WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

MEASURE D GENERAL OBLIGATION BONDS

FOR THE YEAR ENDED
JUNE 30, 2004

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
MEASURE D GENERAL OBLIGATION BONDS
FOR THE YEAR ENDED
JUNE 30, 2004

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INDEPENDENT AUDITOR'S REPORT

The Honorable Members of the Board of Education
West Contra Costa Unified School District

We have audited the accompanying Schedules of the West Contra Costa Unified School District (the District) Measure D General Obligation Bonds (the Bonds), as of and for the year ended June 30, 2004, as listed in the Table of Contents. These Schedules are the responsibility of West Contra Costa Unified School District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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 of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Schedules of Assets and Liabilities and Revenue and Expenditures of the Bonds are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Schedules. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the Schedules referred to above present fairly, in all material respects, the transactions of Measure D General Obligation Bonds of the District as of and for the year ended June 30, 2004, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards,* we have also issued our report, dated November 21, 2004 on our consideration of the District's internal control over financial reporting and on our tests of the District's compliance with certain provisions of laws, regulations, contracts and grants, as they relate to the Schedules. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the Schedules of the West Contra Costa Unified School District, Measure D General Obligation Bonds. The Schedules on pages 8 through 19 of this report are presented for purposes of additional analysis. Such information has been subjected to the auditing procedures applied in the audit of the Schedules and, in our opinion, is fairly stated, in all material respects, in relation to the Schedules taken as a whole.

Thompson, Cobb, Bazilio & Associates, PC

Torrance, CA
November 21, 2004

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
SCHEDULE OF ASSETS AND LIABILITIES
AS OF JUNE 30, 2004

	2004
ASSETS	
Cash In County Treasury	$ 93,552,404
Cash with Fiscal Agent	100,921
Investments (Note 2)	16,529,502
Interest Receivable	52,376
Total Assets	112,089,707
LIABILITIES	
Accounts Payable (Note 3)	2,614,039
Due to Other Funds	13,794
Total Liabilities	2,627,833
EXCESS OF ASSETS OVER LIABILITIES	107,607,370

The accompanying notes are an integral part of this schedule.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
SCHEDULE OF REVENUES and EXPENDITURES
FOR THE YEAR ENDED
JUNE 30, 2004

	2004
REVENUES	
Other Local Revenue	$ 125
Interest	820,920
Total Revenues	821,045
EXPENDITURES	
Non-capitalized equipment and supplies	129,260
Professional services	557,490
Capital outlay	9,292,820
	-
Total Expenditures	9,979,570
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(9,158,525)
OTHER FINANCING SOURCES (USES)	
Proceeds from bond sales	100,000,000
Interfund Transfers Out (Note 4)	(13,794)
Total Other Financing Sources (Uses)	99,986,206
EXCESS (DEFICIENCY) OF REVENUE AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES	$ 90,827,681
FUND BALANCE JULY 1, 2003	16,779,689
FUND BALANCE JUNE 30, 2004	107,607,370

The accompanying notes are an integral part of this schedule.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the West Contra Costa Unified School District conform to accounting principles generally accepted in the United States of America as applicable to governments and to general practices within California school districts. 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 accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB). The following is a summary of the significant accounting policies:

A. Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of measurement made, regardless of the measurement focus applied.

The Schedules are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year-end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

B. Budgets and Budgetary Accounting

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all government funds. By state law, the District's governing board must adopt a final budget no later than July 1. A public hearing must be conducted to receive comments prior to adoption. The District's governing board satisfied these requirements.

The District's governing board and superintendent revise the budgets during the year to give consideration to unanticipated income and expenditures.

As a first step in developing the bond construction program, the District together with its Bond team consultants, completed an evaluation of all elementary and secondary schools in order to develop a recommended priority ranking of elementary, middle and high schools. This ranking was based on several factors including structural design and safety considerations. Based on this evaluation, Elementary and Secondary schools of the District were ranked in order of need on separate lists with the most needy schools being ranked highest. In addition, preliminary budgets were developed for each school based on the evaluation. These listings and preliminary budgets became the basis for the District's governing board and superintendent to authorize work to continue into design drawings for first five secondary campuses. Throughout this process, cost estimations were completed and budgets were revised. The budgets presented in this report are based on the most up to date information available. As milestones are reached in the design phase and as construction bids are approved, the individual school project budgets will be revised and presented to the governing board for their review and approval.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The District's construction program is not based solely on the proceeds from bonds. The District has other sources of revenue to fund some of the required expenditures. Budgets for the renovation of all schools are prepared and maintained together with all potential resources in order to keep track of the entire school renovation program, not just the sites being funded by currently available bond dollars. The supplementary information included in this report is based on the project based budget concept and therefore, presents the total project budget for all schools of the District together with all potential revenue sources rather than just the campuses being worked on at the present time.

