (defined as the market value of the assets on the Measurement Date) of $29,435,610. This is an increase of $22,055,108 from the prior measurement date of June 30, 2022, with such increase primarily due to a decrease in the discount rate. The Actuarial Report is based on various assumptions, including a 4.37% discount rate, 2.50% inflation rate, and a 3.25% annual increase in payroll. A straight-line amortization was used. The Actuarial Report shows a funded status of 9% for 2023.

Normal Cost is the portion of the actuarial present value of future benefits that is attributed to employee service curing the current fiscal year. This valuation is based on the Entry Age Normal actuarial cost method. Under the Entry Age Normal cost method the actuarial present value of projected benefits is allocated on a level basis over the earnings of individuals between entry age and the assumed exit age(s). In the Actuarial Report each individual’s attribution period extends from hire date to estimated retirement date. The Normal Cost for fiscal year 2023-24 was $5,407,386.

The District changed its funding policy to pay-as-you-go funding beginning in 2020. The total pay-as-you-go cost for the plan year beginning July 1, 2023 was $17,937,112, consisting of $15,717,830 in the the employer’s share of premiums and an implicit subsidy of $2,219,282. The implicit subsidy reflects the shortfall of premiums versus the true cost of coverage. This shortfall exists because claims for active employees are combined with claims of retirees (who are generally older and cost more) to develop a single flat premium paid by both groups.

The District has $32.6 million set aside to pay these benefits in a trust fund managed by PERS. Amounts in this trust fund will offset the District’s actuarial accrued liability.

During the last several years, the Board has taken action, with the cooperation of employee groups, to reduce the District's long-term liability for post-employment health care.

Insurance. The District is self-insured for property and liability claims. For accounting and reporting purposes, the District has established a Self-Insurance Fund for the payment of claims. For the fiscal year ending June 30, 2024, the District is responsible for liabilities up to a maximum of $25,000 for each liability claim and $100,000 for each property claim. The District participates in a joint powers authority which provides coverage for claims in excess of coverage provided in the Self-Insurance Fund. For additional information relating to the District's insurance coverage see APPENDIX C — "DISTRICT FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED JUNE 30, 2024— Note 12."

Considerations Related to COVID-19

General. The outbreak of a strain of coronavirus ("COVID-19") was characterized as a pandemic by the World Health Organization and resulted in numerous emergency declarations, causing State-wide school closures for the 2019-20 and 2020-21 school years, as well as stay-at-home orders, restrictions on gatherings and widespread temporary closings of businesses. K-14 districts state-wide, including the District, incurred additional operational costs to implement distance learning strategies, deep clean and sanitize its facilities, and purchase additional sanitation and cleaning supplies necessary to maintain the sanitation of its facilities.

The resulting economic disruption caused concerns of a general market decline in property values. In response, the State suspended fees, penalties, costs and interest for delinquent property taxes on certain residential and small business property, and certain penalties for delinquent payment of taxes were suspended.

State and Federal Aid. Governor Newsom enacted a number of executive orders and the State Legislature also adopted legislation in response to the COVID-19 pandemic, and additional executive orders or legislation may be enacted in response to future outbreaks. The District previously received approximately $21.5 million under Assembly Bill 86 enacted to provide COVID-19 relief funding.

On March 27, 2020, the Coronavirus Aid, Relief and Economic Security Act (the "CARES Act") was signed into law, which provided $30 billion to education, with a district's share based on the proportion of Title I funding received for the most recent fiscal year. The District received $6 million in supplemental funding as a result of the CARES Act.

In December 2020, federal legislation (the "Coronavirus Response and Relief Supplemental Appropriations Act") was passed to, among other things, provide $54.3 billion in emergency relief for schools. The District received $23.6 in supplemental relief funding as a result of this legislation.

On March 11, 2021, then-President Biden signed into law a $1.9 trillion COVID-19 relief package referred to as the American Rescue Plan Act of 2021 ("ARPA"). ARPA provided approximately $36 billion for colleges and universities. The District has received approximately $53.2 million in federal COVID-19 related ARPA supplemental funding.

The District does not expect to receive any additional funding from these bills or measures.

Potential to Impact Future State Funding of K-14 Districts. In the 2020-21 State Budget, the State anticipated substantial declines in State Revenues, which had they materialized, would have been offset with significant deferrals of payments due to K-14 districts into future fiscal years and draws on reserves from the BSA (as defined herein), Safety Net Reserve and PSSSA. In addition, in prior fiscal years when the State has received significantly reduced revenues, the State has delayed certain payments to K-14 districts. Under certain conditions, the State may suspend funds guaranteed pursuant to Proposition 98 for one or more years, and payments have been suspended in the past during periods of decreased State revenues. See "CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS – Proposition 98."

In the event of a resurgence of COVID-19 or another global pandemic, the District may incur additional costs. However, the District cannot predict if such an event will occur, or if so, whether additional costs will need to be incurred to protect student and staff safety or to provide or enhance technology for distance learning or otherwise. Such costs cannot be predicted, nor can the amount of reimbursement, if any, from State or federal sources.

Cybersecurity Risk

The District, like many other public and private entities, relies on computer and other digital networks and systems to conduct its operations. As a recipient and provider of personal, private or other electronic sensitive information, the District has been subject to multiple cyber threats including, but not limited to, hacking, viruses, malware and other attacks on computer and other sensitive digital networks and systems. Entities or individuals have attempted to gain unauthorized access to the District's systems for the purposes of misappropriating assets or information or causing operational disruption or damage. While the District has experienced cybersecurity incidents, none had a material impact on the District's finances or operations.

No assurance can be given that the District's efforts to manage cyber threats and attacks will, in all cases, be successful or that any such attack will not materially impact the operations or finances of the District. The District is also reliant on other entities and service providers, such as the Dissemination Agent in connection with compliance by the District with its continuing disclosure undertakings. No assurance can be given that the District may not be affected by cyber threats and attacks against other entities or service providers in a manner which may affect the Owners of the Bonds, e.g., systems related to the timeliness of payments on their respective Bonds or compliance with disclosure filings pursuant to the Continuing Disclosure Certificate.

School District Budget Process

The District is required by provisions of the State Education Code to maintain a balanced budget in each fiscal year, in which the sum of expenditures and the ending fund balance cannot exceed the sum of revenues and the carry-over fund balance from the previous year. The State Department of Education imposes a uniform budgeting and accounting format for school districts.

School districts must adopt a budget no later than June 30 of each year. The District must submit its budget to the County Superintendent of Schools within five days of adoption or by July 1, whichever occurs first. The District follows a single budget adoption cycle, which means its budget is only readopted if it is disapproved or as otherwise needed. The District is under the jurisdiction of the Contra Costa County Superintendent of Schools.

A county Superintendent of Schools (each a "County Superintendent") must review and approve or disapprove the budgets for each school district under its jurisdiction no later than August 15. The County Superintendent is required to examine a school district's adopted budget for compliance with the standards and criteria adopted by the State Board of Education and identify technical corrections necessary to bring the budget into compliance with the established standards. If a budget is disapproved, it is returned to the school district with recommendations for revision. The school district is then required to revise the budget, hold a public hearing thereon, adopt the revised budget and file it with the County Superintendent no later than September 8. Pursuant to State law, the County Superintendent has available various remedies by which to impose and enforce a budget that complies with State criteria, depending on the circumstances, if a budget is disapproved. After approval of an adopted budget, the school district's administration may submit budget revisions for governing board approval.

On June 20, 2014, the State enacted Senate Bill 858 which, among other things, caps the amount of funds school districts may set aside for economic uncertainties. School districts with an ADA of 400,000 or less (such as the District) are prohibited from adopting or revising a budget with a combined assigned and unassigned ending fund balance in excess of two times the State-recommended reserve for economic uncertainties. Such prohibition would only apply in years following transfer into the Public School System Stabilization Account to be established as discussed below under "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Proposition 2."

Subsequent to approval, the County Superintendent will monitor each school district in its jurisdiction throughout the fiscal year pursuant to its adopted budget to determine on an ongoing basis if the district can meet its current and subsequent year financial obligations. If the County Superintendent determines that the district cannot meet its current or subsequent year obligations, the County Superintendent will notify the district's governing board of the determination and may then do either or both of the following: (a) assign a fiscal advisor to enable the district to meet those obligations or (b) if a study and recommendations are made and a district fails to take appropriate action to meet its financial obligations, the County Superintendent will so notify the State Superintendent of Public Instruction, and then may do any or all of the following for the remainder of the fiscal year: (i) request additional information regarding the district's budget and operations; (ii) develop and impose, after also consulting with the district's governing board, revisions to the budget that will enable the district to meet its financial obligations; and (iii) stay or rescind any action inconsistent with such revisions. However, the County Superintendent may not abrogate any provision of a collective bargaining agreement that was entered into prior to the date upon which the County Superintendent assumed authority.

At minimum, school districts file with their County Superintendent and the State Department of Education a First Interim Financial Report by December 15 covering financial operations from July 1 through October 31 and a Second Interim Financial Report by March 15 covering financial operations from November 1 through January 31. Section 42131 of the Education Code requires that each interim report be certified by the school board as either (a) "positive," certifying that the district, "based upon current projections, will meet its financial obligations for the current fiscal year and subsequent two fiscal years," (b) "qualified," certifying that the district, "based upon current projections, may not meet its financial obligations for the current fiscal year or two subsequent fiscal years," or (c) "negative," certifying that the district, "based upon current projections, will be unable to meet its financial obligations for the remainder of the fiscal year or the subsequent fiscal year." A certification by a school board may be revised by the County Superintendent. If either the first or second interim report is not "positive," the County Superintendent may require the district to provide a third Interim Financial Report covering financial operations from February 1 through April 30 by June 1. If not required, a third interim report is not prepared. Each interim report shows fiscal year to date financial operations and the current budget, with any budget amendments made in light of operations and conditions to that point.

The District received a qualified certification for its first interim report, second interim report and third interim report for fiscal year 2019-20, and for its first interim report for fiscal year 2020-21. At second interim, in March 2021 the District restored its positive certification, however, at first interim, in October 2021 and second interim, in March 2022, the District self-certified a negative certification. The District received a qualified certification for its second interim report for fiscal year 2022-23 and a qualified certification for its first interim report and second interim report for fiscal year 2023-24. The District received a positive certification for its first interim report for fiscal year 2024-25, and has submitted its second interim report for fiscal year 2024-25 to the County with a positive certification, which it expects the County to grant. These qualified certifications are discussed in more detail under "– Budgets and Financial Results" below. The District has not received any other qualified or negative certifications on an interim report for the past five years.

Budgets and Financial Results

As the Board has an obligation to adopt a budget by June 30 of each fiscal year, the 2024-25 Adopted Budget uses the general operational and revenue assumptions that were in the District's 2023-24 programs and 2023-24 State law relating to school revenues. The 2024-25 Adopted Budget may be accessed on the District's website as indicated above, or by contacting the District's Business Services Staff at 1400 Marina Way South, Richmond, California 94804, Phone: (510) 231-1170; Fax: (510) 232-4149. The District may impose a charge for copying, mailing and handling.

The District is facing a structural deficit, which is projected to continue in subsequent fiscal years. The District's declining enrollment and ADA, imbalances in staffing levels, and the exhaustion of one-time State and federal funding resources have resulted in substantial deficit spending for the District. See "DISTRICT FINANCIAL AND OPERATING INFORMATION – DISTRICT FINANCIAL INFORMATION – State Funding of Education" above and APPENDIX C. When the District adopted its fiscal year 2023-24 budget, it incorporated a fiscal solvency plan to address its ongoing programs and financial commitments that exceeded revenue, including reductions to minimize staffing levels to better align with current ADA and enrollment trends. The District formed a budget subcommittee to address and inform its fiscal solvency plan by identifying non-essential contracts for potential budget cuts. However, on September 26, 2023, the District received a letter from the Contra Costa County Superintendent of Schools that it had a lack of going concern, meaning that the District was at risk of insolvency and may be unable to meet its financial obligations based on the criteria and standards for fiscal responsibility adopted by the State Board of Education.

On January 24, 2024, the District approved certain non-salary reductions of $4.6 million and salary reductions of $14.1 million to reduce its ongoing structural deficit. In March 2024, the District entered into an agreement with the Fiscal Crisis and Management Assistance Team ("FCMAT") to conduct a review of the District's financial health, including an analysis of risks identified in the FCMAT's "Risk of Potential Insolvency" indicators. The FCMAT analysis, completed in May 2024 (the "FCMAT Analysis"), found that employee compensation constitutes a majority of the District's expenses, with salaries and benefits accounting for approximately 84% of its unrestricted expenditures. The FCMAT analysis also acknowledged that while the District projects a decrease in the amount of unrestricted funds used for employee costs, this projection relies on the assumption that the District adheres to its adopted fiscal recovery plan. The FCMAT Analysis further indicated that although the District disclosed all of its collective bargaining agreements with employee groups, there was no evidence to suggest that the District's prior Superintendent and prior Chief Business Official had certified their affordability before they were adopted by the governing board. The FCMAT Analysis acknowledged that while the District has likely improved its processes and procedures in the preceding three fiscal years, it continues to face ongoing challenges, such as declining enrollment and deficit spending, which is projected to continue through at least fiscal year 2025-26. For these reasons, in conjunction with three consecutive qualified interim report certifications, the FCMAT Analysis evaluated the District's fiscal solvency risk level as high. Without the implementation of reductions to address the structural deficit, the County Office of Education can exercise its right to assume fiscal control of the District.

The District has worked with a fiscal expert assigned by the County Office of Education to evaluate and further implement its fiscal solvency plan. The District adopted its 2024-25 budget on August 28, 2024 (the "2024-25 Adopted Budget") following the delayed adoption of its LCAP. The 2024-25 Adopted Budget reflects a current year deficit of $13.7 million, and presents multiple steps to address the ongoing structural deficit, including further incorporation of its fiscal solvency plan by reducing staff and covering budget shortfalls with available reserve funds. The District indicated in the 2024-25 Adopted Budget that, despite current year and future projected deficit spending, the 2024-25 Adopted Budget and multi-year projections support that the District is projected to be able to meet its financial obligations for the current and subsequent two years.

On September 19, 2024, S&P released its Ratings Report (the "S&P Report"), which lowered its long-term and underlying rating of the District's general obligation debt to "A+" from "AA-", with a negative outlook, in part due to the District's delayed adoption of its LCAP which in turn delayed the adoption of its 2024-25 Adopted Budget. S&P stated its belief that the District faced political resistance with its Board in approving its LCAP, which S&P perceived as elevated governance risks, as evidenced by disagreements between management and the District Board. The S&P Report stated that this led to uncertainty surrounding the District's ability to approve future budget adjustments necessary for fiscal sustainability, and could lead to the County Office of Education implementing its own operating budget for the District, which may or may not include any budgetary adjustments that the District's management previously included for that fiscal year.

In September 2024, the County Office of Education reviewed and approved the District's 2024-25 Adopted Budget and LCAP. It acknowledged a positive concerted effort by the District to address its fiscal stability and as a result, lifted the lack of going concern determination. The County Office of Education also ended the appointment of the fiscal expert. The County Office of Education emphasized that the District must continue to vigilantly implement its fiscal solvency plan.

The District's second interim report projects an $18.5 million drawdown of unrestricted general fund reserves, inclusive of the District's special reserve for noncapital outlay, by the end of fiscal year 2024-25 to an ending fund balance of $44 million of total special reserves. For fiscal years 2025-26 and 2026-27, the District projects an unrestricted reserve drawdown of $17.8 million and $7.8 million, respectively, bringing the ending unrestricted fund balance to $15.8 million, or 3.2% of revenue, by fiscal year 2026-27, assuming the cuts approved by the Board in connection with its fiscal solvency plan.

The following table shows the 2021-22 Adopted Budget and Actuals, the 2022-23 Adopted Budget and Actuals, the 2023-24 Adopted Budget and Actuals, and the 2024-25 Adopted Budget and Second Interim.

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WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

SUMMARY OF GENERAL FUND[1] REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE FISCAL YEAR 2021-22 ADOPTED BUDGET AND ACTUALS, FISCAL YEAR 2022-23 ADOPTED BUDGET AND ACTUALS, FISCAL YEAR 2023-24 ADOPTED BUDGET AND ACTUALS, AND FISCAL YEAR 2024-25 ADOPTED BUDGET AND SECOND INTERIM REPORT

	Adopted Budget 2021-22	Actuals 2021-22	Adopted Budget 2022-23	Actuals 2022-23	Adopted Budget 2023-24	Actuals 2023-24	Adopted Budget 2024-25	Second Interim Report 2024-25
REVENUES								
Revenue Limit Sources/LCFF	$302,348,647	$294,403,061	$307,105,905	$330,552,260	$344,301,387	$344,951,545	$337,588,413	$337,694,040
Federal Revenue	44,120,530	45,293,058	70,841,497	37,340,902	52,415,497	50,381,830	31,274,859	36,892,069
Other State Revenue	43,382,208	73,975,578	58,471,705	148,091,850	64,132,753	96,124,238	91,650,041	94,363,584
Other Local Revenue	18,533,454	20,723,259	19,057,424	30,836,864	21,379,971	41,437,736	23,569,374	33,036,473
Total Revenues[2]	408,384,839	434,394,956	455,476,531	546,821,876	482,229,608	532,895,349	484,082,687	501,986,166
EXPENDITURES								
Certificated Salaries	153,983,644	158,843,877	163,080,151	166,027,393	175,083,618	178,582,029	178,351,637	186,012,517
Classified Salaries	71,814,268	65,722,318	72,018,908	70,514,809	79,393,311	78,509,822	81,029,399	83,899,614
Employee Benefits	103,715,925	120,965,596	125,777,652	126,167,566	144,189,671	138,839,243	142,244,879	143,688,353
Books and Supplies	30,891,174	22,994,182	43,774,739	16,125,735	34,906,124	20,135,945	23,082,807	20,760,328
Contract Services and Operating Expenditures	43,594,929	67,672,189	75,964,397	92,203,721	84,222,452	113,334,197	83,218,914	125,166,872
Capital Outlay	1,228,737	756,511	2,401,037	683,116	1,079,956	2,520,664	400,000	862,300
Other Outgo	2,512,733	3,464,177	3,597,724	3,446,752	3,915,894	4,002,254	2,716,360	2,716,360
Indirect Cost Reimbursement	(1,473,959)	(869,523)	(977,163)	(929,368)	(1,327,742)	(1,079,768)	(1,788,902)	(1,663,189)
Total Expenditures[2]	406,267,451	439,549,326	485,637,445	474,239,724	521,463,284	534,844,386	509,255,094	561,443,155
Excess of Revenues Over (Under) Expenditures	2,117,388	(5,154,370)	(30,160,914)	72,582,152	(39,233,676)	(1,949,037)	(25,172,407)	(59,456,989)
Other Financing Sources/(Uses)								
Transfers In	-	-	14,000,000	-	-	940,230	11,499,312	11,499,312
Transfers Out	-	-	-	(40,000)	-	(24,500)	-	-
Total[2]	-	-	14,000,000	(40,000)	-	915,730	11,499,312	11,499,312
Net Change in Fund Balance[3]	2,117,388	(5,154,370)	(16,160,914)	72,542,152	(39,233,676)	(1,033,307)	(13,673,095)	(47,957,677)
Beginning General Fund Balance, July 1[3][4]	33,694,942	59,573,664	48,536,898	53,755,377	108,802,824	126,297,529	108,102,055	125,264,222
Other Restatements (Audit Adjustment)	-	(663,916)	-	-	-	-	-	-
Adjusted Beginning Fund Balance	-	58,909,748	-	-	-	-	-	-
Ending General Fund Balance, June 30[3][4]	$35,812,330	$53,755,377	$32,375,984	$126,297,529	$69,569,148	$125,264,222	$94,428,960	$77,306,545
Unrestricted Fund Balance, June 30[4]	$26,066,033	$21,102,247	$17,634,308	$28,572,623	$25,078,811	$24,198,665	$15,277,892	$17,197,713
Reserve for Economic Uncertainty[4]	$34,925,240	$48,198,953	$35,610,832	$17,784,100	$15,643,899	$16,045,331	$15,277,892	$16,897,713
Special Reserve Fund Balance[3]	$34,925,240	$48,198,953	$35,610,832	$35,752,432	$35,952,430	$37,630,016	$26,053,118	$27,130,704

(1) Prepared on a budgetary basis. Statements prepared on a budgetary basis do not include the Special Reserve Fund, which is a separate fund from the General Fund in District accounting, and do not show "on behalf of" payments received from the State. Under GASB 54, the Special Reserve Fund and "on behalf of" payments are included within the General Fund in the District's audited financial statements.

(2) Totals may not add due to independent rounding.

(3) Since fiscal year 2011, the District Board managed State budget cuts by setting aside additional reserves in the Special Reserve Fund to prepare for additional State funding cuts. In this budgetary basis table, the Beginning General Fund Balances and the Ending General Fund Balances do not include the Special Reserve Fund Balance. The District's Net Change in Fund Balance for fiscal year 2021-22 reflects one time expenditures to make multi-year solutions to budgetary concerns in the short-term. The District Board approved the expenditures following consultation with the County Office of Education.

(4) The Reserve for Economic Uncertainty mandated by the State is held in the General Fund and is included in the Unrestricted Fund Balances, the Beginning General Fund Balances and the Ending General Fund Balances in both State reporting documents and in audited financial statements.

Source: West Contra Costa Unified School District.

District Comparative Financial Statements

Accounting Practices. The accounting practices of the District conform to generally accepted accounting principles in accordance with policies and procedures of the California School Accounting Manual. This manual, according to Section 41010 of the State Education Code, is to be followed by all California school districts. The financial resources of the District are divided into separate funds for which separate accounts are maintained for recording cash, other resources and all related liabilities, obligations and equities. The major fund classification is the general fund which accounts for all financial resources not required to be accounted for in another fund. The District's fiscal year begins on July 1 and ends on June 30. All governmental funds and fiduciary funds are maintained on the modified accrual basis of accounting. As such, revenues are recognized when they become susceptible to accrual, that is, both measurable and available to finance expenditures for the current period. For more information on the District's accounting method, see Note 1 of APPENDIX C — "DISTRICT FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED JUNE 30, 2024" attached hereto.

Financial Statements. The District's Audited Financial Statements for fiscal year 2023-24 were prepared by Christy White Associates, San Diego, California (the "Auditor"). Audited financial statements for the District for the fiscal year ended June 30, 2024 and prior fiscal years are on file with the District and available for public inspection at the Superintendent's Office. See APPENDIX C hereto for the 2023-24 Audited Financial Statements. The District has not requested nor did the District obtain permission from the Auditor to include the audited financial statements as an Appendix to this Official Statement. Accordingly, the Auditor has not performed any post-audit review of the financial condition or operations of the District.

The following table shows the audited General Fund revenues, expense and changes for the District for the 2019-20 through 2023-24 fiscal years.

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WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
GENERAL FUND – REVENUES, EXPENDITURES AND FUND BALANCES
FISCAL YEARS 2019-20 THROUGH 2023-24

	2019-20 Audited	2020-21 Audited	2021-22 Audited	2022-23 Audited	2023-24 Audited
REVENUES					
LCFF	$278,331,400	$283,660,167[4]	$294,403,061	$330,552,260	$344,951,545
Federal Revenue	22,565,488	50,633,684	45,293,058	37,340,902	50,381,830
Other State Revenue	38,660,788	74,929,469	73,975,578	148,091,850	96,124,238
Other Local Revenue	37,897,114	22,134,845	20,723,259	30,836,864	41,437,736
Total Revenues[1]	377,454,790	431,358,164	434,394,956	546,821,876	532,895,349
EXPENDITURES					
Certificated Salaries	150,378,173	148,041,035	158,843,877	166,027,393	178,582,029
Classified Salaries	59,720,414	62,257,783	65,722,318	70,514,809	78,509,822
Employee Benefits	94,169,109	105,530,081	120,965,596	126,167,566	138,839,243
Books and Supplies	10,255,874	13,872,475	22,994,182	16,125,735	20,135,945
Contract Services and Operating Expenditures	58,850,126	53,535,810	67,672,189	92,203,721	113,334,197
Capital Outlay	1,827,566	1,332,980	756,511	683,116	2,520,664
Other Outgo	3,129,966	3,230,733	3,464,177	3,446,752	4,002,254
Indirect Cost Reimbursement	(1,248,462)	(2,082,896)	(869,523)	(929,368)	(1,079,768)
Total Expenditures[1]	377,082,764	385,718,001	439,549,326	474,239,724	534,844,386
Excess of Revenues Over/(Under) Expenditures	372,025	45,640,163	(5,154,370)	72,582,152	(1,949,037)
Other Financing Sources/(Uses)					
Transfers In	19,800,000	-	-	-	940,230
Transfers Out	(1,000,000)	(30,585,990)[4]	-	(40,000)	(24,500)
Total[2]	18,800,000	(30,585,990)	-	(40,000)	915,730
Net Change in Fund Balance[2]	19,172,024	15,054,173	(5,154,370)	72,542,152	(1,033,307)
Beginning Fund Balance July 1[3]	25,347,466	44,519,491	59,573,664	53,755,377	$126,297,529
Ending Fund Balance, June 30	$44,519,491	$59,573,664	$53,755,377	$126,297,529	$125,264,222

(1) Totals may not add due to independent rounding. Totals of expenditures reflect transfers from funds beyond those delineated in this table.
(2) The District's Net Change in Fund Balance for fiscal year 2019-20 reflects one time expenditures to make multi-year solutions to budgetary concerns in the short-term. The District Board approved the expenditures following consultation with the County Office of Education.
(3) The District's Beginning Fund Balance for fiscal year 2019-20 reflects a restatement and audit adjustment of $5,493,271.
(4) State revenues increased by approximately $20 million due to one-time funding for in-person instruction grants and expanded learning opportunities grants. $20,000,000 is being transferred out from the General Fund to the Special Reserve Fund to meet the Board's additional reserves requirements.

Source: West Contra Costa Unified School District.

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Other District Debt

Certificates of Participation. On March 7, 2017, the District caused the delivery of Certificates of Participation Series 2017A (the "2017 Certificates") in the aggregate principal amount of $5,250,000, of which $3,205,000 is outstanding as of June 30, 2024. Proceeds of the 2017 Certificates were used to finance the cost of acquisition of real property. The District has timely made all base rental payments on the 2017 Certificates.

The following table shows remaining base rental payments on the 2017 Certificates.

Fiscal Year	2017 Certificates Base Rental Payments
2024-25	$454,985.00
2025-26	453,524.00
2026-27	451,749.00
2027-28	454,581.50
2028-29	452,021.50
2029-30	454,069.00
2030-31	450,724.00
2031-32	451,986.50

CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS

The Bonds are general obligations of the District payable solely from *ad valorem* taxes levied on taxable property within the District. The *ad valorem* tax is required to be levied by the County in an amount sufficient for the payment of debt service on the Bonds. See "SECURITY AND SOURCES OF REPAYMENT FOR THE BONDS" in the forepart of this Official Statement Articles XIIIA, XIIIB, XIIIC and XIIID of the Constitution, Propositions 98 and 11, and certain other provisions of law discussed below, describe the potential effect of these Constitutional and statutory measures on the ability of the County to levy taxes and the District to spend tax proceeds for operating and other purposes, and it should not be inferred from the inclusion of such materials that these laws impose any limitation on the ability of the County to levy *ad valorem* taxes for payment of the Bonds. The *ad valorem* tax levied by the County for payment of the Bonds was approved by the District's voters in compliance with Article XIIIA, Article XIIIC and all applicable laws.

Constitutionally Required Funding of Education

The State Constitution requires that from all State revenues there shall first be set apart the monies to be applied by the State for the support of the public school system and public institutions of higher education. School districts in the State receive a significant portion of their funding from State appropriations. As a result, fluctuations in State revenues can significantly affect appropriations made by the State Legislature to school districts.

Article XIIIA of the State Constitution

Article XIIIA of the California Constitution. On June 16, 1978, California voters approved Proposition 13, which added Article XIIIA to the California Constitution ("Article XIIIA"). See "SECURITY AND SOURCES OF REPAYMENT FOR THE BONDS — Assessed Valuation — *Constitutional and Statutory Initiatives*" in the forepart of this Official Statement for additional information regarding Article XIIIA.

Property Tax Base Transfer (Proposition 19)

At the November 2020 Statewide election, voters enacted changes to certain property tax rules ("Proposition 19") which: (i) expand special rules that give property tax savings to homeowners that are over the age of 55, severely disabled, or whose property has been impacted by a natural disaster or contamination, when they buy a different home; (ii) narrow existing special rules for inherited properties; and (iii) broaden the scope of legal entity ownership changes that trigger reassessment of properties. The District cannot make any assurance as to what effect the implementation of Proposition 19 will have on assessed valuation of real property in the District.

Article XIIIB of the State Constitution

An initiative to amend the State Constitution entitled "Limitation of Government Appropriations" was approved on September 6, 1979 thereby adding Article XIIIB to the State Constitution ("Article XIIIB"). In June 1990, Article XIIIB was amended by the voters through their approval of Proposition 111. Under Article XIIIB, State and local governmental entities have an annual "appropriations limit" and are not permitted to spend certain moneys which are called "appropriations subject to limitation" (consisting of tax revenues, State subventions and certain other funds) in an amount higher than the appropriations limit. Article XIIIB does not affect the appropriations of monies that are excluded from the definition of "appropriations subject to limitation," including debt service on indebtedness existing or authorized as of January 1, 1979, or bonded indebtedness subsequently approved by the voters. In general terms, the appropriations limit is to be based on certain fiscal year 1978-79 expenditures, and is to be adjusted annually to reflect changes in consumer prices, populations, and services provided by these entities. Among other provisions of Article XIIIB, if these entities' revenues in any year exceed the amounts permitted to be spent, the excess would have to be returned by revising tax rates or fee schedules over the subsequent two years. However, in the event that a school district's revenues exceed its spending limit, the district may, in any fiscal year, increase its appropriations limit to equal its spending by borrowing appropriations limit from the State, provided the State has sufficient excess appropriations limit in such year.

Article XIIIC and Article XIIID of the State Constitution

On November 5, 1996, the voters of the State approved Proposition 218, the so called "Right to Vote on Taxes Act." Proposition 218 added Articles XIIIC and XIIID to the State Constitution, which contain a number of provisions affecting the ability of local agencies, including school districts, to levy and collect both existing and future taxes, assessments, fees and charges.

Article XIIID deals with assessments and property related fees and charges. Article XIIID explicitly provides that nothing in Article XIIIC or XIIID shall be construed to affect existing laws relating to the imposition of fees or charges as a condition of property development; however it is not clear whether the initiative power is therefore unavailable to repeal or reduce developer and mitigation fees imposed by the District. Developer fees imposed by the District are neither pledged nor available to pay the Bonds.

Proposition 26

On November 2, 2010, State voters adopted Proposition 26, amending Article XIIIC of the State Constitution to expand the definition of "tax" to include "any levy, charge or exaction of any kind imposed a local government" except the following: (1) a charge imposed for a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local agency of conferring the benefit or granting the privilege; (2) a charge imposed for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the agency of providing the service or product to the payor; (3) a charge imposed for the reasonable regulatory costs to the local government incident to issuing licenses and permits, performing investigations, inspections, and audits, enforcing agricultural marketing orders, and the administrative enforcement and adjudication thereof; (4) a charge imposed for entrance to or use of state property, or the purchase, rental, or lease of state property; (5) a fine, penalty, or other monetary charge imposed by the judicial branch of government or a local government, as a result of a violation of law; (6) a charge imposed as a condition of property development; and (7) assessments and property-related fees imposed in accordance with the provisions of Article XIIID. Proposition 26 provides that the local government bears the burden of proving by a preponderance of the evidence that a levy, charge, or other exaction is not a tax, that the amount is no more than necessary to cover the reasonable costs of the governmental activity, and that the manner in which those costs are allocated to a payor bear a fair or reasonable relationship to the payor's burdens on, or benefits received from, the governmental activity.

Proposition 62

On November 4, 1986, State voters adopted Proposition 62, a statutory initiative which amended the Government Code by the addition of Sections 53720-53730. Proposition 62 requires that (i) any local tax for general governmental purposes (a "general tax") must be approved by a majority vote of the electorate; (ii) any local tax for specific purposes (a "special tax") must be approved by a two-thirds vote of the electorate; (iii) any general tax must be proposed for a vote by two-thirds of the legislative body; and (iv) proceeds of any tax imposed in violation of the vote requirements must be deducted from the local agency's property tax allocation. Provisions applying Proposition 62 retroactively from its effective date to 1985 are unlikely to be of any continuing importance; certain other restrictions were already contained in the State Constitution.

Most of the provisions of Proposition 62 were affirmed by the 1995 State Supreme Court decision in *Santa Clara County Local Transportation Authority v. Guardino ("Santa Clara")*, which invalidated a special sales tax for transportation purposes because fewer than two-thirds of the voters voting on the measure had approved the tax. Following the State Supreme Court's decision upholding Proposition 62, several actions were filed challenging taxes imposed by public agencies since the adoption of Proposition 62, which was passed in November 1986. On June 4, 2001, the State Supreme Court released its decision in one of these cases, *Howard Jarvis Taxpayers Association v. City of La Habra, et al. ("La Habra")*. In this case, the court held that public agency's continued imposition and collection of a tax is an ongoing violation, upon which the statute of limitations period begins anew with each collection. The court also held that, unless another statute or constitutional rule provided differently, the statute of limitations for challenges to taxes subject to Proposition 62 is three years. Accordingly, a challenge to a tax subject to Proposition 62 may only be made for those taxes received within three years of the date the action is brought.

Although by its terms Proposition 62 applies to school districts, the District has not experienced any substantive adverse financial impact as a result of the passage of this initiative or the Santa Clara or La Habra decisions and believes that any impact experienced by the District will not adversely affect the ability of the District to make payments on the Bonds.

Proposition 98

On November 8, 1988, State voters approved Proposition 98, a combined initiative, constitutional amendment and statute called the "Classroom Instructional Improvement and Accountability Act" (the "Accountability Act"). The Accountability Act changed State funding of public education below the university level, and the operation of the State's Appropriations Limit, primarily by guaranteeing K-12 school districts and community college districts (collectively, "K-14 districts") a minimum share of State General Fund Revenues.

Under Proposition 98 (as modified by Proposition 111, which was enacted on June 5, 1990), K-14 districts are guaranteed the greater of (a) approximately 40.9% of State General Fund revenues ("Test 1"), (b) the amount appropriated to K-14 schools in the prior year, adjusted for changes in the cost of living (measured as in Article XIIIB by reference to State per capita personal income) and enrollment ("Test 2"), or (c) a third test, which would replace Test 2 in any year when the percentage growth in per capita State General Fund revenues from the prior year plus one half of one percent is less than the percentage growth in State per capita personal income ("Test 3"). Under Test 3, schools would receive the amount appropriated in the prior year adjusted for changes in enrollment and per capita State General Fund revenues, plus an additional small adjustment factor. If Test 3 is used in any year, the difference between Test 3 and Test 2 would become a "credit" to schools which would be paid in future years when per capita State General Fund revenue growth exceeds per capita personal income growth.

Proposition 98 permits the Legislature by two-thirds vote of both houses, with the Governor's concurrence, to suspend the K-14 schools' minimum funding formula for a one-year period, and any corresponding reduction in funding for that year will not be paid in subsequent years. However, in determining the funding level for the succeeding year, the formula base for the prior year will be reinstated as if such suspension had not taken place. In certain fiscal years, the State Legislature and the Governor have utilized this provision to avoid having the full Proposition 98 funding paid to support K-14 schools.

The 2024-25 State Budget suspends the Proposition 98 guarantee in 2023-24, which is projected to create a maintenance factor payment to be paid in future fiscal years of approximately $8.3 billion in 2023-24 and $4.1 billion in 2024-25. The maintenance factor obligation will be paid in addition to the Proposition 98 guarantee funding in 2024-25. The minimum funding formula suspension is discussed in the current State budget. See DISTRICT FINANCIAL AND OPERATING INFORMATION – DISTRICT FINANCIAL INFORMATION – Fiscal Year 2024-25 State Budget" above.

Proposition 98 also changes how tax revenues in excess of the State Appropriations Limit are distributed. "Excess" tax revenues are determined based on a two-year cycle, so that the State could avoid having to return to taxpayers excess tax revenues in one year if its appropriations in the next fiscal year were under its limit. After any two-year period, if there are excess State tax revenues, 50% of the excess would be transferred to K-14 schools with the balance returned to taxpayers. Further, any excess State tax revenues transferred to K-14 schools are not built into the school districts' base expenditures for calculating their entitlement for State aid in the next year, and the State's appropriations limit will not be increased by this amount.

Since Proposition 98 is unclear in some details, there can be no assurance that the Legislature or a court might not interpret Proposition 98 to require a different percentage of State General Fund revenues to be allocated to K-14 districts, or to apply the relevant percentage to the State's budgets in a different way than is proposed in the Governor's Budget. In any event, some fiscal observers expect Proposition 98 to place increasing pressure on the State's budget over future years, potentially reducing resources available for other State programs, especially to the extent the Article XIIIB spending limit would restrain the State's ability to fund such other programs by raising taxes.

For a discussion of recent State revenues and their corresponding effect on Proposition 98 funding, see "DISTRICT FINANCIAL AND OPERATING INFORMATION -- DISTRICT FINANCIAL INFORMATION – Fiscal Year 2024-25 State Budget" herein.

Proposition 39

Proposition 39, which was approved by State voters in November 2000, provides an alternative method for passage of school facilities bond measures which lowers the constitutional voting requirement from two-thirds to 55% of voters and allows property taxes to exceed the 1% limit in order to repay such bonds. The lower 55% vote requirement would apply only for bond issues to be used for construction, rehabilitation, equipping of school facilities or the acquisition of real property for school facilities. The Legislature enacted additional legislation that placed certain limitations on this lowered threshold, requiring that (i) two-thirds of the governing board of a school district approve placing a bond issue on the ballot, (ii) the bond proposal be included on the ballot of a statewide or primary election, a regularly scheduled local election, or a statewide special election (rather than a school board election held at any time during the year), (iii) the tax rate levied as a result of any single election not exceed $25 for a community college district, $60 for a unified school district, or $30 for an elementary school or high school district per $100,000 of taxable property value, and (iv) the governing board of the school district appoint a citizen's oversight committee to inform the public concerning the spending of the bond proceeds. In addition, the school board of the applicable district is required to perform an annual, independent financial and performance audit until all bond funds have been spent to ensure that the funds have been used only for the projects listed in the measure.

Notwithstanding the legislative limitation that the tax rate levied as a result of any single election may not exceed $60 per $100,000 of taxable property value within the District, the County has the power and is obligated under State law, to levy a tax in any amount to pay the principal of, redemption premium, if any, and interest on the District's general obligation bonds, including the Bonds.

Proposition lA

On November 2, 2004, California voters approved Proposition 1A, which amended the State Constitution to reduce significantly the State's authority over major local government revenue sources. Under Proposition 1A, the State may not (i) reduce local sales tax rates or alter the method of allocating the revenue generated by such taxes, (ii) shift property taxes from local governments to schools or community colleges, (iii) change in how property tax revenues are shared among local governments without two-thirds approval of both houses of the State Legislature, or (iv) decrease Vehicle License Fees revenues without providing local governments with equal replacement funding. Beginning in 2008-09, the State may shift to schools and community colleges a limited amount of local government property tax revenue if certain conditions are met, including (a) a proclamation by the Governor that the shift is needed due to a severe financial hardship of the State, and (b) approval of the shift by the State Legislature with a two-thirds vote of both houses. Under such a shift, the State must repay local governments for their property tax losses, with interest, within three years. Proposition 1A does allow the State to approve voluntary exchanges of local sales tax and property tax revenues among local governments within a county. Proposition 1A also amends the State Constitution to require the State to suspend certain State laws creating mandates in any year that the State does not fully reimburse local governments for their costs to comply with the mandates. This provision does not apply to mandates relating to schools or community colleges or to those mandates relating to employee rights.

The application of Proposition 98 and other statutory regulations has become increasingly difficult to predict accurately in recent years. One major reason is that Proposition 98 minimums under the first test and the second test described above are dependent on State General Fund revenues. In several recent fiscal years, the State made actual allocations to K-14 districts based on an assumption of State General Fund revenues at a level above that which was ultimately realized. In such years, the State has considered the amounts appropriated above the minimum as a loan to K-14 districts, and has deducted the value of these loans from future years' estimated Proposition 98 minimums.

Proposition 22

Under Proposition 1A, the State no longer has the authority to permanently shift city, county, and special district property tax revenues to schools, or take certain other actions that affect local governments. In addition, Proposition 1A restricts the State's ability to borrow State gasoline sales tax revenues. (See

"— Proposition 1A" above). These provisions in the Constitution, however, do not eliminate the State's authority to temporarily borrow or redirect some city, county, and special district funds or the State's authority to redirect local redevelopment agency revenues. However, Proposition 22, The Local Taxpayer, Public Safety, and Transportation Protection Act, approved by the voters of the State on November 2, 2010, reduces or eliminates the State's authority: (1) to use State fuel tax revenues to pay debt service on State transportation bonds; (2) to borrow or change the distribution of State fuel tax revenues; (3) to direct redevelopment agency property taxes to any other local government; (4) to temporarily shift property taxes from cities, counties, and special districts to schools; and (5) to use vehicle license fee revenues to reimburse local governments for State mandated costs. As a result, Proposition 22 impacts resources in the State's General Fund and transportation funds, the State's main funding source for schools and community colleges, as well as universities, prisons and health and social services programs. According to the LAO's analysis of Proposition 22 submitted by the LAO on July 15, 2010, Proposition 22 is projected to increase in the State's General Fund costs by approximately $1 billion annually for several decades.

This proposition was intended to, among other things, stabilize local government revenue sources by restricting the State's control over local property taxes. Proposition 22 did not prevent the California State Legislature from dissolving State redevelopment agencies pursuant to AB 1X26, as confirmed by the decision of the California Supreme Court decision in *California Redevelopment Association v. Matosantos* (2011).

Proposition 30 and Proposition 55

The passage of the Governor's November Tax Initiative ("Proposition 30") on November 6, 2012, resulted in an increase in the State sales tax by a quarter-cent for four years and, for seven years, raises taxes on individuals after their first $250,000 in income and on couples after their first $500,000 in earnings. These increased tax rates affect approximately one percent of California personal income tax filers and were to be in effect until the conclusion of the 2018 tax year. The State Legislative Analyst Office (the "LAO") estimated that, as a result of Proposition 30, additional state tax revenues of about $6 billion annually from fiscal years 2012-13 through 2016-17 would be received by the State with lesser amounts of additional revenue available in fiscal years 2017-18, and 2018-19. Proposition 30 also placed into the State Constitution certain requirements related to the transfer of certain State program responsibilities to local governments, mostly counties, including incarcerating certain adult offenders, supervising parolees, and providing substance abuse treatment services.

