

SUPPLEMENT

to the

OFFICIAL STATEMENT DATED JULY 24, 2014

relating to the

\$77,460,000

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
(CONTRA COSTA COUNTY, CALIFORNIA)
GENERAL OBLIGATION REFUNDING BONDS, 2014 SERIES A
comprised of**

**\$22,685,000
(2002 ELECTION BONDS)**

**\$54,775,000
(2005 ELECTION BONDS)**

Update to “LEGAL MATTERS”

The information set forth under the heading “LEGAL MATTERS” in the above-referenced official statement (the “Official Statement”) is being updated pursuant to this Supplement to the Official Statement by adding the following heading after “No Litigation” therein:

Subpoena Received by the District from the Securities and Exchange Commission

On or about August 1, 2014, the District received a subpoena (the “Subpoena”) from the Securities and Exchange Commission (the “SEC”) requesting documents relating to, among other things, the District’s general obligation bonds issued in the years 2009 through 2013 and documents relating to proposed refunding of the District’s debt. The letter that accompanied the Subpoena provides in part as follows:

“This investigation is a non-public, fact-finding inquiry. We are trying to determine whether there have been any violations of the federal securities laws. The investigation and the subpoena do not mean that we have concluded that you or anyone else has broken the law. Also the investigation does not mean that we have a negative opinion of any person, entity or security.”

The District is aware that its Board President, certain members of its financing team and some of its consultants and advisors also received subpoenas from the SEC. The District is currently preparing its response to the Subpoena. The District has not been advised by the SEC of the nature or scope of the investigation to which the Subpoena relates and is unable to predict the outcome of such investigation. The District is unaware of any facts that could have a material adverse impact on the collection of *ad valorem* property taxes required for the payment of principal of, premium, if any, and interest on the Bonds.

Dated: August 7, 2014.

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 with respect to individuals and corporations. 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.



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WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
(CONTRA COSTA COUNTY, CALIFORNIA)
GENERAL OBLIGATION REFUNDING BONDS, 2014 SERIES A
comprised of

\$22,685,000
(2002 ELECTION BONDS)

\$54,775,000
(2005 ELECTION BONDS)

Dated: Date of Delivery

Due: August 1, as shown on the inside cover

This cover page is to be viewed as a reference to the information contained in this Official Statement. It is not a summary of this issue. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

The above-captioned bonds (the "Bonds") are being issued by the West Contra Costa Unified School District (the "District"), located in Contra Costa County, California (the "County"), (i) to refund certain outstanding general obligation bonds of the District as described further herein, and (ii) to pay costs of issuance of the Bonds. See "PURPOSE OF THE BONDS AND PLAN OF REFUNDING." The Bonds will be issued in denominations of \$5,000 or integral multiples thereof.

Interest on the Bonds is payable on February 1, 2015, and semiannually thereafter on each February 1 and August 1. Principal of the Bonds is payable annually commencing on August 1, 2015. 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, New York, New York ("DTC"). Purchasers (the "Beneficial Owners") will not receive physical certificates representing their interest in the Bonds. Payments of principal of and interest on the Bonds will be paid by The Bank of New York Mellon Trust Company, N.A., 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 "THE BONDS — Book-Entry Only System."

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

THE BONDS ARE GENERAL OBLIGATION BONDS OF THE DISTRICT PAYABLE SOLELY FROM AD VALOREM TAXES, AND DO NOT CONSTITUTE A DEBT, LIABILITY OR OBLIGATION OF THE COUNTY OR THE STATE OR ANY OF ITS POLITICAL SUBDIVISIONS. NO PART OF ANY FUND OF THE COUNTY IS PLEDGED OR OBLIGATED TO THE PAYMENT OF THE BONDS. THE BOARD OF SUPERVISORS OF THE COUNTY HAS THE POWER AND IS OBLIGATED TO LEVY AND COLLECT AD VALOREM 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 AMOUNT OF AND INTEREST AND PREMIUM, IF ANY, ON EACH BOND AS THE SAME BECOMES DUE AND PAYABLE. THE BONDS ARE DATED THEIR DATE OF DELIVERY AND ARE ISSUED ON A PARITY WITH ALL OTHER GENERAL OBLIGATION BONDS OF THE DISTRICT (AS DESCRIBED FURTHER HEREIN). SEE "SECURITY AND SOURCES OF REPAYMENT FOR THE BONDS" HEREIN.

MATURITY SCHEDULE (See Inside Front Cover)

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, 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 Nossaman LLP, Irvine, California. It is anticipated that the Bonds, in book-entry form, will be available for delivery through DTC on or about August 13, 2014.

PiperJaffray®

Backstrom McCarley Berry & Co., LLC

MATURITY SCHEDULE

\$77,460,000

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

(CONTRA COSTA COUNTY, CALIFORNIA)

GENERAL OBLIGATION REFUNDING BONDS, 2014 SERIES A

Base CUSIP^(†): 952347

<u>Maturity</u> <u>(August 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>CUSIP^(†)</u> <u>Suffix</u>
2017	\$1,850,000	4.00%	0.67%	C59
2018	3,110,000	5.00	1.02	C67
2019	3,275,000	5.00	1.36	C75
2020	3,440,000	4.00	1.69	C83
2021	2,280,000	4.00	1.99	C91
2022	2,360,000	5.00	2.27	D25
2023	2,465,000	5.00	2.48	D33
2024	2,570,000	5.00	2.69	D41
2025	2,685,000	5.00	2.85 ^c	D58
2026	4,485,000	5.00	3.00 ^c	D66
2027	4,705,000	5.00	3.11 ^c	D74
2028	4,935,000	5.00	3.24 ^c	D82
2029	5,175,000	5.00	3.33 ^c	D90
2030	5,425,000	5.00	3.40 ^c	E24
2031	5,690,000	5.00	3.47 ^c	E32
2032	5,970,000	5.00	3.57 ^c	E40
2033	6,265,000	5.00	3.60 ^c	E57
2034	6,575,000	5.00	3.65 ^c	E65
2035	4,200,000	5.00	3.71 ^c	E73

[†] Copyright 2014, American Bankers Association. CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by Standard & Poor's Financial Services LLC on behalf of The American Bankers Association. This information is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services Bureau. 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 either of the Underwriters is 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 execution and delivery 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.

^c Yield to the par call date of August 1, 2024.

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 or the Securities Exchange Act of 1934, as amended, in reliance upon exemptions contained thereunder by Section 3(a)2 and 3(a)12, respectively, 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 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 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 an internet website at www.wccusd.net. The information presented on such website is *not* incorporated by reference as part of this Official Statement and should not be relied upon in making investment decisions with respect to the Bonds. Various other websites referred to in this Official Statement also are *not* incorporated herein by such references.

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, their 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

Charles T. Ramsey, President
Todd A. Groves, Clerk
Randall Enos, Member
Madeline Kronenberg, Member
Elaine R. Merriweather, Member

ADMINISTRATION

Dr. Bruce Harter, Superintendent
Sheri Gamba, Associate Superintendent, Business Services
Wendell C. Greer, Associate Superintendent, K-Adult Education
Associate Superintendent, Operations: Vacant
Nia Rashidchi, Assistant Superintendent, Education Services
Kenneth Whittemore, Assistant Superintendent, Human Resources
Steve Collins, Director, Special Education Local Area Plan

PROFESSIONAL SERVICES

Financial Advisor

KNN Public Finance, a Division of Zions First National Bank
Oakland, California

Bond & Disclosure Counsel

Nixon Peabody LLP

Paying Agent

The Bank of New York Mellon Trust Company, N.A.
Dallas, Texas

Verification Agent

Causey, Demgen & Moore Inc.
Denver, Colorado

INTRODUCTION	1
PURPOSE OF THE BONDS AND PLAN OF REFUNDING	2
ESTIMATED SOURCES AND USES OF FUNDS	3
THE BONDS	4
Authority for Issuance.....	4
Description of the Bonds	4
Redemption.....	5
Transfer and Exchange	6
Debt Service Schedule	7
Discharge and Defeasance	7
SECURITY AND SOURCES OF REPAYMENT FOR THE BONDS	8
General.....	8
Assessed Valuation.....	9
Tax Levies, Collections and Delinquencies.....	16
Tax Rates	17
Largest Taxpayers in the District.....	18
Overlapping and District Debt	19
TAX MATTERS.....	26
Federal Income Taxes	26
State Taxes.....	26
Original Issue Premium	26
Ancillary Tax Matters	27
Changes in Law and Post-Issuance Events	27
FINANCIAL STATEMENTS	28
BOND INSURANCE	28
LEGAL MATTERS.....	28
Continuing Disclosure	28
Limitation on Remedies; Amounts Held in the County Treasury Pool	29
No Litigation.....	29
Approval of Legal Proceedings	30
VERIFICATION.....	30
RATINGS	30
UNDERWRITING	30
FINANCIAL ADVISOR	31
ADDITIONAL INFORMATION.....	31

APPENDICES

APPENDIX A — DISTRICT FINANCIAL AND OPERATING INFORMATION

APPENDIX B — FORM OF OPINION OF BOND COUNSEL

APPENDIX C — DISTRICT FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED JUNE 30,
2013

APPENDIX D — FORM OF CONTINUING DISCLOSURE CERTIFICATE

APPENDIX E — BOOK-ENTRY ONLY SYSTEM

APPENDIX F — CERTAIN ECONOMIC DATA FOR CONTRA COSTA COUNTY

APPENDIX G — COUNTY INVESTMENT POLICY AND EXCERPTS FROM TREASURER'S
QUARTERLY INVESTMENT REPORT AS OF MARCH 31, 2014

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OFFICIAL STATEMENT

\$77,460,000

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
(CONTRA COSTA COUNTY, CALIFORNIA)
GENERAL OBLIGATION REFUNDING BONDS, 2014 SERIES A
comprised of**

**\$22,685,000
(2002 ELECTION BONDS)**

**\$54,775,000
(2005 ELECTION BONDS)**

INTRODUCTION

This Official Statement, which includes the cover page, inside cover page and appendices hereto, is furnished by the West Contra Costa Unified School District (the “District”), located in Contra Costa County, California (the “County”), to provide information concerning the \$77,460,000 aggregate principal amount of West Contra Costa Unified School District General Obligation Refunding Bonds, 2014 Series A, comprised of \$22,685,000 in aggregate principal amount of 2002 Election Bonds (the “2014 Bonds (2002 Election)”) and \$54,775,000 in aggregate principal amount of 2005 Election Bonds (the “2014 Bonds (2005 Election)”) and, together with the 2014 Bonds (2002 Election), the “Bonds”). This Introduction is only a brief description of, and is qualified by, more complete and detailed information contained in the entire Official Statement. A full review of the entire Official Statement should be made.

Proceeds from the sale of the 2014 Bonds (2002 Election) will be used (i) to refund certain of the District’s outstanding General Obligation Bonds, Election of 2002, Series C (the “2004 Prior Bonds”), and (ii) to pay costs of issuance of the 2014 Bonds (2002 Election). Proceeds from the sale of the 2014 Bonds (2005 Election) will be used (i) to refund all of the District’s General Obligation Bonds, Election of 2005, Series A (the “2006 Prior Bonds,” and together with the 2004 Prior Bonds, the “Prior Bonds”) and (ii) to pay costs of issuance of the 2014 Bonds (2005 Election). See “PURPOSE OF THE BONDS AND PLAN OF REFUNDING.”

All general obligation bonds issued by or on behalf of the District are issued on a parity with the Bonds and are payable solely from *ad valorem* taxes. See “SECURITY AND SOURCES OF PAYMENT 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 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. For further information concerning the District, see APPENDICES A and C attached hereto.

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.

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 District has no obligation to update the information in this Official Statement. See “LEGAL MATTERS — Continuing Disclosure” and APPENDIX D — “FORM OF CONTINUING DISCLOSURE CERTIFICATE.”