Formal budgetary integration was employed as a management control device during the year for all budgeted funds. The District employs budget control by minor object and by individual appropriation accounts. Expenditures cannot legally exceed appropriations by major object account.

C. Accounting Estimates

The presentation of Schedules in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the Schedules and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

D. Encumbrances

Encumbrance accounting is used in all budgeted funds to reserve portions of applicable appropriations for which commitments have been made. Encumbrances are recorded for purchase orders, contracts, and other commitments when they are written. Encumbrances are liquidated when the commitments are paid. All encumbrances are liquidated as of June 30

INVESTMENTS

The District directs the County Treasurer to invest excess funds in the Local Agency Investment Fund (LAIF). The fund is an investment pool managed by the California State Treasurer. Monies in Measure D can be invested in any one or more investments generally permitted to school districts under the laws of the State including those authorized in the Resolution. The District has invested in Guaranteed Investment Contracts (GIC) with various financial institutions. The LAIF and GIC accounts are not subject to classification. Investments at June 30, 2004, are presented as follows:

	Carrying Amount	Fair Value
LAIF	$ -	$ -
GIC	16,529,502	16,529,502
TOTALS	$ 16,529,502	$ 16,529,502

ACCOUNTS PAYABLE

Accounts Payable is comprised of payments due to vendors of $ 2,614,039 at June 30, 2004.

INTERFUND TRANSFERS IN/OUT

Interfund Activities are reported as either loans and services provided, reimbursements or transfers. Interfund transfers consist of operating transfers from funds receiving resources to funds through which the resources are to be expended. Funds for issuance costs not expended during the bond sale must be transferred to the Bond Interest and Redemption Fund. The interfund transaction for June 30, 2004, is as follows.

	Transfer Out	Transfer In
Measure D Bond	$ 13,794	
Bond Interest to Redemption Fund	-	$ 13,794
Total	$ 13,794	$ 13,794

GENERAL OBLIGATION BOND ISSUES

The bonds are general obligations of the district, and Contra Costa County is obligated to levy ad valorem taxes for the payment of and interest on, the principal of the bonds. The Bond Interest and Redemption Fund is maintained by the County Treasurer and is used to account for both the accumulation of resources from ad valorem tax levies and the payment of interest and redemption of principal of the Bonds issued by the District.

In 2002, the District received authorization through Measure D from the March 5, 2002, election to issue up to $300,000,000 of bonds. The bonds are general obligations of the District and Contra Costa County is obligated to levy ad valorem taxes for the payment of the interest on and the principal of the bonds.

On June 13, 2002, the District issued $30,000,000 of Measure D, Series A bonds to fund the acquisition and construction, re-construction and modernization of school facilities. The interest rate ranges from 4.25% to 7%. The final maturity date is August 1, 2031.

On August 25, 2003, the District issued $100,000,000 of Measure D, Series B bonds to fund the acquisition, construction, re-construction and modernization of school facilities. The interest rate ranges from 4.1% to 5%. The final maturity date is August 1, 2032.

SUPPLEMENTAL INFORMATION

BOND AUTHORIZATION

By approval of the proposition for Measure D by at least 55% of the registered voters voting on the proposition, the West Contra Costa Unified School District was authorized to issue and sell bonds of up to $300,000,000 in aggregate principal amount to provide financing for the specific school facilities projects listed in the Bond Project List included in the measure.

BOND PROJECT LIST

The Bond Project List, which is an integral part of the proposition, lists the specific projects the District proposes to finance with proceeds of the bonds. Listed repairs, rehabilitation projects and upgrades will be completed as needed at individual campuses. Each project is assumed to include its share of costs of the election and bond issuance, architectural, engineering and similar planning costs, construction management and customary contingency for unforeseen design and construction costs. The final cost of each project will be determined as plans are finalized, construction bids are awarded and projects are completed. In addition, certain construction funds expected from non-bond sources, including State grant funds for eligible projects, have not yet been secured. Therefore, the Board of Education cannot guarantee that the bonds will provide sufficient funds to allow completion of all listed projects.