Proposition 30 was to provide additional tax revenues aimed at balancing the State's budget through fiscal year 2018-19, providing several billion dollars annually through fiscal year 2018-19 available for various purposes including funding existing State programs, ending K-14 education payment delays, and paying other State debts. Future actions of the State Legislature and the Governor would determine the use of these funds. According to the LAO, revenues raised by Proposition 30 could be subject to multibillion-dollar swings, above or below the revenue projections, due to the majority of the additional revenue coming from the personal income tax rate increases on upper-income taxpayers. These fluctuations in incomes of upper-income taxpayers will impact potential State revenue and could complicate State budgeting in future years. The loss of the associated tax revenues could create additional budget pressure in subsequent years.

On November 8, 2016, voters approved the California Children's Education and Health Care Protection Act of 2016, also known as Proposition 55 ("Proposition 55"), which extended the temporary tax increases created by Proposition 30 on income taxes (the sales tax piece expired December 31, 2016) from the 2016 tax year through the 2030 tax year. The District cannot predict the effect the loss of the revenues generated from such temporary sales tax increases will have on total State revenues and the effect on the Proposition 98 formula for funding schools.

Proposition 51

At the November 8, 2016 Election, voters in the State approved the California Public School Facility Bonds Initiative, ("Proposition 51"). Proposition 51 authorizes the sale and issuance of $9 billion in State general obligation bonds to fund the construction and modernization of school facilities for both community colleges and K-12 schools within the state.

Specifically, the $9 billion will be stored between a State School Facilities Fund and a California Community College Capital Outlay Bond Fund. The funds can then be used to allocate bond revenue in the following manner:

- $3 billion for construction of new K-12 school district facilities;

- Another $3 billion for the modernization of K-12 public school sites, which includes repairs to outdated facilities to increase earthquake and fire safety, removing asbestos, technology upgrades and other health and safety improvements;

- $500 million for various charter school facilities;

- $500 million for career technical education facilities; and

- $2 billion for California community college facility construction and modernization.

The State issues general obligation bonds for facility projects. Typically, K-12 schools can submit proposals for such projects to the State Office of Public School Construction for both modernization and new construction. If the project is approved, the school district will receive State grant funding and in turn the school district must contribute local funding to such projects. If sufficient local funding is unavailable, the school district may potentially receive the full project cost via State grant funding. Career technical education and charter school facilities face a similar approval process. Community college districts, on the other hand, must submit requests for facility projects to the Chancellor of the community college system. Selected projects are eventually approved and funded as part of the annual State budget. A scoring system is used to determine the State and local contributions for these community college sites.

Some school districts may spend fewer local funds given the greater support of state funding. However, school districts may decide to spend more local funds by proposing an increased number of facility projects with the knowledge that additional state funding could be available. It is also possible that school districts make no changes to their number of proposals for construction and modernization projects.

The District has received funding under Proposition 51. There are currently several District projects that have received funding, and the District is awaiting apportionment for additional projects.

Proposition 2 (2014)

On November 4, 2014, voters approved the "Rainy Day Budget Stabilization Fund Act" (the "Budget Stabilization Act"). The Budget Stabilization Act changed the State's existing requirements for the Budget Stabilization Account (the "BSA") and establishes a Public School System Stabilization Account (the "PSSSA").

The Budget Stabilization Act limits the ability of the Governor to suspend or reduce transfers to the BSA. Specifically, the Governor would have to declare a "budget emergency," defined in Article XIIB of the State Constitution or determine that there are insufficient resources to maintain general fund expenditures for the current year, at the highest level of spending in the three most recent fiscal years. Any such declaration must be followed by a legislative bill passed by a majority vote of each house.

The Budget Stabilization Act also requires the State Controller to deposit annually 1.5% of general fund revenues and an amount equal to revenues derived from capital gains-related taxes in situations where such tax revenues are in excess of 8% of general fund revenues. Deposits to the BSA will be made until the BSA balance reaches an amount equal to 10% of general fund revenues. Additionally, from 2015-16 to 2029-30, half of any required transfers to the BSA must be allocated to reduce certain state liabilities, such as unfunded state-level pension plans and making certain payments owed to K-14 school districts.

The PSSSA will be funded by the capital gains-related tax revenues in excess of 8% of general fund revenues. The State may deposit amounts into the PSSSA only after certain conditions are met, including the payment of all amounts owing to school districts under the Proposition 98 maintenance factor and the existence of a "Test 1" year under Proposition 98.

State legislation (Senate Bill 858, as amended by Senate Bill 751) established certain limits on the amount that school districts are permitted to maintain in their reserve funds in any given period. These limits, often referred to as the "school district reserve cap," can be triggered upon deposits into the PSSSA. If deposits in the PSSSA in a fiscal year equal or exceed 3% of the combined general fund revenues provided to school districts under Proposition 98, then a school district will be restricted from exceeding 10% of such funds in its general fund reserves in the immediately following fiscal year, among other provisions.

See "DISTRICT FINANCIAL AND OPERATING INFORMATION – DISTRICT FINANCIAL INFORMATION – Fiscal Year 2024-25 State Budget" in APPENDIX A hereto for the current balances and potential for draws on the BSA and PSSSA and other State reserves.

Proposition 2 (2024)

At the November 5, 2024 Election, voters in the State approved the Kindergarten Through Grade 12 Schools and Local Community College Public Education Facilities Modernization, Repair, and Safety Bond Act of 2024 ("Proposition 2"). Proposition 2 authorizes the sale and issuance of $10 billion in State general obligation bonds to fund the construction and modernization of school facilities for both community colleges and K-12 schools within the state. Specifically, the $10 billion will be allocated as follows:

- $8.5 billion for transitional kindergarten ("TK") through 12 school districts, including:
    - $4 billion for repairs, replacement of portables at least 20 years old, and other modernization work;
    - $3.3 billion for new construction;
    - $600 million for facilities for career and technical education programs;
    - $600 million for facilities for charter schools;
    - $115 million set aside to remove lead in school water; and
- $1.5 billion for community college districts.

The State issues general obligation bonds for facility projects. Typically, TK-12 schools can submit proposals for such projects to the State Office of Public School Construction for both modernization and new construction. If the project is approved, the school district will receive State grant funding and in turn the school district must contribute local funding to such projects. If sufficient local funding is unavailable, the school district may potentially receive the full project cost via State grant funding. Career technical education and charter school facilities face a similar approval process. Community college districts, on the other hand, must submit requests for facility projects to the Chancellor of the community college system. Selected projects are eventually approved and funded as part of the annual State budget. A scoring system is used to determine the State and local contributions for these community college sites.

To receive funding under Proposition 2, a district must develop a five-year master plan, including (i) an inventory of existing facilities, sites and property; (ii) existing classroom capacity and projected enrollment; (iii) a capital planning budget, and (iv) a deferred maintenance plan. Specific guidelines are being developed by the Department of General Services and the Department of Education. The District is taking the requirements of Proposition 2 into consideration in the development of its facilities master plan.

Some school districts may spend fewer local funds given the greater support of state funding. However, school districts may decide to spend more local funds by proposing an increased number of facility projects with the knowledge that additional state funding could be available. It is also possible that school districts make no changes to their number of proposals for construction and modernization projects.

The District intends to pursue funding under Proposition 2, however it cannot predict whether such funding will be approved, or if approved, what projects will be funded or the amount of funding which will be received.

Future Initiatives

Article XIIIA, Article XIIIB, Article XIIIC, Article XIIID and Propositions 98, 46 and 39 were each adopted as measures that qualified for the ballot pursuant to the State's initiative process. From time to time other amendments to the State constitution, propositions and initiative measures could be adopted that further affect District revenues or the District's ability to expend revenues.

APPENDIX B

FORM OF OPINION OF BOND COUNSEL

[Closing Date]

West Contra Costa Unified School District
1400 Marina Way South
Richmond, California 94804

Re: *$____________ West Contra Costa Unified School District 2025 General Obligation Refunding Bonds, Series A*

Ladies and Gentlemen:

We have acted as Bond Counsel to the West Contra Costa Unified School District, County of Contra Costa, State of California (the "District"), in connection with the issuance by the District of $_________ West Contra Costa Unified School District 2025 General Obligation Refunding Bonds, Series A (the "Bonds").

The Bonds are being issued by the District under the provisions of: (i) Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 (commencing with Sections 53550 and 53580, respectively) of the Government Code of the State, as amended, (ii) applicable provisions of the Education Code of the State, as amended; and (iii) Article XIIIA of the State Constitution (together, the "Refunding Law"), and pursuant to a resolution adopted by the Board of Education of the District, adopted on April 30, 2025 (the "Resolution"). All terms used herein and not otherwise defined shall have the meanings given to them in the Resolution.

As Bond Counsel, we have examined copies, certified to us as being true and complete copies, of the proceedings of the District for the authorization and issuance of the Bonds. In this connection, we have also examined such certificates of public officials and officers of the District as we have considered necessary for the purposes of this opinion. We have, with your approval, assumed that all items submitted to us as originals are authentic and that all items submitted as copies conform to the originals.

On the basis of such examination, our reliance upon the assumptions contained herein and our consideration of those questions of law we considered relevant, and subject to the limitations and qualifications in this opinion, we are of the opinion that:

1. The Bonds have been duly authorized and issued and constitute legally valid and binding obligations of the District, enforceable in accordance with their terms and the terms of the Resolution.

2. The Bonds are payable solely from and are secured by a pledge of *ad valorem* taxes which may be levied without limitation as to rate or amount upon all taxable real property in the District, and which, under the laws now in force with respect to the Bonds, may be levied within the limit prescribed by law upon all taxable personal property in the District, and from other available funds as set forth in the Resolution.

3. The Resolution has been duly authorized by the District and constitutes the legally valid and binding obligations of the District, enforceable in accordance with its terms. The Bonds, assuming due authentication by the Paying Agent, are entitled to the benefits of the Resolution.

4. The Internal Revenue Code of 1986, as amended (the "Code") sets forth certain requirements which must be met subsequent to the issuance and delivery of the Bonds for interest thereon to be and remain excluded from gross income for federal income tax purposes. Noncompliance with such requirements could cause the interest on the Bonds to be included in gross income for federal income tax purposes retroactive to the date of issue of the Bonds. Pursuant to the Resolution and the Tax and Nonarbitrage Certificate executed by the District in connection with the issuance of the Bonds (the "Tax Certificate"), the District has covenanted to comply with the applicable requirements of the Code in order to maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes pursuant to Section 103 of the Code. In addition, the District has made certain representations and certifications in the Tax Certificate. We have not independently verified the accuracy of those certifications and representations.

   Under existing law, assuming compliance with the tax covenants described herein and the accuracy of the aforementioned representations and certifications, interest on the Bonds (including any original issue discount properly allocable thereto) on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Code. We are also of the opinion that such interest is not treated as a preference item in calculating the alternative minimum tax imposed under the Code. Interest on the Bonds will be taken into account in computing the alternative minimum tax imposed on certain corporations under the Code to the extent that such interest is included in the "adjusted financial statement income" of such corporations.

5. Interest on the Bonds is exempt from personal income taxes of the State under present State law.

The opinions set forth in paragraphs 1, 2 and 3 above (i) assume that the Paying Agent has duly authenticated the Bonds and (ii) are subject to (a) applicable bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting creditors' rights generally (including, without limitation, fraudulent conveyance laws), (b) the effect of general principles of equity, including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing and the possible unavailability of specific performance or injunctive relief, regardless of whether considered in a proceeding in equity or at law, and (c) the limitations on legal remedies against government entities in the State.

In rendering the opinion set forth in paragraph 4 above, we are relying upon representations and covenants of the District in the Tax Certificate concerning the investment and use of Bond proceeds, the rebate to the federal government of certain earnings thereon, and the use of the property and facilities financed with the proceeds of the Bonds. In addition, we have assumed that all such representations are true and correct and that the District will comply with such covenants. We express no opinion with respect to the exclusion of the interest on the Bonds from gross income under Section 103(a) of the Code in the event that any of such representations are untrue or the District fails to comply with such covenants, unless such failure to comply is based on our advice or opinion.

Except as stated in paragraphs 4 and 5 above, we express no opinion as to any other federal, state or local tax consequences of the ownership or disposition of, or the amount, accrual or receipt of interest on, the Bonds. Furthermore, we express no opinion as to any federal, state or local tax law consequences with respect to the Bonds, or the interest thereon, if any action is taken with respect to the Bonds or the proceeds thereof upon the advice or approval of other counsel.

No opinion is expressed herein on the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the Bonds. This opinion is expressly limited to the matters set forth above and we render no opinion, whether by implication or otherwise, as to any other matters.

Our opinions are limited to matters of State law and applicable federal law, and we assume no responsibility as to the applicability of laws of other jurisdictions. We call attention to the fact that the opinions expressed herein and the exclusion of interest on the Bonds from gross income for federal income tax purposes may be affected by actions taken or omitted or events occurring or failing to occur after the date hereof. We have not undertaken to determine, or inform any person, whether any such actions are taken, omitted, occur or fail to occur.

Respectfully submitted,

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APPENDIX C

DISTRICT FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED JUNE 30, 2024

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West Contra Costa Unified School District

AUDIT REPORT

June 30, 2024

FINANCIAL SECTION

REQUIRED SUPPLEMENTARY INFORMATION

SUPPLEMENTARY INFORMATION

OTHER INFORMATION

OTHER INDEPENDENT AUDITORS' REPORTS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FINANCIAL SECTION

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Independent Auditors' Report

Governing Board
West Contra Costa Unified School District
Richmond, California

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the West Contra Costa Unified School District, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the West Contra Costa Unified School District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the West Contra Costa Unified School District, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the West Contra Costa Unified School District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the West Contra Costa Unified School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user of the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards,* we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the West Contra Costa Unified School District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the West Contra Costa Unified School District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information, such as management's discussion and analysis, budgetary comparison information, schedule of changes in net OPEB liability and related ratios, schedules of proportionate share of net pension liability, and schedules of district contributions for pensions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the West Contra Costa Unified School District's basic financial statements. The supplementary information listed in the table of contents, including the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations (CFR)* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Local Education Agency Organization Structure but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2024 on our consideration of the West Contra Costa Unified School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the West Contra Costa Unified School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering West Contra Costa Unified School District's internal control over financial reporting and compliance.

Christy White, Inc

San Diego, California
December 14, 2024

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

1108 Bissell Avenue
Richmond, CA 94801-3135
Telephone (510) 231-1100

MANAGEMENT'S DISCUSSION AND ANALYSIS

INTRODUCTION

Our discussion and analysis of West Contra Costa Unified School District's (District) financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2024. It should be read in conjunction with the District's financial statements, which follow this section.

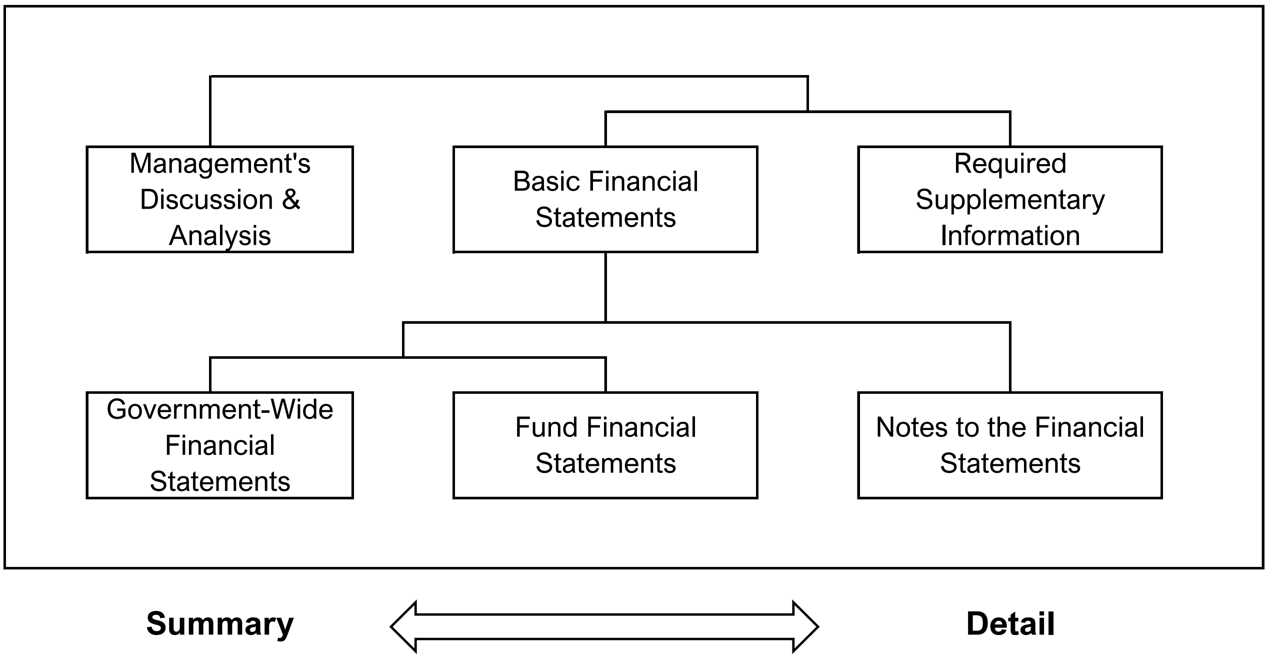
The Management's Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments,* issued June 1999; GASB Statement No. 37, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments: Omnibus*, an amendment to GASB Statements No. 21 and No. 34, issued in June 2001; GASB Statement No. 38, *Certain Financial Statement Note Disclosures issued in 2001 and GASB Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, issued in 2004. Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

- The District's net position was $(10,029,678) at June 30, 2024. This was an increase of $31,862,837 from the prior year.
- Overall revenues were $715,703,422 which exceeded expenses of $683,840,585.

OVERVIEW OF FINANCIAL STATEMENTS

Components of the Financial Section



OVERVIEW OF FINANCIAL STATEMENTS (continued)

Components of the Financial Section (continued)

This annual report consists of three parts – Management's Discussion and Analysis (this section), the basic financial statements, and required supplementary information. The three sections together provide a comprehensive overview of the District. The basic financial statements are comprised of two kinds of statements that present financial information from different perspectives:

- **Government-wide financial statements**, which comprise the first two statements, provide both short-term and long-term information about the entity's overall financial position.

- **Fund financial statements** focus on reporting the individual parts of District operations in more detail. The fund financial statements comprise the remaining statements.

  - **Governmental Funds** provide a detailed *short-term* view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs.

  - **Proprietary Funds** report services for which the District charges customers a fee. Like the government-wide statements, they provide both long- and short-term financial information.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The basic financial statements are followed by a section of required and other supplementary information that further explain and support the financial statements.

Government-Wide Statements

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities, regardless of when cash is received or paid.

The two government-wide statements report the District's net position and how it has changed. Net position is one way to measure the District's financial health. Over time, increases or decreases in the District's net position are an indicator of whether its financial health is improving or deteriorating, respectively.

The government-wide financial statements of the District include governmental activities. All of the District's basic services are included here, such as regular education, food service, maintenance and general administration. Local Control Funding Formula and federal and state grants finance most of these activities.

OVERVIEW OF FINANCIAL STATEMENTS (continued)

Government-Wide Statements (continued)

The following matrix summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of the overview section of management's discussion and analysis highlights the structure and contents of each of the statements.

Type of Statement	District-wide	Governmental Funds	Proprietary Funds
Scope	Entire district	The activities of the district that are not proprietary, such as special revenue and debt service funds	Activities the district operates similar to private businesses: such as the self-insurance fund
Required financial statements	Statement of net position	Balance sheet	Statement of net position
	Statement of activities	Statement of revenues, expenditures & changes in fund balances	Statement of revenues, expenses & changes in fund net position
			Statement of cash flows
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, short-term and long-term
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during year, regardless of when cash is received or paid

FINANCIAL ANALYSIS OF THE ENTITY AS A WHOLE

Net Position

The District's net position was $(10,029,678) at June 30, 2024, as reflected in the table below. Of this amount, $(644,646,564) was unrestricted. Restricted net position is reported separately to show legal constraints from debt covenants and enabling legislation that limit the Governing Board's ability to use that net position for day-to-day operations.

	Governmental Activities		
	2024	2023	Net Change
ASSETS			
Current and other assets	$ 600,662,654	$ 610,918,411	$ (10,255,757)
Capital assets	1,335,673,550	1,343,363,870	(7,690,320)
Total Assets	1,936,336,204	1,954,282,281	(17,946,077)
DEFERRED OUTFLOWS OF RESOURCES	234,156,880	258,649,226	(24,492,346)
LIABILITIES			
Current liabilities	130,122,429	133,393,196	(3,270,767)
Long-term liabilities	1,912,587,435	1,954,853,714	(42,266,279)
Total Liabilities	2,042,709,864	2,088,246,910	(45,537,046)
DEFERRED INFLOWS OF RESOURCES	137,812,898	166,577,112	(28,764,214)
NET POSITION			
Net investment in capital assets	364,147,328	324,690,090	39,457,238
Restricted	270,469,558	268,426,288	2,043,270
Unrestricted	(644,646,564)	(635,008,893)	(9,637,671)
Total Net Position	$ (10,029,678)	$ (41,892,515)	$ 31,862,837

FINANCIAL ANALYSIS OF THE ENTITY AS A WHOLE (continued)

Changes in Net Position

The results of this year's operations for the District as a whole are reported in the Statement of Activities. The table below takes the information from the Statement and rearranges it slightly, so you can see our total revenues and expenses for the year.

	Governmental Activities		
	2024	**2023**	**Net Change**
REVENUES			
Program revenues			
Charges for services	$ 3,018,215	$ 1,896,169	$ 1,122,046
Operating grants and contributions	200,741,719	203,874,068	(3,132,349)
Capital grants and contributions	6,746,271	9,629,022	(2,882,751)
General revenues			
Property taxes	269,280,507	261,053,009	8,227,498
Unrestricted federal and state aid	216,336,160	209,261,565	7,074,595
Other	19,580,550	9,243,074	10,337,476
Total Revenues	715,703,422	694,956,907	20,746,515
EXPENSES			
Instruction	309,527,607	257,075,454	52,452,153
Instruction-related services	75,606,297	65,730,836	9,875,461
Pupil services	85,372,426	79,867,250	5,505,176
General administration	47,738,740	43,287,123	4,451,617
Plant services	74,530,730	54,265,877	20,264,853
Ancillary and community services	25,816,849	20,584,776	5,232,073
Debt service	48,705,800	57,667,084	(8,961,284)
Other outgo	2,213,955	2,111,388	102,567
Enterprise activities	14,328,181	32,241	14,295,940
Total Expenses	683,840,585	580,622,029	103,218,556
Change in net position	31,862,837	114,334,878	(82,472,041)
Net Position - Beginning	(41,892,515)	(156,227,393)	114,334,878
Net Position - Ending	$ (10,029,678)	$ (41,892,515)	$ 31,862,837

FINANCIAL ANALYSIS OF THE ENTITY AS A WHOLE (continued)

Changes in Net Position (continued)

In the table below, we have presented the net cost of each of the District's functions. Net cost shows the financial burden that was placed on the District's taxpayers by each of these functions. Providing this information allows our citizens to consider the cost of each function in comparison to the benefits they believe are provided by that function.

	Net Cost of Services	
	2024	**2023**
Instruction	$ 211,887,759	$ 173,268,277
Instruction-related services	59,099,516	34,791,013
Pupil services	47,707,384	42,229,997
General administration	41,061,457	37,710,698
Plant services	64,764,697	36,820,473
Ancillary and community services	269,160	(4,114,648)
Debt service	48,705,800	57,667,084
Transfers to other agencies	(14,489,574)	(13,180,552)
Enterprise activities	14,328,181	30,398
Total	$ 473,334,380	$ 365,222,740

FINANCIAL ANALYSIS OF THE DISTRICT'S MAJOR FUNDS

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed this year, its governmental funds reported a combined fund balance of $545,641,767, which is less than last year's ending fund balance of $559,922,356. The District's General Fund had $10,794,145 more in operating revenues than expenditures for the year ended June 30, 2024. The District's Building Fund had $37,450,316 less in operating revenues than expenditures for the year ended June 30, 2024. The District's Bond Interest and Redemption Fund had $1,208,582 less in operating revenues than expenditures for the year ended June 30, 2024.

CURRENT YEAR BUDGET 2023-2024

During the fiscal year, budget revisions and appropriation transfers are presented to the Board for their approval on a periodic basis to reflect changes to both revenues and expenditures that become known during the year. The Board of Education approves financial projections included with the Adopted Budget, First Interim, and Second Interim financial reports. The Unaudited Actuals reflect the District's financial projections and current budget based on State and local financial information.

CAPITAL ASSETS AND LONG-TERM LIABILITIES

Capital Assets

By the end of 2023-2024 the District had invested $1,335,673,550 in capital assets, net of accumulated depreciation.

	Governmental Activities		
	2024	2023	Net Change
CAPITAL ASSETS			
Land	$ 52,371,291	$ 52,371,291	$ -
Construction in progress	38,464,592	82,490,469	(44,025,877)
Land improvements	78,362,991	60,680,124	17,682,867
Buildings & improvements	1,758,563,900	1,697,811,435	60,752,465
Furniture & equipment	52,643,474	51,395,797	1,247,677
Less: Accumulated depreciation	(644,732,698)	(601,385,246)	(43,347,452)
Total	$ 1,335,673,550	$ 1,343,363,870	$ (7,690,320)

Long-Term Liabilities

At year-end, the District had $1,912,587,435 in long-term liabilities, a decrease of 2.16% from last year's balance – as shown in the table below. More detailed information about the District's long-term liabilities is presented in footnotes to the financial statements.

	Governmental Activities		
	2024	2023	Net Change
LONG-TERM LIABILITIES			
Total general obligation bonds	$ 1,336,171,296	$ 1,407,216,577	$ (71,045,281)
Total certificates of participation	3,205,000	4,850,000	(1,645,000)
Compensated absences	4,870,709	2,972,368	1,898,341
Net OPEB liability	292,730,750	272,445,220	20,285,530
Net pension liability	333,228,171	334,209,204	(981,033)
Less: current portion of long-term liabilities	(57,618,491)	(66,839,655)	9,221,164
Total	$ 1,912,587,435	$ 1,954,853,714	$ (42,266,279)

CAPITAL ASSETS AND LONG-TERM LIABILITIES (continued)

Long-Term Liabilities (continued)

In recent years the District has received approval from the voters to issue $2.2 billion in bonds. Measure E was approved for $40 million in November 1998 to fund various capital improvement projects and to construct a new middle school. Measure M, in the amount of $150 million, was approved in November 2000 to renovate the elementary schools of the District. Measure D was approved in March 2002 to renovate the secondary schools of the District as well as provide additional funds to supplement Measure M. This measure is in the amount of $300 million. Measure J was approved for $400 million in November 2005 to continue repairing all school facilities, improve classroom safety and technology. Measure D was approved for $380 million in 2010 and Measure E was approved for $360 million in November 2012 and will be used toward the continued renovation and rebuilding program for elementary and secondary schools. Measure R was approved for $575 million in 2020 to repair and upgrade neighborhood schools. The District will continue to sell, and issue bonds authorized by these measures in amounts necessary to meet the cash flow needs of the construction projects as they progress over the next several years.

The state limits the amount of general obligation debt the District can issue to 2.5 percent of the assessed value of all taxable property within the District's boundaries. In 2021, the District applied for and was granted a waiver increasing the limit from 2.5 percent to 4.05 percent. This waiver applies to the 2020 Measure R and 2005 Measure J authorizations. The waiver expires on June 30, 2028. The District has received four prior from the Department of Education in November 2002, March 2009, March 2011 and May 2013 for prior bond measures.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Several economic factors could impact California school district funding and the District's budget in the next fiscal year:

Long-term Declining Enrollment: Lower birth rates and increased migration out of state have resulted in long-term declining enrollment across California schools. Enrollment can fluctuate due to factors such as population growth, competition from private and parochial schools, inter-district transfers in or out, economic conditions, and housing values. Losses in enrollment will cause a school district to lose operating revenues without necessarily permitting the district to adjust fixed operating costs.

Revenue Uncertainties: Proposition 98 guarantees have improved over the 2023-24 fiscal year, but the prior 2022-23 revenues fell short of estimates, reducing the guarantee and resulting in the use of Proposition 98 reserves. California faced a significant budget deficit due to a severe revenue decline in 2022-23, driven mainly by lower income tax collections and economic downturns. However, recent tax forecasts show that actual revenues surpass projections. Surpluses could help fund more Proposition 98 revenue for school districts.

Underfunded Pension Liabilities: The District participates in state employee pension plans, California State Teachers' Retirement System (CalSTRS) and California Public Employees' Retirement System (CalPERS) and both are underfunded. The District's proportionate share of the liability is reported in the Statement of Net Position as of June 30, 2024. The amount of the liability is material to the District's financial position. The CalSTRS projected employer contribution rate for 2024-25 is 19.10 percent. The CalPERS projected employer contribution rate for 2024-25 is 27.05 percent. The projected increased pension costs to school employers remain a significant fiscal factor.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET (continued)

Economic Downturn: Higher borrowing costs and reduced investment have slowed economic activity, particularly affecting sectors like technology and startups, which are crucial to California's economy. The unemployment rate is up but might reverse with future jobs in the technology and aerospace industries.

Federal Reserve Actions: The Federal Reserve's interest rate hikes have increased borrowing costs, reducing investment and economic growth.

Stock Market Performance: The steep decline in the stock market in prior years has negatively impacted income tax collections from high-income Californians and corporations. Overall, market performance in 2024 is trending in a positive direction.

These factors contribute to a challenging fiscal environment, potentially affecting the state's ability to maintain or increase funding for school districts. All these factors were considered in preparing the District's 2024-25 fiscal year budget.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, students, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need any additional financial information, contact the Business Office at 1400 Marina Way South, Richmond, CA 94806.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2024

	Governmental Activities
ASSETS	
Cash and investments	$ 559,010,535
Accounts receivable	40,546,406
Inventory	1,105,713
Capital assets, not depreciated	90,835,883
Capital assets, net of accumulated depreciation	1,244,837,667
Total Assets	1,936,336,204
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pensions	132,847,055
Deferred outflows related to OPEB	85,807,649
Deferred amount on refunding	15,502,176
Total Deferred Outflows of Resources	234,156,880
LIABILITIES	
Accrued liabilities	64,745,550
Unearned revenue	7,758,388
Long-term liabilities, current portion	57,618,491
Long-term liabilities, non-current portion	1,912,587,435
Total Liabilities	2,042,709,864
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to pensions	36,908,772
Deferred inflows related to OPEB	95,177,934
Deferred amount on refunding	5,726,192
Total Deferred Inflows of Resources	137,812,898
NET POSITION	
Net investment in capital assets	364,147,328
Restricted:	
Capital projects	39,072,914
Debt service	97,236,647
Educational programs	103,035,460
Food service	29,589,433
Associated student body	1,535,104
Unrestricted	(644,646,564)
Total Net Position	$ (10,029,678)

The accompanying notes are an integral part of these financial statements.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024

Function/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position: Governmental Activities
GOVERNMENTAL ACTIVITIES					
Instruction	$ 309,527,607	$ 133,757	$ 90,759,820	$ 6,746,271	$ (211,887,759)
Instruction-related services					
Instructional supervision and administration	34,819,528	38,658	12,207,461	-	(22,573,409)
Instructional library, media, and technology	4,284,009	56,454	510,907	-	(3,716,648)
School site administration	36,502,760	4,094	3,689,207	-	(32,809,459)
Pupil services					
Home-to-school transportation	13,383,184	-	-	-	(13,383,184)
Food services	28,608,377	9,163	24,518,368	-	(4,080,846)
All other pupil services	43,380,865	65,971	13,071,540	-	(30,243,354)
General administration					
Centralized data processing	16,701,176	-	2,520,103	-	(14,181,073)
All other general administration	31,037,564	2,862	4,154,318	-	(26,880,384)
Plant services	74,530,730	902,432	8,863,601	-	(64,764,697)
Ancillary services	25,522,876	28,449	25,490,484	-	(3,943)
Community services	293,973	3,053	25,703	-	(265,217)
Enterprise activities	14,328,181	-	-	-	(14,328,181)
Interest on long-term debt	48,705,800	-	-	-	(48,705,800)
Other outgo	2,213,955	1,773,322	14,930,207	-	14,489,574
Total Governmental Activities	$ 683,840,585	$ 3,018,215	$ 200,741,719	$ 6,746,271	(473,334,380)
General revenues					
Taxes and subventions					
Property taxes, levied for general purposes					139,435,053
Property taxes, levied for debt service					107,134,094
Property taxes, levied for other specific purposes					22,711,360
Federal and state aid not restricted for specific purposes					216,336,160
Interest and investment earnings					11,624,334
Miscellaneous					7,956,216
Subtotal, General Revenue					505,197,217
CHANGE IN NET POSITION					31,862,837
Net Position - Beginning					(41,892,515)
Net Position - Ending					$ (10,029,678)

The accompanying notes are an integral part of these financial statements.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2024

	General Fund	Building Fund	Bond Interest and Redemption Fund	Non-Major Governmental Funds	Total Governmental Funds
ASSETS					
Cash and investments	$ 192,318,387	$ 180,913,891	$ 114,234,261	$ 71,469,734	$ 558,936,273
Accounts receivable	32,782,554	967,796	491,481	6,304,575	40,546,406
Due from other funds	-	792,194	-	-	792,194
Stores inventory	314,892	-	-	790,821	1,105,713
Total Assets	$ 225,415,833	$ 182,673,881	$ 114,725,742	$ 78,565,130	$ 601,380,586
LIABILITIES					
Accrued liabilities	$ 35,356,815	$ 9,701,927	$ -	$ 2,129,495	$ 47,188,237
Due to other funds	-	-	-	792,194	792,194
Unearned revenue	6,075,842	-	-	1,682,546	7,758,388
Total Liabilities	41,432,657	9,701,927	-	4,604,235	55,738,819
FUND BALANCES					
Nonspendable	384,892	-	-	790,821	1,175,713
Restricted	101,065,557	172,971,954	114,725,742	72,167,354	460,930,607
Assigned	7,768,441	-	-	736,893	8,505,334
Unassigned	74,764,286	-	-	265,827	75,030,113
Total Fund Balances	183,983,176	172,971,954	114,725,742	73,960,895	545,641,767
Total Liabilities and Fund Balances	$ 225,415,833	$ 182,673,881	$ 114,725,742	$ 78,565,130	$ 601,380,586

The accompanying notes are an integral part of these financial statements.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION
JUNE 30, 2024

Total Fund Balance - Governmental Funds		$ 545,641,767
Amounts reported for assets and liabilities for governmental activities in the statement of net position are different from amounts reported in governmental funds because:		
Capital assets:		
In governmental funds, only current assets are reported. In the statement of net position, all assets are reported, including capital assets and accumulated depreciation:		
Capital assets	$ 1,980,406,248	
Accumulated depreciation	(644,732,698)	1,335,673,550
Deferred amount on refunding:		
In governmental funds, the net effect of refunding bonds is recognized when debt is issued, whereas this amount is deferred and amortized in the government-wide financial statements:		9,775,984
Unmatured interest on long-term debt:		
In governmental funds, interest on long-term debt is not recognized until the period in which it matures and is paid. In the government-wide statement of activities, it is recognized in the period that it is incurred. The additional liability for unmatured interest owing at the end of the period was:		(17,489,095)
Long-term liabilities:		
In governmental funds, only current liabilities are reported. In the statement of net position, all liabilities, including long-term liabilities, are reported. Long-term liabilities relating to governmental activities consist of:		
Total general obligation bonds	$ 1,336,171,296	
Total certificates of participation	3,205,000	
Compensated absences	4,870,709	
Net OPEB liability	292,730,750	
Net pension liability	333,228,171	(1,970,205,926)
Deferred outflows and inflows of resources relating to pensions:		
In governmental funds, deferred outflows and inflows of resources relating to pensions are not reported because they are applicable to future periods. In the statement of net position, deferred outflows and inflows of resources relating to pensions are reported.		
Deferred outflows of resources related to pensions	$ 132,847,055	
Deferred inflows of resources related to pensions	(36,908,772)	95,938,283

(continued on the next page)

The accompanying notes are an integral part of these financial statements.

Deferred outflows and inflows of resources relating to OPEB:		
In governmental funds, deferred outflows and inflows of resources relating to OPEB are not reported because they are applicable to future periods. In the statement of net position, deferred outflows and inflows of resources relating to OPEB are reported.		
Deferred outflows of resources related to OPEB	$ 85,807,649	
Deferred inflows of resources related to OPEB	(95,177,934)	(9,370,285)
Internal service funds:		
Internal service funds are used to conduct certain activities for which costs are charged to other funds on a full cost-recovery basis. Because internal service funds are presumed to operate for the benefit of governmental activities, assets, deferred outflows of resources, liabilities, and deferred inflows of resources of internal service funds are reported with governmental activities in the statement of net position. Net position for internal service funds is:		6,044
Total Net Position - Governmental Activities		$ (10,029,678)

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2024

	General Fund	Building Fund	Bond Interest and Redemption Fund	Non-Major Governmental Funds	Total Governmental Funds
REVENUES					
LCFF sources	$ 344,951,545	$ -	$ -	$ -	$ 344,951,545
Federal sources	50,377,903	-	-	16,195,779	66,573,682
Other state sources	98,085,816	-	575,414	23,819,960	122,481,190
Other local sources	62,967,122	9,709,013	110,667,930	13,819,290	197,163,355
Total Revenues	556,382,386	9,709,013	111,243,344	53,835,029	731,169,772
EXPENDITURES					
Current					
Instruction	289,531,707	-	-	4,031,997	293,563,704
Instruction-related services					
Instructional supervision and administration	30,715,967	-	-	1,028,950	31,744,917
Instructional library, media, and technology	3,893,945	-	-	-	3,893,945
School site administration	32,250,444	-	-	1,847,812	34,098,256
Pupil services					
Home-to-school transportation	12,577,936	-	-	-	12,577,936
Food services	233,848	-	-	24,295,873	24,529,721
All other pupil services	40,316,976	-	-	150,933	40,467,909
General administration					
Centralized data processing	15,393,963	-	-	-	15,393,963
All other general administration	25,245,267	-	-	1,079,768	26,325,035
Plant services	50,364,156	-	-	674,401	51,038,557
Facilities acquisition and construction	1,914,480	47,159,329	-	8,076,992	57,150,801
Ancillary services	24,527,702	-	-	-	24,527,702
Community services	291,415	-	-	-	291,415
Enterprise activities	14,328,181	-	-	-	14,328,181
Transfers to other agencies	2,213,955	-	-	-	2,213,955
Debt service					
Principal	1,645,000	-	64,017,877	-	65,662,877
Interest and other	143,299	-	48,434,049	-	48,577,348
Total Expenditures	545,588,241	47,159,329	112,451,926	41,186,726	746,386,222
Excess (Deficiency) of Revenues					
Over Expenditures	10,794,145	(37,450,316)	(1,208,582)	12,648,303	(15,216,450)
Other Financing Sources (Uses)					
Transfers in	940,230	16,375,292	-	24,500	17,340,022
Other sources	-	-	93,737,231	-	93,737,231
Transfers out	(24,500)	-	-	(17,315,522)	(17,340,022)
Other uses	-	-	(92,801,370)	-	(92,801,370)
Net Financing Sources (Uses)	915,730	16,375,292	935,861	(17,291,022)	935,861
NET CHANGE IN FUND BALANCE	11,709,875	(21,075,024)	(272,721)	(4,642,719)	(14,280,589)
Fund Balance - Beginning	172,273,301	194,046,978	114,998,463	78,603,614	559,922,356
Fund Balance - Ending	$ 183,983,176	$ 172,971,954	$ 114,725,742	$ 73,960,895	$ 545,641,767

The accompanying notes are an integral part of these financial statements.

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024

Net Change in Fund Balances - Governmental Funds		$ (14,280,589)
Amounts reported for governmental activities in the statement of activities are different from amounts reported in governmental funds because:		
Capital outlay:		
In governmental funds, the costs of capital assets are reported as expenditures in the period when the assets are acquired. In the statement of activities, costs of capital assets are allocated over their estimated useful lives as depreciation expense. The difference between capital outlay expenditures and depreciation expense for the period is:		
Expenditures for capital outlay:	$ 38,456,406	
Depreciation expense:	(45,828,677)	(7,372,271)
Debt service:		
In governmental funds, repayments of long-term debt are reported as expenditures. In the government-wide statements, repayments of long-term debt are reported as reductions of liabilities. Expenditures for repayment of the principal portion of long-term debt were:		172,440,000
Debt proceeds:		
In governmental funds, proceeds from debt are recognized as Other Financing Sources. In the government-wide statements, proceeds from debt are reported as increases to liabilities. Amounts recognized in governmental funds as proceeds from debt, net of issue premium or discount, were:		(93,737,231)
Deferred amounts on refunding:		
In governmental funds, deferred amounts on refunding are recognized in the period they are incurred. In the government-wide statements, the deferred amounts on refunding are amortized over the life of the debt. The net effect of the deferred amounts on refunding during the period was:		(6,631,556)
Gain or loss from the disposal of capital assets:		
In governmental funds, the entire proceeds from disposal of capital assets are reported as revenue. In the statement of activities, only the resulting gain or loss is reported. The difference between the proceeds from disposal of capital assets and the resulting gain or loss is:		(318,049)
Unmatured interest on long-term debt:		
In governmental funds, interest on long-term debt is recognized in the period that it becomes due. In the government-wide statement of activities, it is recognized in the period it is incurred. Unmatured interest owing at the end of the period, less matured interest paid during the period but owing from the prior period, was:		(1,460,161)

(continued on the next page)

Accreted interest on long-term debt:	
In governmental funds, accreted interest on capital appreciation bonds is not recorded as an expenditure from current sources. In the government-wide statement of activities, however, this is recorded as interest expense for the period.	(10,110,980)
Compensated absences:	
In governmental funds, compensated absences are measured by the amounts paid during the period. In the statement of activities, compensated absences are measured by the amount earned. The difference between compensated absences paid and compensated absences earned, was:	(1,898,341)
Postemployment benefits other than pensions (OPEB):	
In governmental funds, OPEB expenses are recognized when employer OPEB contributions are made. In the statement of activities, OPEB expenses are recognized on the accrual basis. This year, the difference between OPEB expenses and actual employer OPEB contributions was:	(8,897,531)
Pensions:	
In governmental funds, pension costs are recognized when employer contributions are made. In the government-wide statement of activities, pension costs are recognized on the accrual basis. This year, the difference between accrual-basis pension costs and employer contributions was:	496,458
Amortization of debt issuance premium or discount:	
In governmental funds, if debt is issued at a premium or at a discount, the premium or discount is recognized as an Other Financing Source or an Other Financing Use in the period it is incurred. In the government-wide statements, the premium or discount is amortized over the life of the debt. Amortization of premium or discount for the period is:	4,098,492
Internal Service Funds:	
Internal service funds are used to conduct certain activities for which costs are charged to other funds on a full cost-recovery basis. Because internal service funds are presumed to benefit governmental activities, internal service activities are reported as governmental in the statement of activities. The net increase or decrease in internal service funds was:	(465,404)
Change in Net Position of Governmental Activities	$ 31,862,837

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
JUNE 30, 2024

	Governmental Activities
	Internal Service Fund
ASSETS	
Current assets	
Cash and investments	$ 74,262
Total Assets	74,262
LIABILITIES	
Current liabilities	
Accrued liabilities	68,218
Total Liabilities	68,218
NET POSITION	
Unrestricted	6,044
Total Net Position	$ 6,044

The accompanying notes are an integral part of these financial statements.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2024

	Governmental Activities Internal Service Fund
OPERATING REVENUES	
Charges for services	$ 3,761,649
Total operating revenues	3,761,649
OPERATING EXPENSES	
Salaries and benefits	309,283
Supplies and materials	300
Professional services	3,779,411
Total operating expenses	4,088,994
Operating income/(loss)	(327,345)
NON-OPERATING REVENUES/(EXPENSES)	
Interest income	(138,059)
Total non-operating revenues/(expenses)	(138,059)
CHANGE IN NET POSITION	(465,404)
Net Position - Beginning	471,448
Net Position - Ending	$ 6,044

The accompanying notes are an integral part of these financial statements.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024

	Governmental Activities Internal Service Fund
Cash flows from operating activities	
Cash received from user charges	$ 3,762,330
Cash payments for payroll, insurance, and operating costs	(4,101,718)
Net cash provided by (used for) operating activities	(339,388)
Cash flows from investing activities	
Interest received	(138,059)
Net cash provided by (used for) investing activities	(138,059)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(477,447)
CASH AND CASH EQUIVALENTS	
Beginning of year	551,709
End of year	$ 74,262
Reconciliation of operating income (loss) to cash provided by (used for) operating activities	
Operating income/(loss)	$ (327,345)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:	
Changes in assets and liabilities:	
(Increase) decrease in accounts receivables	681
Increase (decrease) in accrued liabilities	(12,724)
Net cash provided by (used for) operating activities	$ (339,388)

The accompanying notes are an integral part of these financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Financial Reporting Entity

The West Contra Costa Unified School District (the "District") accounts for its financial transactions in accordance with the policies and procedures of the Department of Education's *California School Accounting Manual.* The accounting policies of the District conform to generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants (AICPA).