PURPOSE OF THE BONDS AND PLAN OF REFUNDING

The net proceeds of the 2014 Bonds (2002 Election) will be used to effect the refunding of the 2004 Prior Bonds, and the net proceeds of the 2014 Bonds (2005 Election) will be used to effect the refunding of the 2006 Prior Bonds in accordance with the District’s refunding policy adopted by the Board of Education of the District (the “Board”) on April 24, 2013. On the date of delivery of the Bonds, such net proceeds will be deposited into an Escrow Fund established pursuant to that certain Escrow Deposit and Trust Agreement, dated as of August 1, 2014 (the “Escrow Agreement”), by and between the District and The Bank of New York Mellon Trust Company, N.A., as Escrow Agent (in such capacity, the “Escrow Agent”).

The specific maturities and amounts of the 2004 Prior Bonds, or portions thereof, and the 2006 Prior Bonds, or portions thereof, to be refunded will be determined by the District based on upon market conditions existing at the time of the pricing of the Bonds, and such 2004 Prior Bonds and 2006 Prior Bonds as refunded are hereinafter together referred to as the “Prior Bonds.”

The Escrow Agreement will irrevocably direct the Escrow Agent to redeem the 2004 Prior Bonds that are current interest bonds at the redemption price of par, plus all interest payments due to and including August 25, 2014 (the “Redemption Date”). The 2015 maturity of the 2004 Prior Bonds that are capital appreciation bonds is being fully defeased to maturity, and \$1,490,000 of the 2016 maturity of the 2004 Prior Bonds that are capital appreciation bonds is being partially defeased to maturity. The 2006 Prior Bonds will be redeemed at the redemption price of 101%, plus all interest payments due to and including the Redemption Date.

West Contra Costa Unified School District (Contra Costa County, California) General Obligation Bonds, Election of 2002, Series C

Maturity Date (August 1)	Principal Amount Or Accreted Value	CUSIP Number (952347)
2015 ⁽¹⁾	\$ 1,535,598.00 ⁽²⁾	PU0
2016 ⁽¹⁾	1,336,336.30 ⁽²⁾	PV8
2016 ⁽³⁾	1,035,000.00	NV0
2017 ⁽³⁾	1,085,000.00	NW8
2018 ⁽³⁾	1,135,000.00	NX6
2019 ⁽³⁾	1,190,000.00	NY4
2020 ⁽³⁾	1,250,000.00	NZ1
2026 ⁽³⁾	1,695,000.00	PF3
2027 ⁽³⁾	1,785,000.00	PG1
2029 ⁽³⁾	3,860,000.00	PH9
2034 ⁽³⁾	11,605,000.00	PJ5

⁽¹⁾ Defeased to maturity.

⁽²⁾ Represents the accreted value of this maturity, which is a capital appreciation bond, as of the issue date of the Bonds on August 13, 2014.

⁽³⁾ To be redeemed at par on August 25, 2014.

**West Contra Costa Unified School District
(Contra Costa County, California)
General Obligation Bonds,
Election of 2005, Series A**

<u>Maturity Date (August 1)</u>	<u>Principal Amount</u>	<u>CUSIP Number (952347)</u>
2015	\$1,775,000.00	SH6
2016	1,850,000.00	SJ2
2017	1,920,000.00	SK9
2018	2,000,000.00	SL7
2019	2,085,000.00	SM5
2020	2,175,000.00	SN3
2021	2,270,000.00	SP8
2022	2,370,000.00	SQ6
2023	2,475,000.00	SR4
2024	2,585,000.00	SS2
2025	2,700,000.00	ST0
2026	2,820,000.00	SU7
2035	32,000,000.00	SV5

The net proceeds of the Bonds will be invested under the terms of the Escrow Agreement. The Escrow Agreement provides for the investment of the proceeds of the Bonds in Defeasance Obligations as defined in each of the respective resolutions pursuant to which the 2004 Prior Bonds and 2006 Prior Bonds were issued. Causey Demgen & Moore Inc., certified public accountants (the “Verification Agent”), will verify the sufficiency of amounts so deposited and invested to provide for such payments. See “VERIFICATION” herein. Amounts on deposit in the Escrow Fund are not available for the payment of principal of or interest on the Bonds.

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

Principal Amount	\$77,460,000.00
Original Issue Premium	11,021,721.35
Total Sources:	<u>\$88,481,721.35</u>

Uses of Funds

Deposit to Escrow Fund	\$87,620,976.33
Underwriters’ Discount	406,665.00
Costs of Issuance ⁽¹⁾	454,080.02
Total Uses:	<u>\$88,481,721.35</u>

⁽¹⁾ Includes the fees of the Financial Advisor, Bond Counsel, Disclosure Counsel, Paying Agent, the Escrow Agent, the Verification Agent, rating agency fees, printing costs and other miscellaneous fees and expenses.

THE BONDS

Authority for Issuance

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 State Government Code (commencing with Section 53550 and 53580, respectively) (the “Act”), and other applicable laws and regulations of the State and pursuant to a resolution of the Board adopted on June 25, 2014 (the “Resolution”).

The Bonds are general obligations of the District. Pursuant to the Act, general obligation bonds issued for the purpose of refunding outstanding general obligation bonds previously authorized by the voters that reduce the debt service obligation of taxpayers do not require additional voter approval, either for issuance of such refunding general obligation bonds or the levy of an *ad valorem* tax sufficient to pay principal and interest as due on the refunding general obligation bonds.

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 accrues 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 February 1, 2015, computed on the basis of a 360-day year consisting of twelve 30-day months. Each 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 January 15, 2015, in which event interest will be payable from its dated date; *provided, however*, that if at the time of registration of any 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 Owner thereof appearing on the Bond Register on the Record Date, or by wire transfer to any Owner of \$1,000,000 in aggregate principal amount or more of such Bonds, to the account specified by such Owner in a written request delivered to the Paying Agent 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 Bond is registered at the close of business on 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

The Bonds will be issued in fully registered form of a separate single fully registered Bond for each of the tranches and maturities of the Bonds and, when issued, will be registered in the name of Cede & Co., as registered owner and nominee of The Depository Trust Company (“DTC”). DTC will act as securities depository for the Bonds.

So long as Cede & Co. is the registered owner of the Bonds, as nominee of DTC, 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 herein) 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 Bank of New York Mellon Trust Company, N.A. (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 herein) for subsequent disbursement to the Beneficial Owners. See APPENDIX E — “BOOK-ENTRY ONLY SYSTEM” herein.

Redemption

Optional Redemption of the Bonds. The Bonds maturing on or before August 1, 2024, are not subject to redemption prior to their respective maturity dates. The Bonds maturing on or after August 1, 2025, may be redeemed before maturity at the option of the District from any source of available funds on any date on or after August 1, 2024, as a whole or in part, at a redemption price equal to the principal amount of the Bonds called for redemption, with interest accrued thereon to the date of redemption, without premium.

Selection of Bonds for Redemption. Whenever provision is made for the redemption of the Bonds and less than all Outstanding Bonds are to be redeemed, the Paying Agent, upon written instruction from the District given at least 45 days prior to the date designated for such redemption, will select Bonds for redemption in the manner directed by the District, or in the event the District fails to provide such direction, in inverse order of maturity and within a maturity, by lot. Within a maturity, the Paying Agent will select Bonds for redemption by lot. Redemption by lot will be in such manner as the Paying Agent determines; provided, however, that the portion of any Bond to be redeemed in part will be in the principal amount of \$5,000 or any integral multiple thereof.

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 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 (defined below) 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.

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 DTC and, in accordance with then-current guidelines of the Securities and Exchange Commission, such other securities depositories as the District may designate in a certificate delivered to the Paying Agent. Such Redemption Notice will also be given by first class mail, postage prepaid, or overnight delivery service, to the Municipal Securities Rulemaking Board.

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.

A Redemption Notice relating to an optional redemption of the Bonds may be conditioned upon the receipt of sufficient moneys to pay the redemption price of the designated Bonds and may be rescinded by the District in the event such funds are not received or are not expected to be received.

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 tenor and maturity and of authorized denominations equal in principal amount 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 applicable date of redemption) having been set aside in the District's 2002 Measure D and 2005 Measure J Debt Service Funds or in an escrow fund established therefor, the Bonds to be redeemed shall 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 so as to be available therefor on such redemption date, 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.

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 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.

Debt Service Schedule

The following table summarizes the debt service requirements of the District for the Bonds:

Year Ending (August 1)	Principal	Interest	Debt Service
2015	\$ —	\$ 3,670,723.33	\$ 3,670,723.33
2016	—	3,797,300.00	3,797,300.00
2017	1,850,000	3,797,300.00	5,647,300.00
2018	3,110,000	3,723,300.00	6,833,300.00
2019	3,275,000	3,567,800.00	6,842,800.00
2020	3,440,000	3,404,050.00	6,844,050.00
2021	2,280,000	3,266,450.00	5,546,450.00
2022	2,360,000	3,175,250.00	5,535,250.00
2023	2,465,000	3,057,250.00	5,522,250.00
2024	2,570,000	2,934,000.00	5,504,000.00
2025	2,685,000	2,805,500.00	5,490,500.00
2026	4,485,000	2,671,250.00	7,156,250.00
2027	4,705,000	2,447,000.00	7,152,000.00
2028	4,935,000	2,211,750.00	7,146,750.00
2029	5,175,000	1,965,000.00	7,140,000.00
2030	5,425,000	1,706,250.00	7,131,250.00
2031	5,690,000	1,435,000.00	7,125,000.00
2032	5,970,000	1,150,500.00	7,120,500.00
2033	6,265,000	852,000.00	7,117,000.00
2034	6,575,000	538,750.00	7,113,750.00
2035	4,200,000	210,000.00	4,410,000.00
Total	<u>\$77,460,000</u>	<u>\$52,386,423.33</u>	<u>\$129,846,423.33</u>

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 then on deposit in the 2002 Measure D and 2005 Measure J Debt Service Funds and interest to accrue thereon without the need for further investment, is fully sufficient to pay such Bonds at maturity 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, Defeasance Securities permitted under Section 149(b) of the Internal Revenue Code of 1986, as

amended (the “Code”) and Regulations which, in the opinion of Bond Counsel, will not impair the exclusion from gross income for federal income tax purposes of interest on the Bonds, in such amount as will, together with the interest to accrue thereon without the need for further investment, be fully sufficient 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 will not have been surrendered for payment;

then all obligations of the District and the Paying Agent under the Resolution with respect to the affected 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.

“Defeasance Securities” means (a) cash; (b) non-callable direct general obligations of the United States of America (including obligations issued or held in book-entry form on the books of the Department of the Treasury) or obligations, the payment of principal of and interest on which are unconditionally guaranteed by the United States of America (including State and Local Government Securities) (collectively, “Federal Securities”); (c) direct obligations of the United States of America which have been stripped by the Department of the Treasury); (d) CATS, TIGRS and similar securities; (e) bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following federal agencies and provided such obligations are backed by the full faith and credit of the United States of America: (i) direct obligations or fully guaranteed certificates of beneficial ownership of the U.S. Export-Import Bank; (ii) certificates of beneficial ownership of the Farmers Home Administration; (iii) obligations of the Federal Reserve Bank; (iv) participation certificates of the General Services Administration; (v) guaranteed Title XI financings of the U.S. Maritime Administration; (vi) U.S. government-guaranteed public housing notes and bonds; and (vii) project notes and local authority bonds of the U.S. Department of Housing and Urban Development; and (f) pre-refunded municipal obligations defined as follows: any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local government unit of any such state which are not callable at the option of the obligor prior to maturity, or as to which irrevocable instructions have been given by the obligor to call on the date specified in the notice, and either (A) which are rated, based on the escrow, in the highest rating category of Standard & Poor’s Financial Services, a Standard and Poor’s Financial Services LLC business (“S&P”) and Moody’s Investors Service (“Moody’s”) or any successors thereto; or (B)(1) which are fully secured as to principal and interest and redemption premium, if any, by a fund consisting only of cash or Federal Securities, which fund may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate, and (2) which fund is sufficient, as verified by a nationally recognized independent certified public accountant, to pay principal of and interest and redemption premium, if any on the bonds or other obligations described above on the maturity date or dates thereof or on the redemption date or dates specified in the irrevocable instructions referred to above, as appropriate, and permitted under Section 149(c) of the Code and Regulations which, in the opinion of Bond Counsel, will not impair the exclusion from gross income for federal income tax purposes of interest on the Bonds.