FURTHER SPECIFICATIONS

NO ADMINISTRATOR SALARIES

Proceeds from the sale of bonds authorized by this proposition shall be used only for the construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities or the acquisition or lease of real property for school facilities and not for any other purpose, including teacher and administrator salaries and other school operating expenses.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
SCHEDULE OF BUDGET TO ACCUMULATED
ACTUAL EXPENDITURES
FOR THE TWO YEARS ENDED
JUNE 30, 2004

	PROJECT BUDGET	EXPENDITURES TO DATE	VARIANCE	% OF BUDGET REMAINING
EXPENDITURES				
Non-Capitalized Equipment and Furniture	$ 3,951,394	$ 423,628	$ 2,527,766	63.97%
Services and Other Operating Expenses	7,305,565	938,374	6,367,191	87.15%
Buildings and Real Property Improvements	228,791,291	20,135,496	208,655,795	91.19%
Capitalized Equipment	1,003,309	361,477	641,832	63.97%
Interfund Transfers for Project Expenses	1,277,500	1,291,294	(13,794)	-1.07%
Total expenditures	$ 242,329,059	$ 24,150,269	$ 218,178,790	90.03%

Planned Revenue Sources:	
Measure D Bond Proceeds	300,000,000
State Facilities Apportionments	16,316,744
E-Rate Reimbursement	888,654
Deferred Maintenance Funding	1,200,000
Potential Joint Use Projects	3,000,000
Interest	6,000,000
Support Measure M Projects	(85,076,339)
Total Projected Funding	242,329,059
Additional Funding Required	$ -

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
SCHEDULE OF BUDGET AND ACCUMULATED ACTUAL
EXPENDITURE SUMMARY
FOR THE TWO YEARS ENDED JUNE 30, 2004

SCHOOL/PROJECT DESCRIPTION	PHASE	PROJECT BUDGET	EXPENDITURES TO DATE	% BUDGET REMAINING	% CONSTRUCTION COMPLETED TO DATE
Adams Middle	Phase 1B	$ 703,660	$ 428,581	$ 275,079	39.09%
Crespi Middle	Phase 2B	442,932	407,514	35,418	8.00%
De Anza High/Delta Nss	Phase 1A	3,038,265	2,997,554	40,711	1.34%
DeJean Middle	Phase 1A	1,806,513	1,774,321	32,192	1.78%
El Cerrito High	Phase 1A	97,438,124	2,974,376	94,463,748	96.95%
Gompers Continuation High	Phase 1B	690,073	456,511	233,562	33.85%
Harbour Way Community Day	Phase 2B	121,639	96,737	24,902	20.47%
Helms Middle	Phase 1A	52,988,931	1,728,204	51,260,727	96.74%
Hercules Middle/Hercules High	Phase 1B	3,005,205	3,353,285	(348,080)	-11.58%
Kennedy High/Kappa Nss	Phase 1B	1,338,623	917,550	421,073	31.46%
New Middle School	Phase 1B	0	0	0	
North Campus/Transition Learning Center	Phase 2B	287,870	290,356	(2,486)	-9.36%
Richmond High/Omega Nss	Phase 1B	1,064,136	833,306	230,830	21.69%
Pinole Middle	Phase 1A	37,201,182	1,270,739	35,930,443	96.58%
Pinole Valley High/Sigma Nss	Phase 2B	809,807	723,982	85,825	10.60%
Portola Middle	Phase 1A	35,413,113	1,284,963	34,128,150	96.37%
Vista High	Phase 2B	175,239	96,221	(79,018)	-158.09%
Ellerhorst Elementary	n/a	0	301,424	(301,424)	-100.00%
Operational Support Services	ALL	5,803,747	4,214,645	1,589,102	27.38%
Totals		$ 42,329,059	$ 24,150,269	$ 218,178,790	90.03%

Planned Revenue Sources:	
Measure D Bond Proceeds	300,000,000
State Facilities Apportionments	16,316,744
E-Rate Reimbursement	888,654
Deferred Maintenance Funding	1,200,000
Potential Joint Use Projects	3,000,000
Interest	6,000,000
Support Measure M Projects	(85,076,339)
Total Projected Funding	242,329,059
Additional Funding Required	$ -