The District operates under a locally elected Board form of government and provides educational services to grades K-12 as mandated by the state. A reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure the financial statements are not misleading. The primary government of the District consists of all funds, departments and agencies that are not legally separate from the District. For the District, this includes general operations, food service, and student-related activities.

B. Component Units

Component units are legally separate organizations for which the District is financially accountable. Component units may also include organizations that are fiscally dependent on the District in that the District approves their budget, the issuance of their debt or the levying of their taxes. In addition, component units are other legally separate organizations for which the District is not financially accountable but the nature and significance of the organization's relationship with the District is such that exclusion would cause the District's financial statements to be misleading or incomplete.

On January 13, 1994, certain members of the District's Board of Education and District employees formed a nonprofit benefit corporation, known as the West Contra Costa Unified School District Financing Corporation (the "Corporation"), which is organized under the Nonprofit Benefit Corporation Law of the State of California, to provide financial assistance to the District by financing, constructing and leasing various public facilities, land, and equipment for the use, benefit, and enjoyment of the public served by the District. The Corporation issued Certificates of Participation (COPs). The COPs are collateralized by an underlying lease-purchase agreement between the Corporation and the District.

The District and the Corporation have a financial and operational relationship that meets the reporting entity definition of Codification of Governmental Accounting and Financial Reporting Standards, Section 2100, for inclusion of the Corporation as a component unit of the District. The basic, but not the only criterion for including a governmental organization in a governmental unit's reporting entity for general purpose financial reports is the ability of the governmental unit's elected officials to exercise oversight responsibility over such organizations. Oversight responsibility implies that the nongovernmental unit is dependent on another and the dependent unit should be reported as part of the other.

Accordingly, for the year ended June 30, 2024 the financial activities of the Corporation have been blended into the financial statements of the District. The Corporation's financial activities are presented in the Debt Service Fund. COPs issued by the Corporation are included as long-term liabilities in the financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Basis of Presentation

Government-Wide Statements. The statement of net position and the statement of activities display information about the primary government (the District). These statements include the financial activities of the overall government. Eliminations have been made to minimize the double-counting of internal activities. Governmental activities generally are financed through taxes, intergovernmental revenue, and other non-exchange transactions.

The statement of activities presents a comparison between direct expenses and program revenue for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reserved for the statement of activities. Program revenues include charges paid by the recipients of the goods or services offered by the programs and grants and contributions that are restricted to meeting of operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which each program or business segment is self-financing or draws from the general revenues of the District.

Fund Financial Statements. The fund financial statements provide information about the District's funds, including its proprietary funds. Separate statements for each fund category – governmental and proprietary – are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as non-major funds.

Governmental funds are used to account for activities that are governmental in nature. Governmental activities are typically tax-supported and include education of pupils, operation of food service and child development programs, construction and maintenance of school facilities, and repayment of long-term debt.

Proprietary funds are used to account for activities that are more business-like than government-like in nature. Business-type activities include those for which a fee is charged to external users or to other organizational units of the District, normally on a full cost-recovery basis. Proprietary funds are generally intended to be self-supporting.

Major Governmental Funds

General Fund: The General Fund is the main operating fund of the District. It is used to account for all activities except those that are required to be accounted for in another fund. In keeping with the minimum number of funds principle, all of the District's activities are reported in the General Fund unless there is a compelling reason to account for an activity in another fund. A District may have only one General Fund.

Building Fund: This fund exists primarily to account separately for proceeds from the sale of bonds (*Education Code Section* 15146) and may not be used for any purposes other than those for which the bonds were issued. Other authorized revenues to the Building Fund are proceeds from the sale or lease-with-option-to-purchase of real property (*Education Code Section* 17462) and revenue from rentals and leases of real property specifically authorized for deposit into the fund by the governing board (*Education Code Section* 41003).

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Basis of Presentation (continued)

Major Governmental Funds (continued)

Bond Interest and Redemption Fund: This fund is used for the repayment of bonds issued for the District (*Education Code Sections* 15125–15262). The board of supervisors of the county issues the bonds. The proceeds from the sale of the bonds are deposited in the county treasury to the Building Fund of the District. Any premiums or accrued interest received from the sale of the bonds must be deposited in the Bond Interest and Redemption Fund of the District. The county auditor maintains control over the District's Bond Interest and Redemption Fund. The principal and interest on the bonds must be paid by the county treasurer from taxes levied by the county auditor-controller.

Non-Major Governmental Funds

Special Revenue Funds: Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The District maintains the following special revenue funds:

Student Activity Fund: This fund may be used to account for student body activities that do not meet the fiduciary criteria established in GASB Statement No. 84.

Adult Education Fund: This fund is used to account separately for federal, state, and local revenues for adult education programs. Money in this fund shall be expended for adult education purposes only. Moneys received for programs other than adult education shall not be expended for adult education (*Education Code Sections* 52616[b] and 52501.5[a]).

Child Development Fund: This fund is used to account separately for federal, state, and local revenues to operate child development programs. All moneys received by the District for, or from the operation of, child development services covered under the Child Care and Development Services Act (*Education Code Section* 8200 et seq.) shall be deposited into this fund. The moneys may be used only for expenditures for the operation of child development programs. The costs incurred in the maintenance and operation of child development services shall be paid from this fund, with accounting to reflect specific funding sources (*Education Code Section* 8328).

Cafeteria Fund: This fund is used to account separately for federal, state, and local resources to operate the food service program (*Education Code Sections* 38090–38093). The Cafeteria Fund shall be used only for those expenditures authorized by the governing board as necessary for the operation of the District's food service program (*Education Code Sections* 38091 and 38100).

Capital Project Funds: Capital project funds are established to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

Capital Facilities Fund: This fund is used primarily to account separately for moneys received from fees levied on developers or other agencies as a condition of approving a development (*Education Code Sections* 17620–17626). The authority for these levies may be county/city ordinances (*Government Code Sections* 65970–65981) or private agreements between the District and the developer. Interest earned in the Capital Facilities Fund is restricted to that fund (*Government Code Section* 66006).

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Basis of Presentation (continued)

Non-Major Governmental Funds (continued)

Capital Project Funds (continued)

County School Facilities Fund: This fund is established pursuant to *Education Code Section* 17070.43 to receive apportionments from the 1998 State School Facilities Fund (Proposition 1A), the 2002 State School Facilities Fund (Proposition 47), or the 2004 State School Facilities Fund (Proposition 55) authorized by the State Allocation Board for new school facility construction, modernization projects, and facility hardship grants, as provided in the Leroy F. Greene School Facilities Act of 1998 (*Education Code Section* 17070 et seq.).

Special Reserve Fund for Capital Outlay Projects: This fund exists primarily to provide for the accumulation of General Fund moneys for capital outlay purposes (*Education Code Section* 42840).

Debt Service Funds: Debt service funds are established to account for the accumulation of resources for and the payment of principal and interest on general long-term debt.

Debt Service Fund for Blended Component Units: This fund is used to account for the accumulation of resources for the payment of principal and interest on bonds issued by Mello-Roos Community Facilities Districts and similar entities that are considered blended component units of the District under generally accepted accounting principles (GAAP).

Proprietary Funds

Internal Service Funds: Internal service funds are created principally to render services to other organizational units of the District on a cost-reimbursement basis. These funds are designed to be self-supporting with the intent of full recovery of costs, including some measure of the cost of capital assets, through user fees and charges.

Self-Insurance Fund: Self-insurance funds are used to separate moneys received for self-insurance activities from other operating funds of the District. Separate funds may be established for each type of self-insurance activity, such as workers' compensation, health and welfare, and deductible property loss (*Education Code Section* 17566).

D. Basis of Accounting – Measurement Focus

Government-Wide and Proprietary Fund Financial Statements
The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus. The government-wide and proprietary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

Net Position equals assets and deferred outflows of resources minus liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. The net position should be reported as restricted when constraints placed on its use are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The net position restricted for other activities results from special revenue funds and the restrictions on their use.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Basis of Accounting – Measurement Focus (continued)

Government-Wide and Proprietary Fund Financial Statements (continued)
Proprietary funds distinguish operating revenues and expenses from non operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the internal service fund are charges to other funds for self insurance costs. Operating expenses for internal service funds include the costs of insurance premiums and claims related to self-insurance.

Governmental Funds
Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Governmental funds use the modified accrual basis of accounting.

Revenues – Exchange and Non-Exchange Transactions
Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded under the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. "Available" means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. Generally, "available" means collectible within the current period or within 60 days after year-end. However, to achieve comparability of reporting among California school districts and so as not to distort normal revenue patterns, with specific respect to reimbursement grants and corrections to State-aid apportionments, the California Department of Education has defined available for school districts as collectible within one year.

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, and entitlements. Under the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from the grants and entitlements is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Eligibility requirements include timing requirements, which specify the year when the resources are to be used or the fiscal year when use is first permitted; matching requirements, in which the District must provide local resources to be used for a specific purpose; and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. Under the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Unearned Revenue
Unearned revenue arises when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period or when resources are received by the District prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet and revenue is recognized.

Certain grants received that have not met eligibility requirements are recorded as unearned revenue. On the governmental fund financial statements, receivables that will not be collected within the available period are also recorded as unearned revenue.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Basis of Accounting – Measurement Focus (continued)

Expenses/Expenditures
On the accrual basis of accounting, expenses are recognized at the time a liability is incurred. On the modified accrual basis of accounting, expenditures are generally recognized in the accounting period in which the related fund liability is incurred, as under the accrual basis of accounting. However, under the modified accrual basis of accounting, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds. When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

E. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, Fund Balance and Net Position

Cash and Cash Equivalents
The District's cash and cash equivalents consist of cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

Investments
Investments with original maturities greater than one year are stated at fair value. Fair value is estimated based on quoted market prices at year-end. All investments not required to be reported at fair value are stated at cost or amortized cost. Fair values of investments in county and State investment pools are determined by the program sponsor.

Inventories
Inventories are recorded using the purchases method in that the cost is recorded as an expenditure at the time the individual inventory items are requisitioned. Inventories are valued at historical cost and consist of expendable supplies held for consumption.

Capital Assets
The accounting and reporting treatment applied to the capital assets associated with a fund is determined by its measurement focus. Capital assets are reported in the governmental activities column of the government-wide statement of net position, but are not reported in the fund financial statements.

Capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their acquisition value as of the date received. The District maintains a capitalization threshold of $5,000. The District does not own any infrastructure as defined in GASB Statement No. 34. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. All reported capital assets, except for land and construction in progress, are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets.

Depreciation is computed using the straight-line method over the following estimated useful lives:

Asset Class	Estimated Useful Life
Buildings and Improvements	20-50 years
Furniture and Equipment	10-25 years
Vehicles	10-15 years

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, Fund Balance and Net Position (continued)

Interfund Balances
On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "Due from other funds/Due to other funds." These amounts are eliminated in the governmental activities columns of the statement of net position.

Compensated Absences
Accumulated unpaid employee vacation benefits are accrued as a liability as the benefits are earned. The entire compensated absence liability is reported on the government-wide financial statements. For governmental funds, the current portion of unpaid compensated absences is recognized upon the occurrence of relevant events such as employee resignations and retirements that occur prior to year-end that have not yet been paid with expendable available financial resource. These amounts are recorded in the fund from which the employees who have accumulated leave are paid.

Accumulated sick leave benefits are not recognized as liabilities of the District. The District's policy is to record sick leave as an operating expense in the period taken because such benefits do not vest, nor is payment probable; however, unused sick leave is added to the creditable service period for calculation of retirement benefits when the employee retires.

Accrued Liabilities and Long-Term Obligations
All payables, accrued liabilities, and long-term obligations are reported in the government-wide and proprietary fund financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds.

Postemployment Benefits Other Than Pensions (OPEB)
For purposes of measuring the net OPEB liability, deferred outflows of resources related to OPEB and deferred inflows of resources related to OPEB, and OPEB expense have been determined by an independent actuary. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms.

Generally accepted accounting principles require the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

Valuation Date	June 30, 2022
Measurement Date	June 30, 2023
Measurement Period	July 1, 2022 to June 30, 2023

Gains and losses related to changes in net OPEB liability are recognized in OPEB expense systematically over time. The first amortized amounts are recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense. The amortization period differs depending on the source of gain or loss. The difference between projected and actual earnings is amortized on a straight-line basis over five years. All other amounts are amortized on a straight-line basis over the average expected remaining service lives of all members that are provided with benefits (active, inactive, and retired) at the beginning of the measurement period.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, Fund Balance and Net Position (continued)

Premiums and Discounts
In the government-wide and proprietary fund financial statements, long-term obligations are reported as liabilities in the applicable governmental activities or proprietary fund statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method.

Deferred Outflows/Deferred Inflows of Resources
In addition to assets, the District will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the District will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

Pensions
For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the defined benefit pension plans (the Plans) of the California State Teachers' Retirement System (CalSTRS) and the California Public Employees' Retirement System (CalPERS) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by the Plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Fund Balance
Fund balance is divided into five classifications based primarily on the extent to which the District is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable - The nonspendable fund balance classification reflects amounts that are not in spendable form. Examples include inventory, lease receivables (net of related deferred inflows), prepaid items, the long-term portion of loans receivable, and nonfinancial assets held for resale. This classification also reflects amounts that are in spendable form but that are legally or contractually required to remain intact, such as the principal of a permanent endowment.

Restricted - The restricted fund balance classification reflects amounts subject to externally imposed and legally enforceable constraints. Such constraints may be imposed by creditors, grantors, contributors, or laws or regulations of other governments, or may be imposed by law through constitutional provisions or enabling legislation.

Committed - The committed fund balance classification reflects amounts subject to internal constraints self-imposed by formal action of the Governing Board. The constraints giving rise to committed fund balance must be imposed no later than the end of the reporting period. The actual amounts may be determined subsequent to that date but prior to the issuance of the financial statements. In contrast to restricted fund balance, committed fund balance may be redirected by the government to other purposes as long as the original constraints are removed or modified in the same manner in which they were imposed, that is, by the same formal action of the Governing Board.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, Fund Balance and Net Position (continued)

Fund Balance (continued)

Assigned - The assigned fund balance classification reflects amounts that the government *intends* to be used for specific purposes. Assignments may be established either by the Governing Board or by a designee of the governing body, and are subject to neither the restricted nor committed levels of constraint. In contrast to the constraints giving rise to committed fund balance, constraints giving rise to assigned fund balance are not required to be imposed, modified, or removed by formal action of the Governing Board. The action does not require the same level of formality and may be delegated to another body or official. Additionally, the assignment need not be made before the end of the reporting period, but rather may be made any time prior to the issuance of the financial statements.

Unassigned - In the General Fund only, the unassigned fund balance classification reflects the residual balance that has not been assigned to other funds and that is not restricted, committed, or assigned to specific purposes. However, deficits in any fund, including the General Fund that cannot be eliminated by reducing or eliminating amounts assigned to other purposes are reported as negative unassigned fund balance.

The District applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

F. Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented in the financial statements. Interfund transfers are eliminated in the governmental activities columns of the statement of activities.

G. Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

H. Budgetary Data

The budgetary process is prescribed by provisions of the California Education Code and requires the governing board to hold a public hearing and adopt an operating budget no later than July 1 of each year. The District governing board satisfied these requirements. The adopted budget is subject to amendment throughout the year to give consideration to unanticipated revenue and expenditures primarily resulting from events unknown at the time of budget adoption with the legal restriction that expenditures cannot exceed appropriations by major object account.

The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts after all budget amendments have been accounted for. For purposes of the budget, on-behalf payments have not been included as revenue and expenditures as required under generally accepted accounting principles.

I. Property Tax

Secured property taxes attach as an enforceable lien on property as of January 1. Taxes are payable in two installments on November 1 and February 1 and become delinquent on December 10 and April 10, respectively. Unsecured property taxes are payable in one installment on or before August 31. The County Auditor-Controller bills and collects the taxes on behalf of the District. Local property tax revenues are recorded when received.

J. New Accounting Pronouncements

GASB Statement No. 99 – In April 2022, GASB issued Statement No. 99, *Omnibus 2022*. The objectives of this statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The statement addresses various practice issues, including: (a) clarification of provisions in Statement No. 87, *Leases*, as amended, related to the determination of the lease term, classification of a lease as a short-term lease, recognition and measurement of a lease liability and a lease asset, and identification of lease incentives, (b) disclosures related to nonmonetary transactions; clarification of provisions in Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, as amended, related to the focus of the government-wide financial statements, (c) terminology updates related to certain provisions of Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and (d) terminology used in Statement 53 to refer to resource flows statements. A portion of this statement was effective upon issuance, while the remaining portions of this statement were effective for periods beginning after June 15, 2022 and for periods beginning after June 15, 2023. The District has fully implemented this Statement as of June 30, 2024.

GASB Statement No. 100 – In June 2022, GASB issued Statement No. 100, *Accounting Changes and Error Corrections* – an amendment of GASB Statement No. 62. The primary objective of this statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. This statement is effective for periods beginning after June 15, 2023. The District has fully implemented this Statement as of June 30, 2024.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

J. New Accounting Pronouncements (continued)

GASB Statement No. 101 – In June 2022, GASB issued Statement No. 101, *Compensated Absences*. The objective of this statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This statement is effective for periods beginning after December 15, 2023. The District has not yet determined the impact on the financial statements.

GASB Statement No. 102 – In December 2023, GASB issued Statement No. 102, *Certain Risk Disclosures.* This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. This statement is effective for periods beginning after June 15, 2024. The District has not yet determined the impact on the financial statements.

GASB Statement No. 103 – In April 2024, GASB issued Statement No. 103, *Financial Reporting Model Improvements*. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. The statement is effective for periods beginning after June 15, 2025. The District has not yet determined the impact on the financial statements.

NOTE 2 – CASH AND INVESTMENTS

A. Summary of Cash and Investments

	Governmental Funds	Internal Service Fund	Governmental Activities
Investment in county treasury	$ 533,741,859	$ -	$ 533,741,859
Fair value adjustment	(3,546,450)	-	(3,546,450)
Cash on hand and in banks	1,553,578	-	1,553,578
Cash with fiscal agent	3,145,865	74,262	3,220,127
Cash in revolving fund	70,000	-	70,000
Local agency investment fund (LAIF)	23,971,421	-	23,971,421
Total	$ 558,936,273	$ 74,262	$ 559,010,535

NOTE 2 – CASH AND INVESTMENTS (continued)

B. Policies and Practices

The District is authorized under California Government Code to make direct investments in local agency bonds, notes, or warrants within the state; U.S. Treasury instruments; registered state warrants or treasury notes; securities of the U.S. Government, or its agencies; bankers acceptances; commercial paper; certificates of deposit placed with commercial banks and/or savings and loan companies; repurchase or reverse repurchase agreements; medium term corporate notes; shares of beneficial interest issued by diversified management companies, certificates of participation, obligations with first priority security; collateralized mortgage obligations; and the County Investment Pool.

Investment in County Treasury – The District maintains substantially all of its cash in the County Treasury in accordance with *Education Code Section* 41001. The Contra Costa County Treasurer's pooled investments are managed by the County Treasurer who reports on a monthly basis to the board of supervisors. In addition, the function of the County Treasury Oversight Committee is to review and monitor the County's investment policy. The committee membership includes the Treasurer and Tax Collector, the Auditor-Controller, Chief Administrative Officer, Superintendent of Schools Representative, and a public member. The fair value of the District's investment in the pool is based upon the District's pro-rata share of the fair value provided by the County Treasurer for the entire portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the County Treasurer, which is recorded on the amortized cost basis.

Cash with Fiscal Agent – The Cash with Fiscal Agent in the Building Fund represents contract retentions that are placed with an independent third party. These amounts are carried in the contractor's name and all investment risk resides with the contractor.

The Cash with Fiscal Agent in the General Fund, Debt Service Fund for Blended Component Units, and Self-Insurance Fund represents amounts held by third parties in the District's name.

Local Agency Investment Fund (LAIF) - West Contra Costa Unified School District places certain funds with the State of California's Local Agency Investment Fund (LAIF). The District is a voluntary participant in LAIF, which is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California and the Pooled Money Investment Board. The State Treasurer's Office pools these funds with those of other governmental agencies in the state and invests the cash. The fair value of the District's investment in the pool is reported in the accompanying financial statements based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The monies held in the pooled investments funds are not subject to categorization by risk category. The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. Funds are accessible and transferable to the master account within twenty-four hours' notice. Included in LAIF's investment portfolio are collateralized mortgage obligations, mortgage-backed securities, other asset-backed securities, and floating rate securities issued by federal agencies, government-sponsored enterprises and corporations.

LAIF is administered by the State Treasurer. LAIF investments are audited annually by the Pooled Money Investment Board and the State Controller's Office. Copies of this audit may be obtained from the State Treasurer's Office: 915 Capitol Mall; Sacramento, California 95814. The Pooled Money Investment Board has established policies, goals, and objectives to make certain that their goal of safety, liquidity and yield are not jeopardized.

NOTE 2 – CASH AND INVESTMENTS (continued)

C. General Authorizations

Except for investments by trustees of debt proceeds, the authority to invest District funds deposited with the county treasury is delegated to the County Treasurer and Tax Collector. Additional information about the investment policy of the County Treasurer and Tax Collector may be obtained from its website. The table below identifies the investment types permitted by California Government Code.

Authorized Investment Type	Maximum Remaining Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Bonds, Notes, Warrants	5 years	None	None
Registered State Bonds, Notes, Warrants	5 years	None	None
U. S. Treasury Obligations	5 years	None	None
U. S. Agency Securities	5 years	None	None
Banker's Acceptance	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	20% of base	None
Medium-Term Corporate Notes	5 years	30%	None
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-Through Securities	5 years	20%	None
County Pooled Investment Funds	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Joint Powers Authority Pools	N/A	None	None

D. Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District manages its exposure to interest rate risk by investing in the County Treasury. The District maintains a pooled investment with the County Treasury with a fair value of approximately $530,195,409. The average weighted maturity for this pool is 261 days. Investments consist of amounts on deposit with the Local Agency Investment Fund (LAIF) with a fair value of approximately $23,971,421.

E. Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The investments in the County Treasury are not required to be rated.

NOTE 2 – CASH AND INVESTMENTS (continued)

F. Custodial Credit Risk – Deposits

This is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a policy for custodial credit risk for deposits. However, the California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law. The market value of the pledged securities in the collateral pool must equal at least 110 percent of the total amount deposited by the public agencies. California law also allows financial institutions to secure public deposits by pledging first trust deed mortgage notes having a value of 150 percent of the secured public deposits and letters of credit issued by the Federal Home Loan Bank of San Francisco having a value of 105 percent of the secured deposits. As of June 30, 2024, approximately $2,653,535 of the District's bank balances was exposed to custodial credit risk because it was uninsured and collateralized with securities held by the pledging financial institution's trust department of agency, but not in the name of the District.

G. Fair Value

The District categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy is based on the valuation inputs used to measure an asset's fair value. The following provides a summary of the hierarchy used to measure fair value:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets.

Level 2 - Observable inputs other than Level 1 prices such as quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, or other inputs that are observable, either directly or indirectly.

Level 3 - Unobservable inputs should be developed using the best information available under the circumstances, which might include the District's own data. The District should adjust that data if reasonable available information indicates that other market participants would use different data or certain circumstances specific to the District are not available to other market participants.

Uncategorized - Investments in the Contra Costa County Treasury Investment Pool and Local Agency Investment Fund are not measured using the input levels above because the District's transactions are based on a stable net asset value per share. All contributions and redemptions are transacted at $1.00 net asset value per share.

The District's fair value measurements at June 30, 2024 were as follows:

	Uncategorized
Investment in county treasury	$ 530,195,409
Local agency investment fund (LAIF)	23,971,421
Total	$ 554,166,830

NOTE 3 – ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2024 consisted of the following:

	General Fund	Building Fund	Bond Interest and Redemption Fund	Non-Major Governmental Funds	Governmental Activities
Federal Government					
Categorical aid	$ 21,763,358	$ -	$ -	$ 3,475,186	$ 25,238,544
State Government					
Categorical aid	2,444,630	-	-	2,047,331	4,491,961
Lottery	1,584,513	-	-	-	1,584,513
Local Government					
Other local sources	6,990,053	967,796	491,481	782,058	9,231,388
Total	$ 32,782,554	$ 967,796	$ 491,481	$ 6,304,575	$ 40,546,406

NOTE 4 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2024 was as follows:

	Balance July 01, 2023	Additions	Deletions	Balance June 30, 2024
Governmental Activities				
Capital assets not being depreciated				
Land	$ 52,371,291	$ -	$ -	$ 52,371,291
Construction in progress	82,490,469	3,507,510	47,533,387	38,464,592
Total capital assets not being depreciated	134,861,760	3,507,510	47,533,387	90,835,883
Capital assets being depreciated				
Land improvements	60,680,124	18,133,126	450,259	78,362,991
Buildings & improvements	1,697,811,435	62,978,581	2,226,116	1,758,563,900
Furniture & equipment	51,395,797	1,370,576	122,899	52,643,474
Total capital assets being depreciated	1,809,887,356	82,482,283	2,799,274	1,889,570,365
Less: Accumulated depreciation				
Land improvements	47,032,709	1,725,891	444,760	48,313,840
Buildings & improvements	513,363,270	40,690,437	1,974,214	552,079,493
Furniture & equipment	40,989,267	3,412,349	62,251	44,339,365
Total accumulated depreciation	601,385,246	45,828,677	2,481,225	644,732,698
Total capital assets being depreciated, net	1,208,502,110	36,653,606	318,049	1,244,837,667
Governmental Activities				
Capital Assets, net	$ 1,343,363,870	$ 40,161,116	$ 47,851,436	$ 1,335,673,550

NOTE 4 – CAPITAL ASSETS (continued)

Depreciation expense was charged as a direct expense to governmental functions as follows:

Governmental Activities	
Instruction	$ 22,593,361
Instructional supervision and administration	3,549,306
Instructional library, media, and technology	393,909
School site administration	2,763,289
Home-to-school transportation	801,303
Food services	3,746,059
All other pupil services	3,654,163
Centralized data processing	1,179,342
All other general administration	2,330,627
Plant services	3,770,994
Ancillary services	1,043,766
Community services	2,558
Total	$ 45,828,677

NOTE 5 – INTERFUND TRANSACTIONS

A. Interfund Receivables/Payables (Due From/Due To)

Individual interfund receivable and payable balances at June 30, 2024 consisted of the non-major County School Facilities Fund owing the Building Fund $792,194 for project expenditures.

B. Operating Transfers

Interfund transfers for the year ended June 30, 2024 consisted of the following:

	Interfund Transfers In			
Interfund Transfers Out	**General Fund**	**Building Fund**	**Non-Major Governmental Funds**	**Total**
General Fund	$ -	$ -	$ 24,500	$ 24,500
Non-Major Governmental Funds	940,230	16,375,292	-	17,315,522
Total	$ 940,230	$ 16,375,292	$ 24,500	$ 17,340,022

The General Fund transferred to the Non-Major Adult Education Fund for program contribution.	$ 24,500
The Non-Major Debt Service Fund for Blended Component Units transferred to the General Fund for support costs incurred.	940,230
The Non-Major County School Facilities Fund transferred to the Building Fund for project expenditures.	16,375,292
Total	$ 17,340,022

NOTE 6 – ACCRUED LIABILITIES

Accrued liabilities at June 30, 2024 consisted of the following:

	General Fund	Building Fund	Non-Major Governmental Funds	Internal Service Fund	District-Wide	Governmental Activities
Payroll	$ 594,126	$ -	$ -	$ -	$ -	$ 594,126
Construction	-	9,701,927	118,133	-	-	9,820,060
Vendors payable	30,339,163	-	1,898,907	68,218	-	32,306,288
Unmatured interest	-	-	-	-	17,489,095	17,489,095
Due to grantor government	4,423,526	-	112,455	-	-	4,535,981
Total	$ 35,356,815	$ 9,701,927	$ 2,129,495	$ 68,218	$ 17,489,095	$ 64,745,550

NOTE 7 – UNEARNED REVENUE

Unearned revenue at June 30, 2024 consisted of the following:

	General Fund	Non-Major Governmental Funds	Governmental Activities
Federal sources	$ 1,707,542	$ -	$ 1,707,542
State categorical sources	4,368,300	1,682,546	6,050,846
Total	$ 6,075,842	$ 1,682,546	$ 7,758,388

NOTE 8 – LONG-TERM LIABILITIES

A schedule of changes in long-term liabilities for the year ended June 30, 2024 consisted of the following:

	Balance July 01, 2023	Additions	Deductions	Balance June 30, 2024	Balance Due In One Year
Governmental Activities					
General obligation bonds	$ 1,187,056,955	$ 82,065,000	$ 162,847,877	$ 1,106,274,078	$ 44,223,529
Unamortized premium	37,221,343	11,672,231	4,098,492	44,795,082	4,098,491
Accreted interest	182,938,279	10,110,980	7,947,123	185,102,136	8,936,471
Total general obligation bonds	1,407,216,577	103,848,211	174,893,492	1,336,171,296	57,258,491
Certificates of participation	4,850,000	-	1,645,000	3,205,000	360,000
Compensated absences	2,972,368	1,898,341	-	4,870,709	-
Net OPEB liability	272,445,220	20,285,530	-	292,730,750	-
Net pension liability	334,209,204	-	981,033	333,228,171	-
Total	$ 2,021,693,369	$ 126,032,082	$ 177,519,525	$ 1,970,205,926	$ 57,618,491

- Payments for general obligation bonds are made in the Bond Interest and Redemption Fund.
- Payments on certificates of participation are made in the General Fund.
- Payments for compensated absences are typically paid in the fund in which the employee worked.

NOTE 8 – LONG-TERM LIABILITIES (continued)

A. Compensated Absences

Total unpaid employee compensated absences as of June 30, 2024 amounted to $4,870,709. This amount is included as part of long-term liabilities in the government-wide financial statements.

B. Certificates of Participation

A summary of the District's Certificates of Participation are as follows:

Series	Issue Date	Maturity Date	Interest Rate	Original Issue	Certificates Outstanding July 01, 2023	Additions	Deductions	Certificates Outstanding June 30, 2024
2005 Refunding	2006	1/1/2024	4.34 - 5.15%	$ 10,600,000	$ 1,295,000	$ -	$ 1,295,000	$ -
2017A	2017	8/1/2031	3.14%	5,250,000	3,555,000	-	350,000	3,205,000
					$ 4,850,000	$ -	$ 1,645,000	$ 3,205,000

On August 24, 2005, the West Contra Costa Unified School District Financing Corporation issued Certificates of Participation (COPs). The proceeds of this issuance were used to refund a 1994 COPS issuance. Semi-annual payments are made and include interest at amounts varying from 4.34% to 5.15%. As of June 30, 2024 the COPs were paid in full.

On March 7, 2017, the West Contra Costa Unified School District Financing Corporation issued Certificates of Participation (COPs) through Capital One Public Funding in the amount of $5,250,000. Semi-annual payments are made and include interest of 3.14%.

Year Ended June 30,	Principal	Interest	Total
2025	$ 360,000	$ 94,985	$ 454,985
2026	370,000	83,524	453,524
2027	380,000	71,749	451,749
2028	395,000	59,582	454,582
2029	405,000	47,022	452,022
2030 - 2032	1,295,000	61,780	1,356,780
Total	$ 3,205,000	$ 418,642	$ 3,623,642

NOTE 8 – LONG-TERM LIABILITIES (continued)

C. General Obligation Bonds

The District's general obligation bonds are issued under separate authorizations which were approved by voters of the District over the past several years. As of June 30, 2024, the measures with outstanding balances and their respective election year include Measure E of 1998, Measure M of 2000, Measure D of 2002, Measure J of 2005, Measure D of 2010, Measure E of 2012, and Measure R of 2020. Proceeds from the Bonds are being used to improve, construct or refurbish the District's schools.

Series	Issue Date	Maturity Date	Interest Rate	Original Issue	Bonds Outstanding July 01, 2023	Additions	Deductions	Bonds Outstanding June 30, 2024
Measure E - Refunding Series A	2001	8/1/2025	4.15 - 5.70%	$ 28,610,000	$ 1,495,000	$ -	$ 675,000	$ 820,000
Measure E - Refunding Series B	2001	8/1/2024	4.30 - 6.00%	10,255,000	815,000	-	765,000	50,000
Measure D - Series C2	2004	8/1/2034	2.40 - 5.80%	29,999,377	51,841,121	1,679,309	3,700,000	49,820,430
Measure D - Series D	2006	8/1/2034	3.15 - 5.05%	99,998,106	134,645,905	3,688,412	9,440,000	128,894,317
Measure J - Series B	2009	8/1/2028	5.00 - 6.00%	120,000,000	35,500,000	-	3,400,000	32,100,000
Measure J - Series C1	2010	8/1/2033	6.24 - 12.00%	52,084,759	102,892,165	4,189,838	160,000	106,922,003
Measure J - Series D1 QSCB	2010	8/1/2024	6.56%	25,000,000	21,820,000	-	10,890,000	10,930,000
Measure J - Series D2	2010	8/1/2036	6.80 - 6.81%	2,499,949	9,224,043	553,421	-	9,777,464
Measure 2010D - Series A2 - QSCB	2011	8/1/2030	4.00 - 5.00%	21,000,000	21,000,000	-	-	21,000,000
Measure D - Refunding 2012	2012	8/1/2023	3.00 - 5.25%	57,830,000	1,360,000	-	1,360,000	-
Measure 2012E - Series A	2014	8/1/2024	2.00 - 5.50%	85,000,000	1,645,000	-	760,000	885,000
Measure 2010D - Series C	2015	8/1/2054	2.00 - 5.00%	50,000,000	46,265,000	-	5,245,000	41,020,000
Measure 2012E - Series B	2015	8/1/2054	2.00 - 5.00%	85,000,000	74,000,000	-	8,290,000	65,710,000
Measure J - Refunding 2014	2016	8/1/2025	4.00 - 5.00%	54,775,000	7,720,000	-	2,465,000	5,255,000
Measure J - Refunding 2016	2016	8/1/2035	2.00 - 5.00%	65,940,000	61,855,000	-	8,715,000	53,140,000
Measure 2010D - Series D	2016	8/1/2054	2.00 - 3.70%	60,000,000	50,000,000	-	25,000	49,975,000
Measure 2012E - Series C 2016	2016	8/1/2054	2.00 - 4.00%	65,000,000	52,500,000	-	-	52,500,000
Measure J - Refunding 2017	2018	8/1/2027	4.00 - 5.00%	3,680,000	2,815,000	-	680,000	2,135,000
Measure J - Refunding 2017 (BAB)	2018	8/1/2034	3.32 - 3.54%	55,800,000	55,800,000	-	25,950,000	29,850,000
Measure 2010D - Series E	2018	8/1/2047	3.00 - 5.00%	65,000,000	62,660,000	-	-	62,660,000
Measure 2012E - Series D	2018	8/1/2047	3.00 - 5.00%	60,000,000	57,850,000	-	-	57,850,000
Measure 2010D - Refunding 2018	2018	8/1/2041	2.34 - 4.19%	71,890,000	69,380,000	-	15,053,000	54,327,000
Measure J - Refunding 2018	2018	8/1/2031	2.34 - 4.19%	9,565,000	7,290,000	-	4,432,000	2,858,000
Measure D - Refunding 2020	2020	8/1/2032	1.184 - 2.612%	56,065,000	52,915,000	-	18,620,950	34,294,050
Measure M - Refunding 2020	2020	8/1/2032	1.184 - 2.612%	36,235,000	34,270,000	-	12,163,050	22,106,950
Measure 2010D - Refunding 2020	2020	8/1/2027	1.184 - 2.612%	2,650,000	2,500,000	-	501,000	1,999,000
Measure 2010D - Series F 2020	2020	8/1/2049	3.00 - 5.00%	65,000,000	50,850,000	-	2,515,000	48,335,000
Measure 2012E - Series E	2020	8/1/2049	3.00 - 5.00%	65,000,000	53,975,000	-	2,685,000	51,290,000
Measure M - Refunding 2021	2021	8/1/2026	0.16 - 5.00%	16,160,000	11,955,000	-	669,000	11,286,000
Measure D - Refunding 2021	2021	8/1/2026	0.16 - 5.00%	20,315,000	14,660,000	-	829,000	13,831,000
Measure 2010D - Refunding 2021	2021	8/1/2045	0.16 - 5.00%	35,775,000	34,450,000	-	2,502,000	31,948,000
Measure 2012E - Refunding 2021	2021	8/1/2045	0.16 - 5.00%	77,400,000	75,030,000	-	10,835,000	64,195,000
Measure 2020R - Series A & A-1	2022	8/1/2051	0.13 - 5.00%	75,000,000	53,230,000	-	17,245,000	35,985,000
Measure D - Refunding 2022	2022	8/1/2034	4.38%	20,017,000	19,626,000	-	79,000	19,547,000
Measure J - Refunding 2022	2022	8/1/2035	4.38%	36,883,000	36,161,000	-	146,000	36,015,000
Measure 2010D - Refunding 2023	2024	8/1/2045	4.00 - 5.00%	20,448,000	-	20,448,000	-	20,448,000
Measure 2012E - Refunding 2023	2024	8/1/2045	4.00 - 5.00%	15,384,000	-	15,384,000	-	15,384,000
Measure J - Refunding 2023	2024	8/1/2045	4.00 - 5.00%	28,921,000	-	28,921,000	-	28,921,000
Measure D - Refunding 2023	2024	8/1/2045	4.00 - 5.00%	10,509,000	-	10,509,000	-	10,509,000
Measure M - Refunding 2023	2024	8/1/2045	4.00 - 5.00%	6,803,000	-	6,803,000	-	6,803,000
					$ 1,369,995,234	$ 92,175,980	$ 170,795,000	$ 1,291,376,214

NOTE 8 – LONG-TERM LIABILITIES (continued)

C. General Obligation Bonds (continued)

The annual requirements to amortize the 2001 Refunding Measure E, Series A, General Obligation Bonds Payable, outstanding as of June 30, 2024, are as follows:

Year Ended June 30,	Principal	Interest	Total
2025	$ 720,000	$ 44,275	$ 764,275
2026	100,000	2,875	102,875
Total	$ 820,000	$ 47,150	$ 867,150

The annual requirements to amortize the 2001 Refunding Measure E, Series B, General Obligation Bonds Payable, outstanding as of June 30, 2024, are as follows:

Year Ended June 30,	Principal	Interest	Total
2025	$ 50,000	$ 1,500	$ 51,500
Total	$ 50,000	$ 1,500	$ 51,500

The annual requirements to amortize the 2005 Measure D, Series C2, Capital Appreciation General Obligation Bonds Payable, outstanding as of June 30, 2024, are as follows:

Year Ended June 30,	Principal	Interest	Total
2025	$ 1,327,711	$ 2,682,289	$ 4,010,000
2026	1,359,592	2,980,408	4,340,000
2027	1,390,163	3,299,837	4,690,000
2028	1,417,675	3,637,325	5,055,000
2029	1,440,851	3,989,150	5,430,001
2030 - 2034	8,037,077	28,122,923	36,160,000
2035	1,955,099	8,314,901	10,270,000
Accretion	32,892,262	(32,892,262)	-
Total	$ 49,820,430	$ 20,134,571	$ 69,955,001

NOTE 8 – LONG-TERM LIABILITIES (continued)

C. General Obligation Bonds (continued)

The annual requirements to amortize the 2006 Measure D, Series D, Capital Appreciation General Obligation Bonds Payable, outstanding as of June 30, 2024, are as follows:

Year Ended June 30,	Principal	Interest	Total
2025	$ 4,089,087	$ 6,155,913	$ 10,245,000
2026	4,205,095	6,879,905	11,085,000
2027	4,307,736	7,642,264	11,950,000
2028	4,406,005	8,458,995	12,865,000
2029	4,504,055	9,340,945	13,845,000
2030 - 2034	24,890,370	65,274,630	90,165,000
2035	5,815,286	18,619,714	24,435,000
Accretion	76,676,683	(76,676,683)	-
Total	$ 128,894,317	$ 45,695,683	$ 174,590,000

The annual requirements to amortize the 2009 Measure J, Series B, General Obligation Bonds Payable, outstanding as of June 30, 2024 are as follows:

Year Ended June 30,	Principal	Interest	Total
2025	$ 4,900,000	$ 1,779,000	$ 6,679,000
2026	5,900,000	1,455,000	7,355,000
2027	6,900,000	1,071,000	7,971,000
2028	7,100,000	651,000	7,751,000
2029	7,300,000	219,000	7,519,000
Total	$ 32,100,000	$ 5,175,000	$ 37,275,000

The annual requirements to amortize the 2010 Measure J, Series C1, General Obligation Bonds Payable, outstanding as of June 30, 2024 are as follows:

Year Ended June 30,	Principal	Interest	Total
2025	$ 61,731	$ 98,269	$ 160,000
2026	4,419,841	8,115,159	12,535,000
2027	4,337,148	9,012,852	13,350,000
2028	4,513,142	10,566,858	15,080,000
2029	4,648,466	12,241,534	16,890,000
2030 - 2034	21,775,425	77,969,575	99,745,000
Accretion	67,166,250	(67,166,250)	-
Total	$ 106,922,003	$ 50,837,997	$ 157,760,000

NOTE 8 – LONG-TERM LIABILITIES (continued)

C. General Obligation Bonds (continued)

The annual requirements to amortize the 2010 Measure J, Series D1, QSCB General Obligation Bonds Payable, outstanding as of June 30, 2024, are as follows:

Year Ended June 30,	Principal	Interest	Total
2025	$ 10,930,000	$ 358,231	$ 11,288,231
Total	$ 10,930,000	$ 358,231	$ 11,288,231

The annual requirements to amortize the 2010 Measure J, Series D2, General Obligation Bonds Payable, outstanding as of June 30, 2024, are as follows:

Year Ended June 30,	Principal	Interest	Total
2025	$ -	$ -	$ -
2026	-	-	-
2027	-	-	-
2028	-	-	-
2029	-	-	-
2030 - 2034	-	-	-
2035 - 2037	2,499,949	31,320,051	33,820,000
Accretion	7,277,515	(7,277,515)	-
Total	$ 9,777,464	$ 24,042,536	$ 33,820,000

The annual requirements to amortize the 2010, Measure D, Series A-2, General Obligation Bonds Payable, outstanding as of June 30, 2024, are as follows:

Year Ended June 30,	Principal	Interest	Total
2025	$ -	$ 1,312,500	$ 1,312,500
2026	-	1,312,500	1,312,500
2027	-	1,312,500	1,312,500
2028	-	1,312,500	1,312,500
2029	-	1,312,500	1,312,500
2030 - 2031	21,000,000	1,968,750	22,968,750
Total	$ 21,000,000	$ 8,531,250	$ 29,531,250

The annual requirements to amortize the 2012, Measure E, Series A, General Obligation Bonds Payable, outstanding as of June 30, 2024, are as follows:

Year Ended June 30,	Principal	Interest	Total
2025	$ 885,000	$ 22,125	$ 907,125
Total	$ 885,000	$ 22,125	$ 907,125

NOTE 8 – LONG-TERM LIABILITIES (continued)

C. General Obligation Bonds (continued)

The annual requirements to amortize the 2010, Measure D, Series C, General Obligation Bonds Payable, outstanding as of June 30, 2024, are as follows:

Year Ended June 30,	Principal	Interest	Total
2025	$ 655,000	$ 1,831,225	$ 2,486,225
2026	690,000	1,797,600	2,487,600
2027	675,000	873,300	1,548,300
2028	475,000	861,425	1,336,425
2029	730,000	843,175	1,573,175
2030 - 2034	3,615,000	3,905,000	7,520,000
2035 - 2039	3,830,000	3,597,875	7,427,875
2040 - 2044	6,555,000	2,859,375	9,414,375
2045 - 2049	9,455,000	1,842,325	11,297,325
2050 - 2054	11,710,000	1,733,800	13,443,800
2055	2,630,000	52,600	2,682,600
Total	$ 41,020,000	$ 20,197,700	$ 61,217,700

The annual requirements to amortize the 2012, Measure E, Series B, General Obligation Bonds Payable, outstanding as of June 30, 2024, are as follows:

Year Ended June 30,	Principal	Interest	Total
2025	$ -	$ 2,903,100	$ 2,903,100
2026	-	2,903,100	2,903,100
2027	-	2,903,100	2,903,100
2028	-	2,903,100	2,903,100
2029	-	2,903,100	2,903,100
2030 - 2034	-	11,612,400	11,612,400
2035 - 2039	7,320,000	6,865,875	14,185,875
2040 - 2044	13,655,000	5,354,000	19,009,000
2045 - 2049	17,780,000	3,461,750	21,241,750
2050 - 2054	22,010,000	3,160,100	25,170,100
2055	4,945,000	98,900	5,043,900
Total	$ 65,710,000	$ 45,068,525	$ 110,778,525

The annual requirements to amortize the 2014 Measure J General Obligation Refunding Bonds Payable, outstanding as of June 30, 2024, are as follows:

Year Ended June 30,	Principal	Interest	Total
2025	$ 2,570,000	$ 198,500	$ 2,768,500
2026	2,685,000	67,125	2,752,125
Total	$ 5,255,000	$ 265,625	$ 5,520,625

NOTE 8 – LONG-TERM LIABILITIES (continued)

C. General Obligation Bonds (continued)

The annual requirements to amortize the 2016, Measure J General Obligation Refunding Bonds Payable, outstanding as of June 30, 2024, are as follows:

Year Ended June 30,	Principal	Interest	Total
2025	$ 75,000	$ 2,260,106	$ 2,335,106
2026	80,000	2,256,231	2,336,231
2027	80,000	2,252,231	2,332,231
2028	85,000	2,248,106	2,333,106
2029	90,000	2,243,731	2,333,731
2030 - 2034	31,170,000	7,468,506	38,638,506
2035 - 2036	21,560,000	955,734	22,515,734
Total	$ 53,140,000	$ 19,684,645	$ 72,824,645

The annual requirements to amortize the 2010, Measure D, Series D, General Obligation Bonds Payable, outstanding as of June 30, 2024, are as follows:

Year Ended June 30,	Principal	Interest	Total
2025	$ -	$ 1,947,063	$ 1,947,063
2026	-	1,947,063	1,947,063
2027	-	1,947,063	1,947,063
2028	-	1,947,063	1,947,063
2029	-	1,947,063	1,947,063
2030 - 2034	6,305,000	9,089,938	15,394,938
2035 - 2039	7,455,000	7,955,031	15,410,031
2040 - 2044	8,985,000	6,372,500	15,357,500
2045 - 2049	10,935,000	4,386,500	15,321,500
2050 - 2054	13,305,000	1,970,500	15,275,500
2055	2,990,000	59,800	3,049,800
Total	$ 49,975,000	$ 39,569,584	$ 89,544,584

NOTE 8 – LONG-TERM LIABILITIES (continued)

C. General Obligation Bonds (continued)

The annual requirements to amortize the 2012, Measure E, Series C, General Obligation Bonds Payable, outstanding as of June 30, 2024, are as follows:

Year Ended June 30,	Principal	Interest	Total
2025	$ -	$ 2,020,819	$ 2,020,819
2026	-	2,020,819	2,020,819
2027	-	2,020,819	2,020,819
2028	-	2,020,819	2,020,819
2029	-	2,020,819	2,020,819
2030 - 2034	6,675,000	9,516,319	16,191,319
2035 - 2039	7,820,000	8,348,322	16,168,322
2040 - 2044	9,430,000	6,687,600	16,117,600
2045 - 2049	11,480,000	4,603,000	16,083,000
2050 - 2054	13,960,000	2,067,000	16,027,000
2055	3,135,000	62,700	3,197,700
Total	$ 52,500,000	$ 41,389,036	$ 93,889,036

The annual requirements to amortize the 2017, Measure J Refunding Bonds Payable, outstanding as of June 30, 2024, are as follows:

Year Ended June 30,	Principal	Interest	Total
2025	$ 495,000	$ 94,375	$ 589,375
2026	520,000	69,000	589,000
2027	545,000	42,375	587,375
2028	575,000	14,375	589,375
Total	$ 2,135,000	$ 220,125	$ 2,355,125

The annual requirements to amortize the 2017 Measure J general obligation refunding Build America Bonds Payable at June 30, 2024 are as follows:

Year Ended June 30,	Principal	Interest	Total
2025	$ -	$ 1,044,517	$ 1,044,517
2026	-	1,044,517	1,044,517
2027	-	1,044,517	1,044,517
2028	-	1,044,517	1,044,517
2029	-	1,037,875	1,037,875
2030 - 2034	13,210,000	4,792,354	18,002,354
2035	16,640,000	294,611	16,934,611
Total	$ 29,850,000	$ 10,302,908	$ 40,152,908

NOTE 8 – LONG-TERM LIABILITIES (continued)

C. General Obligation Bonds (continued)

The annual requirements to amortize the 2010, Measure D, Series E Bonds Payable, outstanding as of June 30, 2024, are as follows:

Year Ended June 30,	Principal	Interest	Total
2025	$ -	$ 2,357,663	$ 2,357,663
2026	-	2,357,663	2,357,663
2027	-	2,357,663	2,357,663
2028	-	2,357,663	2,357,663
2029	-	2,357,663	2,357,663
2030 - 2034	10,310,000	11,015,413	21,325,413
2035 - 2039	15,440,000	8,598,869	24,038,869
2040 - 2044	18,860,000	5,321,775	24,181,775
2045 - 2048	18,050,000	1,338,763	19,388,763
Total	$ 62,660,000	$ 38,063,135	$ 100,723,135

The annual requirements to amortize the 2012, Measure E, Series D Bonds Payable, outstanding as of June 30, 2024, are as follows:

Year Ended June 30,	Principal	Interest	Total
2025	$ -	$ 2,176,700	$ 2,176,700
2026	-	2,176,700	2,176,700
2027	-	2,176,700	2,176,700
2028	-	2,176,700	2,176,700
2029	-	2,176,700	2,176,700
2030 - 2034	9,520,000	10,169,750	19,689,750
2035 - 2039	14,255,000	7,938,700	22,193,700
2040 - 2044	17,410,000	4,912,975	22,322,975
2045 - 2048	16,665,000	1,236,088	17,901,088
Total	$ 57,850,000	$ 35,141,013	$ 92,991,013

NOTE 8 – LONG-TERM LIABILITIES (continued)

C. General Obligation Bonds (continued)

The annual requirements to amortize the 2018, Measure 2010D Refunding Bonds Payable, outstanding as of June 30, 2024, are as follows:

Year Ended June 30,	Principal	Interest	Total
2025	$ 385,000	$ 2,302,024	$ 2,687,024
2026	400,000	2,288,090	2,688,090
2027	262,750	2,279,672	2,542,422
2028	108,000	2,248,213	2,356,213
2029	1,066,250	2,199,860	3,266,110
2030 - 2034	11,560,000	10,167,227	21,727,227
2035 - 2039	24,580,000	6,224,189	30,804,189
2040 - 2042	15,965,000	1,065,445	17,030,445
Total	$ 54,327,000	$ 28,774,720	$ 83,101,720

The annual requirements to amortize the 2018, Measure J Refunding Bonds Payable, outstanding as of June 30, 2024, are as follows:

Year Ended June 30,	Principal	Interest	Total
2025	$ 725,000	$ 84,950	$ 809,950
2026	750,000	58,770	808,770
2027	492,250	32,738	524,988
2028	207,000	44,544	251,544
2029	683,750	53,365	737,115
Total	$ 2,858,000	$ 274,367	$ 3,132,367

The annual requirements to amortize the 2020, Measure D Refunding Bonds Payable, outstanding as of June 30, 2024, are as follows:

Year Ended June 30,	Principal	Interest	Total
2025	$ 5,575,000	$ 729,609	$ 6,304,609
2026	526,000	675,840	1,201,840
2027	845,000	662,163	1,507,163
2028	5,860,000	589,874	6,449,874
2029	3,647,250	484,015	4,131,265
2030 - 2033	17,840,800	743,213	18,584,013
Total	$ 34,294,050	$ 3,884,714	$ 38,178,764

NOTE 8 – LONG-TERM LIABILITIES (continued)

C. General Obligation Bonds (continued)

The annual requirements to amortize the 2020, Measure M Refunding Bonds Payable, outstanding as of June 30, 2024, are as follows:

Year Ended June 30,	Principal	Interest	Total
2025	$ 198,000	$ 521,771	$ 719,771
2026	399,000	516,259	915,259
2027	610,000	506,129	1,116,129
2028	4,088,000	453,113	4,541,113
2029	2,697,750	376,063	3,073,813
2030 - 2033	14,114,200	646,541	14,760,741
Total	$ 22,106,950	$ 3,019,876	$ 25,126,826

The annual requirements to amortize the 2020, Measure 2010D Refunding Bonds Payable, outstanding as of June 30, 2024, are as follows:

Year Ended June 30,	Principal	Interest	Total
2025	$ 367,000	$ 33,621	$ 400,621
2026	495,000	25,272	520,272
2027	530,000	14,896	544,896
2028	607,000	4,696	611,696
Total	$ 1,999,000	$ 78,485	$ 2,077,485

The annual requirements to amortize the 2010, Measure D, Series F General Obligation Bonds Payable, outstanding as of June 30, 2024, are as follows:

Year Ended June 30,	Principal	Interest	Total
2025	$ 1,170,000	$ 1,636,950	$ 2,806,950
2026	1,215,000	1,589,250	2,804,250
2027	1,265,000	1,539,650	2,804,650
2028	1,315,000	1,488,050	2,803,050
2029	1,365,000	1,434,450	2,799,450
2030 - 2034	7,680,000	6,322,775	14,002,775
2035 - 2039	9,000,000	5,003,050	14,003,050
2040 - 2044	10,435,000	3,547,825	13,982,825
2045 - 2049	12,170,000	1,748,025	13,918,025
2050	2,720,000	54,400	2,774,400
Total	$ 48,335,000	$ 24,364,425	$ 72,699,425

NOTE 8 – LONG-TERM LIABILITIES (continued)

C. General Obligation Bonds (continued)

The annual requirements to amortize the 2012, Measure E, Series E Bonds Payable, outstanding as of June 30, 2024, are as follows:

Year Ended June 30,	Principal	Interest	Total
2025	$ 1,240,000	$ 1,737,000	$ 2,977,000
2026	1,290,000	1,686,400	2,976,400
2027	1,340,000	1,633,800	2,973,800
2028	1,395,000	1,579,100	2,974,100
2029	1,450,000	1,522,200	2,972,200
2030 - 2034	8,145,000	6,709,850	14,854,850
2035 - 2039	9,555,000	5,309,175	14,864,175
2040 - 2044	11,075,000	3,764,625	14,839,625
2045 - 2049	12,915,000	1,854,450	14,769,450
2050	2,885,000	57,700	2,942,700
Total	$ 51,290,000	$ 25,854,300	$ 77,144,300

The annual requirements to amortize the 2021, Measure M Refunding Bonds Payable, outstanding as of June 30, 2024, are as follows:

Year Ended June 30,	Principal	Interest	Total
2025	$ 3,800,000	$ 86,187	$ 3,886,187
2026	3,651,000	57,107	3,708,107
2027	3,835,000	19,477	3,854,477
Total	$ 11,286,000	$ 162,771	$ 11,448,771

The annual requirements to amortize the 2021, Measure D Refunding Bonds Payable, outstanding as of June 30, 2024, are as follows:

Year Ended June 30,	Principal	Interest	Total
2025	$ 1,800,000	$ 127,794	$ 1,927,794
2026	6,531,000	90,676	6,621,676
2027	5,500,000	29,367	5,529,367
Total	$ 13,831,000	$ 247,837	$ 14,078,837

NOTE 8 – LONG-TERM LIABILITIES (continued)

C. General Obligation Bonds (continued)

The annual requirements to amortize the 2021, Measure 2010D Refunding Bonds Payable, outstanding as of June 30, 2024, are as follows:

Year Ended June 30,	Principal	Interest	Total
2025	$ 420,000	$ 853,640	$ 1,273,640
2026	174,000	851,627	1,025,627
2027	785,000	846,159	1,631,159
2028	830,000	835,366	1,665,366
2029	880,000	821,858	1,701,858
2030 - 2034	4,724,000	3,832,127	8,556,127
2035 - 2039	6,010,000	3,187,504	9,197,504
2040 - 2044	11,034,000	2,165,932	13,199,932
2045 - 2046	7,091,000	245,643	7,336,643
Total	$ 31,948,000	$ 13,639,856	$ 45,587,856

The annual requirements to amortize the 2021, Measure 2012E Refunding Bonds Payable, outstanding as of June 30, 2024, are as follows:

Year Ended June 30,	Principal	Interest	Total
2025	$ 1,105,000	$ 1,846,926	$ 2,951,926
2026	1,314,000	1,835,400	3,149,400
2027	2,065,000	1,699,173	3,764,173
2028	2,170,000	1,555,270	3,725,270
2029	2,280,000	1,520,127	3,800,127
2030 - 2034	13,211,000	6,851,465	20,062,465
2035 - 2039	17,425,000	4,981,092	22,406,092
2040 - 2044	21,631,000	2,419,137	24,050,137
2045 - 2046	2,994,000	223,605	3,217,605
Total	$ 64,195,000	$ 22,932,195	$ 87,127,195

NOTE 8 – LONG-TERM LIABILITIES (continued)

C. General Obligation Bonds (continued)

The annual requirements to amortize the 2020, Measure R, Series A & A-1 Bonds Payable, outstanding as of June 30, 2024, are as follows:

Year Ended June 30,	Principal	Interest	Total
2025	$ 190,000	$ 1,137,800	$ 1,327,800
2026	240,000	1,127,050	1,367,050
2027	295,000	1,113,675	1,408,675
2028	355,000	1,097,425	1,452,425
2029	415,000	1,078,175	1,493,175
2030 - 2034	3,140,000	5,013,200	8,153,200
2035 - 2039	5,105,000	4,345,125	9,450,125
2040 - 2044	7,525,000	3,404,625	10,929,625
2045 - 2049	10,580,000	2,055,450	12,635,450
2050 - 2052	8,140,000	376,200	8,516,200
Total	$ 35,985,000	$ 20,748,725	$ 56,733,725

The annual requirements to amortize the 2022, Measure D Refunding Bonds Payable, outstanding as of June 30, 2024, are as follows:

Year Ended June 30,	Principal	Interest	Total
2025	$ -	$ 758,424	$ 758,424
2026	167,000	657,866	824,866
2027	1,853,000	623,728	2,476,728
2028	1,922,000	559,931	2,481,931
2029	1,993,000	493,767	2,486,767
2030 - 2034	11,130,000	1,387,321	12,517,321
2035	2,482,000	41,946	2,523,946
Total	$ 19,547,000	$ 4,522,983	$ 24,069,983

The annual requirements to amortize the 2022, Measure J Refunding Bonds Payable, outstanding as of June 30, 2024, are as follows:

Year Ended June 30,	Principal	Interest	Total
2025	$ -	$ 1,397,382	$ 1,397,382
2026	309,000	1,212,085	1,521,085
2027	3,124,000	1,154,067	4,278,067
2028	3,219,000	1,046,871	4,265,871
2029	3,316,000	936,429	4,252,429
2030 - 2034	18,126,000	2,906,732	21,032,732
2035 - 2036	7,921,000	267,679	8,188,679
Total	$ 36,015,000	$ 8,921,245	$ 44,936,245

NOTE 8 – LONG-TERM LIABILITIES (continued)

C. General Obligation Bonds (continued)

During the year ended June 30, 2024, the District issued 2023 General Obligation Refunding Bonds in the amount of $82,065,000. The District, with the assistance of J.P. Morgan Securities LLC, as dealer manager, has released an "Invitation to Tender made by the West Contra Costa Unified School District" dated June 30, 2023 inviting owners of certain maturities of the Targeted Bonds to tender such bonds for purchase by the District. The District will purchase all of the Targeted Bonds tendered pursuant to the Tender Offer as of July 19, 2023. Such tender is expected to close concurrently with the issuance of the Bonds and the District's ability to fund the tender of such Purchased Targeted Bonds is contingent on the issuance of the Bonds. The net proceeds received for the bonds were used to purchase all of the Targeted Bonds tendered and accepted for purchase by the District and pay the costs of issuance associated therewith.

As a result, the Targeted Bonds (a portion of the following: Measure 2010D - Series C, Measure 2012E - Series B, Measure J - Refunding 2016, Measure 2010D - Series D, Measure J - Refunding 2017 (BAB), Measure 2010D - Refunding 2018 , Measure J - Refunding 2018 , Measure D - Refunding 2020, Measure M - Refunding 2020, Measure 2010D - Refunding 2020 , Measure M - Refunding 2021, Measure D - Refunding 2021, Measure 2010D - Refunding 2021, and Measure 2012E - Refunding 2021) are considered to be defeased, and the related liability for the bonds has been removed from the District's financial statements. Amounts paid in excess of the outstanding debt at the time of payment are recorded as deferred charges on refunding on the statement of net position and are amortized as an expense over the life of the bond. This refunding reduced total debt service payments by $135,966,770 and resulted in an economic gain (difference between the present value of the debt service payments on the old and new debt) of $98,915,873.

The annual requirements to amortize the 2023, Measure 2010D Refunding Bonds Payable, outstanding as of June 30, 2024, are as follows:

Year Ended June 30,	Principal	Interest	Total
2025	$ 105,000	$ 851,299	$ 956,299
2026	303,000	841,081	1,144,081
2027	-	833,512	833,512
2028	-	833,512	833,512
2029	945,000	809,889	1,754,889
2030 - 2034	7,251,000	3,275,070	10,526,070
2035 - 2039	5,804,000	991,911	6,795,911
2040 - 2044	3,737,000	608,676	4,345,676
2045 - 2046	2,303,000	93,612	2,396,612
Total	$ 20,448,000	$ 9,138,562	$ 29,586,562

NOTE 8 – LONG-TERM LIABILITIES (continued)

C. General Obligation Bonds (continued)

The annual requirements to amortize the 2023, Measure 2012E Refunding Bonds Payable, outstanding as of June 30, 2024, are as follows:

Year Ended June 30,	Principal	Interest	Total
2025	$ 92,000	$ 738,048	$ 830,048
2026	262,000	729,190	991,190
2027	-	722,628	722,628
2028	-	722,628	722,628
2029	819,000	702,147	1,521,147
2030 - 2034	6,285,000	2,839,376	9,124,376
2035 - 2039	5,036,000	859,957	5,895,957
2040 - 2044	2,172,000	334,994	2,506,994
2045 - 2046	718,000	29,170	747,170
Total	$ 15,384,000	$ 7,678,138	$ 23,062,138

The annual requirements to amortize the 2023, Measure J Refunding Bonds Payable, outstanding as of June 30, 2024, are as follows:

Year Ended June 30,	Principal	Interest	Total
2025	$ 189,000	$ 1,517,145	$ 1,706,145
2026	540,000	1,498,936	2,038,936
2027	-	1,485,448	1,485,448
2028	-	1,485,448	1,485,448
2029	1,684,000	1,443,346	3,127,346
2030 - 2034	12,924,000	5,836,672	18,760,672
2035 - 2039	10,351,000	1,767,744	12,118,744
2040 - 2042	3,233,000	466,338	3,699,338
Total	$ 28,921,000	$ 15,501,077	$ 44,422,077

NOTE 8 – LONG-TERM LIABILITIES (continued)

C. General Obligation Bonds (continued)

The annual requirements to amortize the 2023, Measure D Refunding Bonds Payable, outstanding as of June 30, 2024, are as follows:

Year Ended June 30,	Principal	Interest	Total
2025	$ 63,000	$ 504,103	$ 567,103
2026	179,000	498,053	677,053
2027	-	493,572	493,572
2028	-	493,572	493,572
2029	560,000	479,582	1,039,582
2030 - 2034	4,295,000	1,939,355	6,234,355
2035 - 2039	3,438,000	587,368	4,025,368
2040 - 2044	1,483,000	228,807	1,711,807
2045 - 2046	491,000	19,924	510,924
Total	$ 10,509,000	$ 5,244,336	$ 15,753,336

The annual requirements to amortize the 2023, Measure M Refunding Bonds Payable, outstanding as of June 30, 2024, are as follows:

Year Ended June 30,	Principal	Interest	Total
2025	$ 41,000	$ 326,255	$ 367,255
2026	116,000	322,340	438,340
2027	-	319,440	319,440
2028	-	319,440	319,440
2029	362,000	310,386	672,386
2030 - 2034	2,780,000	1,255,152	4,035,152
2035 - 2039	2,226,000	380,145	2,606,145
2040 - 2044	960,000	148,085	1,108,085
2045 - 2046	318,000	12,894	330,894
Total	$ 6,803,000	$ 3,394,137	$ 10,197,137

D. Other Postemployment Benefits

The District's beginning net OPEB liability was $272,445,220 and increased by $20,285,530 during the year ended June 30, 2024. The ending net OPEB liability at June 30, 2024 was $292,730,750. See Note 10 for additional information regarding the net OPEB liability.

E. Net Pension Liability

The District's beginning net pension liability was $334,209,204 and decreased by $981,033 during the year ended June 30, 2024. The ending net pension liability at June 30, 2024 was $333,228,171. See Note 11 for additional information regarding the net pension liability.

NOTE 9 – FUND BALANCES

Fund balances were composed of the following elements at June 30, 2024:

	General Fund	Building Fund	Bond Interest and Redemption Fund	Non-Major Governmental Funds	Total Governmental Funds
Non-spendable					
Revolving cash	$ 70,000	$ -	$ -	$ -	$ 70,000
Stores inventory	314,892	-	-	790,821	1,105,713
Total non-spendable	384,892	-	-	790,821	1,175,713
Restricted					
Educational programs	101,065,557	-	-	1,969,903	103,035,460
Food service	-	-	-	29,589,433	29,589,433
Associated student body	-	-	-	1,535,104	1,535,104
Capital projects	-	172,971,954	-	39,072,914	212,044,868
Debt service	-	-	114,725,742	-	114,725,742
Total restricted	101,065,557	172,971,954	114,725,742	72,167,354	460,930,607
Assigned					
Other assignments	7,768,441	-	-	736,893	8,505,334
Total assigned	7,768,441	-	-	736,893	8,505,334
Unassigned	74,764,286	-	-	265,827	75,030,113
Total	$ 183,983,176	$ 172,971,954	$ 114,725,742	$ 73,960,895	$ 545,641,767

The District is committed to maintaining a prudent level of financial resources to protect against the need to reduce service levels because of temporary revenue shortfalls or unpredicted expenditures. The District's Minimum Fund Balance Policy requires a Reserve for Economic Uncertainties, consisting of unassigned amounts, equal to no less than 3 percent of General Fund expenditures and other financing uses.

NOTE 10 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

A. Plan Description

The West Contra Costa Unified School District's defined benefit OPEB plan, (the Plan) is described below. The Plan is a single-employer defined benefit plan administered by the District. The District is a participant in the California Employer's Retiree Benefit Trust (CERBT), an agent multiple-employer defined benefit post-employment healthcare plan administered by CalPERS. The Plan provides retiree medical and dental, benefits to eligible retirees and their eligible dependents until the retiree turns age 65. The District's financial obligation is to provide these benefits at the same cost as active employees. The District's contribution is subject to an annual maximum of $9,000 per employee. The annual maximum is subject to periodic changes.

B. OPEB Plan Fiduciary Net Position

Detailed information about the Plan's fiduciary net position is available in the separately-issued CalPERS Annual Report, which includes the CERBT trust.

C. Benefits Provided

The eligibility requirements and benefits provided by the Plan are described below as follows:

Medical
Eligible retirees (not Local 856) may enroll in any plan offered through the CalPERS medical program. Local 856 retirees may enroll in the Teamsters Unit Kaiser only plan (participants in non-Kaiser plans on 1/1/2019 are grandfather into Teamsters non-Kaiser plans) Retirees who are eligible must enroll in Medicare Part A & B coverage in order for their coverage to continue beyond 65. If an eligible retiree does not qualify for premium free Part A they will remain enrolled in the basic plan. District provided medical benefits continue throughout the lifetime of the retiree. A surviving spouse of the retiree must receive a monthly allowance from either CalPERS or CalSTRS to continue their health benefits.

Dental
Dental benefits are provided by Delta Dental. District employees who have a minimum of 10 years of service with the District, and whose age plus years of service is 75 or more, retire from the District and begin receiving a PERS or STRS pension are eligible for postemployment dental benefits. Dental benefits continue throughout the lifetime of the retiree. However, surviving spouses are not eligible for postemployment dental coverage. The District contributes 100% of the composite cost of retiree dental coverage.

Plan Provision Changes
The Plan was closed to new participants effective July 1, 2018 for all eligible employee categories (UTR, WCCA, SSA, Teamsters Local 856, Unrepresented). Effective July 1, 2018, Local 856 employees hired on or after July 15, 2009 and do not attain 25 years of service but with at least 5 of service no longer receive CalPERS Health Benefits Program Minimum Employer Contribution. In addition, the Teamsters employees had their medical plan coverage provider changed from CalPERS to the Teamsters medical plans effective January 1, 2019. There have been no other plan amendments or changes in the substantive plan since the last measurement date.

D. Contributions

For the measurement period, the District contributed $16,052,342 to pay current premiums.

NOTE 10 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (continued)

E. Plan Membership

Membership of the Plan consisted of the following:

	Number of participants
Inactive employees receiving benefits	2,425
Inactive employees entitled to but not receiving benefits*	-
Participating active employees	1,838
Total number of participants**	4,263

*Information not provided
**As of the June 30, 2022 valuation date

F. Net OPEB Liability

The components of the net OPEB liability of the District at June 30, 2024, were as follows:

Total OPEB liability	$ 322,166,360
Plan fiduciary net position	(29,435,610)
District's net OPEB liability	$ 292,730,750
Plan fiduciary net position as a percentage of total OPEB liability	9.14%

G. Investments

Investment Policy
The District is authorized under California Government Code to make direct investments in local agency bonds, notes, or warrants within the state; U.S. Treasury instruments; registered state warrants or treasury notes; securities of the U.S. Government, or its agencies; bankers acceptances; commercial paper; certificates of deposit placed with commercial banks and/or savings and loan companies; repurchase or reverse repurchase agreements; medium term corporate notes; shares of beneficial interest issued by diversified management companies, certificates of participation, obligations with first priority security; collateralized mortgage obligations; and the County Investment Pool.

NOTE 10 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (continued)

G. Investments (continued)

Rate of Return

As of the June 30, 2023 measurement date, the long-term expected rates of return for each major investment class in the Plan's portfolio are as follows:

Investment Class	Target Allocation	Long-Term Expected Real Rate of Return*
Equity	60.00%	5.07%
Fixed Income	32.00%	1.56%
REITs	8.00%	4.53%

*JPMorgan arithmetic Long Term Capital Market assumptions and expected inflation of 2.50%.

H. Actuarial Assumptions and Other Inputs

The total OPEB liability as of June 30, 2024 was determined by an actuarial valuation as of June 30, 2022 using the following actuarial assumptions and other inputs, applied to all periods included in the measurement dated June 30, 2023.

Economic assumptions:

Inflation	2.50%
Salary increases	3.25%
Discount rate	4.37%
Healthcare cost trend rates	4.25-7.60%

Non-economic assumptions:

Mortality:

Certificated	2020 CalSTRS Mortality Tables
Classified	2021 CalPERS Mortality Tables

Retirement:

Certificated employees hired before January 1, 2013 were evaluated using the 2%@62 CalSTRS retirement rates. Certificated employees hired on or after January 1, 2013 were evaluated using the 2%@62 CalSTRS retirement rates from the 2020 experience study.

Classified employees hired before January 1, 2013 were evaluated using the 2021 CalPERS retirement rates. Classified employees hired on or after January 1, 2013 were evaluated using the 2%@62 CalPERS retirement rates from the 2021 experience study.

The discount rate is based on a blend of the long-term expected rate of return on assets for benefits covered by plan assets and a yield or index for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or better for benefits not covered by plan assets. The actuary assumed contributions would be sufficient to fully fund the obligation over a period not to exceed thirty years.

NOTE 10 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (continued)

I. Changes in Net OPEB Liability

	June 30, 2024
Total OPEB Liability	
Service cost	$ 4,474,345
Interest on total OPEB liability	14,590,724
Changes of assumptions	19,042,381
Benefits payments	(16,052,342)
Net change in total OPEB liability	22,055,108
Total OPEB liability - beginning	300,111,252
Total OPEB liability - ending (a)	$ 322,166,360
Plan fiduciary net position	
Contributions - employer	$ 16,052,342
Net investment income	1,777,620
Benefit payments	(16,052,342)
Administrative expenses	(8,042)
Net change in plan fiduciary net position	1,769,578
Plan fiduciary net position - beginning	27,666,032
Plan fiduciary net position - ending (b)	$ 29,435,610
District's net OPEB liability - ending (a) - (b)	$ 292,730,750
Plan fiduciary net position as a percentage of the total OPEB liability	9.14%
Covered-employee payroll	$ 243,489,455
District's net OPEB liability as a percentage of covered-employee payroll	120.22%

J. Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the West Contra Costa Unified School District, as well as what the District's net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current discount rate:

	1% Decrease (3.37%)	Valuation Discount Rate (4.37%)	1% Increase (5.37%)
Net OPEB liability	$ 259,470,689	$ 292,730,750	$ 332,872,392

NOTE 10 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (continued)

K. Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following presents the net OPEB liability of the West Contra Costa Unified School District, as well as what the District's net OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower or one percentage point higher than the current healthcare cost trend rate:

	1% Decrease (6.60%)	Healthcare Cost Trend Rate (7.60%)	1% Increase (8.60%)
Net OPEB liability	$ 329,720,365	$ 292,730,750	$ 263,788,358

L. OPEB Expense and Deferred Outflows and Deferred Inflows of Resources Related to OPEB

For the fiscal year ended June 30, 2024, the West Contra Costa Unified School District recognized OPEB expense of $24,491,818. At June 30, 2024, the West Contra Costa Unified School District reported deferred outflows and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between projected and actual earnings on plan investments	$ 3,237,749	$ -
Differences between expected and actual experience	934,988	26,022,222
Changes in assumptions	64,990,936	69,155,712
District contributions subsequent to the measurement date	16,643,976	-
Total	$ 85,807,649	$ 95,177,934

The $16,643,976 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30,	Deferred Outflows/ (Inflows) of Resources
2025	$ 7,175,979
2026	(17,552,626)
2027	(16,117,157)
2028	(323,008)
2029	802,551
Total	$ (26,014,261)

NOTE 11 – PENSION PLANS

Qualified employees are covered under multiple-employer contributory retirement plans maintained by agencies of the State of California. Certificated employees are members of the California State Teachers' Retirement System (CalSTRS), and classified employees are members of the California Public Employees' Retirement System (CalPERS). The District reported its proportionate share of the net pension liabilities, pension expense, deferred outflow of resources, and deferred inflow of resources for each of the above plans as follows:

	Net pension liability	Deferred outflows related to pensions	Deferred inflows related to pensions	Pension expense
STRS Pension	$ 183,362,996	$ 82,422,566	$ 33,488,066	$ 31,721,988
PERS Pension	149,865,175	50,424,489	3,420,706	21,672,668
Total	$ 333,228,171	$ 132,847,055	$ 36,908,772	$ 53,394,656

A. California State Teachers' Retirement System (CalSTRS)

Plan Description
The District contributes to the California State Teachers' Retirement System (CalSTRS); a cost-sharing multiple employer public employee retirement system defined benefit pension plan administered by CalSTRS. The plan provides retirement and disability benefits and survivor benefits to beneficiaries. Benefit provisions are established by state statutes, as legislatively amended, within the State Teachers' Retirement Law. CalSTRS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the CalSTRS annual financial report may be obtained from CalSTRS, 7919 Folsom Blvd., Sacramento, CA 95826.

Benefits Provided
The CalSTRS defined benefit plan has two benefit formulas:

1. CalSTRS 2% at 60: Members first hired on or before December 31, 2012, to perform service that could be creditable to CalSTRS. CalSTRS 2% at 60 members are eligible for normal retirement at age 60, with a minimum of five years of credited service. The normal retirement benefit is equal to 2.0 percent of final compensation for each year of credited service. Early retirement options are available at age 55 with five years of credited service or as early as age 50 with 30 years of credited service. The age factor for retirements after age 60 increases with each quarter year of age to 2.4 percent at age 63 or older. Members who have 30 years or more of credited service receive an additional increase of up to 0.2 percent to the age factor, known as the career factor. The maximum benefit with the career factor is 2.4 percent of final compensation.

2. CalSTRS 2% at 62: Members first hired on or after January 1, 2013, to perform service that could be creditable to CalSTRS. CalSTRS 2% at 62 members are eligible for normal retirement at age 62, with a minimum of five years of credited service. The normal retirement benefit is equal to 2.0 percent of final compensation for each year of credited service. An early retirement option is available at age 55. The age factor for retirement after age 62 increases with each quarter year of age to 2.4 percent at age 65 or older.

NOTE 11 – PENSION PLANS (continued)

A. California State Teachers' Retirement System (CalSTRS) (continued)

Contributions

Active plan CalSTRS 2% at 60 and 2% at 62 members are required to contribute 10.25% and 10.205% of their salary for fiscal year 2024, respectively, and the District is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by CalSTRS Teachers' Retirement Board. The required employer contribution rate for fiscal year 2024 was 19.10% of annual payroll. The contribution requirements of the plan members are established by state statute. Contributions to the plan from the District were $32,446,787 for the year ended June 30, 2024.

On-Behalf Payments

The District was the recipient of on-behalf payments made by the State of California to CalSTRS for K-12 education. These payments consist of state general fund contributions of approximately $14,052,458 to CalSTRS.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2024, the District reported a liability for its proportionate share of the net pension liability that reflected a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the net pension liability	$	183,362,996
State's proportionate share of the net pension liability associated with the District		87,855,955
Total	$	271,218,951

The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by applying update procedures to an actuarial valuation as of June 30, 2022 and rolling forward the total pension liability to June 30, 2023. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts, actuarially determined. At June 30, 2023, the District's proportion was 0.241 percent, which was a decrease of 0.029 percent from its proportion measured as of June 30, 2022.

NOTE 11 – PENSION PLANS (continued)

A. California State Teachers' Retirement System (CalSTRS) (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

For the year ended June 30, 2024, the District recognized pension expense of $31,721,988. In addition, the District recognized pension expense and revenue of $(1,275,833) for support provided by the State. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between projected and actual earnings on plan investments	$ -	$ 784,868
Differences between expected and actual experience	14,409,311	9,810,851
Changes in assumptions	1,061,739	-
Changes in proportion and differences between District contributions and proportionate share of contributions	34,504,729	22,892,347
District contributions subsequent to the measurement date	32,446,787	-
Total	$ 82,422,566	$ 33,488,066

The $32,446,787 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	Deferred Outflows of Resources	Deferred Inflows of Resources
2025	$ 12,581,093	$ 12,877,293
2026	10,380,455	16,103,437
2027	8,926,267	(8,436,932)
2028	7,846,216	6,932,997
2029	7,846,217	3,293,340
2030	2,395,531	2,717,931
Total	$ 49,975,779	$ 33,488,066

NOTE 11 – PENSION PLANS (continued)

A. California State Teachers' Retirement System (CalSTRS) (continued)

Actuarial Assumptions

The total pension liability was determined by applying update procedures to an actuarial valuation as of June 30, 2022, and rolling forward the total pension liability to June 30, 2023 using the following actuarial assumptions, applied to all periods included in the measurement:

Consumer Price Inflation	2.75%
Investment Rate of Return*	7.10%
Wage Inflation	3.50%

* Net of investment expenses, but gross of administrative expenses.

CalSTRS uses custom mortality tables to best fit the patterns of mortality among its members. These custom tables are based on MP-2016 series tables adjusted to fit CalSTRS experience.

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2018.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. The best-estimate ranges were developed using capital market assumptions from CalSTRS general investment consultant (Pension Consulting Alliance–PCA) as an input to the process. The actuarial investment rate of return assumption was adopted by the board in January 2023 in conjunction with the most recent experience study. For each current and future valuation, CalSTRS' independent consulting actuary (Milliman) reviews the return assumption for reasonableness based on the most current capital market assumptions. Best estimates of expected 20-year geometrically linked real rates of return and the assumed asset allocation for each major asset class as of June 30, 2023, are summarized in the following table:

Asset Class	Assumed Asset Allocation	Long-Term Expected Real Rate of Return*
Public Equity	38%	5.25%
Real Estate	15%	4.05%
Private Equity	14%	6.75%
Fixed Income	14%	2.45%
Risk Mitigating Strategies	10%	2.25%
Inflation Sensitive	7%	3.65%
Cash/Liquidity	2%	0.05%
	100%	

*Real return is net of assumed 2.75% inflation.

NOTE 11 – PENSION PLANS (continued)

A. California State Teachers' Retirement System (CalSTRS) (continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.10 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at statutory contribution rates in accordance with the rate increases per AB 1469. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (7.10 percent) and assuming that contributions, benefit payments, and administrative expense occur midyear. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term assumed investment rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.10 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.10 percent) or 1-percentage-point higher (8.10 percent) than the current rate:

	1% Decrease (6.10%)	Current Discount Rate (7.10%)	1% Increase (8.10%)
District's proportionate share of the net pension liability	$ 307,576,794	$ 183,362,996	$ 80,188,959

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued CalSTRS financial report.

NOTE 11 – PENSION PLANS (continued)

B. California Public Employees' Retirement System (CalPERS)

Plan Description
The District contributes to the School Employer Pool under the California Public Employees' Retirement System (CalPERS); a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by CalPERS. The plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by state statutes, as legislatively amended, within the Public Employees' Retirement Laws. CalPERS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the CalPERS annual financial report may be obtained from the CalPERS Executive Office, 400 P Street, Sacramento, CA 95811.

Benefits Provided
The benefits for the defined benefit plan are based on members' years of service, age, final compensation, and benefit formula. Benefits are provided for disability, death, and survivors of eligible members or beneficiaries. Members become fully vested in their retirement benefits earned to date after five years of credited service.

Contributions
Active plan members who entered into the plan prior to January 1, 2013, are required to contribute 7.0% of their salary. The California Public Employees' Pension Reform Act (PEPRA) specifies that new members entering into the plan on or after January 1, 2013, shall pay the higher of fifty percent of normal costs or 8.0% of their salary. Additionally, for new members entering the plan on or after January 1, 2013, the employer is prohibited from paying any of the employee contribution to CalPERS unless the employer payment of the member's contribution is specified in an employment agreement or collective bargaining agreement that expires after January 1, 2013.

The District is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by the CalPERS Board of Administration. The required employer contribution rate for fiscal year 2024 was 26.68% of annual payroll. Contributions to the plan from the District were $21,444,327 for the year ended June 30, 2024.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions
At June 30, 2024, the District reported a liability of $149,865,175 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by applying update procedures to an actuarial valuation as of June 30, 2022 and rolling forward the total pension liability to June 30, 2023. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts, actuarially determined. At June 30, 2023, the District's proportion was 0.414 percent, which was a decrease of 0.013 percent from its proportion measured as of June 30, 2022.