SECURITY AND SOURCES OF REPAYMENT FOR THE BONDS

General

The Bonds are general obligations of the District only and are not obligations of the County, the State, or any of its other political subdivisions. The Bonds are payable solely from *ad valorem* taxes levied on taxable property within the District. 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 *ad valorem* taxes levied and collected for debt service on the Bonds will be deposited into the 2002 Measure D and 2005 Measure J Debt Service Funds maintained by the Treasurer and Tax Collector of the County.

The proceeds of the *ad valorem* taxes levied to repay the Bonds and moneys held in the 2002 Measure D and 2005 Measure J Debt Service Funds may be invested in any investment permitted by law. It is anticipated that the *ad valorem* tax proceeds and moneys in the 2002 Measure D and 2005 Measure J Debt Service Funds will be invested in the County Investment Pool. See “LEGAL MATTERS — Limitation on Remedies; Amounts Held in the County Treasury Pool” for a discussion of the possible effects of a bankruptcy filing on the deposited property taxes, and see APPENDIX G — “COUNTY INVESTMENT POLICY AND EXCERPTS FROM TREASURER’S QUARTERLY INVESTMENT REPORT AS OF MARCH 31, 2014” for a discussion of the composition of the pool.

Assessed Valuation

Constitutional and Statutory Initiatives

Article XIII A of the California Constitution. Article XIII A of the State Constitution (“Article XIII A”) 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 XIII A 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 XIII A 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 XIII A. Legislation has been enacted and amended a number of times since 1978 to implement Article XIII A. 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 “situation.” Article XIII A 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. Local agencies and schools will share the growth of “base” sources from the tax rate area.

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 XIII A 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.

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 XIII A 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 XIII A.

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.

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.

District Assessed Valuation. 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 general market decline in land values, 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), 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, acts of terrorism or toxic contamination). 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 Inc. ("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 2004-05 through 2013-14 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.

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 region 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.

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 ("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 10-year history of assessed valuation in the District. According to California Municipal Statistics Inc., final assessed valuation data for fiscal year 2014-15 included in the table below and the other tables herein are not expected to be available until late August or September; however, preliminary assessed valuation data for fiscal year 2014-15 are expected to reflect an increase of approximately 10.75% compared to fiscal year 2013-14 data.

TABLE 1
WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
ASSESSED VALUATIONS FISCAL YEARS 2004-05 THROUGH 2013-14⁽¹⁾

Fiscal Year	Local Secured	Utility⁽²⁾	Unsecured	Total	Annual % Change⁽³⁾
2004-05	\$18,694,802,748	\$34,877,710	\$ 942,323,175	\$19,672,003,633	—
2005-06	20,898,373,912	35,233,047	937,524,349	21,871,131,308	11.18%
2006-07	23,394,796,810	32,996,057	996,599,562	24,424,392,429	11.67
2007-08	25,972,526,364	12,872,037	986,267,215	26,971,665,616	10.43
2008-09	25,968,908,280	12,850,519	1,080,701,277	27,062,460,076	0.34
2009-10	22,527,198,702	12,079,880	1,206,474,766	23,745,753,348	(12.26)
2010-11	20,862,423,058	12,710,612	1,052,023,491	21,927,157,161	(7.66)
2011-12	20,967,316,009	10,792,683	1,192,454,380	22,170,563,072	1.11
2012-13	22,393,219,395 ⁽⁴⁾	10,751,749	1,228,955,895	23,632,927,039	6.60
2013-14	21,027,153,899 ⁽⁵⁾	10,668,095	1,187,310,326	22,225,132,320	(5.96)

⁽¹⁾ Total assessed value includes the homeowner exemption which is reimbursed by the State. This table does not include unitary property valuation.

⁽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⁾ Pursuant to Proposition 8, commencing in 2008-09, the Contra Costa County Assessor's Office (the "County Assessor") temporarily reduced the assessed value of a number of parcels throughout the County. Taxpayers are also entitled to seek a reduction in assessed valuations by way of the appeals process. See "SECURITY AND SOURCES OF PAYMENT FOR THE 2014 BONDS – Assessed Value – *Appeals of Assessed Value; Proposition 8 Reductions.*"

⁽⁴⁾ Based on equalized roll. Excludes \$915,762,371 decrease in the valuation of the Refinery due to a double reporting by the County Assessor. Excludes \$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.*"

⁽⁵⁾ The Refinery lost an additional \$532,929,632 in value as of FY 2013-14. In August 2012, the Refinery experienced a fire and thus a decrease in revenues resulting from the closure of a portion of the Refinery from August 2012 to April 2013.

Source: California Municipal Statistics, Inc.

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 2013-14 assessed valuation and parcels by land use within the District.

TABLE 2
WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
2013-14 ASSESSED VALUATION AND PARCELS BY LAND USE

	2013-14 Assessed Valuation ⁽¹⁾	% of Total	No. of Parcels	% of Total
<u>Non-Residential:</u>				
Commercial	\$1,408,565,104	6.70%	1,423	1.84%
Vacant Commercial	36,661,462	0.17	276	0.36
Professional/Office	240,829,749	1.15	351	0.45
Industrial	4,100,381,553	19.50	698	0.90
Vacant Industrial	99,125,863	0.47	360	0.46
Recreational	24,205,687	0.12	29	0.04
Government/Social/Institutional	86,451,128	0.41	1,351	1.74
Other Vacant	19,730,166	0.09	1,092	1.41
Miscellaneous	48,046,958	0.23	532	0.69
Subtotal Non-Residential	\$ 6,063,997,670	28.84%	6,112	7.89%
<u>Residential:</u>				
Single Family Residence	\$12,089,641,362	57.50%	56,122	72.48%
Condominium/Townhouse	1,418,104,156	6.74	9,072	11.72
2-4 Residential Units	569,300,095	2.71	3,620	4.67
5+ Residential Units/Apartments	806,027,456	3.83	796	1.03
Mobile Homes	3,486,796	0.02	118	0.15
Miscellaneous Residential Improvements	17,490,907	0.08	80	0.10
Vacant Residential	59,105,457	0.28	1,514	1.96
Subtotal Residential	\$14,963,156,229	71.16%	71,322	92.11%
Total	\$21,027,153,899	100.00%	77,434	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 2013-14 assessed valuation of single-family residential parcels within the District.

TABLE 3
WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
PER PARCEL FISCAL YEAR 2013-14 ASSESSED VALUATION OF SINGLE-FAMILY HOMES

Single-Family Residential	<u>No. of Parcels</u>	<u>2013-14 Assessed Valuation</u>	<u>Average Assessed Valuation</u>	<u>Median Assessed Valuation</u>
	56,122	\$12,089,641,362	\$215,417	\$183,002

<u>2013-14 Assessed Valuation</u>	<u>No. of Parcels⁽¹⁾</u>	<u>% of Total</u>	<u>Cumulative % of Total</u>	<u>Total Valuation</u>	<u>% of Total</u>	<u>Cumulative % of Total</u>
\$0 - \$49,999	3,879	6.912%	6.912%	\$ 147,132,741	1.217%	1.217%
\$50,000 - \$99,999	9,920	17.676	24.588	718,675,300	5.945	7.162
\$100,000 - \$149,999	9,131	16.270	40.857	1,148,691,177	9.501	16.663
\$150,000 - \$199,999	7,513	13.387	54.244	1,308,190,118	10.821	27.484
\$200,000 - \$249,999	6,905	12.304	66.548	1,543,019,921	12.763	40.247
\$250,000 - \$299,999	5,470	9.747	76.295	1,489,904,018	12.324	52.571
\$300,000 - \$349,999	4,221	7.521	83.816	1,373,202,880	11.359	63.929
\$350,000 - \$399,999	3,311	5.900	89.715	1,235,328,175	10.218	74.147
\$400,000 - \$449,999	1,837	3.273	92.988	779,101,050	6.444	80.592
\$450,000 - \$499,999	1,155	2.058	95.047	545,761,787	4.514	85.106
\$500,000 - \$549,999	811	1.445	96.492	425,281,579	3.518	88.624
\$550,000 - \$599,999	602	1.073	97.564	344,502,745	2.850	91.473
\$600,000 - \$649,999	452	0.805	98.370	281,677,002	2.330	93.803
\$650,000 - \$699,999	296	0.527	98.897	198,972,273	1.646	95.449
\$700,000 - \$749,999	168	0.299	99.196	120,921,405	1.000	96.449
\$750,000 - \$799,999	104	0.185	99.382	80,141,247	0.663	97.112
\$800,000 - \$849,999	76	0.135	99.517	62,356,724	0.516	97.628
\$850,000 - \$899,999	70	0.125	99.642	61,007,338	0.505	98.133
\$900,000 - \$949,999	50	0.089	99.731	45,877,880	0.379	98.512
\$950,000 - \$999,999	28	0.050	99.781	27,261,551	0.225	98.737
\$1,000,000 and greater	<u>123</u>	<u>0.219</u>	100.000	<u>152,634,451</u>	<u>1.263</u>	100.000
Total	56,122	100.000%		\$12,089,641,362	100.000%	

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

Assessed Valuation by Jurisdiction. The following table provides the 2013-14 assessed valuation within the District by jurisdiction.

TABLE 4
WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
2013-14 ASSESSED VALUATION BY JURISDICTION

<u>Jurisdiction:</u>	<u>Assessed Valuation in District</u>	<u>% of District</u>	<u>Assessed Valuation of Jurisdiction</u>	<u>% of Jurisdiction in District</u>
<u>Incorporated Contra Costa County:</u>				
City of El Cerrito	\$ 3,002,461,949	13.51%	\$3,002,461,949	100.00%
Town of Hercules	2,332,985,197	10.50	2,468,182,667	94.52
City of Pinole	1,759,801,754	7.92	1,759,801,754	100.00
City of Richmond	10,896,370,212	49.03	10,896,370,212	100.00
City of San Pablo	1,208,900,530	5.44	1,208,900,530	100.00
<u>Unincorporated Contra Costa County:</u>				
Kensington Community Services District	938,395,485	4.22	938,395,485	100.00
Other Unincorporated Contra Costa County	2,086,217,193	9.39	<u>30,378,942,871</u>	<u>6.87</u>
Total District	<u>\$22,225,132,320</u>	<u>100.00%</u>		
Contra Costa County	<u>\$22,225,132,320</u>	<u>100.00%</u>	<u>\$147,071,434,253</u>	<u>15.11%</u>

Source: California Municipal Statistics, Inc.

Chevron Property Tax Appeals and the Settlement Agreement. For fiscal year 2013-14, Chevron USA, the largest taxpayer in the District, represents 13.06% 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”) have 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 2004-05 which is the first year Chevron appealed the County’s property tax assessments.

TABLE 5
WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
CHEVRON USA - HISTORY OF SECURED ASSESSED VALUATION

<u>Year</u>	<u>Assessed Valuations</u>
2004-05	\$2,469,045,601
2005-06	2,678,641,859
2006-07	2,680,893,790
2007-08	3,433,927,316
2008-09	3,472,863,434
2009-10	3,086,587,302
2010-11	2,028,768,690
2011-12	2,746,309,920
2012-13	3,280,000,000 ⁽¹⁾
2013-14	2,747,070,368 ⁽²⁾

⁽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⁾ The Refinery lost \$532,929,632 in value as of fiscal year 2013-14. In August 2012, the Refinery experienced a fire and thus a decrease in revenues resulting from the closure of a portion of the Refinery from August 2012 to April 2013.

Source: California Municipal Statistics, Inc.

Chevron, the County, the County Assessor and the City of Richmond have 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 have requested the Appeals Board (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. 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.

In the future, Chevron and the County Assessor have 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 disagrees with property tax assessments, the County Assessor and Chevron have agreed to mediate the claims before asking the Appeals Board to adjudicate the property tax dispute.