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
SCHEDULE OF BUDGET AND ACCUMULATED ACTUAL
EXPENDITURE DETAIL
FOR THE YEAR ENDED JUNE 30, 2004

SITE # 202 - ADAMS MIDDLE

	PROJECT BUDGET	EXPENDITURES TO DATE	VARIANCE	% OF BUDGET REMAINING
Construction	$ 271,954	$ 27,241	$ 44,713	89.98%
Architect Fees	302,309	7,450	294,859	97.54%
Preliminary Tests	0		0	
Inspection Services	0		0	
DSA/CDE Plan Check Fees	0		0	
Site Surveys	0		0	
Temp Housing	0		0	
Administration Costs	4,295	66,480	(62,185)	-1447.85%
Planning	43,493	324,580	(281,087)	-646.28%
Construction Testing	0		0	
Other Construction Costs	81,609	2,830	78,779	96.53%
Program Contingency	0		0	
Furniture and Equipment	0		0	
TOTAL COSTS	$ 703,660	$ 428,581	$ 275,079	39.09%

SITE # 206 CRESPI MIDDLE

	PROJECT BUDGET	EXPENDITURES TO DATE	VARIANCE	% OF BUDGET REMAINING
Construction	32,716	18,135	14,581	44.57%
Architect Fees	267,637	7,450	260,187	97.22%
Preliminary Tests	0		0	
Inspection Services	0		0	
DSA/CDE Plan Check Fees	0		0	
Site Surveys	0		0	
Temp Housing	0		0	
Administration Costs	4,254	64,046	(59,792)	-1405.54%
Planning	41,348	312,694	(271,346)	-656.25%
Construction Testing	0		0	
Other Construction Costs	96,977	1,240	95,737	98.72%
Program Contingency	0		0	
Furniture and Equipment	0	3,950	(3,950)	-100.00%
TOTAL COSTS	$ 442,932	$ 407,514	$ 35,418	8.00%

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
SCHEDULE OF BUDGET AND ACCUMULATED ACTUAL
EXPENDITURE DETAIL
FOR THE YEAR ENDED JUNE 30, 2004

SITE # 352- DE ANZA HIGH
SITE # 391 DELTA NSS

	PROJECT BUDGET	EXPENDITURES TO DATE	VARIANCE	% OF BUDGET REMAINING
Construction	$ 138,007	$ 97,975	$ 40,032	29.01%
Architect Fees	1,836,016	767,707	1,068,309	58.19%
Preliminary Tests	4,500	0	4,500	100.00%
Inspection Services	0	0	0	
DSA/CDE Plan Check Fees	6,451	0	6,451	100.00%
Site Surveys	0	0	0	
Temp Housing	0	0	0	
Administration Costs	35,380	178,609	(143,229)	-404.83%
Planning	307,165	435,929	(128,764)	-41.92%
Construction Testing	0	0	0	
Other Construction Costs	710,746	1,510,711	(799,965)	-112.55%
Program Contingency General Equipment	0	0	0	
Furniture and Equipment	0	6,623	(6,623)	-100.00%
TOTAL COSTS	$ 3,038,265	$ 2,997,554	$ 40,711	1.34%

SITE # 208 – DEJEAN MIDDLE

	PROJECT BUDGET	EXPENDITURES TO DATE	VARIANCE	% OF BUDGET REMAINING
Construction	$ 23,184	$ 10,907	$ 12,278	52.96%
Architect Fees	9,441	4,990	4,451	47.15%
Preliminary Tests	0		0	
Inspection Services	0		0	
DSA/CDE Plan Check Fees	0		0	
Site Surveys	0		0	
Temp Housing	0		0	
Administration Costs	3,458	11,758	(8,300)	-240.02%
Planning	0	57,407	(57,407)	-100.00%
Construction Testing	0		0	
Other Construction Costs	65,728	454	65,274	99.31%
Program Contingency General Equipment	0		0	
Furniture and Equipment	1,704,702	1,688,805	15,897	0.93%
TOTAL COSTS	$ 1,806,513	$ 1,774,321	$ 32,192	1.78%

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
SCHEDULE OF BUDGET AND ACCUMULATED ACTUAL
EXPENDITURE DETAIL
FOR THE YEAR ENDED JUNE 30, 2004