NOTE 11 – PENSION PLANS (continued)

B. California Public Employees' Retirement System (CalPERS) (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

For the year ended June 30, 2024, the District recognized pension expense of $21,672,668. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between projected and actual earnings on plan investments	$ 16,007,743	$ -
Differences between expected and actual experience	5,469,004	2,301,709
Changes in assumptions	6,904,229	-
Changes in proportion and differences between District contributions and proportionate share of contributions	599,186	1,118,997
District contributions subsequent to the measurement date	21,444,327	-
Total	$ 50,424,489	$ 3,420,706

The $21,444,327 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	Deferred Outflows of Resources	Deferred Inflows of Resources
2025	$ 8,917,821	$ 1,658,799
2026	7,260,169	1,428,925
2027	12,303,996	332,982
2028	498,176	-
Total	$ 28,980,162	$ 3,420,706

NOTE 11 – PENSION PLANS (continued)

B. California Public Employees' Retirement System (CalPERS) (continued)

Actuarial Assumptions

The total pension liability was determined by applying update procedures to an actuarial valuation as of June 30, 2022, and rolling forward the total pension liability to June 30, 2023 using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.30%
Discount Rate	6.90%
Salary Increases	Varies by Entry Age and Service

CalPERS uses custom mortality tables to best fit the patterns of mortality among its members. These custom tables are derived using CalPERS' membership data for all funds. The table includes 15 years of mortality improvements using the Society of Actuaries Scale 80% of scale MP 2020.

The actuarial assumptions used in the June 30, 2022, valuation were based on the results of an actuarial experience study for the period from 2000 through 2019.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. In determining the long-term expected rate of return, both short-term and long-term market return expectations as well as the expected pension fund cash flows were taken into account. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

NOTE 11 – PENSION PLANS (continued)

B. California Public Employees' Retirement System (CalPERS) (continued)

Actuarial Assumptions (continued)
The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These geometric rates of return are net of administrative expenses.

Asset Class	Assumed Asset Allocation	Real Return Years 1 – 10*
Global Equity – cap-weighted	30.0%	4.54%
Global Equity – non-cap-weighted	12.0%	3.84%
Private Equity	13.0%	7.28%
Treasury	5.0%	0.27%
Mortgage-backed securities	5.0%	0.50%
Investment grade corporates	10.0%	1.56%
High yield	5.0%	2.27%
Emerging market debt	5.0%	2.48%
Private debt	5.0%	3.57%
Real assets	15.0%	3.21%
Leverage	(5.0)%	(0.59)%
	100.0%	

*An expected inflation of 2.30% used for this period. Figures are based on the 2021-22 CalPERS Asset Liability Management Study

Discount Rate
The discount rate used to measure the total pension liability was 6.90 percent. A projection of the expected benefit payments and contributions was performed to determine if assets would run out. The test revealed the assets would not run out. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability for the Schools Pool. The results of the crossover testing for the Schools Pool are presented in a detailed report that can be obtained at CalPERS' website.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate
The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 6.90 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.90 percent) or 1-percentage-point higher (7.90 percent) than the current rate:

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
District's proportionate share of the net pension liability	$ 216,666,305	$ 149,865,175	$ 94,655,561

Pension Plan Fiduciary Net Position
Detailed information about the pension plan's fiduciary net position is available in the separately issued CalPERS financial report.

NOTE 12 – COMMITMENTS AND CONTINGENCIES

A. Grants

The District received financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 2024.

B. Litigation

The District is involved in various litigation arising from the normal course of business. In the opinion of management and legal counsel, the disposition of all litigation pending is not expected to have a material adverse effect on the overall financial position of the District at June 30, 2024.

C. Construction Commitments

As of June 30, 2024, the District had commitments with respect to unfinished capital projects of $60,188,717.

NOTE 13 – PARTICIPATION IN JOINT POWERS AUTHORITIES

The District participates in two joint ventures under joint powers authorities (JPAs), the Contra Costa County School Insurance Group (CCCSIG), and the Northern California Regional Liability Excess Fund (Nor Cal Relief). The relationships between the District and the JPAs are such that the JPAs are not component units of the District for financial reporting purposes.

The JPAs have budgeting and financial reporting requirements independent of member units, and their financial statements are not presented in these financial statements. However, fund transactions between the JPAs and the District are included in these statements. The audited financial statements are generally available from the respective entities.

NOTE 14 – DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

A. Refunded Debt

Pursuant to GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities,* the District recognized deferred outflows or inflows of resources in the District-wide financial statements. The deferred outflow of resources pertains to the difference in the carrying value of the refunded debt and its reacquisition price (deferred amount on refunding). Previous financial reporting standards require this to be presented as part of the District's long-term debt. This deferred outflow of resources is recognized as a component of interest expense in a systematic and rational manner over the remaining life of the old debt or the new debt, whichever is shorter. At June 30, 2024, the deferred outflows related to refunding was $15,502,176 and the deferred inflows related to refunding was $6,351,192.

B. Pension Plans

Pursuant to GASB Statement No. 68, *Accounting and Financial Reporting for Pensions,* the District recognized deferred outflows of resources related to pensions and deferred inflows of resources related to pensions in the District-wide financial statements. Further information regarding the deferred outflows of resources and deferred inflows of resources can be found at Note 11. At June 30, 2024, total deferred outflows related to pensions was $132,847,055 and total deferred inflows related to pensions was $36,908,772.

C. Other Postemployment Benefits

Pursuant to GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions,* the District recognized deferred outflows of resources related to other postemployment benefits and deferred inflows of resources related to other postemployment benefits in the District-wide financial statements. Further information regarding the deferred outflows of resources and deferred inflows of resources can be found at Note 10. At June 30, 2024, total deferred outflows related to other postemployment benefits was $85,807,649 and deferred inflows related to other postemployment benefits was $95,177,934.

NOTE 15 – SUBSEQUENT EVENT

On October 16, 2024, the District issued $43,745,000 in 2024 General Obligation Refunding Bonds, Series A and $58,540,000 in 2024 General Obligation Refunding Bonds, Series B. The bonds were issued to refund a portion of various District bond issuances and to pay the costs of issuing the bonds. The bonds have interest rates from 4.00% to 5.00%, and final maturity is August 1, 2041.

REQUIRED SUPPLEMENTARY INFORMATION

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
GENERAL FUND – BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual*	Variances -
	Original	Final	(Budgetary Basis)	Final to Actual
REVENUES				
LCFF sources	$ 344,301,387	$ 342,767,001	$ 344,951,545	$ 2,184,544
Federal sources	52,415,497	68,188,084	50,381,830	(17,806,254)
Other state sources	64,132,753	91,913,573	96,124,238	4,210,665
Other local sources	21,379,971	27,984,251	41,437,736	13,453,485
Total Revenues	482,229,608	530,852,909	532,895,349	2,042,440
EXPENDITURES				
Certificated salaries	174,843,718	192,002,865	178,582,029	13,420,836
Classified salaries	79,393,311	80,270,319	78,509,822	1,760,497
Employee benefits	144,087,787	147,597,706	138,839,243	8,758,463
Books and supplies	34,906,124	36,047,073	20,135,945	15,911,128
Services and other operating expenditures	84,222,452	131,407,059	113,334,197	18,072,862
Capital outlay	1,079,956	3,028,745	2,520,664	508,081
Other outgo				
Excluding transfers of indirect costs	3,915,894	3,915,894	4,002,254	(86,360)
Transfers of indirect costs	(1,327,742)	(1,466,342)	(1,079,768)	(386,574)
Total Expenditures	521,121,500	592,803,319	534,844,386	57,958,933
Excess (Deficiency) of Revenues				
Over Expenditures	(38,891,892)	(61,950,410)	(1,949,037)	60,001,373
Other Financing Sources (Uses)				
Transfers in	-	-	940,230	940,230
Transfers out	-	-	(24,500)	(24,500)
Net Financing Sources (Uses)	-	-	915,730	915,730
NET CHANGE IN FUND BALANCE	(38,891,892)	(61,950,410)	(1,033,307)	60,917,103
Fund Balance - Beginning	126,297,529	126,297,529	126,297,529	-
Fund Balance - Ending	$ 87,405,637	$ 64,347,119	$ 125,264,222	$ 60,917,103

* The actual amounts reported on this schedule do not agree with the amounts reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance for the following reasons:

- The amounts on that schedule include the financial activity of the Special Reserve Fund for Other than Capital Outlay Projects and Retiree Benefit Fund in accordance with the fund type definitions promulgated by GASB Statements No. 54 and No. 84.

See accompanying notes to required supplementary information.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
FOR THE YEAR ENDED JUNE 30, 2024

	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Total OPEB Liability							
Service cost	$ 4,474,345	$ 6,038,703	$ 7,916,572	$ 2,623,676	$ 2,498,739	$ 2,857,185	$ 2,721,129
Interest on total OPEB liability	14,590,724	14,220,088	9,827,396	17,833,674	17,458,688	17,925,550	17,607,503
Changes of benefit terms	-	28,798,628	-	(3,277,404)	-	-	-
Difference between expected and actual experience	-	(40,903,798)	1,976,226	(3,158,550)	3,123,665	2,506,720	948,763
Changes of assumptions	19,042,381	(54,437,401)	(84,532,736)	198,200,328	-	(11,625,456)	-
Benefits payments	(16,052,342)	(16,802,069)	(17,409,527)	(17,978,055)	(18,129,532)	(17,321,639)	(16,777,273)
Net change in total OPEB liability	22,055,108	(63,085,849)	(82,222,069)	194,243,669	4,951,560	(5,657,640)	4,500,122
Total OPEB liability - beginning	300,111,252	363,197,101	445,419,170	251,175,501	246,223,941	251,881,581	247,381,459
Total OPEB liability - ending (a)	$ 322,166,360	$ 300,111,252	$ 363,197,101	$ 445,419,170	$ 251,175,501	$ 246,223,941	$ 251,881,581
Plan fiduciary net position							
Contributions - employer	$ 16,052,342	$ 16,802,069	$ 32,995,517	$ 3,392,065	$ 18,129,532	$ 21,321,639	$ 36,777,273
Net investment income	1,777,620	(4,279,095)	3,524,710	(85,885)	1,601,486	1,597,251	351,530
Benefit payments	(16,052,342)	(16,802,069)	(17,409,527)	(17,978,055)	(18,129,532)	(17,321,639)	(16,777,273)
Administrative expenses	(8,042)	(8,098)	(4,883)	(12,742)	(5,560)	(11,032)	(1,650)
Net change in plan fiduciary net position	1,769,578	(4,287,193)	19,105,817	(14,684,617)	1,595,926	5,586,219	20,349,880
Plan fiduciary net position - beginning	27,666,032	31,953,225	12,847,408	27,532,025	25,936,099	20,349,880	-
Plan fiduciary net position - ending (b)	$ 29,435,610	$ 27,666,032	$ 31,953,225	$ 12,847,408	$ 27,532,025	$ 25,936,099	$ 20,349,880
District's net OPEB liability - ending (a) - (b)	$ 292,730,750	$ 272,445,220	$ 331,243,876	$ 432,571,762	$ 223,643,476	$ 220,287,842	$ 231,531,701
Plan fiduciary net position as a percentage of the total OPEB liability	9.14%	9.22%	8.80%	2.88%	10.96%	10.53%	8.08%
Covered-employee payroll	$ 243,489,455	$ 185,886,849	$ 199,731,125	$ 188,291,659	$ 173,742,831	$ 171,720,472	$ 134,739,411
District's net OPEB liability as a percentage of covered-employee payroll	120.22%	146.57%	165.84%	229.73%	128.72%	128.28%	171.84%

See accompanying notes to required supplementary information.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
SCHEDULE OF DISTRICT CONTRIBUTIONS FOR OPEB
FOR THE YEAR ENDED JUNE 30, 2024

	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Actuarially determined contribution	N/A*	N/A*	N/A*	N/A*	$ 19,855,992	$ 20,298,881	$ 20,963,662
Contributions in relation to the actuarially determined contribution	(16,052,342)	(16,802,069)	(17,409,527)	(17,978,055)	(18,129,532)	(21,321,639)	(36,777,273)
Contribution deficiency (excess)	N/A*	N/A*	N/A*	N/A*	$ 1,726,460	$ (1,022,758)	$ (15,813,611)
Covered-employee payroll	$ 243,489,455	$ 185,886,849	$ 199,731,125	$ 188,291,659	$ 173,742,831	$ 171,720,472	$ 134,739,411
Contributions as a percentage of covered payroll	6.59%	9.04%	8.72%	9.55%	10.43%	12.42%	27.30%

*Employers setting a discount rate based on the assumption that assets will be sufficient to cover all future benefit payments under the plan are assumed to annually make contributions equal to the actuarially determined contribution. Annual contributions made that are substantially less than the actuarially determined contribution would require additional support for use of a discount rate equal to the long-term expected return on trust assets. Beginning in FY2020-2021 the District's funding policy was pay-as you go.

See accompanying notes to required supplementary information.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - CALSTRS
FOR THE YEAR ENDED JUNE 30, 2024

	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
District's proportion of the net pension liability	0.241%	0.270% 0	0.262%	0.262%	0.253%	0.241%	0.222%	0.225%	0.255%	0.234%
District's proportionate share of the net pension liability	$ 183,362,996	$ 187,423,373	$ 113,675,144	$ 254,111,701	$ 228,577,142	$ 221,848,834	$ 205,704,213	$ 182,182,291	$ 171,875,134	$ 136,743,158
State's proportionate share of the net pension liability associated with the District	87,855,955	93,862,175	57,198,115	130,993,552	124,705,097	127,019,456	121,693,866	103,728,398	90,902,756	82,571,422
Total	$ 271,218,951	$ 281,285,548	$ 170,873,259	$ 385,105,253	$ 353,282,239	$ 348,868,290	$ 327,398,079	$ 285,910,689	$ 262,777,890	$ 219,314,580
District's covered payroll	$ 157,918,000	$ 151,632,383	$ 143,026,383	$ 144,216,917	$ 139,304,205	$ 130,815,627	$ 120,430,741	$ 112,586,953	$ 117,642,491	$ 104,224,691
District's proportionate share of the net pension liability as a percentage of its covered payroll	116.11%	123.60%	79.48%	176.20%	164.08%	169.59%	170.81%	161.81%	146.10%	131.20%
Plan fiduciary net position as a percentage of the total pension liability	80.60%	81.20%	87.20%	71.80%	72.60%	71.00%	69.46%	70.04%	74.02%	76.52%

The amounts presented for each fiscal year were determined as of the year-end that occurred one year prior.

See accompanying notes to required supplementary information.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - CALPERS
FOR THE YEAR ENDED JUNE 30, 2024

	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
District's proportion of the net pension liability	0.414%	0.427%	0.423%	0.424%	0.431%	0.426%	0.425%	0.420%	0.426%	40.800%
District's proportionate share of the net pension liability	$ 149,865,175	$ 146,785,831	$ 86,071,411	$ 130,191,590	$ 125,653,435	$ 113,505,040	$ 101,551,876	$ 82,990,751	$ 62,777,288	$ 46,262,485
District's covered payroll	$ 73,911,535	$ 66,746,479	$ 61,279,477	$ 61,718,133	$ 59,985,160	$ 57,009,333	$ 54,456,500	$ 50,315,714	$ 47,711,159	$ 42,778,553
District's proportionate share of the net pension liability as a percentage of its covered payroll	202.76%	219.92%	140.46%	210.95%	209.47%	199.10%	186.48%	164.94%	131.58%	108.14%
Plan fiduciary net position as a percentage of the total pension liability	70.00%	69.80%	81.00%	70.00%	70.00%	70.80%	71.87%	73.90%	79.43%	83.38%

The amounts presented for each fiscal year were determined as of the year-end that occurred one year prior.

See accompanying notes to required supplementary information.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
SCHEDULE OF DISTRICT CONTRIBUTIONS - CALSTRS
FOR THE YEAR ENDED JUNE 30, 2024

	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Contractually required contribution	$ 32,446,787	$ 30,189,460	$ 25,618,351	$ 23,078,997	$ 24,611,958	$ 22,705,962	$ 18,914,282	$ 15,192,675	$ 12,295,058	$ 10,288,301
Contributions in relation to the contractually required contribution*	(32,446,787)	(30,189,460)	(25,618,351)	(23,078,997)	(24,611,958)	(22,705,962)	(18,914,282)	(15,192,675)	(12,295,058)	(10,288,301)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
District's covered payroll	$ 169,113,306	$ 157,918,000	$ 151,632,383	$ 143,026,383	$ 144,216,917	$ 139,304,205	$ 130,815,627	$ 120,430,741	$ 112,586,953	$ 117,642,491
Contributions as a percentage of covered payroll	19.19%	19.12%	16.90%	16.14%	17.07%	16.30%	14.46%	12.62%	10.92%	8.75%

*Amounts do not include on-behalf contributions

See accompanying notes to required supplementary information.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
SCHEDULE OF DISTRICT CONTRIBUTIONS - CALPERS
FOR THE YEAR ENDED JUNE 30, 2024

	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Contractually required contribution	$ 21,444,327	$ 18,526,972	$ 15,295,742	$ 12,664,029	$ 12,123,113	$ 10,614,187	$ 8,854,116	$ 7,562,925	$ 5,992,031	$ 5,618,484
Contributions in relation to the contractually required contribution*	(21,444,327)	(18,526,972)	(15,295,742)	(12,664,029)	(12,123,113)	(10,614,187)	(8,854,116)	(7,562,925)	(5,992,031)	(5,618,484)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
District's covered payroll	$ 80,447,342	$ 73,911,535	$ 66,746,479	$ 61,279,477	$ 61,718,133	$ 59,985,160	$ 57,099,333	$ 54,456,500	$ 50,315,714	$ 47,711,159
Contributions as a percentage of covered payroll	26.66%	25.07%	22.92%	20.67%	19.64%	17.69%	15.51%	13.89%	11.91%	11.78%

*Amounts do not include on-behalf contributions

See accompanying notes to required supplementary information.

NOTE 1 – PURPOSE OF SCHEDULES

Budgetary Comparison Schedule

This schedule is required by GASB Statement No. 34 as required supplementary information (RSI) for the General Fund and for each major special revenue fund that has a legally adopted annual budget. The budgetary comparison schedule presents both (a) the original and (b) the final appropriated budgets for the reporting period as well as (c) actual inflows, outflows, and balances, stated on the District's budgetary basis. A separate column to report the variance between the final budget and actual amounts is also presented, although not required.

Schedule of Changes in Net OPEB Liability and Related Ratios

This 10-year schedule is required by GASB Statement No. 75 for all sole and agent employers that provide other postemployment benefits (OPEB). Until a full 10-year trend is compiled, the schedule will only show those years under which GASB Statement No. 75 was applicable. The schedule presents the sources of change in the net OPEB liability, and the components of the net OPEB liability and related ratios, including the OPEB plan's fiduciary net position as a percentage of the total OPEB liability, and the net OPEB liability as a percentage of covered-employee payroll.

Changes in Benefit Terms
There were no changes in benefit terms since the previous measurement date.

Changes in Assumptions
The discount rate changed from 4.92% to 4.37% since the previous measurement date.

Schedule of District Contributions for OPEB

This 10-year schedule presents information on the District's actuarially determined contributions, contributions in relation to the actuarially determined contribution, and any excess or deficiency related to the actuarially determined contribution. Until a full 10-year trend is compiled, the schedule will only show those years under which GASB Statement No. 75 was applicable.

Schedule of the District's Proportionate Share of the Net Pension Liability

This 10-year schedule is required by GASB Statement No. 68 for each cost-sharing pension plan. Until a full 10-year trend is compiled, the schedule will only show those years under which GASB Statement No. 68 was applicable. The schedule presents the District's proportion (percentage) of the collective net pension liability, the District's proportionate share (amount) of the collective net pension liability, the District's covered payroll, the District's proportionate share (amount) of the collective net pension liability as a percentage of the employer's covered payroll, and the pension plan's fiduciary net position as a percentage of the total pension liability.

Changes in Benefit Terms
There were no changes in benefit terms since the previous valuations for CalSTRS or CalPERS.

Changes in Assumptions
There were no changes in economic assumptions since the previous valuations for CalSTRS or CalPERS.

NOTE 1 – PURPOSE OF SCHEDULES (continued)

Schedule of District Contributions

This 10-year schedule is required by GASB Statement No. 68 for each cost-sharing pension plan. Until a full 10-year trend is compiled, the schedule will only show those years under which GASB Statement No. 68 was applicable. The schedule presents the District's statutorily or contractually required employer contribution, the amount of contributions recognized by the pension plan in relation to the statutorily or contractually required employer contribution, the difference between the statutorily or contractually required employer contribution and the amount of contributions recognized by the pension plan in relation to the statutorily or contractually required employer contribution, the District's covered payroll, and the amount of contributions recognized by the pension plan in relation to the statutorily or contractually required employer contribution as a percentage of the District's covered payroll.

NOTE 2 – EXCESS OF EXPENDITURES OVER APPROPRIATIONS

For the year ended June 30, 2024, the District incurred an excess of expenditures over appropriations in individual major funds presented in the Budgetary Comparison Schedule by major object code as follows:

	Expenditures and Other Uses		
	Budget	**Actual**	**Excess**
General Fund			
Other outgo			
Excluding transfers of indirect costs	$ 3,915,894	$ 4,002,254	$ 86,360
Transfers of indirect costs	$ (1,466,342)	$ (1,079,768)	$ 386,574

SUPPLEMENTARY INFORMATION

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024

Federal Grantor/Pass-Through Grantor/Program or Cluster	AL Number	Pass-Through Entity Identifying Number	Federal Expenditures
U. S. DEPARTMENT OF EDUCATION:			
Passed through California Department of Education:			
Title I, Part A			
Title I, Part A, Basic Grants Low-Income and Neglected	84.010	14329	$ 8,321,930
Comprehensive Support and Improvement for LEAs	84.010	15438	916,159
Subtotal Title I, Part A			9,238,089
Adult Education			
Adult Education: Adult Basic Education & ESL	84.002A	14508	164,551
Adult Education: Adult Secondary Education	84.002	13978	78,854
Adult Education: English Literacy and Civics Education	84.002A	14109	9,475
Subtotal Adult Education			252,880
Title II, Part A, Supporting Effective Instruction Local Grants	84.367	14341	756,412
Title III, English Learner Student Program	84.365	14346	1,079,751
Title IV, Part A, Student Support and Academic Enrichment Grants	84.424	15396	531,524
Title IV, Part B, 21st Century Community Learning Centers Program	84.287	14349	1,019,402
Department of Rehabilitation: Workability II, Transitions Partnership Program	84.126	10006	360,548
Special Education Cluster			
IDEA Basic Local Assistance Entitlement, Part B, Sec 611	84.027	13379	7,755,227
IDEA Local Assistance, Part B, Sec 611, Private School ISPs	84.027	10115	106,151
IDEA Mental Health Average Daily Attendance (ADA) Allocation, Part B, Sec 611	84.027A	15197	289,195
IDEA Preschool Grants, Part B, Section 619 (Age 3-4-5)	84.173	13430	364,255
Alternate Dispute Resolution, Part B, Sec 611	84.027A	13007	14,807
IDEA Preschool Staff Development, Part B, Sec 619	84.173A	13431	2,286
Subtotal Special Education Cluster			8,531,921
IDEA Early Intervention Grants, Part C	84.181	23761	71,883
Strengthening Career and Technical Education for the 21st Century (Perkins V)	84.048	14894	238,070
Education for Homeless Children and Youth, Subtitle VII-B McKinney-Vento Act	84.196	14332	35,468
COVID-19 Emergency Acts Funding/Education Stabilization Fund Discretionary Grants:			
Elementary and Secondary School Emergency Relief III (ESSER III) Fund	84.425	15559	8,134,750
Elementary and Secondary School Emergency Relief III (ESSER III) Fund: Learning Loss	84.425U	10155	10,643,664
Expanded Learning Opportunities (ELO) Grant ESSER II State Reserve	84.425	15618	2,465,065
Expanded Learning Opportunities (ELO) Grant GEER II	84.425	15619	172,558
Expanded Learning Opportunities (ELO) Grant: ESSER III State Reserve, Emergency Needs	84.425	15620	1,960,494
Expanded Learning Opportunities (ELO) Grant: ESSER III State Reserve, Learning Loss	84.425	15621	3,379,553
American Rescue Plan-Homeless Children and Youth (ARP-HCY) Program	84.425	15564	4,040
American Rescue Plan - Homeless Children and Youth II (ARP HYC II) Program	84.425	15566	11,204
ASES Rate Increase: ESSER III State Reserve Summer Learning Prog	84.425	15652	1,743,506
Subtotal Education Stabilization Fund Discretionary Grants			28,514,834
Total U. S. Department of Education			50,630,782
U. S. DEPARTMENT OF AGRICULTURE:			
Passed through California Department of Education:			
Child Nutrition Cluster			
School Breakfast Program - Needy	10.553	13526	2,989,241
National School Lunch Program	10.555	13391	7,732,594
USDA Commodities	10.555	*	1,022,845
Summer Food Service Program for Children	10.559	13004	181,146
Supply Chain Assistance (SCA) Funds	10.555	15655	1,572,424
Local Food for Schools	10.555	15708	145,896
Subtotal Child Nutrition Cluster			13,644,146
Passed through California Department of Social Services:			
Child and Adult Care Food Program (CACFP)			
CACFP Claims - Centers and Family Day Care	10.558	13393	2,298,754
Total U. S. Department of Agriculture			15,942,900
Total Federal Expenditures			$ 66,573,682

***** - Pass-Through Entity Identifying Number not available or not applicable

See accompanying note to supplementary information.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
SCHEDULE OF AVERAGE DAILY ATTENDANCE (ADA)
FOR THE YEAR ENDED JUNE 30, 2024

	Second Period Report	Annual Report
SCHOOL DISTRICT		
TK/K through Third		
Regular ADA	7,809.01	7,840.47
Extended Year Special Education	12.83	12.83
Special Education - Nonpublic Schools	2.02	3.34
Extended Year Special Education - Nonpublic Schools	0.73	0.73
Total TK/K through Third	7,824.59	7,857.37
Fourth through Sixth		
Regular ADA	5,595.89	5,597.13
Extended Year Special Education	5.61	5.61
Special Education - Nonpublic Schools	11.24	11.50
Extended Year Special Education - Nonpublic Schools	1.31	1.31
Total Fourth through Sixth	5,614.05	5,615.55
Seventh through Eighth		
Regular ADA	2,977.66	2,984.23
Extended Year Special Education	3.64	3.64
Special Education - Nonpublic Schools	7.43	8.18
Extended Year Special Education - Nonpublic Schools	0.70	0.70
Total Seventh through Eighth	2,989.43	2,996.75
Ninth through Twelfth		
Regular ADA	6,997.14	7,011.52
Extended Year Special Education	11.54	11.54
Special Education - Nonpublic Schools	33.51	33.82
Extended Year Special Education - Nonpublic Schools	3.98	3.98
Total Ninth through Twelfth	7,046.17	7,060.86
TOTAL SCHOOL DISTRICT	23,474.24	23,530.53

See accompanying note to supplementary information.

Grade Level	Minutes Requirement	2023-24 Actual Minutes	Number of Days	Status
Kindergarten	36,000	39,560	180	Complied
Grade 1	50,400	50,365	180	Not in Compliance*
Grade 2	50,400	50,365	180	Not in Compliance*
Grade 3	50,400	50,365	180	Not in Compliance*
Grade 4	54,000	53,945	180	Not in Compliance*
Grade 5	54,000	53,945	180	Not in Compliance*
Grade 6	54,000	53,945	180	Not in Compliance*
Grade 7	54,000	54,022	180	Complied
Grade 8	54,000	54,022	180	Complied
Grade 9	64,800	64,815	180	Complied
Grade 10	64,800	64,815	180	Complied
Grade 11	64,800	64,815	180	Complied
Grade 12	64,800	64,815	180	Complied

*See Finding #2024-002.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
SCHEDULE OF FINANCIAL TRENDS AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024

	2025 (Budget)	2024	2023	2022
General Fund - Budgetary Basis**				
Revenues And Other Financing Sources	$ 495,581,999	$ 533,835,579	$ 546,821,876	$ 434,394,957
Expenditures And Other Financing Uses	509,255,094	534,868,886	474,279,724	439,549,327
Net change in Fund Balance	$ (13,673,095)	$ (1,033,307)	$ 72,542,152	$ (5,154,370)
Ending Fund Balance	$ 111,591,127	$ 125,264,222	$ 126,297,529	$ 53,755,377
Available Reserves*	$ 41,608,358	$ 74,764,286	$ 79,672,290	$ 54,570,472
Available Reserves As A Percentage Of Outgo	8.17%	13.98%	16.80%	12.42%
Long-term Liabilities	$ 1,912,587,435	$ 1,970,205,926	$ 2,021,693,369	$ 2,002,701,654
Average Daily Attendance At P-2	22,850	23,474	23,309	23,503

The General Fund balance has increased by $71,508,845 over the past two years. However, the fiscal year 2024-25 budget projects a decrease of $13,673,095. For a District this size, the State recommends available reserves of at least 3% of General Fund expenditures, transfers out, and other uses (total outgo).

The District has incurred operating deficits in two of the past three years and anticipates incurring an operating deficit during the 2024-25 fiscal year. Total long-term obligations have decreased by $33,120,728 over the past two years.

Average daily attendance has decreased by 29 ADA over the past two years. An additional decrease of 624 ADA is anticipated during the 2024-25 fiscal year.

*Available reserves consist of all unassigned fund balance within the General Fund and the Special Reserve Fund for Other than Capital Outlay Projects

**The actual amounts reported in this schedule are for the General Fund only, and do not agree with the amounts reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances because the amounts on that schedule include the financial activity of the Special Reserve Fund for Other than Capital Outlay Projects and Retiree Benefit Fund in accordance with the fund type definitions promulgated by GASB Statements No. 54 and No. 84. This schedule also does not include audit adjustments.

See accompanying note to supplementary information.

RECONCILIATION OF ANNUAL FINANCIAL AND BUDGET REPORT WITH AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

	General Fund	Special Reserve Fund for Other Than Capital Outlay Projects
June 30, 2024, annual financial and budget report fund balance	$ 125,264,222	$ 37,630,017
Adjustments and reclassifications:		
Increase (decrease) in total fund balances:		
Fund balance transfer (GASB 54)	37,630,017	(37,630,017)
Fund balance transfer (GASB 84)	21,088,937	-
Net adjustments and reclassifications	58,718,954	(37,630,017)
June 30, 2024, audited financial statement fund balance	$ 183,983,176	$ -

	Retiree Benefit Fund
June 30, 2024, annual financial and budget report fund balance	$ 53,778,100
Adjustments and reclassifications:	
Increase (decrease) in total fund balances:	
CERBT balance	(32,689,163)
Net position transfer (GASB 84)	(21,088,937)
Net adjustments and reclassifications	(53,778,100)
June 30, 2024, audited financial statement net position	$ -

See accompanying note to supplementary information.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
SCHEDULE OF CHARTER SCHOOLS
FOR THE YEAR ENDED JUNE 30, 2024

Charter #	Charter School	Status	Included in Audit Report
0557	Leadership Public Schools: LPS Richmond	Active	No
0755	Richmond College Preparatory (RCP)	Active	No
1660	Richmond Charter Elementary - Benito Juarez	Active	No
1739	Aspire: Richmond California College Preparatory Academy	Active	No
1740	Aspire: Richmond Technology Academy (RTS)	Active	No
1441	Richmond Charter Academy	Active	No
1774	Summit Public Schools: Tamalpais	Active	No
1906	Voices College-Bound Language Academy	Active	No

See accompanying note to supplementary information.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
COMBINING BALANCE SHEET
JUNE 30, 2024

	Student Activity Fund	Adult Education Fund	Child Development Fund	Cafeteria Fund	Capital Facilities Fund	County School Facilities Fund	Special Reserve Fund for Capital Outlay Projects	Debt Service Fund for Blended Component Units	Non-Major Governmental Funds
ASSETS									
Cash and investments	$ 1,535,104	$ 1,241,173	$ 3,082,533	$ 24,498,579	$ 12,996,155	$ 710,949	$ 27,405,241	$ -	$ 71,469,734
Accounts receivable	-	180,298	17,453	5,754,409	151,561	76,490	124,364	-	6,304,575
Stores inventory	-	-	-	790,821	-	-	-	-	790,821
Total Assets	$ 1,535,104	$ 1,421,471	$ 3,099,986	$ 31,043,809	$ 13,147,716	$ 787,439	$ 27,529,605	$ -	$ 78,565,130
LIABILITIES									
Accrued liabilities	$ -	$ 10,496	$ 121,619	$ 392,973	$ 51	$ -	$ 1,604,356	$ -	$ 2,129,495
Due to other funds	-	-	-	-	-	792,194	-	-	792,194
Unearned revenue	-	-	1,682,546	-	-	-	-	-	1,682,546
Total Liabilities	-	10,496	1,804,165	392,973	51	792,194	1,604,356	-	4,604,235
FUND BALANCES									
Non-spendable	-	-	-	790,821	-	-	-	-	790,821
Restricted	1,535,104	674,082	1,295,821	29,589,433	13,147,665	-	25,925,249	-	72,167,354
Assigned	-	736,893	-	-	-	-	-	-	736,893
Unassigned	-	-	-	270,582	-	(4,755)	-	-	265,827
Total Fund Balances	1,535,104	1,410,975	1,295,821	30,650,836	13,147,665	(4,755)	25,925,249	-	73,960,895
Total Liabilities and Fund Balances	$ 1,535,104	$ 1,421,471	$ 3,099,986	$ 31,043,809	$ 13,147,716	$ 787,439	$ 27,529,605	$ -	$ 78,565,130

See accompanying note to supplementary information.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2024

	Student Activity Fund	Adult Education Fund	Child Development Fund	Cafeteria Fund	Capital Facilities Fund	County School Facilities Fund	Special Reserve Fund for Capital Outlay Projects	Debt Service Fund for Blended Component Units	Non-Major Governmental Funds
REVENUES									
Federal sources	$ -	$ 252,880	$ -	$ 15,942,899	$ -	$ -	$ -	$ -	$ 16,195,779
Other state sources	-	3,495,765	4,738,958	9,463,056	-	6,122,181	-	-	23,819,960
Other local sources	32,022	383,046	130,566	1,348,522	2,830,258	745,913	8,348,963	-	13,819,290
Total Revenues	32,022	4,131,691	4,869,524	26,754,477	2,830,258	6,868,094	8,348,963	-	53,835,029
EXPENDITURES									
Current									
Instruction	-	1,260,806	2,771,191	-	-	-	-	-	4,031,997
Instruction-related services									
Instructional supervision and administration	-	397,100	631,850	-	-	-	-	-	1,028,950
School site administration	-	1,710,081	137,731	-	-	-	-	-	1,847,812
Pupil services									
Food services	-	-	-	24,295,873	-	-	-	-	24,295,873
All other pupil services	-	106,479	44,454	-	-	-	-	-	150,933
General administration									
All other general administration	-	168,558	174,323	736,887	-	-	-	-	1,079,768
Plant services	-	262,102	-	412,299	-	-	-	-	674,401
Facilities acquisition and construction	-	-	-	14,250	235,345	-	7,827,397	-	8,076,992
Total Expenditures	-	3,905,126	3,759,549	25,459,309	235,345	-	7,827,397	-	41,186,726
Excess (Deficiency) of Revenues									
Over Expenditures	32,022	226,565	1,109,975	1,295,168	2,594,913	6,868,094	521,566	-	12,648,303
Other Financing Sources (Uses)									
Transfers in	-	24,500	-	-	-	-	-	-	24,500
Transfers out	-	-	-	-	-	(16,375,292)	-	(940,230)	(17,315,522)
Net Financing Sources (Uses)	-	24,500	-	-	-	(16,375,292)	-	(940,230)	(17,291,022)
NET CHANGE IN FUND BALANCE	32,022	251,065	1,109,975	1,295,168	2,594,913	(9,507,198)	521,566	(940,230)	(4,642,719)
Fund Balance - Beginning	1,503,082	1,159,910	185,846	29,355,668	10,552,752	9,502,443	25,403,683	940,230	78,603,614
Fund Balance - Ending	$ 1,535,104	$ 1,410,975	$ 1,295,821	$ 30,650,836	$ 13,147,665	$ (4,755)	$ 25,925,249	$ -	$ 73,960,895

See accompanying note to supplementary information.

NOTE 1 – PURPOSE OF SCHEDULES

Schedule of Expenditures of Federal Awards

The accompanying Schedule of Expenditures of Federal Awards includes the Federal grant activity of the District and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

The District has not elected to use the 10 percent de minimis indirect cost rate.

Schedule of Average Daily Attendance (ADA)

Average daily attendance (ADA) is a measurement of the number of pupils attending classes of the District. The purpose of attendance accounting from a fiscal standpoint is to provide the basis on which apportionments of state funds are made to school districts. This schedule provides information regarding the attendance of students at various grade levels and in different programs.

Schedule of Instructional Time

This schedule presents information on the amount of instructional time offered by the District and whether the District complied with article 8 (commencing with section 46200) of chapter 2 of part 26 of the *Education Code*.

Schedule of Financial Trends and Analysis

This schedule discloses the District's financial trends by displaying past years' data along with current year budget information. These financial trend disclosures are used to evaluate the District's ability to continue as a going concern for a reasonable period of time.

Reconciliation of Annual Financial and Budget Report with Audited Financial Statements

This schedule provides the information necessary to reconcile the fund balance of all funds reported on the Annual Financial and Budget Report Unaudited Actuals to the audited financial statements.

Schedule of Charter Schools

This schedule lists all charter schools chartered by the District, and displays information for each charter school on whether or not the charter school is included in the District audit.

Combining Statements – Non-Major Funds

These statements provide information on the District’s non-major funds.

OTHER INFORMATION

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
LOCAL EDUCATION AGENCY ORGANIZATION STRUCTURE
JUNE 30, 2024

The West Contra Costa Unified School District was established as the Richmond Unified School District on July 1, 1965 and with the passage of AB 535 (Bates) was renamed the West Contra Costa Unified School District on March 17, 1993. The District is comprised of an area of approximately 112 square miles located in Contra Costa County. There were no changes in the boundaries of the District during the current year. The District is operating one special education pre-school, thirty-two elementary schools, five kindergarten through eighth grade schools, six middle schools, one middle-college high school and six high schools. The District also maintains two alternative high schools including a virtual academy option, an elementary community day school and a school for continuing adult education.

GOVERNING BOARD

Member	Office	Term Expires
Jamela Smith-Folds	President	December 2024
Demetrio Gonzalez-Hoy	Clerk	December 2026
Otheree Christian	Member	December 2024
Mister Phillips	Member	December 2024
Leslie Reckler	Member	December 2026

DISTRICT ADMINISTRATORS

Dr. Kenneth “Chris” Hurst Sr.
Superintendent of Schools

Kim Moses
Interim Associate Superintendent, Business Services

Sonja Neely-Johnson
Interim Associate Superintendent, Educational Services

Luis Freese
Associate Superintendent, Facilities, Maintenance and Operations, Bond Program

Camille Johnson
Interim Associate Superintendent, Human Resources

Tracey Logan
Chief Technology Officer

Raechelle Forrest
Interim Communications Director

OTHER INDEPENDENT AUDITORS’ REPORTS

CHRISTY WHITE
Certified Public Accountants serving
K-12 School Districts and Charter
Schools throughout California

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Independent Auditors' Report

Governing Board
West Contra Costa Unified School District
Richmond, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of West Contra Costa Unified School District, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the West Contra Costa Unified School District's basic financial statements, and have issued our report thereon dated December 14, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered West Contra Costa Unified School District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of West Contra Costa Unified School District's internal control. Accordingly, we do not express an opinion on the effectiveness of West Contra Costa Unified School District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

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Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether West Contra Costa Unified School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Christy White, Inc

San Diego, California
December 14, 2024

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Independent Auditors' Report

Governing Board
West Contra Costa Unified School District
Richmond, California

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited West Contra Costa Unified School District's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of West Contra Costa Unified School District's major federal programs for the year ended June 30, 2024. West Contra Costa Unified School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, West Contra Costa Unified School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations (CFR)* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of West Contra Costa Unified School District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on compliance for each major federal program. Our audit does not provide a legal determination of West Contra Costa Unified School District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of the laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to West Contra Costa Unified School District's federal programs.

Auditor's Responsibilities for the Audit for Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on West Contra Costa Unified School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect a material noncompliance when it exists. The risk of not detecting a material noncompliance resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user of the report on compliance about West Contra Costa Unified School District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards,* and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding West Contra Costa Unified School District's compliance with compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of West Contra Costa Unified School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of West Contra Costa Unified School District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Report on Internal Control Over Compliance (continued)

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Christy White, Inc

San Diego, California
December 14, 2024

REPORT ON STATE COMPLIANCE AND ON INTERNAL CONTROL OVER COMPLIANCE FOR STATE PROGRAMS

Independent Auditors' Report

Governing Board
West Contra Costa Unified School District
Richmond, California

Report on State Compliance

Opinion on State Compliance

We have audited West Contra Costa Unified School District's compliance with the requirements specified in the *2023-2024 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* applicable to West Contra Costa Unified School District's state program requirements as identified in the table in the Auditor's Responsibilities for the Audit of State Compliance section of our report for the year ended June 30, 2024.

In our opinion, West Contra Costa Unified School District complied, in all material respects, with the laws and regulations of the applicable laws and regulations of the applicable state programs for the year ended June 30, 2024.

Basis for Opinion on State Compliance

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *2023-2024 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* (the K-12 Audit Guide). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of State Compliance section of our report.

We are required to be independent of West Contra Costa Unified School District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our audit does not provide a legal determination of West Contra Costa Unified School District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of the laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to West Contra Costa Unified School District's state programs.