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 the effect the Chevron/County Settlement or such 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 lien which is sufficient, in the opinion of the county 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, and if unpaid become delinquent on December 10 and April 10, respectively. A penalty of 10% attaches immediately to all delinquent payments. Property on the secured roll with respect to which taxes are delinquent becomes tax defaulted on or about June 30 of the fiscal year. Such property may thereafter be redeemed by payment of a penalty of 1.5% per month to the time of redemption, plus costs and a redemption fee. If taxes are unpaid for a period of five years or more, the 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 and become delinquent, if unpaid, on August 31. A 10 percent penalty attaches to delinquent unsecured taxes. If unsecured taxes are unpaid at 5 p.m. on October 31, an additional penalty of 1.5 percent attaches to them on the first day of each month until paid. 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 lien on certain property of the taxpayer; (3) filing a certificate of delinquency for record in the county recorder’s office in order to obtain a lien on certain

property of the taxpayer; and (4) seizing and selling personal property improvements or possessory interests belonging or assessed to the delinquent taxpayer.

Teeter Plan and Tax Losses Reserve Fund. The County has adopted the Teeter Plan, as provided for in Section 4701 *et seq.* of the State Revenue and Taxation Code 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 levied for the repayment of school district general obligation bonds.

The Teeter Plan is to remain in effect unless the County Board of Supervisors 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 is in effect as of the date of this Official Statement. The District has no current information suggesting that the County intends to abandon the Teeter Plan.

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

TABLE 6
WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
SECURED TAX CHARGES AND DELINQUENCIES⁽¹⁾

<u>Fiscal Year</u>	<u>Secured Tax Charge</u>	<u>Amount Delinquent as of June 30</u>	<u>Percent Delinquent June 30</u>
2008-09	\$26,534,360	\$1,663,455	6.27%
2009-10	40,349,223	1,282,024	3.18
2010-11	38,278,695	845,259	2.21
2011-12	52,145,456	998,029	1.91
2012-13	45,816,426	670,588	1.46

(1) The history of tax collections and delinquencies is available only with respect to the District's general obligation bond debt service tax levy.

Source: California Municipal Statistics, Inc.

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 ("TRA"). The largest TRA in the District is TRA 8-001. The following table summarizes components of the property tax rate in TRA 8-001 from fiscal year 2009-10 to fiscal year 2013-14.

TABLE 7
WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
LARGEST COMPONENT PARTS OF TRA 8-001⁽¹⁾
(Percentage of Assessed Valuation)

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>
General — Countywide	1.0000%	1.0000%	1.0000%	1.0000%	1.000
City of Richmond	.1400	.1400	.1400	.1400	.1400
Bay Area Rapid Transit District	.0057	.0031	.0041	.0043	.0075
East Bay Regional Park	.0108	.0084	.0071	.0051	.0078
West Contra Costa Unified School District	.1828	.1869	.2322	.2157	.2818
Contra Costa Community College District	.0126	.0133	.0144	.0087	.0133
Total	1.3519%	1.3517%	1.3978%	1.3738%	1.4504

⁽¹⁾ The 2013-14 assessed valuation of TRA 8-001 is \$5,088,759,068. The 2012-13 assessed valuation of TRA 8-001 was \$7,023,818,901. The decrease is due primarily to a County Assessor double reporting in fiscal year 2012-13, the Chevron/County Settlement and a reduction in value due to the fire at the Refinery in August 2012. See “— *Chevron Property Tax Appeals and the Settlement Agreement*.” Source: California Municipal Statistics, Inc.

Largest Taxpayers in the District

The 20 largest taxpayers in the District, as shown on the 2013-14 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 \$3,891,877,662, or approximately 18.51% of the District’s total 2013-14 secured tax roll. See “— *Chevron Property Tax Appeals and the Settlement Agreement*” herein for discussion of challenges by Chevron to the County Appeals Board of property taxes paid in prior fiscal years and the Chevron/County Settlement.

TABLE 8
WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
LARGEST 2013-14 LOCAL SECURED TAXPAYERS

	<u>Property Owner</u>	<u>Primary Land Use</u>	<u>2013-14 Assessed Valuation</u>	<u>% of Total ⁽¹⁾</u>
1.	Chevron USA Inc.	Industrial	\$2,747,070,368	13.06%
2.	Guardian & KW Hilltop LLC	Apartments	146,283,395	0.70
3.	Bio-Rad Laboratories Inc.	Industrial	143,169,379	0.68
4.	MCD-RCCA-El Cerrito LLC	Shopping Center	88,710,044	0.42
5.	Lennar Emerald Marina Bay LLC	Residential Development	82,848,000	0.39
6.	Richmond Essex LP	Apartments	72,582,908	0.35
7.	Richmond Associates LLC	Shopping Center	67,052,154	0.32
8.	Kaiser Foundation Health Plan	Medical Building	61,865,053	0.29
9.	TKG Pinole LLC	Shopping Center	61,678,435	0.29
10.	Safeway Inc.	Shopping Center	52,239,688	0.25
11.	DDRM Hilltop Plaza LP	Shopping Center	41,747,500	0.20
12.	Dicon Fiberoptics Inc.	Industrial	40,640,233	0.19
13.	Ford Point LLC	Industrial	38,824,752	0.18
14.	Richmond Tides Owners LLC	Apartments	37,740,000	0.18
15.	BP West Coast Products	Industrial	37,467,245	0.18
16.	California Fats & Oils Inc.	Industrial	34,960,960	0.17
17.	Village at Town Center LLC	Apartments	34,949,475	0.17
18.	Point Richmond R&D Associates II LLC	Industrial	34,216,473	0.16
19.	IIT Pinole Business Park I LP	Industrial	34,170,000	0.16
20.	Stephens & Stephens LLC	Industrial	33,661,600	0.16
	Total		\$3,891,877,662	18.51%

⁽¹⁾ Total Local Secured Assessed Valuation for 2013-14: \$21,027,153,899.
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 in 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 June 1, 2014. 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 June 1, 2014

2013-14 Assessed Valuation: \$22,225,132,320

<u>DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	<u>% Applicable</u>	<u>Debt 6/1/14</u>
Bay Area Rapid Transit District	4.228%	\$ 27,409,067
East Bay Municipal Utility District, Special District No. 1	5.583	790,553
Contra Costa Community College District	15.172	52,183,335
West Contra Costa Unified School District	100.	900,147,930
	(1)	
East Bay Regional Park District	6.527	13,198,247
City of El Cerrito Parcel Tax Obligations	100.	2,170,000
West Contra Costa Healthcare District Parcel Tax Obligations	90.708	54,374,911
Richmond Redevelopment Community Facilities District No. 1998-1	100.	3,155,000
City and County 1915 Act Bonds	100.	27,245,570
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		\$1,080,674,613

<u>DIRECT AND OVERLAPPING GENERAL FUND DEBT:</u>		
Contra Costa County General Fund Obligations	15.112%	\$ 41,497,598
Contra Costa County Pension Obligations	15.112	39,064,520
Alameda-Contra Costa Transit District Certificates of Participation	9.978	2,809,306
Contra Costa Community College District Certificates of Participation	15.172	106,204
West Contra Costa Unified School District General Fund Obligations	100.	7,390,000
City of El Cerrito General Fund Obligations	100.	8,585,000
City of Hercules Certificates of Participation	94.522	15,851,339
City of Pinole Pension Obligation Bonds	100.	4,478,466
City of Richmond General Fund Obligations	100.	132,515,000
City of Richmond Pension Obligation Bonds	100.	100,860,133
Contra Costa Fire Protection District Pension Obligation Bonds	4.859	4,856,328
Moraga-Orinda Fire District Pension Obligation Bonds	0.004	882
TOTAL GROSS DIRECT AND OVERLAPPING GENERAL FUND DEBT		\$358,014,776
Less: Contra Costa County obligations supported by revenue funds		16,432,188
City of Richmond obligations supported by port revenues		47,339,300
TOTAL NET DIRECT AND OVERLAPPING GENERAL FUND DEBT		\$294,243,288

<u>OVERLAPPING TAX INCREMENT DEBT:</u>		\$357,088,359
 GROSS COMBINED TOTAL DEBT		 \$1,795,777,748
	(2)	
NET COMBINED TOTAL DEBT		\$1,732,006,260

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

Ratios to 2013-14 Assessed Valuation:

Direct Debt (\$900,147,930)	4.05%
Total Direct and Overlapping Tax and Assessment Debt	4.86%
Combined Direct Debt (\$907,537,930)	4.08%
Gross Combined Total Debt	8.08%
Net Combined Total Debt.....	7.79%

Ratios to 2013-14 Redevelopment Incremental Valuation (\$4,982,201,141):

Total Overlapping Tax Increment Debt	7.17%
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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 on a parity basis as further described in the paragraphs below. Since 1998, voters have authorized the District to issue up to \$1.63 billion of general obligation bonds. The District has approximately \$901.6 million of general obligation bonds currently outstanding.

On June 2, 1998, the District received voter approval, through a bond measure known as Measure E, which required two-thirds percent 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 percent 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,” “Series 2000B Bonds” and “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). A portion of the Series 2000C Bonds was refunded in 2011, 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,” “Series 2002B Bonds,” “Series 2002C Bonds,” and “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 November 8, 2005, the District received voter approval, through a bond measure known as Measure J (“2005 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,” “Series 2005B Bonds,” “Series 2009C-1 Bonds,” “Series 2009C-2 Bonds,” “Series 2009 D-1 Bonds,” and “Series 2009 D-2 Bonds”). The Series 2009C-2 Bonds were issued as Build America Bonds authorized under the American Recovery and Reinvestment Act of 2009. The Series 2009D-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 United States Department of the Treasury (“Treasury”) relative to the interest payable on such bonds by the District, until the last of the Series 2009D-1 Bonds matures on August 1, 2024. 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. 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 (“2010 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 the 2010 Series B Bonds under the 2010 Authorization in the amount of \$40 million to continue repairing all District facilities. Approximately \$240 million remains authorized and unissued under the 2010 Authorization.

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. Approximately \$275 million remains authorized and unissued under the 2012 Authorization.

The Outstanding General Obligation Bonds, the Bonds and all future 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 issued on a parity basis payable from an unlimited *ad valorem* tax upon all property subject to taxation within the District. The County Board of Supervisors 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 PAYMENT FOR THE BONDS."

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The following table reflects the District's Outstanding General Obligation Bonds, expected as of the date of delivery of the Bonds, and the approximate amount of remaining authorized and unissued bonds that may be issued under each authorization.