SITE # 354 – EL CERRITO HIGH

	PROJECT BUDGET	EXPENDITURES TO DATE	VARIANCE	% OF BUDGET REMAINING
Construction	$ 65,839,458	$ 69,878	$ 65,769,580	99.89%
Architect Fees	11,789,279	1,149,545	10,639,734	90.25%
Preliminary Tests	133,113		133,113	100.00%
Inspection Services	1,350,033		1,350,033	100.00%
DSA/CDE Plan Check Fees	429,799		429,799	100.00%
Site Surveys	44,827		44,827	100.00%
Temp Housing	5,753,160		5,753,160	100.00%
Administration Costs	673,622	138,595	535,027	79.43%
Planning	783,743	294,515	489,228	62.42%
Construction Testing	400,556		400,556	100.00%
Other Construction Costs	6,168,877	1,315,220	4,853,657	78.68%
Program Contingency	2,629,540		2,629,540	100.00%
Furniture and Equipment	1,442,117	6,623	1,435,494	99.54%
TOTAL COSTS	$ 97,438,124	$ 2,974,376	$ 94,463,748	96.95%

SITE # 358 – GOMPERS CONTINUATION HIGH

	PROJECT BUDGET	EXPENDITURES TO DATE	VARIANCE	% OF BUDGET REMAINING
Construction	$ 226,607	$ 28,120	$ 198,487	87.59%
Architect Fees	321,543		321,543	100.00%
Preliminary Tests	0		0	
Inspection Services	0		0	
DSA/CDE Plan Check Fees	0		0	
Site Surveys	0		0	
Temp Housing	0		0	
Administration Costs	4,386	69,859	(65,473)	-1492.78%
Planning	46,069	341,077	(295,008)	-640.36%
Construction Testing	0		0	
Other Construction Costs	91,468	10,827	80,641	88.16%
Program Contingency	0		0	
Furniture and Equipment	0	6,628	(6,628)	
TOTAL COSTS	$ 690,073	$ 456,511	$ 233,562	33.85%

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
SCHEDULE OF BUDGET AND ACCUMULATED ACTUAL
EXPENDITURE DETAIL
FOR THE YEAR ENDED JUNE 30, 2004

SITE # 191 1 HARBOUR WAY
COMMUNITY SCHOOL

	PROJECT BUDGET	EXPENDITURES TO DATE	VARIANCE	% OF BUDGET REMAINING
Construction	$ 0	$ 0	$ 0	
Architect Fees	73,318		73,318	100.00%
Preliminary Tests	0		0	
Inspection Services	0		0	
DSA/CDE Plan Check Fees	0		0	
Site Surveys	0		0	
Temp Housing	0		0	
Administration Costs	1,743	16,445	(14,702)	-843.51%
Planning	8,652	80,292	(71,640)	-828.02%
Construction Testing	0		0	
Other Construction Costs	37,926		37,926	100.00%
Program Contingency	0		0	
Furniture and Equipment	0		0	
TOTAL COSTS	$ 121,639	$ 96,737	$ 24,902	20.47%

SITE #210 – HELMS MIDDLE

	PROJECT BUDGET	EXPENDITURES TO DATE	VARIANCE	% OF BUDGET REMAINING
Construction	$ 38,371,426	$ 11,452	$ 38,359,974	99.97%
Architect Fees	5,444,262	591,571	4,852,691	89.13%
Preliminary Tests	68,971		68,971	100.00%
Inspection Services	699,499		699,499	100.00%
DSA/CDE Plan Check Fees	106,456		106,456	100.00%
Site Surveys	23,227		23,227	100.00%
Temp Housing	0		0	
Administration Costs	383,924	89,915	294,009	76.58%
Planning	954,428	191,069	763,359	79.98%
Construction Testing	207,542		207,542	100.00%
Other Construction Costs	4,439,336		4,439,336	100.00%
Program Contingency	1,522,214	844,197	678,017	44.54%
Furniture and Equipment	767,646		767,646	100.00%
TOTAL COSTS	$ 52,988,931	$ 1,728,204	$ 51,260,727	96.74%

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
SCHEDULE OF BUDGET AND ACCUMULATED ACTUAL
EXPENDITURE DETAIL
FOR THE TWO YEARS ENDED JUNE 30, 2004