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Auditor's Responsibilities for the Audit of State Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the state compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on West Contra Costa Unified School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the K-12 Audit Guide will always detect a material noncompliance when it exists. The risk of not detecting a material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about West Contra Costa Unified School District's compliance with the requirements of the applicable state programs as a whole.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards,* and the K-12 Audit Guide, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit;
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding West Contra Costa Unified School District's compliance with compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances;
- Obtain an understanding of West Contra Costa Unified School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the K-12 Audit Guide, but not for the purpose of expressing an opinion on the effectiveness of West Contra Costa Unified School District's internal control over compliance. Accordingly, we express no such opinion; and
- Select and test transactions and records to determine West Contra Costa Unified School District's compliance with the state laws and regulations applicable to the following items:

PROGRAM NAME	**PROCEDURES PERFORMED**
Local Education Agencies Other Than Charter Schools	
Attendance	Yes
Teacher Certification and Misassignments	Yes
Kindergarten Continuance	Yes
Independent Study	Yes
Continuation Education	Yes
Instructional Time	Yes
Instructional Materials	Yes
Ratio of Administrative Employees to Teachers	Yes
Classroom Teacher Salaries	Yes
Early Retirement Incentive	Not Applicable
Gann Limit Calculation	Yes
School Accountability Report Card	Yes
Juvenile Court Schools	Not Applicable
Middle or Early College High Schools	Yes
K-3 Grade Span Adjustment	Yes
Apprenticeship: Related and Supplemental Instruction	Not Applicable
Comprehensive School Safety Plan	Yes
District of Choice	Not Applicable
Home to School Transportation Reimbursement	Yes

Auditor's Responsibilities for the Audit of State Compliance (continued)

PROGRAM NAME	PROCEDURES PERFORMED
School Districts, County Offices of Education, and Charter Schools	
Proposition 28 Arts and Music in Schools	Yes
After/Before School Education and Safety Program	Yes
Proper Expenditure of Education Protection Account Funds	Yes
Unduplicated Local Control Funding Formula Pupil Counts	Yes
Local Control and Accountability Plan	Yes
Independent Study-Course Based	Not Applicable
Immunizations	Yes
Educator Effectiveness	Yes
Expanded Learning Opportunities Grant (ELO-G)	Yes
Career Technical Education Incentive Grant	Yes
Expanded Learning Opportunities Program	Yes
Transitional Kindergarten	Yes
Charter Schools	
Attendance; for charter schools	Not Applicable
Mode of Instruction; for charter schools	Not Applicable
Nonclassroom-Based Instruction/Independent Study; for charter schools	Not Applicable
Determination of Funding for Nonclassroom-Based Instruction; for charter schools	Not Applicable
Annual Instructional Minutes - Classroom Based	Not Applicable
Charter School Facility Grant Program	Not Applicable

The term "Not Applicable" is used above to mean either the District did not offer the program during the current fiscal year, the District did not participate in the program during the current fiscal year, or the program applies to a different type of local education agency.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identify during the audit.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are described in the accompanying schedule of findings and questioned costs as Findings #2024-001 - #2024-002. Our opinion on state compliance is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on West Contra Costa Unified School District's response to the noncompliance findings identified in our audit and described in the accompanying schedule of findings and questioned costs. West Contra Costa Unified School District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that a material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of State Compliance section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the K-12 Audit Guide. Accordingly, this report is not suitable for any other purpose.

Christy White, Inc

San Diego, California
December 14, 2024

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

SUMMARY OF AUDITORS' RESULTS
FOR THE YEAR ENDED JUNE 30, 2024

FINANCIAL STATEMENTS	
Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None Reported
Non-compliance material to financial statements noted?	No
FEDERAL AWARDS	
Internal control over major program:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None Reported
Type of auditors' report issued:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516(a)?	No
Identification of major programs:	

AL Number(s)	Name of Federal Program or Cluster
84.010	Title I, Part A
84.425, 84.425U	Education Stabilization Fund Discretionary Grants

Dollar threshold used to distinguish between Type A and Type B programs:	$ 1,997,210
Auditee qualified as low-risk auditee?	No
STATE AWARDS	
Internal control over state programs:	
Material weaknesses identified?	No
Significant deficiency(ies) identified?	None Reported
Any audit findings disclosed that are required to be reported in accordance with *2023-24 Guide for Annual Audits of California K-12 Local Education Agencies* ?	Yes
Type of auditors' report issued on compliance for state programs:	Unmodified

FIVE DIGIT CODE	AB 3627 FINDING TYPE
20000	Inventory of Equipment
30000	Internal Control

There were no financial statement findings for the year ended June 30, 2024.

FIVE DIGIT CODE	**AB 3627 FINDING TYPE**
50000	Federal Compliance

There were no federal award findings or questioned costs for the year ended June 30, 2024.

FIVE DIGIT CODE	AB 3627 FINDING TYPE
10000	Attendance
40000	State Compliance
42000	Charter School Facilities Programs
43000	Apprenticeship: Related and Supplemental Instruction
60000	Miscellaneous
61000	Classroom Teacher Salaries
62000	Local Control Accountability Plan
70000	Instructional Materials
71000	Teacher Misassignments
72000	School Accountability Report Card

FINDING #2024-001: INSTRUCTIONAL MATERIALS (70000)

Criteria: Per Education Code Section 60119, the public hearing for instructional materials must occur on or before the end of the eighth week from the first day pupils attended school for that year.

Condition: The District's public hearing for instructional materials occurred on October 25, 2023, which is after the eighth week from the first day of school year.

Cause: The District did not monitor the eight week requirement.

Effect: The District is not in compliance with California Education Code Section 60119.

Questioned Costs: Funding for this program has ended, thus there are no questioned costs related to instructional materials.

Repeat Finding: This is a repeat finding.

Recommendation: We recommend that the District comply with Education Code Section 60119 in the future and ensure that the public hearing for instructional materials occurs on or before the end of the eighth week from the first day pupils attended school for that year.

Corrective Action Plan: For the fiscal year 2024-25, the district complied with Education Code Section 60119 by ensuring the public hearing for instructional materials took place on or before the eighth week from the first day of school. The first day of school was August 19, 2024, and the public hearing was held on October 9, 2024, meeting the required timeline.

FINDING #2024-002: INSTRUCTIONAL TIME (40000)

Criteria: Pursuant to *California Education Code (Ed Code) Section* 46207, each school district shall, for each fiscal year, offer, at a minimum, the following number of minutes of instruction:

(1) To pupils in kindergarten, 36,000 minutes.

(2) To pupils in grades 1 to 3, inclusive, 50,400 minutes.

(3) To pupils in grades 4 to 8, inclusive, 54,000 minutes.

(4) To pupils in grades 9 to 12, inclusive, 64,800 minutes.

Condition: Per a review of instructional minutes offered at each school site, it was determined that pupils in grades 1 through 6 at Ohlone Elementary were provided only 50,365 minutes for grades 1 through 3 and only 53,945 for grades 4 through 6. This represents a deficiency of 35 minutes and 55 minutes offered to grades 1 through 3 and grades 4 through 6, respectively.

Effect: The District is not in compliance with State requirements and may be subject to penalties.

Cause: Management Oversight.

Questioned Costs: $126,584 as calculated below:

Calculating the Cost of an Instructional Time Audit Finding	K	1–3	4–6	7-8	9–12
Affected grade level(s)		1-3	4-6		
Affected grade level ADA		6,069.21	5,595.89		
Derived Value of ADA by Grade Span		$13,475.53	$12,390.21		
Number of required minutes	36,000	50,400	54,000	54,000	64,800
Number of minutes short		35	55		
Percentage of Minutes Not Offered	0.00%	0.07%	0.10%	0.00%	0.00%
Affected LCFF Apportionment by Grade Span	$0	$81,785,821	$69,334,252	$0	$0
Instructional Time Penalty by Grade Span	$0	$57,250	$69,334	$0	$0
Total Instructional Time Penalty	-	-	-	-	**$126,584**

Repeat Finding: This is not a repeat finding.

FINDING #2024-002: INSTRUCTIONAL TIME (40000) (continued)

Recommendation: We recommend that District management review school sites' instructional calendar and bell schedules prior to the beginning of the school year and ensure compliance with State requirements.

Corrective Action Plan: The Business Services Department acknowledges that the review process for bell schedules was not consistently implemented during the 2023-24 academic year, which contributed to the audit finding. Moving forward, the department will ensure an annual review of all bell schedules to confirm compliance with Education Code requirements regarding instructional time. This review will include a thorough assessment of the academic calendar, ensuring that any changes to the number of minimum, regular, and noon dismissal days are accurately reflected.

In recent years, the addition of minimum days to the academic calendar resulted in necessary schedule adjustments at several schools to compensate for lost instructional minutes. Going forward, Business Services will ensure that these adjustments are properly accounted for and that all schedules meet Education Code requirements.

To address this issue, Business Services has already worked with Ohlone Elementary to make up the lost instructional minutes for the 2024-25 school year. The same corrective actions will be applied for the 2025-26 school year to fully resolve the finding.

FINDING #2023-001: FINANCIAL REPORTING (30000)

Criteria: The California Education Code, California School Accounting Manual, and best business practices require an entity to maintain a sound financial system that supports financial reporting and budget monitoring. Compliance with this requirement includes proper accruals as of year-end and maintaining proper supporting documentation for year-end accruals and the closing process.

Condition: We noted transactions that were not properly accounted for during substantive testing of balances and transactions as of and for the year ended June 30, 2023. We noted the following control weaknesses related to financial reporting:

- Overstatement of year end accounts payable accruals in the Building Fund due to a check that was not voided timely.
- Overstatement of Learning Recovery Emergency Block Grant revenue and understatement of the corresponding accounts payable in the General Fund.

Adjusting journal entries were posted to correct the items noted above.

Cause: District oversight of regular necessary closing entries.

Effect: Potential for incorrect reporting of balance sheet items and transactions.

Repeat Finding: This is not a repeat finding.

Recommendation: The District is responsible for understanding and maintaining information related to year end accruals and journal entries to close its fiscal year financial reporting. Consistent supervision, and adequately trained staff in all areas should be a high priority of the District.

Corrective Action Plan: There were unforeseen staffing transitions during the closing period. The District has prioritized training and supervision in all areas and will continue to improve the year-end reporting process procedures. The current team has been trained on the process and timeliness required to correct.

Current Status: Implemented.

FINDING #2023-002: CLASSROOM TEACHER SALARIES (61000)

Criteria: As set forth in California Education Code section 41372, a unified school district should expend a minimum of 55% of the District's current expenses of education towards salaries of classroom teachers.

Condition: The District did not meet the minimum percentage requirement of 55%. The District only spent 51.34% on classroom teacher salaries in the 2022-23 fiscal year.

FINDING #2023-002: CLASSROOM TEACHER SALARIES (61000) (continued)

Effect: The District's current expense of education for the year ended June 30, 2023 was $409,593,313 and the total salaries and benefits for classroom teachers was $210,292,316. The District was below the minimum required percentage of 55% by 3.66% which calculates out to a deficiency of $14,991,115.

Cause: One-time funding.

Questioned Costs: The questioned costs are the deficiency of $14,991,115.

Repeat Finding: Yes, this is a repeat finding of Finding #2022-003.

Recommendation: We recommend that the District file an application for exemption from the required expenditures for classroom teachers' salaries from the County Superintendent of Schools.

Corrective Action Plan: WCCUSD is committed to completing the Application for Exemption from the 2022-23 Required Expenditures for Classroom Teachers' salaries by May 3rd, 2024 to present the item at WCCUSD Board Meeting on May 15th, 2024.

For the 2023-2024 school year, WCCUSD has implemented a minimum expenditure of 55% of the District's current expenses of education towards salaries of classroom teachers.

Current Status: Implemented.

FINDING #2023-003: INSTRUCTIONAL MATERIALS (70000)

Criteria: Per Education Code Section 60119, the public hearing for instructional materials must occur on or before the end of the eighth week from the first day pupils attended school for that year.

Condition: The District's public hearing for instructional materials occurred on November 2, 2022, which is after the eighth week from the first day of school year.

Cause: The District had originally planned to conduct the public hearing on October 19, 2022 but was rescheduled to November 2, 2022.

Effect: The District is not in compliance with California Education Code Section 60119.

Questioned Costs: Funding for this program has ended, thus there are no questioned costs related to instructional materials.

FINDING #2023-003: INSTRUCTIONAL MATERIALS (70000) (continued)

Repeat Finding: This is not a repeat finding.

Recommendation: We recommend that the District comply with Education Code Section 60119 in the future and ensure that the public hearing for instructional materials occurs on or before the end of the eighth week from the first day pupils attended school for that year.

Corrective Action Plan: WCCUSD will ensure that managers, educators, and board members understand Education Code 60119 and the importance of the collection of certification forms to prevent the need to postpone the Public Hearing.

For the 24-25 school year, WCCUSD plans to place announcements of the Annual Hearing to Certify Textbook Sufficiency notice in three public places in the school district at least ten days in advance of the October 09, 2024 board meeting. The announcements will be posted at the Administration Building at 1108 Bissell Ave, Business Services Building at 1400 Marina Way South, and at DeJean Middle School at 3400 MacDonald Ave, where the Board of Education Meetings are held. In addition to these three public locations, it will be posted on the district's website and sent out to parents/community/staff through Parent Square.

Current Status: Not implemented, see Finding #2024-001.

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APPENDIX D

FORM OF CONTINUING DISCLOSURE CERTIFICATE

This CONTINUING DISCLOSURE CERTIFICATE (the "Disclosure Certificate") is executed and delivered by the West Contra Costa Unified School District (the "District") in connection with the issuance and delivery of its 2025 General Obligation Refunding Bonds, Series A (the "Bonds"). The Bonds are being issued pursuant to a resolution adopted by the Board of Education of the District on April 30, 2025 (the "Resolution"). Capitalized terms used but not defined herein shall have the meanings ascribed thereto in the Resolution.

In consideration of the execution and delivery of the Bonds by the District and the purchase of such Bonds by the participating Underwriters described below, the District and the Dissemination Agent hereby covenant and agree as follows:

SECTION 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the District for the benefit of the Holders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriters in complying with the Rule.

SECTION 2. Definitions. In addition to the definitions set forth in the Resolution, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" shall mean any Annual Report provided by the District pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Disclosure Representative" shall mean the Superintendent or Associate Superintendent, Business Services or either of their designees, or such other officer or employee as the District shall designate in writing from time to time.

"Beneficial Owner" shall mean any person which (a) has or shares the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

"Dissemination Agent" shall mean KNN Public Finance, LLC, or any successor Dissemination Agent designated in writing by the District (which may be the District) and which has filed with the District a written acceptance of such designation.

"EMMA System" shall mean the MSRB's Electronic Municipal Market Access system, which can be found at www.emma.msrb.org, or any other repository of disclosure information that may be designated by the Securities and Exchange Commission in the future.

"Financial Obligation" means (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term "Financial Obligation" shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

"Holders" shall mean registered owners of the Bonds.

"Listed Events" shall mean any of the events listed in Section 5 of this Disclosure Certificate.

"MSRB" shall mean the Municipal Securities Rulemaking Board, which can be found at http://emma.msrb.org, or any other repository of disclosure information that may be designated by the Securities and Exchange Commission as such for purpose of the Rule in the future.

"Participating Underwriters" shall mean the original Underwriters of the Bonds required to comply with the Rule in connection with offering the Bonds.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"State" shall mean the State of California.

SECTION 3. Provision of Annual Reports.

(a) The District shall, or shall cause the Dissemination Agent upon written direction to, not later than nine months following the end of the District's fiscal year (presently ending on June 30), commencing with the report for the 2024-25 fiscal year, provide to the MSRB an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report shall be provided to the MSRB in an electronic format as prescribed by the MSRB and shall be accompanied by identifying information as prescribed by the MSRB. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the District may be submitted separately from and later than the balance of the Annual Report if they are not available by the date required above for the filing of the Annual Report.

(b) If the Dissemination Agent is a person or entity other than the District then, not later than fifteen (15) days prior to the date specified in subsection (a) for providing the Annual Report to the MSRB, the District shall provide the Annual Report to the Dissemination Agent. If by fifteen (15) days prior to such date the Dissemination Agent has not received a copy of the Annual Report, the Dissemination Agent shall contact the District to determine if the District is in compliance with subsection (a).

(c) If the Dissemination Agent is unable to verify that an Annual Report has been provided to the MSRB by the date required in subsection (a), the Dissemination Agent shall file a notice in a timely manner with the MSRB, in the form required by the MSRB.

(d) The Dissemination Agent shall:

(i) confirm the electronic filing requirements of the MSRB for the Annual Reports; and

(ii) promptly after receipt of the Annual Report, file a report with the District certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, stating the date it was provided the MSRB. The Dissemination Agent's duties under this clause (ii) shall exist only if the District provides the Annual Report to the Dissemination Agent for filing.

(e) Notwithstanding any other provision of this Disclosure Certificate, all filings shall be made in accordance with the MSRB's EMMA System or in another manner approved under the Rule.

SECTION 4. Content of Annual Reports. The District's Annual Report shall contain or include by reference the following:

(a) The audited financial statements of the District for the prior fiscal year, prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the District's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement dated ________, 2025, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) Material financial information and operating data with respect to the District of the type included in the Official Statement in the following categories (to the extent not included in the District's audited financial statements):

1. State funding received by the District for the last completed fiscal year;

2. average daily attendance of the District for the last completed fiscal year;

3. assessed value of taxable property in the District as shown on the most recent equalized assessment roll;

4. property tax levies, collections and delinquencies for the District for the most recently completed fiscal year;

5. top ten property owners in the District for the then-current fiscal year, as measured by secured assessed valuation, the amount of their respective taxable value, and their respective taxable value, and their percentage of total secured assessed value;

6. outstanding District indebtedness; and

7. summary financial information on revenues, expenditures and fund balances for the District's general fund reflecting adopted budget for the current fiscal year.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the District or related public entities, which have been submitted to the MSRB or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the MSRB. The District shall clearly identify each such other document so included by reference.

SECTION 5. <u>Reporting of Significant Events</u>.

(a) Pursuant to the provisions of this Section 5, the District shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds in a timely manner not more than ten (10) business days after the occurrence of the event:

1. principal and interest payment delinquencies;

2. unscheduled draws on debt service reserves reflecting financial difficulties;

3. unscheduled draws on credit enhancements reflecting financial difficulties;

4. substitution of credit or liquidity providers, or their failure to perform;

5. adverse tax opinions or issuance by the Internal Revenue Service of proposed or final determinations of taxability or of a Notice of Proposed Issue (IRS Form 5701-TEB);

6. tender offers;

7. defeasances;

8. ratings changes;

9. bankruptcy, insolvency, receivership or similar proceedings; or

10. default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the District, any of which reflect financial difficulties.

Note: for the purposes of the event identified in subparagraph (9), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

(b) Pursuant to the provisions of this Section 5, the District shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds, if material:

1. unless described in paragraph 5(a)(5), other notices or determinations by the Internal Revenue Service with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;

2. the consummation of a merger, consolidation or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms;

3. appointment of a successor or additional trustee or the change of the name of a trustee;

4. nonpayment related defaults;

5. modifications to the rights of owners of the Bonds;

6. bond calls;

7. release, substitution or sale of property securing repayment of the Bonds; or

8. incurrence of a Financial Obligation of the District, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the District, any of which affect owners of the Bonds.

(c) Whenever the District obtains knowledge of the occurrence of a Listed Event described in Section 5(b), the District shall as soon as possible determine if such event would be material under applicable federal securities laws.

(d) If the District determines that knowledge of the occurrence of a Listed Event under Section 5(b) would be material under applicable federal securities laws, the District shall file a notice of such occurrence with EMMA in a timely manner not more than ten (10) business days after the occurrence of the event.

(e) The District hereby agrees that the undertaking set forth in this Disclosure Certificate is the responsibility of the District and that the Dissemination Agent shall not be responsible for determining whether the District's instructions to the Dissemination Agent under this Section 5 comply with the requirements of the Rule.

(f) Any of the filings required to be made under this Section 5 shall be made in accordance with the MSRB's EMMA system or in another manner approved under the Rule.

SECTION 6. Termination of Reporting Obligation. The obligation of the District and the Dissemination Agent under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of Bonds. If such termination occurs prior to the final maturity of the Bonds, the District shall give notice of such termination in the same manner as for a Listed Event under Section 5.

SECTION 7. Dissemination Agent. The District may, from time to time, appoint or engage a Dissemination Agent (or substitute Dissemination Agent) to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent may resign upon fifteen (15) days written notice to the District. Upon such resignation, the District shall act as its own Dissemination Agent until it appoints a successor. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the District pursuant to this Disclosure Certificate and shall not be responsible to verify the accuracy, completeness or materiality of any continuing disclosure information provided by the District. The District shall compensate the Dissemination Agent for its fees and expenses hereunder as agreed by the parties. Any entity succeeding to all or substantially all of the Dissemination Agent's corporate trust business shall be the successor Dissemination Agent without the execution or filing of any paper or further act.

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the District may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances;

(c) The amendment or waiver does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Bonds; and

(d) No duties of the Dissemination Agent hereunder shall be amended without its written consent thereto.

In the event of any amendment or waiver of a provision of this Disclosure Certificate, the District shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the District. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, notice of such change shall be given in the same manner as for a Listed Event under Section 5 and the Annual Report for the year in which the change is made should present a comparison between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the District from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the District chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the District shall have no obligation under this Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 10. Default. In the event of a failure of the District to comply with any provision of this Disclosure Certificate any Holder or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an event of default under either Resolution, and the sole remedy under this Disclosure Certificate in the event of any failure of the District to comply with this Disclosure Certificate shall be an action to compel performance.

SECTION 11. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate. The Dissemination Agent acts hereunder solely for the benefit of the District; this Disclosure Certificate shall confer no duties on the Dissemination Agent to the Participating Underwriters, the Holders and the Beneficial Owners. The District agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's gross negligence or willful misconduct. The obligations of the District under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds. The Dissemination Agent shall have no liability for the failure to report any event or any financial information as to which the District has not provided an information report in format suitable for filing with the Repository. The Dissemination Agent shall not be required to monitor or enforce the District's duty to comply with its continuing disclosure requirements hereunder.

SECTION 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the District, the Dissemination Agent, the Participating Underwriters and Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Date: __________, 2025

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

By: [FORM ONLY]

Interim Superintendent

Dissemination Agent:

KNN PUBLIC FINANCE, LLC

By: [FORM ONLY]

Authorized Representative

EXHIBIT A-1

NOTICE TO MSRB OF FAILURE TO FILE ANNUAL REPORT

Name of District:	WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
Name of Bond Issue:	West Contra Costa Unified School District (Contra Costa County, California) 2025 General Obligation Refunding Bonds, Series A
Date of Issuance:	_______, 2025

NOTICE IS HEREBY GIVEN that the District has not provided an Annual Report with respect to the above-named Bonds as required by the Continuing Disclosure Certificate relating to the Bonds. The District anticipates that the Annual Report will be filed by __________________, 20__.

Dated: ______________, 20__

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

By: __________[FORM ONLY]_____________________
Authorized Officer

APPENDIX E

BOOK-ENTRY ONLY SYSTEM

This Appendix E describes how ownership of the Bonds is to be transferred and how the principal of and interest on the Bonds are to be paid to and credited by DTC while the Bonds are registered in its nominee's name.

The information in this Appendix concerning DTC and DTC's book-entry system has been obtained from sources that the District believes to be reliable, but the District takes no responsibility for the accuracy or completeness thereof. The District cannot and does not give any assurances that DTC, DTC Direct Participants or Indirect Participants will distribute to the Beneficial Owners (a) payments of interest, principal or premium, if any, as to the Bonds, (b) Bonds representing ownership interest in or other confirmation or ownership interest in the Bonds, or (c) redemption or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the Bonds, or that they will so do on a timely basis or that DTC, DTC Direct Participants or DTC Indirect Participants will act in the manner described in this Official Statement. The current "Rules" applicable to DTC are on file with the Securities and Exchange Commission and the current "Procedures" of DTC to be followed in dealing with DTC Direct Participants are on file with DTC.

General

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds, in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com. Such information is not incorporated herein by reference.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of beneficial ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their beneficial ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District (or the Paying Agent on behalf thereof) as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal, premium, if any, interest payments and redemption proceeds on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District or Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, premium, if any, interest payments and redemption proceeds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

A Beneficial Owner shall give notice to elect to have its Bonds purchased or tendered, through its Participant, to the Paying Agent, and shall effect delivery of such Bonds by causing the Direct Participant to transfer the Participant's interest in the Bonds, on DTC's records, to the Paying Agent. The requirement for physical delivery of Bonds in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Bonds are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Bonds to the Paying Agent's DTC account.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the District or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The District may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered.

The information in this Appendix concerning DTC and DTC's book-entry system has been obtained from sources that the District believes to be reliable, but the District takes no responsibility for the accuracy thereof.

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APPENDIX F

CERTAIN ECONOMIC DATA FOR CONTRA COSTA COUNTY

The following information concerning Contra Costa County (the "County") is included only for the purpose of supplying general information regarding the community. Neither the District (defined below) nor the Underwriters take responsibility for the accuracy or completeness of the information hereof. The Bonds are not a debt of the County.

The information in this section regarding economic activity within the general area in which the West Contra Costa Unified School District (the "District") is located is provided as background information only, to describe the general economic health of the region. However, the District encompasses a relatively small area within the County, and the property tax required to be levied by the County to repay the Bonds will be levied only on property located in the District.

Introduction

The County was incorporated in 1850 with the City of Martinez as the County Seat. The County is situated northeast of San Francisco, bounded by San Francisco and San Pablo bays to the west and north, the Sacramento River delta to the north, San Joaquin County to the east, and by Alameda County on the south. Ranges of hills effectively divide the County into three distinct regions. The central section of the County is developing from a suburban area into a commercial and financial headquarters center. The eastern part of the County is developing from a rural, agricultural area to a suburban region. The County has extensive and varied transportation facilities — ports accessible to ocean-going vessels, railroads, freeways, and rapid transit lines connecting the areas comprising the County with Alameda County and San Francisco.

The District is located in the western portion of the County. The District serves the cities of El Cerrito, Hercules, Pinole, Richmond and San Pablo and several unincorporated areas, including the communities of El Sobrante, Kensington and North Richmond. Since the west portion of the County, wherein the District is located, has access to the San Francisco Bay and the San Pablo Bay, it contains much of the County's heavy industry.

Population

The following table summarizes the population statistics for the County and cities within the District for the last five calendar years.

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POPULATION OF CONTRA COSTA COUNTY AND CITIES WITHIN THE WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT [(1)]

Year	Contra Costa County	City of El Cerrito	City of Hercules	City of Pinole	City of Richmond	City of San Pablo
2021	1,161,324	25,671	26,357	18,819	114,643	31,793
2022	1,151,798	25,710	25,944	18,442	114,521	31,625
2023	1,145,274	25,409	26,202	18,278	113,122	31,163
2024	1,146,626	25,700	26,063	18,192	112,735	31,088
2025						

(1) Excludes population statistics of unincorporated territory within the District.
Source: *California Department of Finance, estimates as of May 2025.*

Employment

The following table summarizes historical employment and unemployment in the County during the last five calendar years.

CONTRA COSTA COUNTY
CIVILIAN LABOR FORCE, EMPLOYMENT AND UNEMPLOYMENT[(1)]
ANNUAL AVERAGES

	2020	2021	2022	2023	2024
Employment	497,200	508,200	528,000	527,800	523,500
Unemployment	49,100	34,600	19,600	22,800	25,200
Total Civilian Labor Force[(2)]	546,300	542,800	547,600	550,600	548,700
Unemployment Rate[(3)]	9.0%	6.4%	3.6%	4.1%	4.6%

(1) Based on place of residence.
(2) Totals may not add due to rounding.
(3) The unemployment rate is calculated using unrounded data.
Source: *California Employment Development Department, Labor Market Information Division*.

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The following table summarizes the number of workers by industry in the County for calendar years 2020 through 2024.

CONTRA COSTA COUNTY
OAKLAND-HAYWARD-BERKELEY METROPOLITAN DIVISION
Estimated Number of Wage and Salary Workers by Industry(1)

	2020	2021	2022	2023	2024
Farm	1,500	1,500	1,900	1,900	2,000
Mining and Logging	200	200	200	300	300
Construction	70,400	71,500	75,200	75,100	73,500
Manufacturing	98,200	98,400	111,900	111,900	108,300
Wholesale Trade	42,000	41,500	41,500	41,400	41,400
Retail Trade	100,500	104,300	106,200	105,600	110,000
Transportation and Utilities	45,100	51,700	55,100	54,400	56,400
Information	25,800	25,800	24,900	24,200	22,100
Financial Activities	52,700	52,400	51,900	50,700	50,200
Professional and Business Services	184,600	198,900	196,200	189,500	192,300
Educational & Health Services	189,800	200,300	207,000	216,500	231,700
Leisure and Hospitality	84,100	89,900	108,400	112,100	114,200
Other Services	32,900	34,700	39,300	41,300	42,200
Government	165,900	161,100	161,200	164,900	168,900
Total All Industries(2)	1,093,700	1,132,200	1,180,900	1,189,900	1,213,500

(1) Does not include proprietors, self-employed, unpaid volunteers or family workers, domestic workers in households, and persons involved in labor/management trade disputes. Employment reported by place of work. Items may not add to totals due to independent rounding. Not seasonally adjusted.
(2) Including those not listed above.
Source: *California Employment Development Department, Labor Market Information Division.*

The following table summarizes the unemployment rates in Contra Costa County and the cities within the District as of December 2024.

CONTRA COSTA COUNTY
CIVILIAN LABOR FORCE UNEMPLOYMENT RATES
(As of December 2024)(1)

Contra Costa County	4.6%
City of El Cerrito	3.9
City of Hercules	4.2
City of Pinole	3.2
City of Richmond	4.8
City of San Pablo	4.7
State of California	5.2
United States	4.1

(1) As of December 2024 and place of residence; calculated based on unrounded data; not seasonally adjusted.

Source: *California Employment Development Department, Labor Market Information Division for the cities and Contra Costa County and the U.S. Bureau of Labor Statistics Labor Force Statistics from the Current Population Survey for the United States.*

Largest Employers

The following table lists the largest employers within Contra Costa County, including city location and industry.

CONTRA COSTA COUNTY
MAJOR EMPLOYERS

Employer	Location	Industry
BART	Richmond	Transit Lines
Bio-Rad Laboratories Inc	Hercules	Physicians & Surgeons Equip. & Supls-Mfrs
C & H Sugar	Crockett	Sugar Refiners (Mfrs)
Chevron Corp	San Ramon	Crude Oil-Petroleum Refineries
Contra Costa County Health Services	Martinez	Government Office-County
Contra-Costa Regional Medical Center	Martinez	Hospitals
Crash Champions Collision	Concord	Automobile Body-Repairing & Painting
Home & Hospital Program	Concord	Educational Service-Business
John Muir Health Concord Med	Concord	Hospitals
Kaiser Permanente Antioch Med	Antioch	Hospitals
Kaiser Permanente Martinez Med	Martinez	Clinics
Kaiser Permanente Walnut Creek	Walnut Creek	Hospitals
La Raza Market	Richmond	Grocers-Retail
Los Medanos College	Pittsburg	Junior-Community College-Tech Institutes
Macias Gini & O'Connell LLP	Walnut Creek	Accountants
Martinez Arts Outpatient Clinic	Martinez	Physicians & Surgeons
Martinez Refining Co LLC	Martinez	Crude Oil-Petroleum Refineries
Nordstrom	Walnut Creek	Department Stores
Oakley Union School District	Oakley	School Districts
Phillips 66	Rodeo	Service Stations-Gasoline & Oil
Phillips 66 San Francisco Refinery	Rodeo	Crude Oil-Petroleum Refineries
Robert Half	San Ramon	Employment Agencies & Opportunities
San Ramon Regional Medical Center	San Ramon	Hospitals
Sutter Delta Medical Center	Antioch	Hospitals
USS Posco Industries	Pittsburg	Steel Mills (Mfrs)

Source: *State of California Employment Development Department*, extracted from the America's Labor Market Information System (ALMIS) Employer Database, 2025 1st Edition.

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The following table summarizes the 10 principal employers in the City of Richmond, California.

CITY OF RICHMOND
PRINCIPAL EMPLOYERS
(As of June 30, 2024)

Employer	Number of Employees	Rank	Percentage of Total City Employment
Chevron Refinery	3,157	1	9.1%
Kaiser Foundation Hospitals	1,442	2	4.2
United Parcel Service	1,332	3	3.9
Social Security Administration	1,259	4	3.6
West Contra Costa Unified School District	1,167	5	3.4
Amazon.com Services	1,121	6	3.2
The Permanente Medical Group	1,051	7	3.0
U.S. Postal Service	1,047	8	3.0
Home Express Delivery Service, LLC	903	9	2.6
Contra Costa County	844	10	2.4
Subtotal	13,323		38.5%
Total City Day Population	106,929		

Source: *City of Richmond Annual Comprehensive Financial Report for the Year Ended June 30, 2024*.

Commercial Activity

The following table summarizes historical taxable transactions within the County for 2019 to 2023.

CONTRA COSTA COUNTY
TAXABLE TRANSACTIONS
(Dollars in Thousands)

Year	Sales Tax Permits	Taxable Transactions
2019	26,201	$18,080,746
2020	27,745	17,907,507
2021	26,049	21,057,354
2022	26,633	22,440,901
2023	26,351	22,294,562

Source: *California Department of Tax and Fee Administration*.

The following table summarizes historical taxable transactions in cities in the District for calendar years 2019 to 2023 (the most recent calendar year for which such data is available).

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT[1]
TAXABLE TRANSACTIONS FOR CITIES IN THE DISTRICT
(Dollars in Thousands)

City	2019	2020	2021	2022	2023
El Cerrito	$ 264,208	$ 213,167	$ 248,235	$ 265,555	$ 288,624
Hercules	225,796	221,844	291,066	337,249	312,186
Pinole	325,076	299,975	354,069	366,435	355,623
Richmond	1,476,315	1,259,026	1,430,687	1,632,957	1,944,418
San Pablo	214,688	192,636	222,315	233,125	230,066

(1) Excludes taxable transactions occurring in unincorporated territory within the District.
Source: *California Department of Tax and Fee Administration*.

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APPENDIX G

COUNTY INVESTMENT POLICY AND TREASURER'S QUARTERLY INVESTMENT REPORT AS OF SEPTEMBER 30, 2024

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CONTRA COSTA COUNTY

TREASURER'S

ANNUAL INVESTMENT POLICY

FISCAL YEAR 2024-2025

APPROVED BY THE BOARD OF SUPERVISORS
IN APRIL 2024

The Contra Costa County Treasurer will annually present to both the Board of Supervisors (Board) and the Treasury Oversight Committee (Committee) a statement of investment policy, which the Board shall review and approve at a public meeting. Any changes in the policy shall also be reviewed and approved by the Board at a public meeting (Gov't Code §53646(a)(1)).

OFFICE OF COUNTY TREASURER-TAX COLLECTOR
625 COURTS STREET, ROOM 100
MARTINEZ, CALIFORNIA 94553

California Municipal Treasurers Association

Investment Policy Certification

Issued on 4/24/2019

Contra Costa County

The California Municipal Treasurers Association certifies that the investment policy of the Contra Costa County complies with the current State statutes governing the investment practices of local government entities located within the State of California.

CMTA Over 50 Years of Excellence

	April 24, 2019
President	*Date*

Table of Contents

CONTRA COSTA COUNTY
TREASURER'S ANNUAL INVESTMENT POLICY

1.0 PURPOSE

The purpose of this Investment Policy (Policy) is to establish cash management and investment guidelines of surplus funds entrusted to the care of the Contra Costa County Treasurer's Office (Treasurer's Office) in accordance with applicable sections of California Government Code. All portfolio activities will be judged by the standards of the Policy and its ranking of investment objectives.

2.0 SCOPE

This Policy applies to all and only funds over which the Treasurer's Office has been granted fiduciary responsibility and direct control for their management. The funds covered by this Policy are accounted for and incorporated in the Contra Costa County Annual Comprehensive Financial Report (ACFR) and include but not limited to: Government Funds (e.g. general fund, special revenue funds, debt service funds, capital project funds, and permanent fund), Proprietary Funds (e.g. enterprise funds and internal service funds), and various Trust Funds.

3.0 PARTICIPANTS

This Policy restricts deposits to those agencies mandated by California Government Code as treasury deposits. However, subject to the consent of the Treasurer's Office and in accordance with section 53684, exemptions may be granted to non-mandatory depositing agencies, if it is determined that the additional deposit provides a benefit to the investment pool as a whole while not creating unmanageable liquidity risk.

4.0 IMPLEMENTATION

In order to provide direction to those responsible for management of surplus funds, the County Treasurer has established this Policy and presented it to the Treasury Oversight Committee and the Board of Supervisors, and has made it available to the legislative body of local agencies that participates in the County Treasurer's investment program.

The Policy explains investable funds; authorized instruments; credit quality required; maximum maturities and concentrations; collateral requirements; qualifications of brokers/dealers and financial institutions doing business with, or on behalf of, the County; limits on gifts and honoraria; the reporting requirements; the Treasury Oversight Committee; the manner of apportioning interest earnings and appropriating investment costs; and the criteria to request withdrawal of funds.

5.0 OBJECTIVES

Gov't Code §53600.5: When investing, reinvesting, purchasing, acquiring, exchanging, selling or managing public funds, the primary objective of a trustee shall be to safeguard the principal of the funds under its control. The secondary objective shall be to meet the liquidity needs of the depositor. The third objective shall be to achieve a return on the funds under its control.

5.1 Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk and market risk.

5.1.a *Credit Risk*

The Treasurer will minimize credit risk, the risk of loss due to the failure of the security issuer or backer, by:

1. Limiting investments to the safest type of securities
2. Pre-qualifying the financial institutions, brokers/dealers, intermediaries, and advisers with which the Treasurer's Office will do business.
3. Diversifying the investment portfolio so that potential losses on individual securities will be minimized.

5.1.b *Market Risk*
The Treasurer's Office will minimize the risk that the market value of securities in the portfolio will fall due to changes in general interest rates, by:

1. Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.
2. Investing operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pools.

5.2 Liquidity: The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands. Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets. A portion of the portfolio also may be placed in money market mutual funds or local government investment pools which offer same-day liquidity for short-term funds.

5.3 Yield: The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of secondary importance compared to the safety and liquidity objectives described above. The core of investments is limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities may be sold prior to maturity when deemed prudent and necessary. Reasons of selling include but are not limited to:

1. **A security with declining credit may be sold early to minimize loss of principal.**
2. **A security swap would improve the quality, yield, or target duration in the portfolio.**
3. **Liquidity needs of the portfolio require that the security be sold.**
4. **Portfolio rebalancing would bring the portfolio back into compliance.**

Investments will be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

5.4 Public Trust: All investments will be in conformance with state law and county ordinances and policies. The investment of public funds is a task that must maintain the public trust.

6.0 GENERAL STRATEGY

6.1 Buy and Hold: The Treasurer will generally use the passive investment strategy known as BUY AND HOLD whereas securities are purchased with the intent of holding them to maturity. Interest income and the reinvestment of interest income usually are the only sources of return in the portfolio.

The investment program will focus on purchasing securities that will limit or reduce the potential default risk and ensure the reliability of cash flows from interest income. Generally, purchases will be laddered throughout the portfolio in order to minimize the number and cost of investment transactions.

7.0 STANDARD OF CARE

The following policies are designed in accordance with Government Code to provide transparency to the investment program while enhancing portfolio controls:

7.1 Prudent Investor Standard

The standard of prudence to be used by the designated representative shall be subject to the "prudent investor" standard and shall be applied in the context of managing the overall portfolio. "Governing bodies of local agencies or persons authorized to make investment decisions on behalf of those local agencies investing public funds are trustees and therefore fiduciaries subject to the prudent investor standard. When investing, reinvesting, purchasing, acquiring, exchanging, selling or managing public funds, a trustee shall act with care, skill, prudence and diligence under the circumstances then prevailing, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency. Within the limitations of this section and considering individual investments as part to an overall strategy, investments may be acquired as authorized by law." (Gov't Code §53600.3.)

For the investment of county funds in a county treasury, Government Code Section 27000.3 establishes the board of supervisors as a fiduciary that is subject to the prudent investor standard unless it delegates its investment duties to the county treasurer. For local agency funds invested in the county treasury pool, the county treasurer serves as a fiduciary and is subject to the prudent investor standard.

7.2 Ethics and Conflicts of Interest

Investment officials shall refrain from personal business activity that could conflict with proper execution and management of the Policy and investment program, or which could impair their ability to make impartial decisions. Please refer to the Contra Costa County Treasurer-Tax Collector's Conflict of Interest Code for further explanation of the prohibited activities, and their enforcements and exceptions.

7.3 Limits on Honoraria, Gifts, and Gratuities

In accordance with California Government Code Section 27133(d), this Policy establishes limits for the Director of Finance; individuals responsible for management of the portfolios; and members of the Investment Group and Review Group who direct individual investment decisions, select individual investment advisors and brokers/dealers, and conduct day-to-day investment trading activity. The limits also apply to members of the Oversight Committee. Any individual who receives an aggregate total of gifts, honoraria and gratuities in excess of $50 in a calendar year from a broker/dealer, bank or service provider to the Pooled Investment Fund must report the gifts, dates and firms to the designated filing official and complete the appropriate State forms.

No individual may receive aggregate gifts, honoraria, and gratuities in a calendar year in excess of the amount specified in Section 18940.2(a) of Title 2, Division 6 of the California Code of Regulations. This limitation is $590 for the period January 1, 2023, to December 31, 2024. Any violation must be reported to the State Fair Political Practices Commission.

7.4 Delegation of Authority

7.4.a Subject to Section 53607, the board of supervisors may, by ordinance, delegate to the county treasurer the authority to invest or reinvest the funds of the county and the funds of other depositors in the county treasury, pursuant to Chapter 4 (commencing with Section 53600) of Part 1 of Division 2 of Title 5. The county treasurer shall thereafter assume full responsibility for those transactions until the board of supervisors either revokes its delegation of authority, by ordinance, or decides not to renew the annual delegation, as provided in Section 53607 (Gov't Code §27000.1). For local agency funds invested in the county treasury pool, the county treasurer serves as a fiduciary and is subject to the prudent investor standard.

7.4.b Responsibility for the operation of the investment program is hereby delegated to the County Treasurer, who shall act in accordance with established written procedures and internal controls for the operation of the investment program consistent with this investment policy. Procedures include references to the following: safekeeping, delivery vs. payment, investment accounting, repurchase agreements, wire transfer agreements, and collateral/depository agreements. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the County Treasurer.

7.5 Treasury Oversight Committee

In compliance with a Board Order of the Contra Costa County Board of Supervisors, the County Contra Costa County Treasury Oversight Committee was established in November 6 of 1995. The intent of the Committee is to allow local agencies, including school districts, as well as the public, to participate in reviewing the policies that guide the investment of public funds. The mandate for the existence of the Committee was suspended in 2004 by the State of California; however, the Committee serves an important function and the Treasurer's Office has elected to continue the program.

7.5.a The Committee shall annually review and monitor the County's Investment Policy.

7.5.b The Committee shall cause an annual audit to determine the County Treasurer's compliance with the Investment Policy and all investment funds in the county Treasury.

8.0 SAFEKEEPING AND CUSTODY

8.1 Delivery vs. Payment: All trades of marketable securities will be executed (cleared and settled) on a delivery vs. payment (DVP) basis to ensure that securities are deposited in the County Treasurer's safekeeping institution prior to the release of funds.