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
OUTSTANDING GENERAL OBLIGATION BONDS
EXPECTED AS OF AUGUST 13, 2014**

Authorization / Series Name	Issue Date	Final Maturity (August 1)	Original Issue Amount	Principal Outstanding	Remaining Authorized and Unissued ⁽⁶⁾
1998 Authorization (Authorization Amount: \$40 million)					\$0
2001 Refunding Bonds, Series A ⁽¹⁾	Nov. 6, 2001	2025	\$28,610,000	\$ -	
2001 Refunding Bonds, Series B ⁽¹⁾	Nov. 6, 2001	2024	10,255,000	6,050,000	
2000 Authorization (Authorization Amount: \$150 million)					\$0
2009 Refunding Bonds ⁽²⁾	Sept. 3, 2009	2017	47,215,000	26,015,000	
2011 Refunding Bonds ⁽³⁾	Aug. 25, 2011	2023	33,960,000	25,955,000	
2012 Refunding Bonds ⁽⁵⁾	July 10, 2012	2032	40,370,000	40,370,000	
2002 Authorization (Authorization Amount: \$300 million)					\$0
Series 2002C Capital Appreciation Bonds ⁽⁴⁾	Aug. 11, 2004	2034	29,999,377	24,317,931	
Series 2002D Capital Appreciation Bonds ⁽⁴⁾	Oct. 19, 2005	2034	99,998,106	85,569,66	
2011 Refunding Bonds ⁽³⁾	Aug. 25, 2011	2024	51,605,000	45,100,000	
2012 Refunding Bonds ⁽⁵⁾	July 10, 2012	2032	57,830,000	57,830,000	
2014 Refunding Bonds	Aug. 13, 2014	2034	22,685,000	22,685,000	
2005 Authorization (Authorization Amount: \$400 million)					\$77,600,000
Series 2005B Bonds ⁽²⁾	July 15, 2008	2035	120,000,000	115,025,000	
Series 2005C Capital Appreciation Bonds ⁽⁴⁾	Sept. 3, 2009	2033	52,084,759	52,084,759	
Series 2005C Build America Bonds	Sept. 3, 2009	2034	52,825,000	52,825,000	
2009 Refunding Bonds ⁽³⁾	Sept. 3, 2009	2031	10,645,000	10,645,000	
Series D-1 Qualified School Construction Bonds	June 24, 2010	2024	25,000,000	25,000,000	
Series D-2 Capital Appreciation Bonds ⁽⁴⁾	June 24, 2010	2036	2,499,949	2,499,949	
2014 Refunding Bonds	Aug. 13, 2014	2035	54,775,000	54,775,000	
2010 Authorization (Authorization Amount: \$380 million)					\$240,000,000
Series 2010A Bonds	Nov. 22, 2011	2041	79,000,000	66,845,000	
Series 2010A-1 Qualified School Construction Bonds	Nov. 22, 2011	2030	21,000,000	19,030,000	
Series 2010B Bonds	Oct. 31, 2013	2045	40,000,000	36,500,000	
2012 Authorization (Authorization Amount: \$360 million)					\$275,000,000
Series 2012A Bonds	Oct. 31, 2013	2045	85,000,000	77,250,000	
TOTAL			\$965,357,191	\$862,402,605	\$592,600,000

⁽¹⁾ 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.

⁽²⁾ The 2009 Refunding Bonds were issued to fully refund the Series 2000A Bonds and Series 2000B Bonds and partially refund the Series 2005A Bonds and Series 2005B Bonds issued under the 2005 Authorization.

⁽³⁾ The 2011 Refunding Bonds were issued to partially refund the Series 2000C Bonds, Series 2002A Bonds, and the Series 2002B Bonds issued under the 2002 Authorization.

⁽⁴⁾ The outstanding capital appreciation bonds are expressed in terms of original denominational amount; the accreted interest amount is not included.

⁽⁵⁾ The 2012 Refunding Bonds were issued to refund four series of bonds in the initial aggregated principal amount of \$98,200,000.

⁽⁶⁾ Approximate.

Source: West Contra Costa Unified School District.

The following table shows the combined debt service schedule with respect to all Outstanding General Obligation Bonds expected as of the date of delivery of the Bonds and reflects the refunding of the 2004 Prior Bonds and the 2006 Prior Bonds.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
COMBINED ANNUAL DEBT SERVICE SCHEDULE EXPECTED AS OF AUGUST 13, 2014⁽¹⁾

Year Ending (August 1)	1998 <u>Authorization</u>	2000 <u>Authorization</u>	2002⁽¹⁾ <u>Authorization</u>	2005⁽¹⁾⁽²⁾ <u>Authorization</u>	2010⁽¹⁾⁽²⁾ <u>Authorization</u>	2012 <u>Authorization</u>	Total Annual Debt Service
2015	\$2,940,867.50	\$13,874,150.00	\$14,254,871.67	\$17,101,188.76	\$11,328,281.26	\$10,199,918.76	\$ 69,699,277.95
2016	2,939,942.50	14,537,550.00	15,143,450.00	18,529,238.76	7,743,281.26	3,699,918.76	62,593,381.28
2017	2,941,287.50	15,092,212.50	18,226,600.00	21,465,238.76	7,855,281.26	3,699,918.76	69,280,538.78
2018	2,945,323.75	6,146,462.50	19,988,250.00	23,453,738.76	7,231,281.26	3,699,918.76	63,464,975.03
2019	2,941,912.50	6,112,212.50	20,287,750.00	25,125,588.76	7,341,281.26	3,699,918.76	65,508,663.78
2020	2,950,107.50	6,076,962.50	21,010,500.00	26,929,638.76	7,586,281.26	3,699,918.76	68,253,408.78
2021	2,949,052.50	6,040,462.50	22,108,150.00	28,879,913.76	7,684,031.26	4,229,918.76	71,891,528.78
2022	2,953,852.50	6,017,462.50	23,233,600.00	30,918,463.76	7,786,781.26	4,313,418.76	75,223,578.78
2023	2,949,832.50	5,992,937.50	23,929,762.50	31,584,889.76	7,888,781.26	4,401,418.76	76,747,622.28
2024	1,533,275.00	5,714,750.00	25,030,075.00	32,188,506.50	7,995,281.26	4,488,418.76	76,950,306.52
2025	743,575.00	5,790,000.00	26,028,500.00	33,612,007.50	8,101,031.26	4,574,168.76	78,849,282.52
2026	--	5,681,000.00	27,375,000.00	35,055,957.50	8,644,993.76	4,668,418.76	81,425,370.02
2027	--	5,673,750.00	28,643,500.00	36,562,070.00	5,796,131.26	4,760,418.76	81,435,870.02
2028	--	5,661,750.00	29,988,750.00	38,137,582.50	5,320,062.50	4,854,918.76	83,963,063.76
2029	--	5,649,750.00	31,399,750.00	39,786,982.50	9,112,981.26	4,951,418.76	90,900,882.52
2030	--	5,624,250.00	32,890,750.00	41,503,407.50	9,267,731.26	5,055,318.76	94,341,457.52
2031	--	5,638,500.00	34,459,750.00	43,303,170.00	8,843,231.26	5,154,243.76	97,398,895.02
2032	--	5,622,750.00	35,506,000.00	45,182,495.00	9,017,381.26	5,257,931.26	100,586,557.52
2033	--	--	35,548,500.00	47,149,995.00	9,200,893.76	5,360,593.76	97,259,982.52
2034	--	--	37,382,500.00	48,586,480.00	9,382,662.50	5,471,706.26	100,823,348.76
2035	--	--	--	28,544,375.00	9,584,800.00	5,578,481.26	43,707,656.26
2036	--	--	--	29,860,000.00	9,766,512.50	5,691,231.26	45,317,743.76
2037	--	--	--	--	9,960,262.50	5,803,856.26	15,764,118.76
2038	--	--	--	--	10,161,237.50	5,920,531.26	16,081,768.76
2039	--	--	--	--	10,367,600.00	6,040,156.26	16,407,756.26
2040	--	--	--	--	10,412,500.00	6,161,631.26	16,574,131.26
2041	--	--	--	--	10,619,123.50	6,281,381.26	16,900,504.76
2042	--	--	--	--	4,613,000.00	6,408,881.26	11,021,881.26
2043	--	--	--	--	4,707,250.00	6,537,881.26	11,245,131.26
2044	--	--	--	--	5,337,500.00	6,665,368.76	12,002,868.76
2045	--	--	--	--	5,440,218.76	6,801,587.50	12,241,806.26
Total	\$28,789,028.75	\$130,946,912.50	\$522,436,009.17	\$723,460,928.84	\$254,097,667.44	\$164,132,812.80	\$1,823,863,359.50

⁽¹⁾ Represents all outstanding general obligation bonds of the District including all general obligation bonds issued under the 1998 Authorization, the 2000 Authorization, the 2002 Authorization (after the refunding of the 2004 Prior Bonds), the 2005 Authorization (after the refunding of the 2004 Prior Bonds), the 2010 Authorization and the 2012 Authorization, but does not include general fund and other indebtedness of the District.

⁽²⁾ The District anticipates receiving federal subsidy payments in connection with certain qualified school construction 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 Education Code of the State (the "Education Code") Section 15106, with respect to bonds under the 1998 Authorization and the 2000 Authorization, and under Education Code Section 15270, with respect to bonds under the 2002 Authorization, 2005 Authorization, 2010 Authorization and the 2012 Authorization, 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. However, the District has requested and been granted four waivers of this limit to date 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 a 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. The 2009 Waiver was authorized 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. The 2011 Waiver applies only to bonds issued pursuant to the 2010 Authorization between March 11, 2011 and December 31, 2021. In May 2013, the State Board granted a fourth waiver (the “2013 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. The 2013 Waiver applies only to bonds issued pursuant to the 2012 Authorization between May 9, 2013 and December 31, 2025.

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
STATUTORY WAIVERS**

Date	Authorizations to which Waiver Applies	Adjusted Bonding Capacity Limit (%)	Expiration Date
March 2011	2010 Authorization	5.00% of AV	December 2021
May 2013	2012 Authorization	5.00% of AV	December 2025

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TAX MATTERS

Federal Income Taxes

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 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 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 with respect to individuals and corporations. Interest on the Bonds is, however, included in the adjusted current earnings of certain corporations for purposes of computing the alternative minimum tax imposed on such corporations.

In rendering these opinions, Bond Counsel has relied upon representations and covenants of the District in the Tax Certificate concerning the property refinanced 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 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 California.

Original Issue Premium

The Bonds are being offered at prices in excess of their principal amounts. An initial purchaser with an initial adjusted basis in a Bond in excess of its principal amount will have amortizable bond premium which 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 Bond based on the purchaser’s yield to maturity (or, in the case of 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 Bond, an initial purchaser who acquires such obligation with an amortizable bond premium is required to decrease such purchaser’s adjusted basis in such 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 Bonds are advised that they should consult with their own advisors with respect to the state and local tax consequences of owning such 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, and individuals seeking to claim the earned income credit. Ownership of the Bonds may also result in other federal tax consequences to taxpayers 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 (“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 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 opinion 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. We note that each year since 2011, President Obama has released legislative proposals that would limit the extent of the exclusion from gross income of interest on obligations of states and political subdivisions under Section 103 of the Code (including the Bonds) for taxpayers whose income exceeds certain thresholds. 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 owners 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, 2013, including the reporting of other post-employment benefit costs and obligations of the District as required under Governmental Accounting Standards Board #45, the independent auditor's report and the statement of activities and of cash flows are included as APPENDIX C attached hereto. The financial statements referred to in the preceding sentence have been audited by Crowe Horwath LLP (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

The District may apply for a municipal bond insurance policy (an "Insurance Policy") which, if obtained, would insure the scheduled payment of principal of and interest on to the Bonds when due. The District's decision whether or not to obtain an Insurance 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 an Insurance Policy, and, if so, whether such Insurance Policy will cover all or less than all of the Bonds.

LEGAL MATTERS

Continuing Disclosure

The District has covenanted for the benefit of the holders 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 (9) months following the end of each fiscal year (currently ending June 30) commencing with the report for the 2013-14 fiscal year (which is due no later than March 31, 2015) 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 the Electronic Municipal Market Access system ("EMMA") of the Municipal Securities Rulemaking Board. 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").

Other than as discussed further in this paragraph, during the last five years the District has complied in all material respects with its previous undertakings to file annual reports. From time to time, the District has failed to timely file notices of enumerated events relating to rating changes resulting from rating downgrades of various bond insurers on certain of its Outstanding General Obligation Bonds, although such filings have subsequently been made. The District also failed to timely file its second interim report for fiscal year 2013 -14 and failed to file second interim reports for fiscal years 2009-10, 2010-11 and 2011-12, which are additional filing requirements in continuing disclosure agreements it executed in 2009. All such interim reports have subsequently been filed. Since 2007 the District has engaged a Dissemination Agent to assist it in complying with all of its continuing disclosure undertakings and to compile and disseminate its annual report and other required notices and information required under its continuing disclosure undertakings.

Limitation on Remedies; Amounts Held in the County Treasury Pool

The opinion of Bond Counsel, the proposed form of which is attached hereto as APPENDIX B, is 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.