SITE # 211 – HERCULES MIDDLE
SITE # 376 – HERCULES HIGH

	PROJECT BUDGET	EXPENDITURES TO DATE	VARIANCE	% OF BUDGET REMAINING
Construction	$ 2,081,303	$ 1,358,912	$ 722,391	34.71%
Architect Fees	303,467	335,093	(31,626)	-10.42%
Preliminary Tests	23,779	0	23,779	100.00%
Inspection Services	0	27,867	(27,867)	
DSA/CDE Plan Check Fees	2,950	7,190	(4,240)	-143.73%
Site Surveys	0	0	0	
Temp Housing	372,560	1,439,042	(1,066,482)	-286.26%
Administration Costs	4,338	9,594	(5,256)	-121.15%
Planning	78,954	20,386	58,568	74.18%
Construction Testing	0	17,527	(17,527)	
Other Construction Costs	137,854	92,968	44,886	32.56%
Program Contingency	0	0	0	
Furniture and Equipment	0	44,708	(44,708)	-100.00%
TOTAL COSTS	$ 3,005,205	$ 3,353,285	$ (348,080)	-11.58%

SITE # 360 - KENNEDY HIGH
SITE # 393 – KAPPA NSS

	PROJECT BUDGET	EXPENDITURES TO DATE	VARIANCE	% OF BUDGET REMAINING
Construction	$ 572,444	$ 181,216	$ 391,228	68.34%
Architect Fees	505,056	0	505,056	100.00%
Preliminary Tests	0	0	0	
Inspection Services	0	0	0	
DSA/CDE Plan Check Fees	0	0	0	
Site Surveys	0	0	0	
Temp Housing	0	0	0	
Administration Costs	8,599	120,122	(111,523)	-1296.93%
Planning	78,751	586,477	(507,726)	-644.72%
Construction Testing	0	0	0	
Other Construction Costs	173,773	23,113	150,660	86.70%
Program Contingency	0	0	0	
Furniture and Equipment	0	6,623	(6,623)	-100.00%
TOTAL COSTS	$ 1,338,623	$ 917,550	$ 421,073	31.46%

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
SCHEDULE OF BUDGET AND ACCUMULATED ACTUAL
EXPENDITURE DETAIL
FOR THE TWO YEARS ENDED JUNE 30, 2004

SITE # 374 – NORTH CAMPUS
SITE # 131- TRANS LEARNING CENTER

	PROJECT BUDGET	EXPENDITURES TO DATE	VARIANCE	% OF BUDGET REMAINING
Construction	$ 38,237	$ 64,967	$ (26,730)	-69.91%
Architect Fees	82,163	4,990	77,173	93.93%
Preliminary Tests	0	0	0	
Inspection Services	0	0	0	
DSA/CDE Plan Check Fees	0	0	0	
Site Surveys	0	0	0	
Temp Housing	0	0	0	
Administration Costs	1,985	36,940	(34,955)	-1760.95%
Planning	9,567	180,353	(170,786)	-1785.16%
Construction Testing	0	0	0	
Other Construction Costs	37,898	3,106	34,792	91.81%
Program Contingency	0	0	0	
Furniture and Equipment	0	0	0	-100.00%
TOTAL COSTS	$ 169,850	$ 290,356	$ (120,506)	-70.95%

SITE # 364 – RICHMOND HIGH
SITE # 395 – OMEGA NSS

	PROJECT BUDGET	EXPENDITURES TO DATE	VARIANCE	% OF BUDGET REMAINING
Construction	$ 290,068	$ 107,863	$ 182,205	62.81%
Architect Fees	503,548	0	503,548	100.00%
Preliminary Tests	0	0	0	
Inspection Services	0	0	0	
DSA/CDE Plan Check Fees	0	0	0	
Site Surveys	0	0	0	
Temp Housing	0	0	0	
Administration Costs	9,187	118,776	(109,589)	-1192.87%
Planning	76,415	579,906	(503,491)	-658.89%
Construction Testing	0	0	0	
Other Construction Costs	184,918	20,139	164,779	89.11%
Program Contingency	0	0	0	
Furniture and Equipment	0	6,623	(6,623)	-100.00%
TOTAL COSTS	$ 1,064,136	$ 833,306	$ 230,830	21.69%

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
SCHEDULE OF BUDGET AND ACCUMULATED ACTUAL
EXPENDITURE DETAIL
FOR THE TWO YEARS ENDED JUNE 30, 2004