8.2 Third-party Safekeeping: Securities will be held by an independent third-party safekeeping institution selected by the County Treasurer. All securities will be evidenced by safekeeping receipts in the County's name or in a name designated by the County Treasurer. The safekeeping institution shall annually provide a copy of its most recent report on internal controls - Service Organization Control Reports (formerly 70, or SAS 70) prepared in accordance with the Statement on Standards for Attestation Engagements (SSAE) No. 16 (effective June 15, 2011.)

8.2.a A local agency purchasing or obtaining any securities prescribed in this section, in a negotiable, bearer, registered or non-registered format, shall require delivery of the securities to the local agency, including those purchased for the agency by financial advisors, consultants or managers using the agency's funds, by book entry, physical delivery or by third-party custodial agreement. The transfer of securities to the counterparty bank's customer book-entry account may be used for book-entry delivery. For purposes of this section, "counterparty" means the other party to the transaction. A counterparty bank's trust department or separate safekeeping department may be used for the physical delivery of the security if the security is held in the name of the local agency. Where this section specifies a percentage limitation for a particular category of investment, that percentage is applicable only at the date of purchase. Where this section does not specify a limitation on the term of remaining maturity at the time of the investment, no investment shall be made in any security other than a security underlying a repurchase or reverse repurchase agreement authorized by this section.

8.2.b In compliance with this section, the securities of Contra Costa County and its agencies shall be in safekeeping at The Bank of New York Trust Company, N. A., a counterparty bank's trust department or as defined in the debt indenture and contract.

8.3 Internal Controls: The County Treasurer is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the Treasurer are protected from loss, theft or misuse. Specifics for the internal controls shall be documented in an investment procedures manual that shall be reviewed and updated periodically by the County Treasurer.

The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgements by management.

As part of the internal controls, the investment portfolio managed by the County Treasurer shall be audited annually by both internal and external auditors.

9.0 AUTHORIZED BROKERS/DEALERS AND FINANCIAL INSTITUTIONS

9.1 All transactions initiated on behalf of the Pooled Investment Fund and Contra Costa County shall be executed only through one of the following:

1. Government security dealers reporting as primary dealers to the Market Reports Division of the Federal Reserve Bank of New York;
2. Banks and financial institutions that directly issue their own securities which have been placed on the Approved List of Brokers/Dealers and Financial Institutions;
3. Brokers/dealers in the State of California approved by the County Treasurer based on the reputation and expertise of the company and individuals employed.

Brokers/dealers and financial institutions which have exceeded the political contribution limits as contained in Rule G-37 of the Municipal Securities Rulemaking Board within a four-year period to the County Treasurer or a member of the governing board of a local agency or any candidate for those offices, are prohibited from the Approval List of Brokers/Dealers and Financial Institutions.

9.2 Qualifications: All financial institutions and brokers/dealers who desire to become qualified for investment transactions must complete Contra Costa County Treasurer's Office Broker/Dealer Due Diligence Questionnaire which can be obtained at www.cctax.us. An annual review of the approved brokers/dealers will be conducted by the Treasurer's Office. The Treasurer's Office may request additional documents from the brokers/dealers during the annual review. A brokers/dealer may be deleted from the Approved Brokers list without cause and without prior notification.

9.3 List of Approved Financial Institutions, Security Brokers and Dealers
A list will be maintained of financial institutions authorized to provide investment services. In addition, a list also will be maintained of approved security brokers/dealers selected for creditworthiness and qualifications stated in section 9.2. However, the County Treasury will not be limited to the financial institutions and brokers/dealers on the list. Others will be included as

long as conditions for authorized financial institutions and brokers/dealers set forth in this Policy are met. Additionally, deletions and additions are based on the maintenance of required credit quality as rated by a nationally recognized statistical-rating organization (NRSRO) or reliable financial sources.

10.0 SUITABLE AND AUTHORIZED INVESTMENTS

10.1 Authorized Investment Types: (Gov't Code §53600 et seq.) The legislative body of a local agency having moneys in a sinking fund or moneys in its treasury not required for the immediate needs of the local agency may invest any portion of the moneys that it deems wise or expedient in the investments set forth below. A local agency purchasing or obtaining any securities prescribed in this section, in a negotiable, bearer, registered, or nonregistered format, shall require delivery of the securities to the local agency, including those purchased for the agency by financial advisers, consultants, or managers using the agency's funds, by book entry, physical delivery, or by third-party custodial agreement. The transfer of securities to the counterparty bank's customer book entry account may be used for book entry delivery.

For purposes of this section, "counterparty" means the other party to the transaction. A counterparty bank's trust department or separate safekeeping department may be used for the physical delivery of the security if the security is held in the name of the local agency. Where this section specifies a percentage and/or rating limitation for a particular category of investment, that percentage and/or rating are applicable only at the date of purchase. Where this section does not specify a limitation on the term or remaining maturity at the time of the investment, no investment shall be made in any security, other than a security underlying a repurchase or reverse repurchase agreement or securities lending agreement authorized by this section, that at the time of the investment has a term remaining to maturity in excess of five years, unless the legislative body has granted express authority to make that investment either specifically or as a part of an investment program approved by the legislative body no less than three months prior to the investment:

10.1.a **Bonds issued by the local agencies**, including bonds payable solely out of the revenues from a revenue-producing property, owned, controlled, or operated by the local agency or by a department, board, agency or authority of the local agency.

10.1.b **United States Treasury notes, bonds, bills or certificates of indebtedness**, or those for which the faith and credit of the United States are pledged for the payment of principal and interest.

10.1.c **Registered state warrants or treasury notes or bonds of this state**, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the state or by a department, board, agency or authority of the state.

10.1.d **Registered treasury notes or bonds of any of the other 49 states** in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 states, in addition to California.

10.1.e **Bonds, notes, warrants or other evidences of indebtedness of any local agency within this state**, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled or operated by the local agency, or by a department, board, agency or authority of the local agency.

10.1.f **Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments**, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises.

10.1.g **Banker's acceptances otherwise known as bills of exchange or time drafts** drawn on and accepted by a commercial bank. Purchases of banker's acceptances may not exceed 180 days' maturity or 40 percent of the agency's money that may be invested pursuant to this section. However, no more than 30 percent of the agency's money may be invested in banker's acceptances of any one commercial bank pursuant to this section. This subdivision does not preclude a municipal utility district from investing any money in its treasury in any manner authorized by the Municipal Utility District Act (Division 6, commencing with Section 11501, of the Public Utilities Code).

10.1.h **Commercial paper** of "prime" quality of the highest ranking or of the highest letter and number rating as provided for by a nationally recognized statistical-rating organization (NRSRO). The entity that issues the commercial paper shall meet all of the following conditions in either paragraph (1) or paragraph (2):

1. The entity meets the following criteria:

- **A.** Is organized and operating in the United States as a general corporation.
- **B.** Has total assets in excess of five hundred million dollars ($500,000,000).
- **C.** Has debt other than commercial paper, if any, that is rated in a rating category of "A" or its equivalent or higher by a nationally recognized statistical-rating organization (NRSRO).

2. The entity meets the following criteria:

- **A.** Is organized within the United States as a special purpose corporation, trust, or limited liability company.
- **B.** Has program-wide credit enhancements including, but not limited to, over collateralization, letters of credit, or surety bond.
- **C.** Has commercial paper that is rated "A-1" or higher, or the equivalent, by a nationally recognized statistical-rating organization (NRSRO).

Eligible commercial paper shall have a maximum maturity of 270 days or less. Local agencies, other than counties or a city and county, that have less than one hundred million dollars ($100,000,000) of investment assets under management, may invest no more than 25 percent of their moneys in eligible commercial paper. Local agencies, other than counties or a city and county, that have one hundred million dollars ($100,000,000) or more of investment assets under management may invest no more than 40 percent of their moneys in eligible commercial paper. A local agency, other than a county or a city and a county, may invest no more than 10 percent of its total investment assets in the commercial paper and the medium-term notes of any single issuer. Counties or a city and county may invest in commercial paper pursuant to the concentration limits in subdivision (a) of Section 53635:

- i. Not more than 40 percent of the local agency's money may be invested in eligible commercial paper.
- ii. Not more than 10 percent of the total assets of the investments held by a local agency may be invested in any one issuer's commercial paper.

10.1.i **Negotiable certificates of deposit** issued by a nationally- or state-chartered bank or a savings association or federal association (as defined by Section 5102 of the Financial Code), a state or federal credit union, or by a state-licensed branch of a foreign bank. Purchases of negotiable certificates of deposit may not exceed 30 percent of the agency's money that may be invested pursuant to this section. For purposes of this section, negotiable certificates of deposits do not come within Article 2 (commencing with Section 53630), except that the amount so invested shall be subject to the limitations of Section

53638. The legislative body of a local agency and the treasurer or other official of the local agency having legal custody of the money are prohibited from investing local agency funds, or funds in the custody of the local agency, in negotiable certificates of deposit issued by a state or federal credit union if a member of the legislative body of the local agency, or any person with investment decision making authority in the administrative office, manager's office, budget office, auditor-controller's office, or treasurer's office of the local agency also serves on the board of directors, or any committee appointed by the board of directors, or the credit committee or the supervisory committee of the state or federal credit union issuing the negotiable certificates of deposit.

10.1.j Repurchase and reverse repurchase agreements

1. Investments in ***repurchase agreements*** or ***reverse repurchase agreements*** of any securities authorized by this section, provided that the agreements are subject to this subdivision, including the delivery requirements specified in this section, and that a signed Master Repurchase Agreement is on file in the Treasurer's Office for all financial institutions that enter into a repurchase agreement with Contra Costa County.

2. Investments in repurchase agreements may be made on any investment authorized in this section when the term of the agreement does not exceed one year. The market value of securities that underlay a repurchase agreement shall be valued at 102 percent or greater of the funds borrowed against those securities and the value shall be adjusted no less than quarterly. Since the market value of the underlying securities is subject to daily market fluctuations, the investments in repurchase agreements shall be in compliance if the value of the underlying securities is brought back up to 102 percent no later than the next business day.

3. Reverse repurchase agreements or securities lending agreements may be utilized only when all of the following conditions are met:

A. The security to be sold using a reverse repurchase agreement or securities lending agreement has been owned and fully paid for by the local agency for a minimum of 30 days prior to sale.

B. The total of all reverse repurchase agreements and securities lending agreements on investments owned by the local agency does not exceed 20 percent of the base value of the portfolio.

C. The agreement does not exceed a term of 92 days, unless the agreement includes a written codicil guaranteeing a minimum earning or spread for the entire period between the sale of a security using a reverse repurchase agreement or securities lending agreement and the final maturity date of the same security.

D. Funds obtained or funds within the pool of an equivalent amount to that obtained from selling a security to a counterparty using a reverse repurchase agreement or securities lending agreement shall not be used to purchase another security with a maturity longer than 92 days from the initial settlement date of the reverse repurchase agreement or securities lending agreement, unless the reverse repurchase agreement or securities lending agreement includes a written codicil guaranteeing a minimum earning or spread for the entire period between the sale of a security using a reverse repurchase agreement or securities lending agreement and the final maturity date of the same security.

4. Prior approval of the governing body; only with primary dealers:

A. Investments in reverse repurchase agreements, securities lending agreements, or similar investments in which the local agency sells securities prior to purchase with a simultaneous agreement to repurchase the security may be made only upon prior approval of the governing body of the local agency and shall be made only with primary dealers of the Federal Reserve Bank of New York or with a nationally or state-chartered bank that has or has had a significant banking relationship with a local agency.

B. For purposes of this policy, "significant banking relationship" means any of the following activities of a bank:

i. Involvement in the creation, sale, purchase, or retirement of a local agency's bonds, warrants, notes, or other evidence of indebtedness.

ii. Financing of a local agency's activities.

iii. Acceptance of a local agency's securities or funds as deposits.

5. Definitions and terms of repos, securities and securities lending:

A. "Repurchase agreement" means a purchase of securities by the local agency pursuant to an agreement by which the counterparty seller will repurchase the securities on or before a specified date and for a specified amount and the counterparty will deliver the underlying securities to the local agency by book entry, physical delivery, or by third-party custodial agreement. The transfer of underlying securities to the counterparty bank's customer book-entry account may be used for book-entry delivery.

B. "Securities," for purposes of repurchase under this subdivision, means securities of the same issuer, description, issue date, and maturity.

C. "Reverse repurchase agreement" means a sale of securities by the local agency pursuant to an agreement by which the local agency will repurchase the securities on or before a specified date and includes other comparable agreements.

D. "Securities lending agreement" means an agreement under which a local agency agrees to transfer securities to a borrower who, in turn, agrees to provide collateral to the local agency. During the term of the agreement, both the securities and the collateral are held by a third party. At the conclusion of the agreement, the securities are transferred back to the local agency in return for the collateral.

E. For purposes of this section, the base value of the local agency's pool portfolio shall be that dollar amount obtained by totaling all cash balances placed in the pool by all pool participants, excluding any amounts obtained through selling securities by way of reverse repurchase agreements, securities lending agreements, or other similar borrowing methods.

F. For purposes of this section, the spread is the difference between the cost of funds obtained using the reverse repurchase agreement and the earnings obtained on the reinvestment of the funds.

10.1.k **Medium-term notes**, defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. Notes eligible for investment under this subdivision shall be rated in a rating category of "A" or its equivalent or better by an NRSRO. Purchases of medium-term notes shall not include other instruments authorized by this section and shall not exceed 30 percent of the agency's moneys that may be invested pursuant to this section.

10.1.l Shares of beneficial interest

1. Shares of beneficial interest issued by diversified management companies that invest in the securities and obligations as authorized by subdivisions (a) to (k), inclusive, and subdivisions (m) to (o), (q), inclusive, and that comply with the investment restrictions of this article and Article 2 (commencing with Section 53630). However, notwithstanding these restrictions, a counterparty to a reverse repurchase agreement or securities lending agreement is not required to be a primary dealer of the Federal Reserve Bank of New York if the company's board of directors finds that the counterparty presents a minimal risk of default, and the value of the securities underlying a repurchase agreement or securities lending agreement may be 100 percent of the sales price if the securities are marked to market daily.
2. Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (l5 U.S.C. Sec. 80a-1 et seq.).
3. If investment is in shares issued pursuant to paragraph (1), the company shall have met either of the following criteria:
   - **A.** Attained the highest ranking or the highest letter and numerical rating provided by not less than two NRSROs.
   - **B.** Retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience investing in the securities and obligations authorized by subdivisions (a) to (k), inclusive, and subdivisions (m) to (o), (q), inclusive, and with assets under management in excess of five hundred million dollars ($500,000,000).
4. If investment is in shares issued pursuant to paragraph (2), the company shall have met the following criteria:
   - **A.** Attained the highest ranking or the highest letter and numerical rating provided by not less than two nationally recognized statistical rating organizations.
   - **B.** Retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience investing in the securities and obligations authorized by subdivisions (a) to (k), inclusive, and subdivisions (m) to (o), inclusive, and with assets under management in excess of five hundred million dollars ($500,000,000).
5. The purchase price of shares of beneficial interest purchased pursuant to this subdivision shall not include any commission that the companies may charge and shall not exceed 20 percent of the agency's money that may be invested pursuant to this section. However, no more than 10 percent of the agency's funds may be invested in shares of beneficial interest of any one mutual fund pursuant to paragraph (1).

10.1.m Moneys held by a trustee or fiscal agent and pledged to the payment of security of bonds or other indebtedness, or obligations under a lease, installment sale, or other agreement of a local agency, or certificates of participation in those bonds, indebtedness, or lease installment sale, or other agreements, may be invested in accordance with the statutory provisions governing the issuance of those bonds, indebtedness, or lease installment sale, or other agreement, or to the extent not inconsistent therewith or if there are not specific statutory provision, in accordance with the ordinance, resolution, indenture, or agreement of the local agency providing for the issuance.

10.1.n Notes, bonds, or other obligations that are at all times secured by a valid first-priority security interest in securities of the types listed by Section 53651 as eligible securities for the purpose of securing local agency deposits having a market value at least equal to that required by Section 53652 for the purpose of securing local agency deposits. The securities serving as collateral shall be placed by delivery or book entry into the custody of a trust company or the trust department of a bank that is not affiliated with the issuer of the secured obligation, and the security interest shall be perfected in accordance with the requirements of the Uniform Commercial Code or federal regulations applicable to the types of securities in which the security interest is granted.

10.1.o Any mortgage pass-through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable pass-through certificate, or consumer receivable-backed bond. Securities eligible for investment under this subdivision shall be rated in a rating category of “AA” or its equivalent or better by a NRSRO and have a maximum remaining maturity of 5 years or less. Purchase of securities authorized by this subdivision shall not exceed 20 percent of the agency’s surplus money that may be invested pursuant to this section.

10.1.p Shares of beneficial interest issued by a joint power authority organized pursuant to Section 6509.7 that invests in the securities and obligations authorized in subdivisions (a) to (n), (q), inclusive. Each share shall represent an equal proportional interest in the underlying pool of securities owned by the joint powers authority. To be eligible under this section, the joint powers authority issuing shares shall have retained an investment adviser that meets all of the following criteria:

1. The adviser is registered or exempt from registration with the Securities and Exchange Commission.
2. The adviser has not less than five years of experience investing in the securities and obligations authorized in subdivisions (a) to (n), (q), inclusive.
3. The adviser has assets under management in excess of five hundred million dollars ($500,000,000).

10.1.q United States dollars denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank, with a maximum remaining maturity of five years or less, and eligible for purchase and sale within the United States. Investments under this subdivision shall be rated in a rating category of “AA” or its equivalent better by an NRSRO and shall not exceed 30 percent of the agency’s moneys that may be invested pursuant to this section.

11.0 RESTRICTIONS AND PROHIBITIONS

11.1 Restrictions set by the Treasurer

11.1.a All investments purchased by the Treasurer’s Office shall be of investment grade. The minimum credit rating of purchased investments shall be as defined by Government Code 53600 et. seq.

11.1.b All legal securities issued by a tobacco-related company are prohibited. A tobacco-related company is defined as 1) an entity that makes smoking products from tobacco used in cigarettes, cigars and/or snuff, or for smoking in pipes or 2) a company that has total revenues of 15 percent or more from the sale of such tobacco products. The tobacco-related issuers restricted from any investment are Alliance One, Altria Group, Inc., Auri Inc., British American Tobacco PLC, Imperial Tobacco Group PLC, Kirin International

Holding Inc., Lorillard, Philip Morris International, Reynolds American, Inc., Schweitzer-Mauduit International Inc., Smokefree Innotec Inc., Star Scientific Inc., Universal Corp., and Vector Group, Ltd. The Treasury staff will update the list of tobacco-related companies when necessary.

11.1.c Debt instruments issued by the following fossil fuel companies are prohibited from being invested directly by the Treasury Pool: Chevron, Exxon Mobil, Total Energies SE, BP PLC, Marathon Petroleum, Shell PLC, Valero Energy Corporation, Phillips 66. The Treasury staff will update the list of fossil fuel companies when necessary.

11.1.d Financial futures or financial option contracts will each be approved on a per trade basis by the County Treasurer.

11.1.e Reverse repurchase agreements will be used strictly for the purpose of supplementing income with a limit of 10 percent of the total portfolio with prior approval of the Treasurer.

11.1.f SBA loans require prior approval from the Treasurer in every transaction.

11.1.g Securities purchased through brokers will be held in safekeeping at The Bank of New York Trust Company, N.A. or as designated by the specific contract(s) for government securities and tri-party repurchase agreements.

11.1.h Swaps and Trades will each be approved on a per-trade basis by Treasurer or Assistant Treasurer.

11.2 Prohibitions by Government Code (§53601.6)

11.2.a A local agency shall not invest any funds pursuant to this Article or pursuant to Article 2 (commencing with Section 53630) in inverse floaters, range notes, or mortgage-derived, interest-only strips.

11.2.b (1) Except as provided in paragraph (2), a local agency shall not invest any funds pursuant to this article or pursuant to Article 2 (commencing with Section 53630) in any security that could result in zero-interest accrual if held to maturity. However, a local agency may hold prohibited instruments until their maturity dates. The limitation in this subdivision shall not apply to local agency investments in shares of beneficial interest issued by diversified management companies registered under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1, et seq.) that are authorized for investment pursuant to Government Code Section 53600, et. seq.

(2) Notwithstanding the prohibition in paragraph (1), a local agency may invest in securities issued by, or backed by, the United States government that could result in zero- or negative-interest accrual if held to maturity, in the event of, and for the duration of, a period of negative market interest rates. A local agency may hold these instruments until their maturity dates.

11.2.c This section shall remain in effect only until January 1, 2026, and as of that date is repealed.

12.0 INVESTMENT PARAMETERS

12.1 Diversification: Investments shall be diversified to minimize the risk of loss and to maximize the rate of return by:

1. Limiting investment to avoid overconcentration in securities from a specific issuer or business sector (excluding U.S. Treasury securities),
2. Limiting investment in securities that have higher credit risks,

3. Investing in securities with varying maturities, and
4. Continuously investing a portion of the portfolio in readily available funds such as investment pools, money market funds, or repurchase agreements to ensure that appropriate liquidity is maintained in order to meet ongoing obligations.

12.2 Maximum Maturities: To the extent possible, the County Treasurer shall attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the Treasurer will not directly invest in securities maturing more than five (5) years from the date of purchase (specifically the settlement date) or in accordance with state and local statutes and ordinances. The Treasurer shall adopt weighted average maturity limitations (which often range from 90 days to 3 years), consistent with the investment objectives.

Because of inherent difficulties in accurately forecasting cash flow requirements, a portion of the portfolio should be continuously invested in readily available funds such as LAIF, money market funds, or overnight products to ensure that appropriate liquidity is maintained to meet ongoing obligations.

12.3 Exception to Maximum Maturity: In accordance with Government Code, the County Treasurer retains the right to petition the Board of Supervisors for approval to invest in securities with a final maturity in excess of five years. The Board of Supervisors adoption of any resolution allowing maturities beyond five years shall be considered an allowed modification to this policy and any investments made in accordance with the modification shall be allowable under this policy.

12.4 Investment Criteria[1]: All limitations set forth in this Policy are applicable only at the time of purchase. The County Treasurer has the full discretion to rebalance the portfolio when it is out of compliance owing to various reasons, such as market fluctuation.

INVESTMENT TYPE	MAXIMUM % of PORTFOLIO	MAXIMUM MATURITY	MAXIMUM % of ISSUE	OTHER RESTRICTIONS
Bonds issued by local agencies	100%	5 years	100%	
U.S. Treasury Obligations	100%	5 years	100%	
Registered State Warrants, and CA Treasury Notes and bonds	100%	5 years	100%	
Registered Treasury Notes or Bonds of any of the other 49 state in addition to CA	100%	5 years	100%	
Bonds and Notes issued by other local agencies in California	100%	5 years	100%	
Obligations of U.S. Agencies or government sponsored enterprises	100%	5 years	100%	
Bankers Acceptances) Domestic: ($5B min. assets) Foreign: ($5B min. assets)	40% 40%	180 days 180 days	30% Aggregate 5% Aggregate	

[1] The rating requirement for each investment type is referenced in the relevant sections of California Government Code.

INVESTMENT TYPE	MAXIMUM % of PORTFOLIO	MAXIMUM MATURITY	MAXIMUM % of ISSUE	OTHER RESTRICTIONS
Commercial paper	40%	270 days or less	10% Aggregate	No more than 10 % of the local agency's money may be invested in the commercial paper of any single issuer.
Negotiable Certificates of Deposit ($5 billion minimum assets)	30%	5 years	10% Aggregate	
Repurchase Agreements secured by U.S. Treasury or agency obligation (102% collateral)	100%	1 year	See limitations for Treasuries and Agencies above	Generally limited to Wells Fargo Bank, Bank of America or other institutions with whom the County treasury has executed tri-party agreements. Collateral will be held by a third party to the transaction that may include the trust department of particular banks. Collateral will be only securities that comply with Government Code
Reverse Repurchase Agreements and Securities Lending Agreements	20%	92 days	See limitations for Treasuries and Agencies above	
Corporate bonds, Medium Term Notes & Covered	30%	5 years	10% Aggregate	No more than 10 % of the local agency's money may be invested in the medium-term notes of any single issuer.
Shares of beneficial interest issued by diversified mgt. companies	20%	N/A	10% Aggregate	
Moneys held by a trustee or fiscal agent	20%	N/A		
Collateralized Notes, Bonds, Time Deposits, or other obligations	15%	5 years	5% Aggregate	Collateralized by the eligible securities at a percentage specified in Government Code
Mrtg Backed Securities/CMO's: Asset Backed Securities	20% 20%	5 Years 5 Years	5% Aggregate	<u>No</u> Inverse Floaters <u>No</u> Range Notes <u>No</u> Interest only strips derived from a pool of mortgages
Joint Powers Authority (JPA)	As limited by JPA	N/A	As limited by JPA	
Supranational obligations	30%	5 Years	100%	Rated "AA" or better by an NRSRO
Local Agency Investment Fund (LAIF)	As Limited by LAIF	N/A	As limited by LAIF	

13.0 EXTERNALLY MANAGED INVESTMENT POOLS, MUTUAL FUNDS AND SEPARATE ACCOUNTS

The County Treasurer may invest a portion of the investment pool assets in investment pools, mutual funds, and separate account investment funds managed by the external investment managers. A thorough due diligence shall be conducted on the external investment managers and the pool/funds prior to investing, and on a continual basis.

14.0 PORTFOLIO MANAGEMENT ACTIVITY

14.1 Passive Portfolio Management:

(See Section 6.0., General Strategy)

14.2 Purchase of Investment Securities:

Investment Securities will be purchased in the most cost effective and efficient manner by using a competitive bidding process. However, the investment securities may or may not carry the highest coupon or yield at the time of purchase after taking into consideration the various limitations of the Investment Policy and risks.

ESG investments may be considered so long as such investments achieve equivalent safety, liquidity, and yield compared to other investment opportunities.

14.3 Reviewing and Monitoring of the Portfolio:

The portfolio is closely monitored on a regular basis for compliance purposes. Both monthly and quarterly reports will review portfolio investments to ensure they are kept track of in a timely manner. The reports will also monitor the County Treasurer's investment practices and the results of such practices.

14.4 Portfolio Adjustments:

Certain actions may be taken if the portfolio becomes out of compliance. For instance, should a concentration limitation be exceeded due to an incident such as a fluctuation in portfolio size, the affected securities may be held to maturity to avoid losses; however, the County Treasurer may choose to rebalance the portfolio earlier to bring it back into compliance if the portfolio will not suffer any losses for selling the investment prior to maturity.

14.5 Performance Standards:

The investment portfolio will be managed in accordance with the parameters specified within this Policy. The portfolio should obtain a market average rate of return during a market/economic environment of stable interest rates. A series of appropriate benchmarks, such as 6-month US Treasury Bill, Fed Funds Rates Index, may be referenced for comparison purposes. However, the benchmarks may change as appropriate based on the duration of the investment pool and/or cash flow requirements.

15.0 REPORTING

15.1 Methodology: The County Treasurer shall prepare an investment report at least quarterly, including a management summary that provides an analysis of the status of the current investment portfolio and transactions made over the last quarter. This management summary will be prepared in a manner which will allow the County Treasurer to ascertain whether investment activities during the reporting period have conformed to the investment policy. The report shall be provided to the Chief Administrative Officer, the County Auditor, the Board of Supervisors, Treasury Oversight Committee and any pool participants [Government Code 27133(e), and 53646(b)]. The report will include the following:

1. The type of investment, issuer, date of maturity, par and dollar amount invested on all securities, investments and money held by the County Treasurer.
2. A description of any of the local agency's funds, investments, or programs that are under the management of contracted parties, including lending programs.
3. A current market value as of the date of the report of all securities held by the local agency, and under management of any outside party that is not also a local agency or the State of California Local Agency Investment Fund, and the source of this same valuation.
4. A statement that the portfolio is in compliance with the investment policy, or the manner in which the portfolio is not in compliance.
5. A statement denoting the ability of the County Treasurer to meet its pool's expenditure requirements for the next six months, or an explanation as to why sufficient money may not be available.
6. Listing of individual securities by type and maturity date held at the end of the reporting period.
    - **A.** PLEDGE REPORT: Any securities that are pledged or loaned for any purpose shall be reported in the Quarterly Investment Report. The transaction details will be provided, including purpose, beginning and termination dates and all parties to the contract.

The security descriptions as to type, name, maturity date, coupon rate, CUSIP and other material information will be included.

B. REVERSE REPURCHASE AGREEMENTS REPORT: All reverse repurchase agreements entered into, whether active or inactive by the end of each quarter, shall be reported in the Treasurer's Quarterly Investment Report.

7. Realized and unrealized gains or losses resulting from appreciation or depreciation by listing the cost and market value of securities over one-year duration that are not intended to be held until maturity.

8. Average maturity and duration of portfolio on investments as well as the yield to maturity of the portfolio as compared to applicable benchmarks.

9. Percentage of the total portfolio which each type of investment represents.

10. Whatever additional information or data may be required by the legislative body of the local agency.

15.2 **Marking to Market:** The market value of the portfolio shall be calculated at least quarterly and a statement of the market value of the portfolio shall be issued at least quarterly. This will ensure that a review of the investment portfolio, in terms of value and price volatility, has been performed on a regular basis.

16.0 COMPENSATION

In accordance with Government Code §§27013 and 53684, the County Treasurer will charge all pool participants for administrative and overhead costs. Costs include, but are not limited to, employee salaries and benefits, portfolio management, bank and custodial fees, software maintenance fees and other indirect costs incurred from handling and managing funds. In addition, when applicable, the costs associated with the Treasury Oversight provisions of Government Code §§ 27130-27137 shall be included as administrative costs. Costs will be deducted from interest earnings on the pool prior to apportioning and payment of interest. The County Treasurer shall annually prepare a proposed budget providing a detailed itemization of all estimated costs which comprise the administrative fee charged in accordance with Government Code §27013. The administrative fee will be subject to change. Fees will be deducted from interest earnings.

16.1 **Deduction of Costs:** At the discretion of the County Treasurer, the County Treasurer may deduct actual administrative costs and may make any adjustments from the interest earnings and apportions the remaining earnings to all participants based on the positive average daily balance (Government Code 53684(b)).

16.2 **Directed Investments Costs:** At the discretion of the County Treasurer, the County Treasurer may deduct from interest earnings the actual administrative costs of such directed investments (Government Code §27013).

17.0 CALCULATING AND APPORTIONING POOL EARNINGS

The Investment Pool Fund is comprised of monies from multiple units of the County, agencies, school districts and special districts. Each entity has unique cash flow demands, which dictate the type of investments the Treasurer's Office may purchase. To ensure parity among the pool members when apportioning interest earnings, the following procedures have been developed:

1. Interest is apportioned on at least a quarterly basis in accordance with Government Code §53684.

2. Interest is apportioned to pool participants based on the participant's average daily fund balance and the total average daily balance of deposits in the investment pool.

3. Interest is calculated on a cash basis for all investments in the County Treasurer's investment pool and reported to the Auditor-Controller for distribution into the funds of the participants.

4. Interest earned on the directed investments is credited to pool participants on a cash basis. Administrative costs are determined annually by the County Treasurer based on actual administrative and overhead costs incurred in the previous year.

5. The negative average daily fund balance will be charged interest at the rate of interest that is being apportioned.

18.0 DEPOSITS AND WITHDRAWALS IN THE TREASURY

18.1 Deposit by Voluntary Participants

Following are the terms and conditions for depositing funds for investment purposes by voluntary participants, i.e. entities that are not legally required to deposit their funds in the County Treasury.

18.1.a Resolution by the County Board of Supervisors authorizing the acceptance of outside participants by the County Treasury.

18.1.b Resolution by the legislative or governing body of the local agency (voluntary participant) authorizing the investment of funds pursuant to Government Code 53684.

18.1.c Treasury investments will be directed transactions. For each transaction, The local agency (voluntary participant) must indicate the fund source, the amount to be invested and the duration of the investment.

18.2 Withdrawal Request

The Treasurer's Office has established the Withdrawal of Funds Policy for all Treasury Investment Pool participants who seek to withdraw funds from the County Treasury Investment Pool for various purposes. In accordance with California State Government Code Section 27136, all participants having funds on deposit in the Pool and seeking to withdraw their funds, shall first submit a formal written request to the County Treasurer. The County Treasurer shall evaluate the withdrawal proposals of all Pool participants upon receipt of the written requests. The evaluation process may take up to 30 days. The County Treasurer reserves the right to reject any request for withdrawal if it is in the Treasurer's opinion after thorough evaluation, that the withdrawal will violate applicable laws and/or governing documents, compromise Treasurer's fiduciary responsibility, adversely impact the stability of the Pool, or harm the interests of any Pool Participant. Such rejection shall prevent the withdrawal of the funds.

Typically, participants make withdrawals for the following two reasons: a) regular operations and b) investing or depositing funds outside the Pool in accordance with California State Government Code Section 27136 (a). The County Treasurer seeks to honor all written withdrawal requests for regular operating purposes that are approved by the County Auditor-Controller's Office in a timely fashion. However, the County Treasurer recognizes that occasionally the Pool participants may request large amounts in withdrawals to cover unexpected operational needs. To accommodate such withdrawals and allow for adequate time for adjustments to the liquidity position of the Pool, the County Treasurer expects all Pool Participants to submit their written requests within the following timeframes:

i) Withdrawals of Up to $1 million – prior to 8:00 a.m. for same day disbursement

ii) Withdrawals of between $1 million to $10 million – 1 business day in advance of disbursement

iii) Withdrawals of more than $10 million – 3 business day in advance of disbursement

Withdrawals of investment deposits from the County Treasury Investment Pool by any Pool participant shall coincide with investment maturities and/or authorized sale of securities by authorized personnel of the Pool Participant. Except for funds in the California State Local Agency Investment Fund, a five-business-days notification may be required when authorized sale of securities is involved. In the event that the Treasurer must liquidate investments in order to honor the withdrawal request, the Participant who requests the withdrawal shall be subject to all expenses associated with the liquidation, including, but not limited to loss of principal and interest income, withdrawal penalties, and associated fees.

To maintain full fiduciary responsibility for investment and administration of the Pool, the County Treasurer shall NOT permit statutory participants to withdraw funds from and subsequently deposit the funds outside the Pool for the purpose of investments without prior approval of the County Treasurer. As permitted by the Government Code Section 53635, upon request the County Treasurer may enter into an investment agreement with a third-party investment manager on behalf of statutory participants. However, the funds shall remain in the Pool during the entire agreement period under the care of the custodian bank retained by the County Treasurer.

Voluntary participants may withdraw funds from and subsequently deposit the funds outside the Pool for investment purposes upon the County Treasurer's approval. However, such withdrawals shall be made for the entire amount of the participant's funds deposited in the Pool. Upon completion of such withdrawals, the voluntary participants will no longer be able to participate in the Pool or receive further services from the County Treasurer's Office. NO partial withdrawals from the Pool for investment purposes are permitted.

Please refer to the Withdrawal of Funds Policy, which is maintained as a separate document, for detailed guidelines and procedures.

19.0 TEMPORARY BORROWING OF POOL FUNDS

Section 6 of Article XVI of the California Constitution provides in part that "the treasurer of any city, county, or city and county shall have power and the duty to make such temporary transfers from the funds in custody as may be necessary to provide funds for meeting the obligations incurred for maintenance purposes by city, county, city and county, district, or other political subdivision whose funds are in custody and are paid out solely through the treasurer's office."

The County Auditor-Controller and the County Treasurer shall make a temporary transfer of funds to the requesting agency, not to exceed 85% of the amount of money which will accrue to the agency during the fiscal year, provided that the amount of such transfer has been determined by the County Auditor-Controller to be transferable under the constitutional and statutory provisions cited in Article XVI and has been certified by the County Treasurer-Tax Collector to be available. Such temporary transfer of funds shall not be made prior to the first day of the fiscal year nor after the last Monday in April of the current fiscal year.

20.0 INVESTMENT OF BOND PROCEEDS

The County Treasurer shall invest bond proceeds using the standards of this Investment Policy. The bond proceeds will be invested in securities permitted by the bond documents. If the bond documents are silent, the bond proceeds will be invested in securities permitted by this Policy.

21.0 BUSINESS CONTINUITY PLAN

The Contra Costa County Treasurer's Business Continuity Plan includes critical phone numbers and addresses of key personnel as well as active bankers and brokers/dealers. Laptops, tablets, smart phones, and other equivalent electronic devices shall be issued to key personnel for communicating between staff, bank and brokers/dealers. Copies of the plan shall be distributed to the treasury staff: the Assistant County Treasurer, the Treasurer's Investment Officer, the Treasurer's Investment Operations Analyst, the Accountant, and the Accounting Technician. The treasury staff shall interact with one another by home phone, cell phone, or e-mail to decide an alternate location from which to conduct daily operations.

In the event treasury staff is unable to conduct normal business operations, the custodial bank will automatically sweep all uninvested cash into an interest-bearing account at the end of the business day. Until normal business operations have been restored, the limitations on the size of an individual issuer and the percentage restrictions by investment type would be allowed to exceed those approved in this investment policy.

22.0 POLICY CONSIDERATIONS

22.1 Exemption

Any investment currently held that does not meet the guidelines of this policy shall be exempted from the requirements of this policy. At maturity or liquidation, such monies shall be reinvested only as provided by this policy.

22.2 Amendments

This policy shall be reviewed on an annual basis. Any changes must be approved by the County Treasurer and any other appropriate authority.

APPROVED BROKERS

Alamo Capital
California Arbitrage Management Program
Daiwa Capital Markets America Inc.
Falcon Square Capital
JP Morgan Securities LLC
Mischler Financial Group
Moreton Capital Markets LLC
Public Financial Management, Incorporated
RBC Capital Markets, LLC
Stifel, Nicolaus & Company, Inc.
TD Securities (USA) LLCUBS Financial Services, Inc.
US Bancorp Advisors
Wells Fargo Securities

Note: The County Treasury will not be limited to the above list. Others will be included as long as all conditions for authorized brokers and/or dealers set forth in this policy are met. Additionally, deletions and additions are based on many factors including the quality of services provided by the broker/dealers. The County Treasury reserves the right to delete an Approved Broker without cause and without prior notice.

APPROVED ISSUERS

American Honda Finance
Apple Inc
Australia & New Zealand Banking Group
Bank of America
Bank of Montreal
Bank of Nova Scotia
Berkshire Hathaway
BNP Paribas
Cisco Systems Inc
Citigroup
Coca-Cola Co.
Commonwealth of Bank of Australia
Credit Agricole SA
Deere & Company
Deutsche Bank Financial LLC
Prudential
General Electric Co
General Electric Capital Corp
HSBC Bank USA
Intel Corp
JP Morgan Chase & Co
John Deere Capital Corporation
Johnson & Johnson
Koch Industries, Inc.
McDonald’s Corporation
MicroSoft Corp
MUFG Bank
National Australia Bank
Nestle Capital Corp
Nordea Bank AB
Oracle Corp
Pepsico Inc
PNC Bank NA
Procter & Gamble Co
Rabobank Nederland New York
Royal Bank of Canada
Societe Generale NA
Standard Chartered Bank
State Street Bank and Trust Co
Svenska Handelsbanken AB
Toronto-Dominion Bank
Toyota Motor Credit Corp
UBS Financial
U.S. Bancorp
Walmart
Walt Disney Company
Wells Fargo Bank
Westpac Banking Corp
Westamerica Bank

Note: The County Treasury may or may not invest in the Approved Issuers and will not be limited to the above list in making investments. Other issuers may be considered as the County Treasury performs additional due diligence on each investment decision. The list does not reflect the actual portfolio holdings managed by the County Treasury.

APPROVED PRIMARY DEALERS

ASL Capital Markets Inc.
Bank of Montreal, Chicago Branch
Bank of Nova Scotia, New York Agency
BNP Paribas Securities Corp.
Barclays Capital Inc.
BofA Securities, Inc.
Cantor Fitzgerald & Co.
Citigroup Global Markets, Inc.
Daiwa Capital Markets America Inc.
Deutsche Bank Securities Inc.
Goldman, Sachs & Co. LLC
HSBC Securities (USA) Inc.
Jefferies LLC
J.P. Morgan Securities Inc.
Mizuho Securities USA Inc.
Morgan Stanley & Co. LLC
NatWest Markets Securities Inc.
Nomura Securities International, Inc.
RBC Capital Markets, LLC
Santander US Capital Markets LLC
Societe Generale, New York Branch
TD Securities (USA) LLC
UBS Securities LLC.
Wells Fargo Securities, LLC

Note: The above list consists of primary dealers that serve as trading counterparties of the Federal Reserve Bank of New York in its implementation of monetary policy. These primary dealers are required to participate in all auctions of U.S. government debt. Treasury Staff will perform additional due diligence on each investment decision, and hence, may or may not use the primary dealers listed above.

CONFLICT OF INTEREST CODE

For the

TREASURER-TAX COLLECTOR'S OFFICE

This Conflict of Interest Code is promulgated under the authority of the Political Reform Act, Government Code §81000, et seq., which requires all state and local government agencies to adopt and promulgate conflict of interest codes. Section 18730 of Title 2, Division 6 of the California Code of Regulations, as adopted by the Fair Political Practices Commission (FPPC) contains the terms of a standard conflict of interest code, which may be incorporated by reference and may be amended by the FPPC after public note and hearings to conform to amendments in the Political Reform Act.

Therefore, the terms of Section 18730 of Title 2, Division 6 of the California Code of Regulations and any amendments to it duly adopted by the FPPC are hereby incorporated by reference and, along with the below stated Disclosure Categories, constitute the Conflict of Interest Code of the Treasurer-Tax Collector's Office of Contra Costa County.

Employees in the designated positions below shall file a Statement of Economic Interest (Form 700) with the Executive Secretary, designated as the filing officer, who will make the statements available for public inspection and reproduction. (California Government Code §81008) Upon receipt of the statements for the Treasurer-Tax Collector and positions that manage public investments, the Filing Officer will make and retain copies and forward the originals to the Contra Costa County Clerk-Recorder- Elections Department. (Government Code § 87500)

DESIGNATED POSITIONS

CLASS/JOB CODE TITLE	ASSIGNED CATEGORY
County Treasurer-Tax Collector*	1
Assistant County Treasurer	1
Treasurer's Investment Officer*	1
Treasurer' Investment Operations Analyst	1
Assistant County Tax-Collector	1
Tax Operations Supervisor	1
Executive Secretary – Exempt	2
Treasurer Oversight Committee members	2
Consultants**	1

* Pursuant to Government Code section 87314, the individuals occupying these designated positions are required to file a Form 700-Statement of Economic Interests as a public official who manages public investments within the meaning of Government Code Section 87200.

** The Treasurer-Tax Collector will determine in writing whether a consultant is hired to perform a range of duties that requires the consultant to comply with the disclosure requirements. The written determination is a public record and the Filing Officer will retain the determination for public inspection.