The Resolution and the Act 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 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 Treasury Pool, as described in APPENDIX G — "COUNTY INVESTMENT POLICY AND EXCERPTS FROM TREASURER'S QUARTERLY INVESTMENT REPORT AS OF MARCH 31, 2014" attached hereto. In the event the District or the County were to go into bankruptcy, a federal 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 may include taxes that have been collected and deposited into the 2002 Measure D and 2005 Measure J Debt Service Funds, 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 Interest and Sinking Fund where such amounts are invested in the County Treasury Pool. Under any such circumstances, there could be delays or reductions in payments on the Bonds.

No Litigation

No litigation is pending concerning the validity of the Bonds; however, during the public comment period prior to the adoption of the Resolution by the Board on June 25, 2014, a representative of the Contra Costa County Taxpayer's Association threatened legal action against the Board, on the alleged grounds that the adoption of the Resolution failed to comply with the requirements of State Assembly Bill 182, codified in Section 15140 et seq. of the Education Code ("A.B. 182") with respect to the issuance of capital appreciation bonds. The District, while in full compliance with the requirements of A.B. 182 as to the Resolution, is no longer considering issuing capital appreciation bonds, so its provisions are no longer applicable to the issuance of the Bonds, and this allegation is therefore moot. 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 taxes or contesting the District's ability to issue the Bonds.

Approval of Legal Proceedings

Legal matters incident to the issuance of the Bonds are subject to the approving opinion of Nixon Peabody LLP, 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, Disclosure Counsel.

VERIFICATION

The sufficiency of amounts and investment earnings on deposit under the Escrow Agreement and to be paid with respect to the Prior Bonds will be verified by the Verification Agent. The Verification Agent will deliver a report to that effect on the date of delivery of the Bonds. The report of the Verification Agent will include the statement that the scope of their engagement was limited to verifying the mathematical accuracy of the computations contained in such schedules provided to them and that it has no obligation to update its report because of events occurring, or data or information coming to their attention, subsequent to the date of its report.

RATINGS

The Bonds have received ratings of "Aa3" from Moody's, "A+" from S&P, and "A+" from Fitch Ratings ("Fitch"). Any rating issued reflects only the views of such rating agency, and any explanation of the significance of such rating should be obtained from such rating agency, at the following respective addresses: Moody's at 7 World Trade Center, 250 Greenwich Street, 23rd Floor, New York, New York 10007; or its website at: www.moodys.com; S&P at 55 Water Street, New York, New York 10041; or its website at: www.standardandpoors.com; and Fitch at One State Street Plaza, 31st Floor, New York, New York 10004; or its website at: www.fitchratings.com. The information contained or referenced in such websites or otherwise provided by any rating agency is not incorporated herein by reference.

There is no assurance that any rating will continue for any given period or that it will not be revised downward or withdrawn entirely by the rating agency if, in the judgment of the rating agency, circumstances so warrant. Any such downgrading or withdrawal may have an adverse effect on the market price of the Bonds. The District does not undertake any responsibility to oppose any such downward revision or withdrawal.

UNDERWRITING

The Bonds are being purchased for offering to the public by the Underwriters pursuant to a Bond Purchase Contract (the "Purchase Contract") by and between the District and Piper Jaffray & Co. (the "Representative"), on its own behalf and as representative of Backstrom McCarley Berry & Co., LLC (together with the Representative, the "Underwriters"). The Underwriters have agreed to purchase the Bonds at a price of \$88,075,056.35 (consisting of the principal amount of the Bonds of \$77,460,000.00, plus original issue premium of \$11,021,721.35, and less an Underwriters' discount of \$406,665.00). Pursuant to the Purchase Contract, the Underwriters will purchase all of the Bonds, if any are purchased, subject to certain terms and conditions 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.

The following paragraphs in this “Underwriting” section have been provided by the respective Underwriters identified below. The District cannot and does not make any representation as to the accuracy or the completeness thereof.

The Representative has entered into a distribution agreement with Charles Schwab & Co., Inc. (“CS&Co.”) for the retail distribution of certain securities offerings at the original issue prices. Pursuant to the agreement, CS&Co. will purchase Bonds from the Representative at the original issue price less a negotiated portion of the selling concession applicable to any Bonds that CS&Co. sells.

Backstrom McCarley Berry & Co., LLC (“BMcB”), BMcB has entered into separate non-exclusive Distribution Agreements with Mesirow Financial, Mitsubishi UFJ Securities (USA), Inc., IFS Securities, and D.A. Davidson & Co. (the “Firms”) that enables each distributor to distribute certain new issue municipal securities underwritten by or allocated to BMcB, which could include the Bonds. Under those distribution agreements, BMcB may share with the Firms a portion of the fee or commission paid to BMcB.

FINANCIAL ADVISOR

KNN Public Finance, a division of Zions First National Bank, Oakland, California, is employed as Financial Advisor to the District in connection with the issuance of the Bonds. The Financial Advisor’s fee for services rendered with respect to the sale of the Bonds is contingent upon the issuance and delivery of the Bonds. KNN Public Finance, Oakland, California, in its capacity as Financial 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 status of the Bond, or the possible impact of any present, pending or future actions taken by any legislative or judicial bodies.

The Financial Advisor to the District has provided the following sentence for inclusion in this Official Statement. The Financial 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 Financial Advisor does not guarantee the accuracy or completeness of such information.

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 Associate Superintendent, Business Services, West Contra Costa Unified School District, 1108 Bissell Avenue, Richmond, California 94801-3135, 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: /s/ Sheri Gamba
Associate Superintendent, Business Services

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 neither receives nor accounts on its general ledger the ad valorem tax revenues collected by Contra Costa County (the “County”) to pay debt service on the Bonds (or its other outstanding general obligation bonds (collectively, the “Outstanding General Obligation Bonds”) in the following tables or in its 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 interest and sinking fund of the District. The Bonds are and will continue to be payable solely from ad valorem taxes levied and collected by the County within the boundaries of the District.

This APPENDIX A provides information concerning the operations and finances of the District. The Bonds are general obligation bonds of the District, secured and payable from ad valorem taxes assessed on taxable properties within 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 on a parity with the Bonds.

General Information

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 currently maintains 38 elementary schools, two K-8 school, six middle/junior high schools, six high schools and six alternative/continuation programs, 60 adult education sites, nine operation sites and 17 State-funded preschools. The pupil teacher staffing ratio in the District is approximately 24:1 for transitional kindergarten through third grade, 33:1 for grades 4 through 6 and for grades 6-8 in K-8 schools and 32:1 maximum for middle and high schools.

Board of Education

The District is governed by a five-member Board of Education (the “Board”), each member of which 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 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**

<u>Name</u>	<u>Position</u>	<u>Expiration of Term</u>
Charles T. Ramsey	President	December, 2014
Todd A. Groves	Clerk	December, 2016
Randall Enos	Member	December, 2016
Madeline Kronenberg	Member	December, 2014
Elaine R. Merriweather	Member	December, 2014

Source: West Contra Costa Unified School District.

District Senior Management Team

The District's senior management team is led by the Superintendent who has the authority and is responsible for administering the affairs of the District in accordance with the policies of the Board. Three Associate Superintendents oversee and manage the following divisions: Business Services, K-Adult Education, and Operations. Two Assistant Superintendents oversee and manage Education Services and Human Resources, and a Director oversees and manages the Special Education Local Area Plan. The District's senior management team serves at the discretion of the Board. Brief biographical information for each of the principal members of the District's senior management team is provided below.

Dr. Bruce Harter, Superintendent. Dr. Harter was appointed Superintendent of the District in July 2006. Prior to his appointment with the District, Dr. Harter served as superintendent at three other school districts. Dr. Harter earned his Bachelor's degree at the University of Michigan, Ann Arbor, Michigan and his Doctorate at the University of Colorado, Denver, Colorado. Dr. Harter has 42 years of service in public education.

Sheri Gamba, Associate Superintendent, Business Services. Ms. Gamba was appointed Associate Superintendent of Business Services of the District in 2007. Prior to her appointment with the District, Ms. Gamba served as Chief Business Officer at Antioch Unified School District. Ms. Gamba is the Past President (2010-11) of Northern California Section of the California Association of School Business Officials, and represents the District on various Joint Powers Agency (JPA) Boards in the region. Ms. Gamba has over 26 years of service in public education.

Wendell C. Greer, Associate Superintendent, K-Adult Education. Mr. Greer was appointed Associate Superintendent of K-Adult Education of the District in 2006. Prior to his appointment with the District, Mr. Greer worked as a teacher and coach and served as an administrator at other school districts in Southern California. Mr. Greer has over 32 years of service in public education.

Associate Superintendent, Operations: This position is currently vacant.

Nia Rashidchi, Assistant Superintendent, Education Services. Ms. Rashidchi was appointed Assistant Superintendent of Educational Services of the District in 2008. Prior to her appointment with the District, Ms. Rashidchi served as an Executive Director at a K-12 school district, a state and federal education coordinator and as an Elementary School Principal. Ms. Rashidchi has 20 years of service in public education.

Kenneth Whittemore, Assistant Superintendent, Human Resources. Mr. Whittemore was appointed Assistant Superintendent of Human Resources of the District in 2012. Prior to his appointment

with the District, he served as a Teacher, Principal, and Assistant Superintendent in California and Oregon schools. Mr. Whittemore has 28 years of service in public education.

Steve Collins, Director, Special Education Local Plan Area. Mr. Collins was appointed Special Education Local Plan Area (SELPA) Director of the District in 1996. He has dedicated his career to public education and has served the District for 36 years.

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, 2013-14 estimated actuals, 2014-15 Adopted Budget 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." 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 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 84% 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 have 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 ("COLAs") and to equalize revenues among school districts of the same type. 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.

Each school district's revenue limit, which was funded by State moneys and local *ad valorem* taxes from the general 1% *ad valorem* tax levy, was allocated based on the ADA of each school district

for either the current or preceding school year. 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.

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 LCCF replaces the revenue limit funding system, as well as many categorical programs. The LCCF 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. Implementation of the LCFF is expected to take several years, ending in Fiscal Year 2020-21. An annual transition adjustment is 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 are 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 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. Following full implementation of the LCFF, and 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 students 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 Year 2013-14.

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
ADA, ENROLLMENT AND EL/LI ENROLLMENT PERCENTAGE
FISCAL YEAR 2013-14**

Fiscal Year	Average Daily Attendance⁽¹⁾					Enrollment⁽²⁾	
	<u>TK1 K-3</u>	<u>4-6</u>	<u>7-8</u>	<u>9-12</u>	<u>Total ADA</u>	<u>Total Enrollment</u>	<u>% of EL/LI Enrollment</u>
2013-14	9,957.31	6,650.49	3,876.88	7,663.37	28,148.05	29,486	74.85%

⁽¹⁾ Reflects P-2 ADA.

⁽²⁾ As of October report submitted to the California Basic Educational Data System (CBEDS). For purposes of calculating supplemental funding grants, a school district's fiscal year 2013-14 percentage of unduplicated EL/LI students will be expressed solely as a percentage of its total fiscal year 2013-14 total enrollment.

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 ERT add-on will be paid incrementally over the implementing period of the LCFF. 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.

Beginning July 1, 2014, school districts are 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.

In Fiscal Year 2011-12, the District received approximately \$147.8 million from revenue limit sources, accounting for approximately 55.4% of its total General Fund revenues. For Fiscal Year 2012-13, the District received \$150.0 million of revenue limit source income which is approximately 58.0% of its total estimated General Fund revenues. Beginning in Fiscal Year 2013-14, the funding is determined pursuant to the LCFF and comprised of (1) local property tax, (2) Education Protection Account ("EPA")

receipts, and (3) State Aid. Utilizing the LCFF transition funding formula and based on the Estimated Actuals for Fiscal Year 2013-14, the District expects to receive approximately \$60 million in local property tax, approximately \$27 million in EPA receipts and approximately \$107 million in State aid for a total of approximately \$193 million of LCFF funding formula revenues, which is approximately 75% of total budgeted General Fund revenues. The District has estimated additional revenue for Fiscal Year 2014-15 of about \$21.4 million it will receive pursuant the LCFF compared to the prior revenue limit funding model.