SITE # 212 - PINOLE MIDDLE

	PROJECT BUDGET	EXPENDITURES TO DATE	VARIANCE	% OF BUDGET REMAINING
Construction	$ 26,430,262	$ 29,287	$ 26,400,975	99.89%
Architect Fees	3,766,353	387,141	3,379,212	89.72%
Preliminary Tests	49,798		49,798	100.00%
Inspection Services	505,038		505,038	100.00%
DSA/CDE Plan Check Fees	76,862		76,862	100.00%
Site Surveys	16,770		16,770	100.00%
Temp Housing	453,750		453,750	100.00%
Administration Costs	270,407	67,070	203,337	75.20%
Planning	658,745	142,523	516,222	78.36%
Construction Testing	149,845		149,845	100.00%
Other Construction Costs	3,160,246	638,095	2,522,151	79.81%
Program Contingency	1,121,763		1,121,763	100.00%
Furniture and Equipment	541,343	6,623	534,720	98.78%
TOTAL COSTS	$ 37,201,182	$ 1,270,739	$ 35,930,443	96.58%

SITE # 362 - PINOLE VALLEY HIGH
SITE # 396 - SIGMA NSS

	PROJECT BUDGET	EXPENDITURES TO DATE	VARIANCE	% OF BUDGET REMAINING
Construction	$ 63,236	$ 18,266	$ 44,970	71.12%
Architect Fees	484,845	2,140	482,705	99.56%
Preliminary Tests	0	0	0	
Inspection Services	0	0	0	
DSA/CDE Plan Check Fees	0	0	0	
Site Surveys	0	0	0	
Temp Housing	0	0	0	
Administration Costs	8,443	99,727	(91,284)	-1081.18%
Planning	78,846	503,388	(424,542)	-538.44%
Construction Testing	0	85,147	(85,147)	
Other Construction Costs	174,437	15,315	159,122	91.22%
Program Contingency	0	0	0	
Furniture and Equipment	0	0	0	
TOTAL COSTS	$ 809,807	$ 723,982	$ 85,825	10.60%

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
SCHEDULE OF BUDGET AND ACCUMULATED ACTUAL
EXPENDITURE DETAIL
FOR THE TWO YEARS ENDED JUNE 30, 2004

SITE # 214- PORTOLA MIDDLE

	PROJECT BUDGET	EXPENDITURES TO DATE	VARIANCE	% OF BUDGET REMAINING
Construction	$ 25,163,880	$ 23,678	$ 25,140,202	99.91%
Architect Fees	3,255,393	450,383	2,805,010	86.17%
Preliminary Tests	45,067		45,067	100.00%
Inspection Services	469,065		469,065	100.00%
DSA/CDE Plan Check Fees	69,561		69,561	100.00%
Site Surveys	15,177		15,177	100.00%
Temp Housing	726,095		726,095	100.00%
Administration Costs	263,421	64,163	199,258	75.64%
Planning	569,248	136,347	432,901	76.05%
Construction Testing	135,612		135,612	100.00%
Other Construction Costs	3,241,452	606,539	2,634,913	81.29%
Program Contingency	960,247		960,247	100.00%
Furniture and Equipment	498,895	3,852	495,043	99.23%
TOTAL COSTS	$ 35,413,113	$ 1,284,963	$ 34,128,150	96.37%

SITE # 373 - VISTA HIGH - INDEPENDENT STUDY

	PROJECT BUDGET	EXPENDITURES TO DATE	VARIANCE	% OF BUDGET REMAINING
Construction	$ 0	$ 0	$ 0	
Architect Fees	117,530	0	117,530	100.00%
Preliminary Tests	0	0	0	
Inspection Services	0	0	0	
DSA/CDE Plan Check Fees	0	0	0	
Site Surveys	0	0	0	
Temp Housing	0	0	0	
Administration Costs	1,739	15,703	(13,964)	-802.97%
Planning	17,952	76,666	(58,714)	-327.06%
Construction Testing	0	0	0	
Other Construction Costs	38,018	0	38,018	100.00%
Program Contingency	0	0	0	
Furniture and Equipment	0	3,852	(3,852)	-100.00%
TOTAL COSTS	175,239	$ 96,221	$ 79,018	45.09%

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
SCHEDULE OF BUDGET AND ACCUMULATED ACTUAL
EXPENDITURE DETAIL
FOR THE TWO YEARS ENDED JUNE 30, 2004