DISCLOSURE CATEGORIES

General Rule

An investment, interest in real property, or income is reportable if the business entity in which the investment is held, the interest in real property, or the income or source of income may foreseeably be affected materially by any decision made or participated in by the designated employee by virtue of the employee's position.

1. Designated Employees in Category "1" must report:

    a. All investments, interests in real property, and income, and any business entity in which the employee is a director, officer, partner, trustee, employee, or hold any position in management. Financial interests are reportable only if located within Contra Costa County or if the business entity is doing business or planning to do business in the County (and such plans are known by the designated employee) or has done business within the County at any time during the two years prior to the filing of the statement.

    b. Investments in any business entity, and income from any source and status as a director, officer, partner, trustee, employee, or hold of a position of management in any business entity, which has within the last two years contracted or foreseeably may contract with Contra Costa County, or with any special district or other public agency within the County, to provide services, supplies, materials, machinery or equipment to such County, district, or public agency.

2. Designated Employees in Category "2" must report:

    Investments in any business entity, income from any source and status as a director, officer, partner, trustee, employee or holder of a position of management in any business entity, which has within the last two years contracted, or foreseeably may contract, with Contra Costa County to provide services, supplies, materials, machinery or equipment to the Office the Treasurer-Tax Collector.

GLOSSARY OF TERMS

ACCRUED INTEREST The accumulated interest due on a bond as of the last interest payment made by the issuer.

AGENCY A debt security issued by a federal or federally sponsored agency. Federal agencies are backed by the full faith and credit of the U.S. Government. Federally sponsored agencies (FSAs) are backed by each particular agency with a market perception that there is an implicit government guarantee. An example of federal agency is the Government National mortgage Association (GNMA). An example of a FSA is the Federal National Mortgage Association (FNMA).

AMORTIZATION The systematic reduction of the amount owed on a debt issue through periodic payments of principal.

AVERAGE LIFE The average length of time that an issue of serial bonds and/or term bonds with a mandatory sinking fund feature is expected to be outstanding.

BANKERS ACCEPTANCES A time bill of exchange drawn on and accepted by a commercial bank to finance the exchange of goods. When a bank "accepts" such a bill, the time draft becomes, in effect, a predated, certified check payable to the bearer at some future specified date. The commercial bank assumes primary liability once the draft is accepted.

BASIS POINT A unit of measurement used in the valuation of fixed-income securities equal to 1/100 of one percent of yield. For example, if interest rates increase from 8.25% to 8.50%, the difference is referred to as a 25-basis-point increase.

BENCHMARK A comparative base for measuring the performance or risk tolerance of the investment portfolio. A benchmark should represent a close correlation to the level of risk and the average duration of the portfolio's investment.

BID The indicated price at which a buyer is willing to purchase a security or commodity.

BLUE SKY LAWS Common term for state securities law, which vary from state to state. Generally refers to provision related to prohibitions against fraud, dealer and broker regulations and securities registration.

BOND A bond is essentially a loan made by an investor to a division of the government, a government agency or a corporation. The bond is a promissory note to repay the loan in full at the end of a fixed time period. The date on which the principal must be repaid is called the maturity date or maturity. In addition, the issuer of the bond, that is the agency or corporation receiving the loan proceeds and issuing the promissory note, agrees to make regular payments of interest at a rate initially stated on the bond. Bonds are rated according to many factors, including cost, degree of risk and rate of income.

BOOK VALUE Refers to value of a held security as carried in the records of an investor. May differ from current market value of the security.

BROKER/DEALER Any person engaged in the business of effecting transaction in securities in this state for the account of others or for her/his own account. Broker/dealer also includes a person engaged in the regular business of issuing or guaranteeing options with regard to securities not of her/his own issue.

CALLABLE BOND A bond issue in which all or part of its outstanding principal amount may be redeemed before maturity by the issuer under specified conditions.

CALL PRICE The price at which an issuer may redeem a bond prior to maturity. The price is usually at a slight premium to the bond's original issue price to compensate the holder for the loss of income and ownership.

CALL RISK The risk to the bondholder that a bond may be redeemed prior to maturity.

CASH SALE/PURCHASE A transaction which calls for delivery and payment of securities on the same day that the transaction is initiated.

CERTIFICATES OF DEPOSIT (CD) Certificates issued against funds deposited in a commercial bank for a definite period of time and earning a specified rate of return. They are issued in two forms, negotiable and non-negotiable.

CLEAN UP CALL An action of a debt instrument issuer requiring early redemption of the instrument to reduce its own administrative expenses. This normally occurs when the principal outstanding is significantly reduced to a small amount, e.g., less than 10% of the original issue.

COLLATERALIZATION Process by which a borrower pledges securities, property, or other deposits for the purpose of securing the repayment of a loan and/or security.

COMMERCIAL PAPER Short-term, unsecured promissory notes issued in either registered or bearer form and usually backed by a line of credit with a bank. Maturities do not exceed 270 days and generally average 30-45 days.

CONVEXITY A measure of a bond's price sensitivity to changing interest rates. A high convexity indicates greater sensitivity of a bond's price to interest rate changes.

COUPON RATE The annual rate of interest received by an investor from the issuer of certain types of fixed-income securities. Also known as the "interest rate."

CREDIT QUALITY The measurement of the financial strength of a bond issuer. This measurement helps an investor to understand an issuer's ability to make timely interest payments and repay the loan principal upon maturity. Generally, the higher the credit quality of a bond issuer, the lower the interest rate paid by the issuer because the risk of default is lower. Credit quality ratings are provided by nationally recognized rating agencies.

CREDIT RISK The risk to an investor that an issuer will default in the payment of interest and/or principal on a security.

CURRENT YIELD (CURRENT RETURN) A yield calculation determined by dividing the annual interest received on a security by the current market price of that security.

CUSIP NUMBERS CUSIP is an acronym for Committee on Uniform Security Identification Procedures. CUSIP numbers are identification numbers assigned each maturity of a security issue and usually printed on the face of each individual security in the issue. The CUSIP numbers are intended to facilitate identification and clearance of securities.

DELIVERY VERSUS PAYMENT (DVP) A type of securities transaction in which the purchaser pays for the securities when they are delivered either to the purchaser or his/her custodian.

DERIVATIVE SECURITY Financial instrument created from, or whose value depends upon, one or more underlying assets or indexes of asset values.

DISCOUNT The amount by which the par value of a security exceeds the price paid for the security.

DIVERSIFICATION A process of investing assets among a range of security types by sector, maturity, and quality rating.

DURATION A measure of the timing of the cash flows, such as the interest payments and the principal repayment, to be received from a given fixed-income security. This calculation is based on three variables: term to maturity, coupon rate, and yield to maturity. The duration of a security is a useful indicator of its price volatility for given changes in interest rates.

EARNINGS APPORTIONMENT The quarterly interest distribution of the Pool Participants where the actual investment costs incurred by the Treasurer are deducted from the interest earnings of the Pool.

ESG INVESTING Also known as “socially responsible investing,” “impact investing,” and “sustainable investing” refers to investing which prioritizes optimal environmental, social, and governance (ESG) factors or outcomes.

FAIR VALUE The amount at which an investment could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

FEDERAL FUNDS (FED FUNDS) Funds placed in Federal Reserve banks by depository institutions in excess of current reserve requirements. These depository institutions may lend fed funds to each other overnight or on a longer basis. They may also transfer funds among each other on a same-day basis through the Federal Reserve banking system. Fed funds are considered to be immediately available funds.

FEDERAL FUNDS RATE Interest rate charged by one institution lending federal funds to the other.

FEDERAL OPEN MARKET COMMITTEE (FOMC) This committee sets Federal Reserve guidelines regarding purchases and sales of government securities in the open market as a means of influencing the volume of bank credit and money.

FIDUCIARY An individual who holds something in trust for another and bears liability for its safekeeping.

FINANCIAL INDUSTRY REGULATORY AUTHORITY (FINRA) FINRA is an independent, nongovernmental organization that writes and enforces the rules governing registered brokers and broker-dealer firms in the United States. Its stated mission is “to safeguard the investing public against fraud and bad practices.” FINRA regulates the trading of equities, corporate bonds, securities futures, and options.

Unless a firm is regulated by a different self-regulatory organization, it is required to be a FINRA member firm to do business.

FLOATING RATE NOTE A debt security whose interest rate is reset periodically (monthly, quarterly, annually) and is based on a market index (e.g., Treasury bills, LIBOR, etc.).

FUTURES Commodities and other investments sold to be delivered at a future date.

GOVERNMENT SECURITIES An obligation of the U.S. government, backed by the full faith and credit of the government. These securities are regarded as the highest quality of investment securities available in the U.S. securities market. *See* "Treasury Bills, Notes and Bonds."

INTEREST RATE *See* "Coupon Rate."

INTERNAL CONTROLS An internal control structure is designed to ensure that the assets of the Treasurer's Investment Pool are protected from loss, theft, or misuse, and to provide reasonable assurance that this objective is met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management.

Internal controls should address the following points:

1. Control of collusion—Collusion is a situation where two or more employees are working in conjunction to defraud their employer.
2. Separation of transaction authority from accounting and record keeping—By separating the person who authorizes or performs the transaction from the people who record or otherwise account for the transaction, a separation of duties is achieved.
3. Custodial safekeeping—Securities purchased from a bank or dealer including appropriate collateral (as defined by state law) shall be placed with an independent third party for custodial safekeeping.
4. Avoidance of physical delivery securities—Book-entry securities are much easier to transfer and account for since actual delivery of a document never takes place. Delivered securities must be properly safeguarded against loss or destruction. The potential for fraud and loss increases with physically delivered securities.
5. Clear delegation of authority to subordinate staff members—Subordinate staff members must have a clear understanding of their authority and responsibilities to avoid improper actions. Clear delegation of authority also preserves the internal control structure that is contingent on the various staff positions and their respective responsibilities.
6. Written confirmation of transactions for investments and wire transfers—Due to the potential for error and improprieties arising from telephone and electronic transactions, all transactions should be supported by written communications and approved by the appropriate person. Written communications may be via fax if on letterhead and if the safekeeping institution has a list of authorized signatures.
7. Development of a wire transfer agreement with the lead bank and third-party custodian—The designated official should ensure that an agreement will be entered into and will address the following points: controls, security provisions, and responsibilities of each party making and receiving wire transfers.

INVERSE FLOATERS An adjustable interest rate note keyed to various indices such as LIBOR, commercial paper, federal funds, treasuries and derivative structures. The defined interest rate formula is the opposite or inverse of these indices. Interest rates and pay dates may reset daily, weekly, monthly, quarterly, semi-annually or annually.

INVERTED YIELD CURVE A chart formation that illustrates long-term securities having lower yields than short-term securities. This configuration usually occurs during periods of high inflation coupled with low levels of confidence in the economy and a restrictive monetary policy.

INVESTMENT COMPANY ACT OF 1940 Federal legislation which sets the standards by which investment companies, such as mutual funds, are regulated in the areas of advertising, promotion, performance reporting requirements, and securities valuations.

INVESTMENT POLICY A concise and clear statement of the objectives and parameters formulated by the investor or investment manager for a portfolio of investment securities.

INVESTMENT-GRADE OBLIGATIONS An investment instrument suitable for purchase by institutional investors under the prudent person rule. Investment-grade is restricted to those obligations rated BBB or higher by a rating agency.

LIQUIDITY Usually refers to the ability to convert assets (such as investments) into cash.

LOCAL AGENCY INVESTMENT FUND (LAIF) The State of California investment pool in which money of local agencies is pooled as a method for managing and investing local funds.

MAKE WHOLE CALL A type of call provision on a bond allowing the borrower to pay off remaining debt early. The borrower has to make a lump sum payment derived from a formula based on the net present value of future coupon payments that will not be paid because of the call.

MARK TO MARKET Valuing the inventory of held securities at its current market value.

MARKET RISK The risk that the value of a security will rise or decline as a result of changes in market conditions.

MARKET VALUE Price at which a security can be traded in the current market.

MASTER REPURCHASE AGREEMENT A written contract covering all future transactions between the parties to repurchase-reverse repurchase agreements that establishes each party's rights in the transaction. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller-borrower.

MATURITY The date upon which the principal of a security becomes due and payable to the holder.

MEDIUM-TERM NOTES (MTNS) Corporate debt obligations continuously offered in a broad range of maturities. MTNs were created to bridge the gap between commercial paper and corporate bonds. The key characteristic of MTNs is that they are issued on a continuous basis.

MONEY MARKET INSTRUMENTS Private and government obligations of one year or less.

MONEY MARKET MUTUAL FUNDS Mutual funds that invest solely in money market instruments (short-term debt instruments, such as Treasury bills, commercial paper, banker's acceptances, repos and federal funds).

MUTUAL FUND An investment company that pools money and can invest in a variety of securities, including fixed-income securities and money market instruments. Mutual funds are regulated by the Investment Company Act of 1940 and must abide by the following Securities and Exchange Commission (SEC) disclosure guidelines:

1. Report standardized performance calculations.
2. Disseminate timely and accurate information regarding the fund's holdings, performance, management and general investment policy.
3. Have the fund's investment policies and activities supervised by a board of trustees, which are independent of the adviser, administrator or other vendor of the fund.
4. Maintain the daily liquidity of the fund's shares.
5. Value their portfolios on a daily basis.
6. Have all individuals who sell SEC-registered products licensed with a self-regulating organization (SRO) such as the National Association of Securities Dealers (NASD).
7. Have an investment policy governed by a prospectus which is updated and filed by the SEC annually.

MUTUAL FUND STATISTICAL SERVICES Companies that track and rate mutual funds, e.g., IBC/Donoghue, Lipper Analytical Services and Morningstar.

NEGOTIABLE CERTIFICATES OF DEPOSIT May be sold by one holder to another prior to maturity. This is possible because the issuing bank agrees to pay the amount of the deposit plus interest earned to the bearer of the certificate at maturity.

NET ASSET VALUE The market value of one share of an investment company, such as a mutual fund. This figure is calculated by totaling a fund's assets which includes securities, cash, and any accrued earnings, subtracting this from the fund's liabilities and dividing this total by the number of shares outstanding. This is calculated once a day based on the closing price for each security in the fund's portfolio. (See below)

[(Total assets) – (Liabilities]/(Number of shares outstanding)

NO LOAD FUND A mutual fund which does not levy a sales charge on the purchase of its shares.

NOMINAL YIELD The stated rate of interest that a bond pays its current owner, based on par value of the security. It is also known as the "coupon," "coupon rate," or "interest rate."

NON-NEGOTIABLE CERTIFICATES OF DEPOSIT For public funds, these certificates are collateralized and are not money market instruments since they cannot be traded in the secondary market. They are issued on a fixed-maturity basis and often pay higher interest rates than are permissible on other savings or time-deposit accounts.

OFFER The price of a security at which a person is willing to sell.

OPTION A contract that provides the right, but not the obligation, to buy or to sell a specific amount of a specific security within a predetermined time period. A call option provides the right to buy the underlying security. A put option provides the right to sell the underlying security. The seller of the contracts is called the writer.

PAR Face value of principal value of a bond, typically $1,000 per bond.

PAR VALUE The stated or face value of a security expressed as a specific dollar amount marked on the face of the security; the amount of money due at maturity. Par value should not be confused with market value.

POSITIVE YIELD CURVE A chart formation that illustrates short-term securities having lower yields than long-term securities.

PREMIUM The amount by which the price paid for a security exceeds par value, generally representing the difference between the nominal interest rate and the actual or effective return to the investor.

PRIME RATE A preferred interest rate charged by commercial banks to their most creditworthy customers. Many interest rates are keyed to this rate.

PRINCIPAL The face value or par value of a debt instrument. Also may refer to the amount of capital invested in a given security.

PROSPECTUS A legal document that must be provided to any prospective purchaser of a new securities offering registered with the SEC. This can include information on the issuer, the issuer's business, the proposed use of proceeds, the experience of the issuer's management, and certain certified financial statements.

PRUDENT PERSON RULE An investment standard outlining the fiduciary responsibilities of public funds investors relating to investment practices.

RANGE NOTES A security whose rate of return is pegged to an index. The note defines the interest rate minimum or floor and the interest rate maximum or cap. An example of an index may be federal funds. The adjustable rate of interest is determined within the defined range of the funds.

RATE OF RETURN The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond and the current income return.

REINVESTMENT RISK The risk that a fixed-income investor will be unable to reinvest income proceeds from a security holding at the same rate of return currently generated by that holding.

REPURCHASE AGREEMENT OR RP OR REPO An agreement consisting of two simultaneous transactions whereby the investor purchases securities from a bank or dealer and the bank or dealer agrees to repurchase the securities at the same price on a certain future date. The interest rate on a RP is that which the dealer pays the investor for the use of his funds. Reverse repurchase agreements are the mirror image of the RPs when the bank or dealer purchases securities from the investor under an agreement to sell them back to the investor.

REVERSE REPURCHASE AGREEMENT (REVERSE REPO) An agreement of one party to sell securities at a specified price to a second party and a simultaneous agreement of the first party to repurchase the securities at a specified price or at a specified later date.

RULE 2A-7 OF THE INVESTMENT COMPANY ACT Applies to all money market mutual funds and mandates such funds to maintain certain standards, including a 13-month maturity limit and a 90-day average maturity on investments, to help maintain a constant net asset value of one dollar ($1.00).

SAFEKEEPING Holding of assets (e.g., securities) by a financial institution.

SECURITIES LENDING A transaction wherein the Treasurer's Pool transfers its securities to a broker/dealer or other entities for collateral which may be cash or securities and simultaneously agrees to return the collateral for the same securities in the future.

SERIAL BOND A bond issue, usually of a municipality, with various maturity dates scheduled at regular intervals until the entire issue is retired.

SETTLEMENT DATE The date used in price and interest computations, usually the date of delivery.

SINKING FUND Money accumulated on a regular basis in a separate custodial account that is used to redeem debt securities or preferred stock issues.

SLUGS An acronym for State and Local Government Series. SLUGS are special United States Government securities sold by the Secretary of the Treasury to states, municipalities and other local government bodies through individual subscription agreements. The interest rates and maturities of SLUGS are arranged to comply with arbitrage restrictions imposed under Section 103 of the Internal Revenue Code. SLUGS are most commonly used for deposit in escrow in connection with the issuance of refunding bonds.

STRIPS US Treasury acronym for "separate trading of registered interest and principal of securities." Certain registered Treasury securities can be divided into separate interest and principal components, which may then be traded as separate entities.

SUPRANATIONAL Supranational is an international organization, or union, whereby member states transcend national boundaries or interests to share in the decision-making and vote on issues pertaining to the wider grouping. Examples of supranational are International Bank for Reconstruction and Development, International Finance Corporation, European Union, and World Trade Organization.

SWAP Generally refers to an exchange of securities, with essentially the same par value, but may vary in coupon rate, type of instrument, name of issuer and number of days to maturity. The purpose of the SWAP may be to enhance yield, to shorten the maturity or any benefit deemed by the contracting parties.

TERM BONDS Bonds comprising a large part or all of a particular issue which come due in a single maturity. The issuer usually agrees to make periodic payments into a sinking fund for mandatory redemption of term bonds before maturity.

TOTAL RETURN The sum of all investment income plus changes in the capital value of the portfolio. For mutual funds, return on an investment is composed of share price appreciation plus any realized dividends or capital gains. This is calculated by taking the following components during a certain time period: (Price Appreciation) + (Dividends paid) + (Capital gains) = Total Return

TREASURY SECURITIES Debt obligations of the United States Government sold by the Treasury Department in the form of bills, notes and bonds:

1. **Bills** Short-term obligations that mature in one year or less and are sold at a discount in lieu of paying periodic interest.
2. **Notes** Interest-bearing obligations that mature between one year and 10 years.
3. **Bonds** Interest-bearing long-term obligations that generally mature in 10 years or more.

UNIFORM NET CAPITAL RULE SEC Rule 15C3-1 outlining capital requirements for brokers/dealers.

U.S. AGENCY OBLIGATIONS Federal agency or United States government-sponsored enterprise obligations, participants, or other instruments. The obligations are issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises.

U.S. TREASURY OBLIGATIONS Securities issued by the U.S. Treasury and backed by the full faith and credit of the United States. Treasuries are considered to have no credit risk and are the benchmark for interest rates on all other securities in the U.S. and overseas. The Treasury issues both discounted securities and fixed coupon notes and bonds.

VOLATILITY A degree of fluctuation in the price and valuation of securities.

"VOLATILITY RISK" RATING A rating system to clearly indicate the level of volatility and other non-credit risks associated with securities and certain bond funds. The ratings for bond funds range from those that have extremely low sensitivity to changing market conditions and offer the greatest stability of the returns ("S1+" by S&P) to those that are highly sensitive with currently identifiable market volatility risk ("S6" by S&P).

WEIGHTED AVERAGE MATURITY (WAM) The average maturity of all the securities that comprise a portfolio. According to SEC rule 2a-7, the WAM for SEC registered money market mutual funds may not exceed 90 days and no one security may have a maturity that exceeds 397 days.

WHEN ISSUED (WI) A conditional transaction in which an authorized new security has not been issued. All "when issued" transactions are settled when the actual security is issued.

YIELD The current rate of return on an investment security generally expressed as a percentage of the security's current price.

YIELD-TO-CALL (YTC) The rate of return an investor earns from a bond assuming the bond is redeemed (called) prior to its nominal maturity date.

YIELD CURVE A graphic representation that depicts the relationship at a given point in time between yields and maturity for bonds that are identical in every way except maturity. A normal yield curve may be alternatively referred to as a positive yield curve.

YIELD-TO-MATURITY The rate of return yielded by a debt security held to maturity when both interest payments and the investor's potential capital gain or loss are included in the calculation of return.

ZERO-COUPON SECURITY A security that makes no periodic interest payments but instead is sold at a discount from its face value.

CONTRA COSTA COUNTY

TREASURER'S QUARTERLY INVESTMENT REPORT

AS OF SEPTEMBER 30, 2024

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EXECUTIVE SUMMARY

- The Treasurer's investment portfolio is in compliance with Government Code 53600 et. seq..

- The Treasurer's investment portfolio is in compliance with the Treasurer's current investment policy.

- The Treasurer’s investment portfolio has no securities lending, reverse repurchase agreements or derivatives.

- As of 9/30/24, the fair value of the Treasurer’s investment portfolio was 99.86% of the cost. More than 74 percent of the portfolio or over $4.3 billion will mature in less than a year. Historical activities combined with future cash flow projections indicate that the County should be able to meet its cash flow needs for the next six months.

- Treasurer’s Investment Portfolio Characteristics

Par	$5,912,536,770.31
Cost	$5,886,282,551.30
Market Value[i]	$5,877,791,622.26
Weighted Yield to Maturity	4.47%
Weighted Average Days to Maturity	299 days
Weighted Duration	0.76 year

Notes:

1. All reporting information is unaudited but due diligence was utilized in its preparation. The information in this report may be updated and is subject to change without notice. Changes will be reflected in the next report.
2. There may be minor differences between the investment pool summary pages and the attached statements and exhibits from time to time. The variances are largely due to rounding errors, the timing difference in recording and/or posting transactions, interests, security values, etc.
3. All securities and amounts reported are denominated in U.S. Dollars.

[i] A rising rate market will produce unrealized losses in a fixed income portfolio. Mark-to-market losses in bond holdings are not realized losses, bonds are expected to mature at par. The opposite is true for a declining rate market.

CONTRA COSTA COUNTY INVESTMENT POOL
September 30, 2024

TYPE	PAR VALUE	COST	FAIR VALUE [5]	PERCENT OF TOTAL COST
A. Investments Managed by Treasurer's Office				
1. U.S. Treasuries (STRIPS, Bills, Notes)	$701,688,000.00	$693,964,316.81	$694,225,608.87	11.79%
2. U.S. Agencies				
Federal Home Loan Banks	915,450,000.00	910,956,622.51	906,651,186.30	15.48%
Federal National Mortgage Association	203,985,000.00	203,643,908.01	201,255,148.08	3.46%
Federal Farm Credit Banks	678,970,000.00	677,870,685.60	679,968,768.12	11.52%
Federal Home Loan Mortgage Corporation	265,000,000.00	264,733,186.94	263,501,480.00	4.50%
Subtotal	2,063,405,000.00	2,057,204,403.06	2,051,376,582.50	34.95%
3. Supranationals - International Government	523,000,000.00	521,653,990.23	519,947,631.00	8.86%
4. Money Market Instruments				
Commercial Paper	1,445,000,000.00	1,435,736,558.24	1,436,148,650.00	24.39%
Negotiable Certificates of Deposit	200,000,000.00	200,000,000.00	200,123,115.00	3.40%
Time Deposit	3,412.42	3,412.42	3,412.42	0.00%
Subtotal	1,645,003,412.42	1,635,739,970.66	1,636,275,177.42	27.79%
5. Corporate Notes	176,445,000.00	175,585,184.14	171,983,999.25	2.98%
TOTAL (Section A.)[1]	5,109,541,412.42	5,084,147,864.90	5,073,808,999.04	86.37%
B. Investments Managed by Outside Contractors				
1. PFM	82,689,577.04	82,309,348.81	83,387,453.48	1.40%
2. Local Agency Investment Fund (LAIF) [3]	225,446,290.06	225,446,290.06	225,446,290.06	3.83%
3. Allspring Global Investments	44,434,671.58	43,954,228.32	44,724,060.47 [2]	0.75%
4. CAMP[3]	338,370,670.81	338,370,670.81	338,370,670.81	5.75%
5. CalTRUST (Liquidity Fund)[3]	100,000,000.00	100,000,000.00	100,000,000.00	1.70%
6. US Bank (Federated Tax Free Cash Fund)[3]	17,250,155.72	17,250,155.72	17,250,155.72	0.29%
7. Other				
a. EBRCS Bond[3,6]	660,638.77	660,638.77	660,638.77	0.01%
TOTAL (Section B.)	808,852,003.98	807,991,332.49	809,839,269.31	13.73%
C. Cash[3,7]	(5,856,646.09)	(5,856,646.09)	(5,856,646.09)	-0.10%
[4]GRAND TOTAL (FOR A , B, & C)	$5,912,536,770.31	$5,886,282,551.30	$5,877,791,622.26	100.00%

Notes:

1. Excludes funds managed by PFM retained by Contra Costa School Insurance Group and Community College District.

2. Base Market Value plus Accrued Interest.

3. Par Value, Cost, and Fair Value reflect the account ending balance.

4. Does not include the Futuris Public Entity Trust of the Contra Costa Community College District Retirement Board of Authority.

5. A rising rate market will produce unrealized losses in a fixed income portfolio. Mark-to-market losses in bond holdings are not realized losses, bonds are expected to mature at par. The opposite is true for a declining rate market.

6. East Bay Regional Communications System Authority Revenue Bond 2011 Series B maturing on June 1st 2027.

7. Negative cash balance was due to timing difference in recording cash inflows and outflows. There was no bank account overdraft.

CONTRA COSTA COUNTY INVESTMENT POOL

September 30, 2024

CONTRA COSTA COUNTY INVESTMENT POOL - EARNING STATISTICS

	Fiscal Year To Date	Quarter To Date
Average Daily Balance ($)	6,118,189,199.60	6,118,189,199.60
Interest Earnings ($)[1]	70,114,319.89	70,114,319.89
Earned Income Yield	4.48%	4.48%

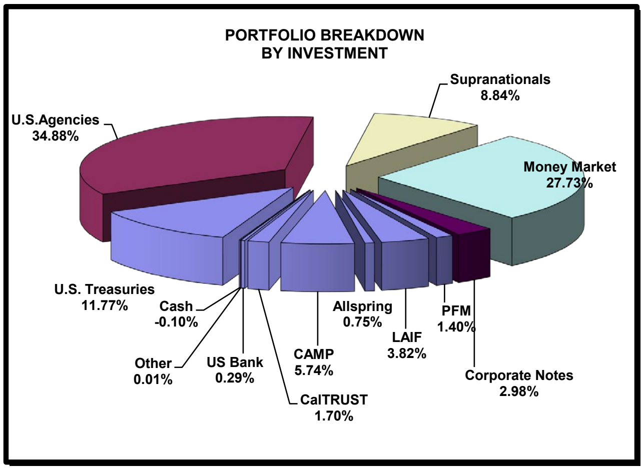
CONTRA COSTA COUNTY INVESTMENT POOL - PORTFOLIO STATISTICS

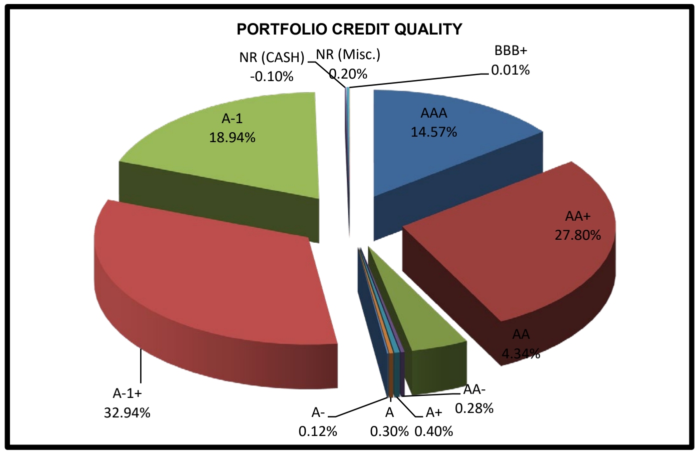
Investment Type	Par Value ($)	Fair Value ($)	YTM (%)		WAM (days)	Percentage of Portfolio
U.S. Treasury	701,688,000.00	694,225,608.87	4.94		91	11.81%
Agencies	2,063,405,000.00	2,051,376,582.50	3.90		543	34.90%
Commercial Paper	1,445,000,000.00	1,436,148,650.00	5.26		46	24.43%
NCD/YCD	200,000,000.00	200,123,115.00	5.32		53	3.40%
Corporate Notes	176,445,000.00	171,983,999.25	2.15		476	2.93%
Time Deposit	3,412.42	3,412.42	0.08		235	0.00%
Supranationals	523,000,000.00	519,947,631.00	3.65		658	8.85%
PFM	82,689,577.04	83,387,453.48	4.42		763	1.42%
LAIF	225,446,290.06	225,446,290.06	4.56	4	1	3.84%
CAMP	338,370,670.81	338,370,670.81	5.29	5	0	5.76%
CalTRUST (Liquidity)	100,000,000.00	100,000,000.00	5.39	6	0	1.70%
Allspring Global Investments	44,434,671.58	44,724,060.47	4.54		405	0.76%
US Bank (Federated Tax Free)	17,250,155.72	17,250,155.72	3.27		0	0.29%
Misc.[7]	660,638.77	660,638.77	N/A		N/A	0.01%
Cash	(5,856,646.09) [8]	(5,856,646.09)	1.65	2	0	-0.10%
Total Fund[3]	**5,912,536,770.31**	**5,877,791,622.26**	**4.47**		**299**	**100.00%**

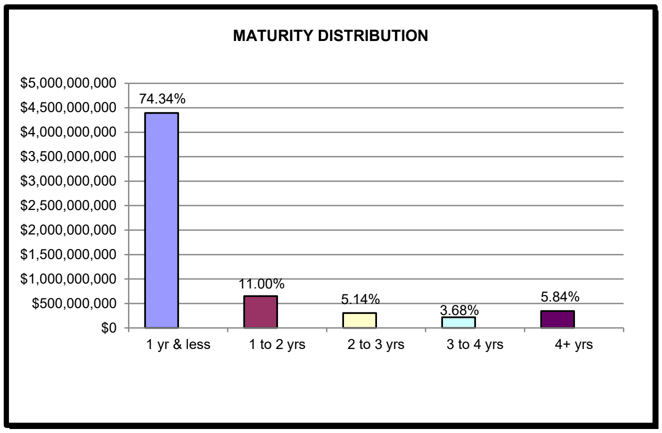
1. The sum of the investment interest earnings from the following portfolios: investment pool managed by Treasury Staff, PFM, CAMP, LAIF, CalTRUST, Allspring, and US Bank.
2. Average Earning Allowance of WFB for this quarter.
3. Excludes the Futuris Public Entity Trust of the CCCCD Retirment Board of Authority.
4. PMIA Quarter to Date yield.
5. Distribution Yield as of the quarter end.
6. 30 Day SEC Yield as of the quarter end.
7. East Bay Regional Communications System Authority.
8. Negative cash balance was due to timing difference in recording cash inflows and outflows. There was no bank account overdraft.

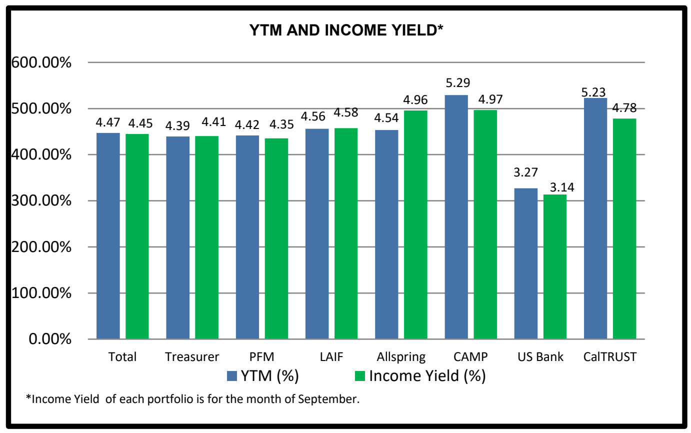
CONTRA COSTA COUNTY
INVESTMENT POOL
AT A GLANCE

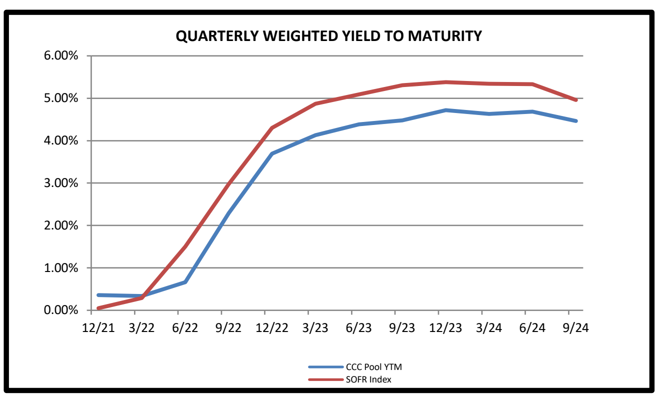
September 30, 2024

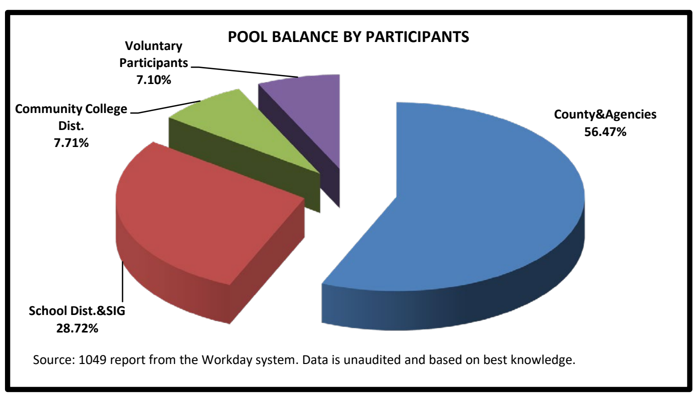










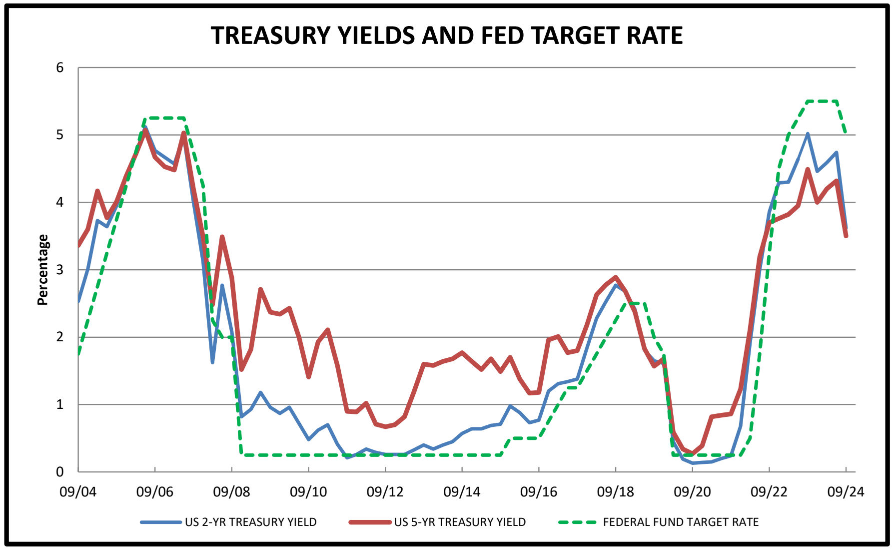


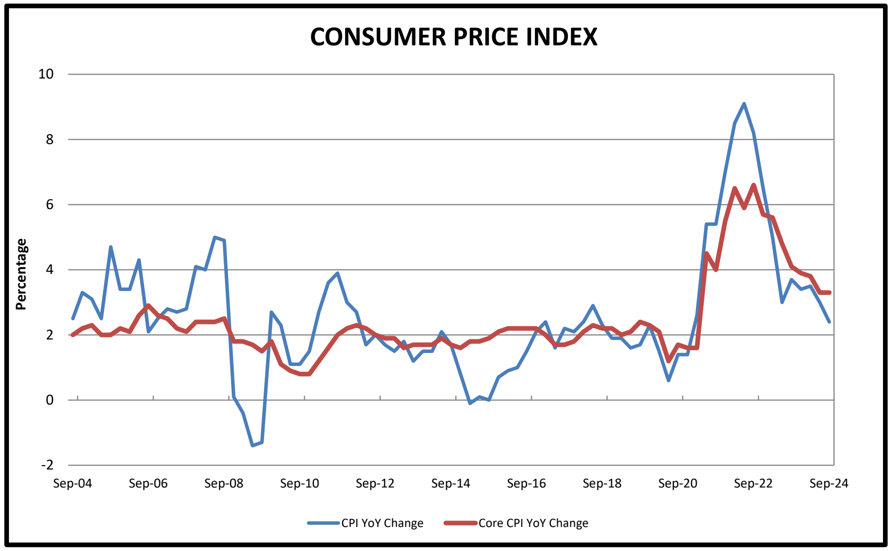
NOTES TO INVESTMENT PORTFOLIO SUMMARY AND AT A GLANCE:

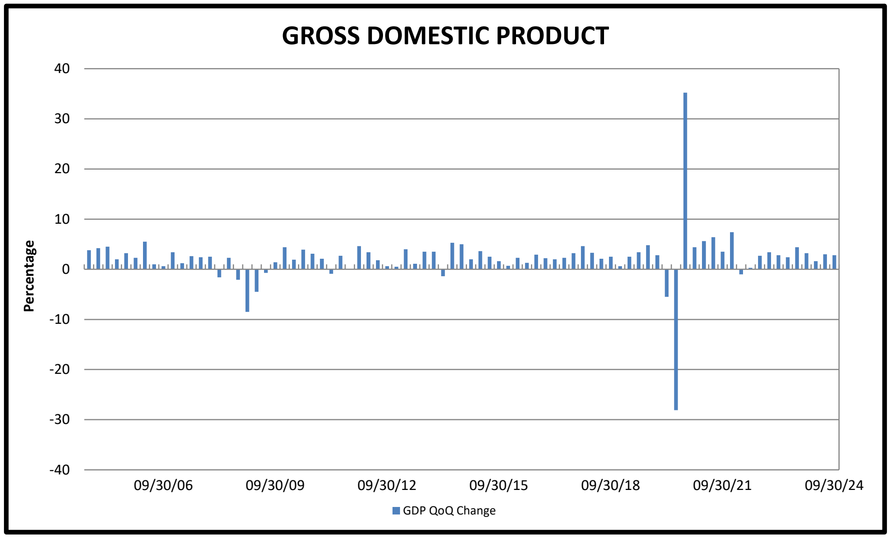
1. All report information is unaudited but due diligence was utilized in its preparation. The information in the entire report is obtained at time of preparation hence may be updated after publishing and is subject to change without notice. Changes will be reflected in the next report.
2. There may be slight differences between the portfolio summary/at a glace pages and the attached statements/exhibits from time to time. The variances are largely due to rounding, the timing difference in recording and/or posting transactions, inerestes, security values, etc.
3. All securities and amounts included in the portfolio are denominated in United States Dollars.
4. The Contra Costa County investment portfolio maintains Standard & Poor's highest credit quality rating of AAAf and lowest volatility of S1+. The portfolio consists of a large portion of short-term investments with credit rating of A-1/P-1 or better. The majority of the long-term investments in the portfolio are rated AA or better.
5. In accordance with Contra Costa County's Investment Policy, the Treasurer's Office has constructed a portfolio that safeguards the principal, meets the liquidity needs and achieves a return. As a result, more than 74% of the portfolio will mature in less than a year with a weighted average maturity of 299 days.

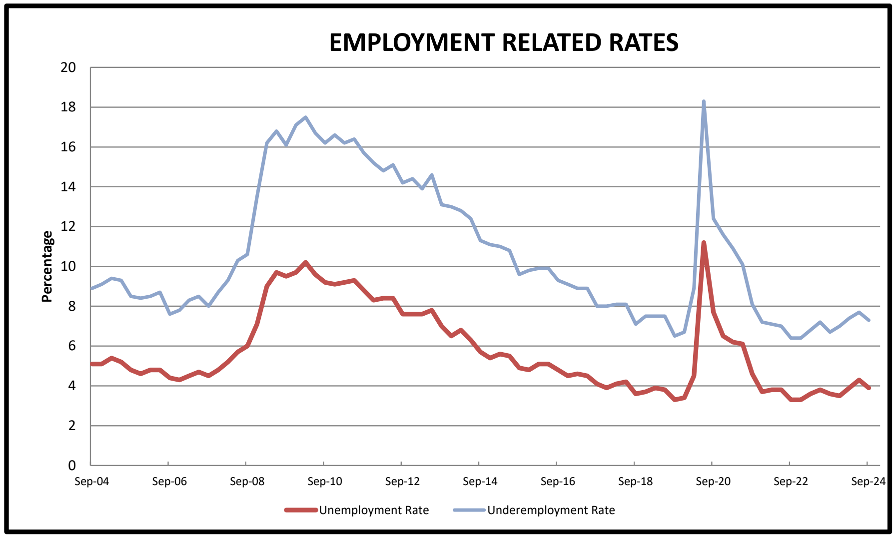
MAJOR MARKET AND ECONOMIC DATA

AS OF SEPTEMBER 30, 2024









Note:
All data provided by Bloomberg.

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APPENDIX H

SPECIMEN MUNICIPAL BOND INSURANCE POLICY