The following table sets forth the District's funded revenue limits per ADA for the Fiscal Years 2008-09 through 2013-14. For Fiscal Year 2011-12 and 2012-13 the District's base funded revenue limit per unit of ADA were \$5,167 and \$5,223, respectively. For Fiscal Year 2013-14, the District estimates that its LCFF funding revenue limit per unit of ADA is \$6,810.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
Funded Revenue Limit/LCFF Funding Formula per ADA
Fiscal Years 2008-09 through 2013-14

<u>Fiscal Year</u>	<u>Funded Revenue Limit/ LCFF Funding Formula</u>
2008-09	\$5,428
2009-10	5,216
2010-11	5,309
2011-12	5,167
2012-13	5,223
2013-14 (LCFF)	6,810 ⁽¹⁾

⁽¹⁾ Estimated; the LCFF per ADA amount includes dollars that were previously provided to the District in the form of grants and accounted for in the restricted categories. Therefore, the per-ADA figure is higher than the traditional Funded Revenue Limit model.

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, providing approximately 1.7% of a school district's general fund budget. 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.

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 2008-09 through 2012-13 and the projected funded Second Period ADA for fiscal years 2013-14 through 2015-16:

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
AVERAGE DAILY ATTENDANCE**

<u>Fiscal Year</u>	<u>Average Daily Attendance⁽¹⁾</u>
2008-09	28,094
2009-10	27,614
2010-11	27,589
2011-12	27,598
2012-13	28,037
2013-14	28,148
2014-15	28,229 ⁽²⁾
2015-16	28,571 ⁽²⁾

⁽¹⁾ Includes grade levels K-12 and special education.

⁽²⁾ Projected.

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.

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, such as the District, may be eligible for other special categorical funding, including State and federal programs. Currently, the District receives approximately 87% 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 Financial 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 Financial 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.

Fiscal Year 2014-15 State Budget. On June 20, 2014, Governor Brown signed the fiscal year 2014-15 State Budget Act (the "2014-15 State Budget"). The 2014-15 State Budget including approximately \$109.3 billion in State General Fund resources (including revenues, transfers and prior year balance) and approximately \$108.0 billion in planned State General Fund expenditures. \$1.6 billion in State General Fund revenues will be transferred to a budget stabilization fund. The 2014-15 State Budget includes an approximately 7.2 percent State General Fund spending increase from the State's fiscal year 2013-14 budget. The 2014-15 State Budget includes approximately \$10 billion more in Proposition 98 funding than in fiscal year 2013-14.

The 2014-15 State Budget also assumes a proposed constitutional amendment to strengthen California's reserve fund. The constitutional amendment would, among other things, create a Proposition 98 reserve, whereby spikes in funding would be saved for future years of decline, designed to minimize cuts during times of economic downturn. The establishment of such a reserve would not affect the guaranteed level of funding for community colleges under Proposition 98. California voters will vote on the proposed constitutional amendment in November 2014.

The 2014-15 Proposed State Budget included the following significant adjustments affecting California K-12 school districts:

- **K-12 Deferrals** – The 2014-15 State Budget repays nearly \$4.7 billion Proposition 98 General Fund for K-12 expenses that had been deferred from one year to the next during the recent economic downturn, leaving an outstanding balance of less than \$900 million in K-12 deferrals. Further, the 2014-15 State Budget includes a trigger mechanism that will appropriate any additional funding resources attributable to fiscal years 2013-14 and 2014-15 subsequent to the enactment of the 2014-15 State Budget for the purpose of retiring the remaining deferral balance.
- **Local Control Funding Formula** – An increase of \$4.75 billion Proposition 98 General Fund to continue the State's transition to the LCFF. This increase will close the remaining funding implementation gap by more than 29 percent. Additionally, the 2014-15 State Budget addresses an administrative problem related to the collection of income eligibility forms that are used to determine student eligibility for free or reduced-price meals.
- **K-12 Mandates** – An increase of \$400.5 million in one-time Proposition 98 General Fund to reimburse K-12 local educational agencies for the costs of state-mandated programs. These funds will make a significant down payment on outstanding mandate debt, while providing school

districts, county offices of education, and charter schools with discretionary resources to support critical investments.

- **Career Technical Education Pathways Program** – An increase of \$250 million in one-time Proposition 98 General Fund to support a second cohort of competitive grants for participating K-12 local educational agencies. Established in the 2013-14 State Budget Act, the Career Pathways Trust Program provides grant awards to improve career technical programs and linkages between employers, schools, and community colleges.

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.” 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. To the extent that the State budget process results in reduced revenues deferred revenues or increased expenses for the District, the District will be required to make adjustments to its budget and cash management practices. 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 be required 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.

Common Core Block Grant. Approved in March 7, 2012 by the California State Board of Education, the Common Core State Standards (“Common Core”) requires the adoption of new curriculum and the development of technology. The District has developed its own plan for Common Core systems implementation based on local needs and resources.

The 2014-15 State Budget included provisions for block grants toward the implementation of Common Core. The Common Core block grants can be used for professional development for teachers and other employees involved in the direct instruction of students, instructional materials and the integration of standards through technology. The District received \$5.8 million in funding which must be used over a two year period. To use the Common Core funding the District must develop a plan and present it at a public meeting which, prior to any expenditures, must be adopted by the Board.

Prop 39 Energy Grant. Proposition 39, a voter approved initiative at the November 2012 statewide election, provides for annual transfers from the State General Fund to the Clean Energy Job Creation Fund for a period of five years, 2013-14 through 2017-18. The 2014-15 State Budget appropriated \$307 million to K-12 schools with 85 percent of the appropriation to be allocated based on 2013-14 ADA and 15 percent based on 2013-14 free and reduced-priced meals. Proposition 39 funds will be provided to schools to improve energy efficiency and create clean energy jobs. The total estimated funding over the five year period for the District is \$1.4 million, of which the District received \$431,457 in fiscal year 2013-14.

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 Lottery revenues for fiscal year 2012-13 were \$4,736,711. As reflected in the District Budget, the District expects to receive approximately \$4,724,060 in Lottery revenues for fiscal year 2013-14.

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. Due to the decline in construction and corresponding anticipated decrease in revenue derived from developer fees, the District projects collecting approximately \$55,000 in developer fees during fiscal year 2013-14. However, collection depends on development and the District cannot guarantee that these funds will become available. As of the date of the 2013-14 Estimated Actuals, the developer’s fees collected were \$65,000.

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 XIIIID 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 77,502 defined living units within the MRAD, and the District has received approximately \$5 million annually in assessment revenue, with approximately \$5.6 million estimated in 2013-14. 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 or \$7.20 per vacant parcel, with annual exemptions (i) for persons who are 65 years of age or older, and, within the passages of Measure G (discussed below) (ii) persons 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 approved Measure G which renewed the existing Parcel Tax and extends the current tax rate an additional five years to 2018-19. The District Budget projects the Parcel Tax to generate approximately \$9.8 million for fiscal year 2013-14.

In *Bypass 93 Properties, et al. v. West Contra Costa Unified School District* (Contra Costa County Superior County Case No. C13-00024), filed on January 4, 2013, the plaintiffs sought to invalidate the imposition of the Parcel Tax approved by the voters through Measure G on November 6, 2012. The lawsuit challenged the 2015-19 collection period. The lawsuit alleged that by imposing (i) an annual tax of 7.2 cents per square foot of total building area of buildings within the District or (ii) a tax of \$7.20 per unimproved parcels, that Measure G violates Government Code Section 50079 by not applying the Parcel Tax uniformly to all parcels in the District. The lawsuit further alleged that Measure G is invalid because the Measure G exemptions for qualified seniors and persons receiving SSI require a taxpayer to own and occupy the parcel, which requirements are not set forth in Government Code Section 50079. Following the final published decision in *Borikas v. Alameda USD*, which clarified the uniformity requirement and senior exemption and the availability of the doctrine of severance in the context of parcel tax measures like Measure G, the District and the plaintiffs executed a settlement agreement dated November 20, 2013 (the “Measure G Settlement Agreement”). Pursuant to the Measure G Settlement Agreement, the District and the plaintiffs have agreed to sever the following provision from Measure G: “or a tax of \$7.20 per unimproved parcel of taxable real property.”

In *California Charter Schools Association v. West Contra Costa Unified School District* (Contra Costa County Superior County Case No. C14-00901), filed on May 6, 2014, the plaintiff seeks to require that the District share the Parcel Tax proceeds with the eight charter schools that operate within the District’s boundaries. The lawsuit alleges that the District’s failure to share the Parcel Tax proceeds it receives from Measure G violates the equal protection clause of the California Constitution and constitutes unlawful discrimination in violation of California Government Code section 11135. The District will be defending the lawsuit to preserve its current practice of not sharing the Parcel Tax Proceeds it receives pursuant to Measure G with any of the charter schools that operate within the District’s boundaries. The District is not currently able to predict the outcome of the lawsuit or the collection of the Parcel Tax or its possible impact on the District’s financial condition.

It should not be inferred from the inclusion of this information relating to the above-referenced Parcel Tax litigation in this Official Statement that the principal of or interest on the Bonds is payable from any portion of the Parcel Tax. The Bonds are payable solely from the proceeds of ad valorem taxes required to be levied by the Board of Supervisors of the County in amounts sufficient for the payment of principal and interest on the Bonds.

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. As reflected in the District Budget, the District expects to receive approximately \$21.6 million of restricted federal revenues during fiscal year 2013-14.

Federal Sequestration. On March 26, 2013, the President signed PL113-6, which provides federal funding for the remainder of fiscal year 2013. Federal sequestration reductions are implemented which results in a 5.23% cut as compared to 2012 funding levels. For the District, this cut resulted in a \$1.2 million reduction in program services in fiscal year 2013-14 and is expected to result in a \$1.2 million reduction in program services in fiscal year 2014-15. These cuts were planned for as a part of the 2013-14 fiscal year budget and the District Budget development process.

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. As of June 30, 2014, the District estimated that it will have expended approximately \$160.5 million in salaries and benefits, or approximately 87% of its total unrestricted expenditures for the fiscal year then ending.

Labor Relations and Collective Bargaining. As of June 30, 2014, the District employed 1,771 certificated and 1,375 FTE classified employees, including 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 2009-10, employee benefits have been reduced through a tiered cap program which the District estimates has reduced expenditures by \$9.9 million annually. 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. Such contracts are set to expire as indicated below.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT LABOR ORGANIZATIONS

<u>Labor Organization</u>	<u>Number of Employees</u>	<u>Contract Expiration</u>
United Teachers of Richmond	1,621 full-and part-time	June 30, 2015
Public Employees Union, Local 1	1,934 full-and part-time	December 31, 2016
School Supervisors Association	91 full-and part-time	June 30, 2015
Administrators Association	85 full-and part-time	June 30, 2015

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. Pursuant to Education Code Sections 22950 and 22951, the District's contribution rate is 8.25% of the total creditable compensation earned by each employee enrolled in STRS. In order to receive STRS benefits, an employee must be at least 55 years old and have provided five years of service to State public schools. The District's annual contributions to STRS for the fiscal years ending June 30, 2011, 2012 and 2013 were \$8,409,803, \$8,544,399 and \$8,461,859, respectively, totaling 100% of the required contributions for each year. In the District Budget, the District

estimates that its contribution to STRS for fiscal year 2014-15 will be approximately \$9,569,037 for fiscal year 2014-15.

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 has increased significantly. The District is unable to predict what the STRS program liabilities will be in the future. In order to address STRS funding inadequacies, the 2014-15 State Budget sets 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 are approximately \$275 million. The contributions would increase in subsequent years, reaching more than \$5 billion annually. Total contributions from all three entities today equal 19.3 percent of teacher payroll at an average school district and would rise to 35.7 percent. Contributions from school districts and community colleges are presently at 8.88 percent, and would increase to 19.10 percent by July 1, 2020. Governor Brown expects that this will eliminate the unfunded liability in approximately 30 years.