SITE # 117 ELLERHORST

	PROJECT BUDGET	EXPENDITURES TO DATE	VARIANCE	% OF BUDGET REMAINING
Construction	$ 0	$ 301,424	$ (301,424)	-100.00%
Architect Fees	0		0	
Preliminary Tests	0		0	
Inspection Services	0		0	
DSA/CDE Plan Check Fees	0		0	
Site Surveys	0		0	
Temp Housing	0		0	
Administration Costs	0		0	
Planning	0		0	
Construction Testing	0		0	
Other Construction Costs	0		0	
Program Contingency	0		0	
Furniture and Equipment	0		0	
TOTAL COSTS	$ 0	$ 301,424	$ (301,424)	-100.00%

SITE # 615- OPERATIONAL SUPPORT SERVICES

	PROJECT BUDGET	EXPENDITURES TO DATE	VARIANCE	% OF BUDGET REMAINING
Construction	$ 0		$ 0	
Architect Fees	0		0	
Preliminary Tests	0		0	
Inspection Services	0		0	
DSA/CDE Plan Check Fees	0		0	
Site Surveys	0		0	
Temp Housing	0		0	
Administration Costs	3,145,268	$ 336,108	2,809,160	89.31%
Planning	1,990,942	616,856	1,374,086	69.02%
Construction Testing	0		0	
Other Construction Costs	667,537	3,261,681	(2,594,144)	-388.61%
Program Contingency	0		0	
Furniture and Equipment	0		0	
TOTAL COSTS	$ 5,803,747	$ 4,214,645	$ 1,589,102	27.38%

THOMPSON, COBB, BAZILIO & ASSOCIATES, PC

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REPORT ON COMPLIANCE AND ON INTERNAL CONTROLOVER FINANCIAL REPORTING BASED ON AN AUDIT PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

The Honorable Board of Education
West Contra Costa Unified School District

We have audited the accompanying Schedules of Assets and Liabilities and Revenues and Expenditures (the Schedules) of the West Contra Costa Unified School District (the District) for the Measure D General Obligation Bonds (the Bonds), as of and for the year ended June 30, 2004, and have issued our report thereon dated November 21, 2004. We have 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.

Compliance

Specifically we tested, compliance with laws, regulations, and contracts applicable to personal services, employee benefits, travel consulting services and operating expenses. As part of obtaining reasonable assurance about whether the District's Schedules are free of material misstatement, we performed tests of the District's compliance with certain provisions of laws, regulations and contracts, noncompliance with which could have a direct material effect on the determination of amounts shown on the Schedules. 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 that are required to be reported under *Government Auditing Standards.*

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the Schedules and not to provide assurance on the internal control over financial reporting. Our consideration of the internal controls over financial reporting applicable to the Schedules would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk of misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that we have reported to management of the District in a separate letter dated November 21, 2004.

This report is intended for the information of the Board of Education, Citizen's Oversight Committee and West Contra Costa Unified School District's management and is not intended and should not be used by anyone other than these specified parties.

Thompson, Cobb, Bazilio & Associates, PC

Torrance, California
November 21, 2004

THOMPSON, COBB, BAZILIO & ASSOCIATES, PC

Certified Public Accountants and Management, Systems, and Financial Consultants

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INDEPENDENT AUDITOR'S REPORT ON STATE COMPLIANCE

The Honorable Members of the Board of Education
West Contra Costa Unified School District

We have audited the accompanying Schedules of Assets and Liabilities and Revenue and Expenditures (the Schedules) of the West Contra Unified School District (the District) Measure D General Obligation Bond, as of and for the year ended June 30, 2004. Our audit was made in accordance with auditing standards generally accepted in the United States of America and the standards for financial and compliance audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Schedules are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Schedules. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall Schedules presentation. We believe that our audit provides reasonable basis for our opinion. Our audit does not provide a legal determination on the District's compliance with specified requirements.

The District's management is responsible for the District's compliance with laws and regulations. In connection with the audit referred to above, we selected and tested transactions and records to determine the District's compliance with the following requirements:

- Bond proceeds are used only on projects, which were voter approved
- Pubic Contract Code
- Governmental Code

Based on our audit, we found that, for the items tested, the West Contra Costa Unified School District complied with the state laws and regulations referred to above. Further, based on our examination for items not tested, nothing came to our attention to indicate that the West Contra Unified School District has not complied with the state laws and regulations.

This report is intended for the information of the Board of Education, Citizen's Oversight Committee and West Contra Costa Unified School District's management and is not intended and should not be used by anyone other than these specified parties

Thompson, Cobb, Bazilio & Associates, PC

Torrance, California
November 21, 2004