The District also participates in the California Public Employees Retirement System ("PERS"). 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. Unlike the STRS employer contribution rate, which is fixed by statute, the PERS rate varies. PERS implemented a rate hike of an average of 9.6% (which became effective in January 2013) of the total creditable compensation earned by each employee enrolled in PERS. 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 ending June 30, 2011, 2012 and 2013 were \$3,775,389, \$4,213,692 and \$4,523,452, respectively, totaling 100% of the required contributions for each year. In the District Budget, the District estimates that its contribution to PERS for fiscal year 2014-15 will be approximately \$5,223,374.

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 will be used for the first time in the June 30, 2013 actuarial valuations. These valuations will be performed in the fall of 2014 and will set employer contribution rates for the fiscal year 2015-16. The District cannot predict how this change in amortization and smoothing policies will affect its contribution levels.

Both STRS and PERS are operated on a statewide basis and, based on available information, both STRS and PERS have unfunded liabilities. The amounts of the pension-award benefit obligation (PERS) or unfunded 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 comprehensive annual 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.

Pension Reform Act of 2013 (Assembly Bill 340). On September 12, 2012, Governor Brown signed AB 340, a bill that will enact the California Public Employees' Pension Reform Act of 2013 ("PEPRA") which amended various sections of the California Education and Government Codes. AB 340 (i) increases the retirement age for new State, school, and city and local agency employees depending on job function, (ii) caps the annual PERS and STRS pension benefit payouts, (iii) addresses 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, will have a five-year window to negotiate compliance with AB 340 through collective bargaining. If no deal is reached by January 1, 2018, 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, future 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.

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, 2013" for additional information concerning STRS and PERS contained in the notes to said financial statements.

Other Post-Employment Benefits. Pursuant to its post-employment retirement program, as set forth in its employee contracts prior to 2007, the District is obligated to provide certain post-employment health benefits to employees that were either (i) hired prior to January 1, 2007 and have attained five years of continuous PERS/STRS creditable service or (ii) hired after January 1, 2007 and have attained

ten years of continuous PERS/STRS creditable service with the District. Post-employment dental benefits are provided to employees who meet the rule of “75” (the number of years worked plus age equals 75 or more). The extent of the District’s obligations is dependent on the retirement date for the qualifying employee. For employees that retired prior to January 1, 2007, the District pays 100% of medical and dental costs (subject to certain limitations) for the employee and his or her qualified dependents. For employees retiring after January 1, 2007, the District pays medical and dental benefits based on the negotiated terms as of the employee’s retirement date.

Commencing in 2007, the District negotiated stricter upper limits and eligibility requirements for post-employment benefits in its employment agreements including the four collective bargaining agreements described above. See “— Labor Relations and Collective Bargaining” in this APPENDIX A. Under said agreements: (i) employees retiring prior to June 30, 2010 with ten years of continuous PERS/STRS creditable service with the District are entitled to retire under the practice in place prior to the new restrictions; (ii) employees hired prior to January 1, 2007 and retiring after June 30, 2010, will be entitled to a maximum monthly District contribution depending on years of service with the District (\$450 per month for employees with ten years or more of continuous PERS/STRS creditable service, and \$750 per month for employees with twenty years or more of continuous PERS/STRS creditable service); and (iii) employees hired after January 1, 2007 and retiring with ten years or more of continuous PERS/STRS creditable service with the District will be entitled to a District contribution based on the CalPERS Health Benefits Program’s minimum allowable monthly unequal contribution with no payments for prescription, vision, or dental coverage.

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. In the District’s 2008 actuarial study it was determined that the Governmental Accounting Standards Board (“GASB 45”) liability was \$495 million. However, according to the most recent actuarial study completed in 2012, with the implementation of several negotiated retiree benefit provisions, the District’s GASB 45 liability has been reduced to \$369 million. This reduction results in a long term savings to the District of \$126 million. To offset its annual GASB 45 liability, the District maintains an irrevocable trust fund in the amount of \$13.9 million. The District estimated GASB 45 annual required contribution for fiscal years 2012-13 and 2013-14 are approximately \$23.4 million and \$24.4 million respectively.

Annual OPEB Cost and Net OPEB Obligation. The District’s most recent actuarial valuation report (the “Actuarial Report”) of post-employment benefits is as of July 1, 2012. 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 District’s annual other postemployment benefit (“OPEB”) cost (expense) is calculated based on the annual required contribution of the employer (the “ARC”), an amount actuarially determined in accordance with GASB 45. The ARC consists of the Normal Cost (defined below) plus the current year amortization of the Unfunded Actuarial Accrued Liability (“UAAL”). The amortization method used in the Actuarial Report is the level percentage of projected payroll method. The District elected to amortize the UAAL over a closed 30-year period. Five years of amortization have occurred; 25 years remained at June 30, 2013

Normal Cost is the portion of the actuarial present value of future benefits that is allocated to a particular year. Another interpretation is that the Normal Cost is the present value of future benefits that are “earned” by employees for service rendered during a current 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 Actuarial Report attributes the benefit assuming a 3.25% annual increase in payroll.

The table below presents a five-year projection under the assumptions that the District continues pay-as-you-go funding, the discount rate is 4.50% and the Normal Cost component of the ARC increases by 3.00% per year. This table is based on a July 1, 2012 actuarial valuation.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
Five-year Projection of Annual OPEB Cost and Net OPEB Obligation⁽¹⁾⁽²⁾

	2012-13	2013-14	2014-15	2015-16	2016-17
Actuarial Accrued Liability (AAL)	\$364,528,416	\$369,355,868	\$373,769,413	\$378,119,131	\$382,322,949
Actuarial Value of Assets at beginning of year	0	0	0	0	0
Unfunded Actuarial Accrued Liability (UAAL)	\$364,528,416	\$369,355,868	\$373,769,413	\$378,119,131	\$382,322,949
Remaining Amortization Period	25	24	23	22	21
Normal Cost	\$5,829,048	\$6,003,919	\$6,184,037	\$6,369,558	\$6,560,645
Amortization of UAAL	17,538,052	18,405,216	19,324,238	20,320,246	21,400,669
Annual Required Contribution (ARC)	\$23,367,100	\$24,409,135	\$25,508,275	\$26,689,804	\$ 27,961,314
Annual Required Contribution (ARC)	\$23,367,100	\$24,409,135	\$25,508,275	\$26,689,804	\$ 27,961,314
Interest on net OPEB Obligation	4,037,326	4,310,090	4,586,008	4,881,995	5,196,005
Adjustment to ARC	(4,316,495)	(4,772,762)	(5,268,911)	(5,830,222)	(6,463,296)
Annual OPEB Cost	\$ 23,087,931	\$ 23,946,463	\$ 24,825,372	\$ 25,741,577	\$ 26,694,023
District Contribution	(17,026,494)	(17,814,962)	(18,247,883)	(18,763,566)	(19,368,431)
Increase in net OPEB Obligation	\$6,061,437	\$6,131,501	\$6,577,489	\$6,978,011	\$7,325,592
Net OPEB Obligation — Beginning of year	\$89,718,345	\$95,779,782	\$101,911,283	\$108,488,772	\$115,466,783
Net OPEB Obligation — End of year	95,779,782	101,911,283	108,488,772	115,466,783	122,792,375
Projected pay-as-you-go Retiree Cost	\$ 17,026,494	\$ 17,814,962	\$ 18,247,883	\$ 18,763,566	\$ 19,368,431

⁽¹⁾ The ARC adjustment is calculated by dividing the beginning of year net OPEB obligation by the same amortization factor used to amortize the Unfunded Actuarial Accrued Liability. Based on Actuarial Report.

⁽²⁾ Table assumes funding equal to projected retiree premium costs.

Source: West Contra Costa Unified School District.

For fiscal year 2012-13 information on annual OPEB cost and obligations, see APPENDIX C — “DISTRICT FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED JUNE 30, 2013 — Note 9”.

Health Care Reform. The District expects the Federal Health Care Reform or the Affordable Care Act will have enactment provisions during the 2013-14 school year. Federal law provides that in January 2014 the District must comply with new regulations regarding the availability and affordability of health care programs for all employees. It has been reported that there will be a one year delay in the penalty component of the new law. The Affordable Care Act requires employers to ascertain the eligibility of employees through a “measurement period” defined in federal law. There are multiple measures depending upon hire date and stability of hours worked for employees. During the 2013-14 school year the District expects to work with a consultant to perform the required study to determine the costs to the District of the Affordable Care Act.

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 Fiscal year ended June 30, 2013, the District provided coverage up to a maximum of \$100,000 for each property or liability claim. The District participates in a joint powers authority 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, 2013 — Note 5 and Note 10.”

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 must review and approve or disapprove the budgets for each school district under its jurisdiction no later than August 15. The County Superintendent of Schools 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 of Schools no later than September 8. Pursuant to State law, the County Superintendent of Schools 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, could cap 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) would be 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 is subject, however, to approval by voters of the proposed constitutional amendment discussed above under "– Fiscal Year 2014-15 State Budget." Such prohibition would only apply in years following transfer into the Public School System Stabilization Account, which would be established pursuant to the proposed constitutional amendment.

Subsequent to approval, the County Superintendent of Schools 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 of Schools determines that the district cannot meet its current or subsequent year obligations, the County Superintendent of Schools 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 of Schools may not abrogate any provision of a collective bargaining agreement that was entered into prior to the date upon which the County Superintendent of Schools 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.

Current Budget and Projections.

The District adopted its 2014-15 budget on June 25, 2014 (the “District Budget”). As the Board has an obligation to adopt a budget by June 30 of each fiscal year, the District Budget uses the general operational and revenue assumptions that were in the District’s 2013-14 programs and 2013-14 State law relating to school revenues. The District Budget may be accessed on the District’s website as indicated above, or by contacting the District’s Business Services Staff at 1108 Bissell Avenue, Richmond, California 94801; Room 106; Phone: (510) 231-1170; Fax: (510) 232-4149. The District may impose a charge for copying, mailing and handling.

The following table shows the 2012-13 Adopted Budget, the 2012-13 Audit, the 2013-14 Adopted Budget, the 2013-14 Estimated Actuals and the District Budget.

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WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
SUMMARY OF GENERAL FUND
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FISCAL YEAR 2012-13 BUDGET, 2012-13 ACTUALS, 2013-14 BUDGET, 2013-14 ESTIMATED
ACTUALS AND THE DISTRICT BUDGET

	Original Adopted Budget 2012-13	Actuals 2012-13	Original Adopted Budget 2013-14	2013-14 Estimated Actuals	Adopted Budget 2014-15
REVENUES					
Revenue Limit Sources/LCFF	\$148,254,578	\$149,957,871	\$157,125,731	\$193,414,326	\$217,641,738
Federal Revenue	25,780,824	25,624,711	21,628,239	28,578,845	21,208,843
Other State Revenue	56,493,658	60,899,441	56,190,874	37,965,469	31,832,182
Other Local Revenue	20,507,475	22,115,028	20,473,160	21,997,642	20,824,756
Total Revenues ⁽¹⁾	<u>251,036,535</u>	<u>258,597,051</u>	<u>255,418,004</u>	<u>281,956,282</u>	<u>291,507,519</u>
EXPENDITURES					
Certificated Salaries	102,999,261	105,317,911	106,185,882	112,166,838	118,489,781
Classified Salaries	40,963,091	41,534,667	41,344,268	43,367,752	45,161,020
Employee Benefits	62,107,767	61,417,931	62,533,151	65,121,256	72,333,977
Books and Supplies	10,274,961	9,380,887	7,635,705	14,175,476	18,739,056
Contract Services and Operating Expenditures	46,193,996	45,764,340	48,007,987	56,501,532	44,607,066
Capital Outlay	3,869,298	532,720	3,690,450	2,335,061	3,967,483
Other Outgo	974,967	1,187,364	985,867	999,243	995,352
Indirect Cost Reimbursement	(638,442)	(527,197)	(667,024)	(464,984)	(465,005)
Total Expenditures ⁽¹⁾	<u>266,744,899</u>	<u>264,608,623</u>	<u>269,716,286</u>	<u>294,202,174</u>	<u>303,828,730</u>
Excess of Revenues Over (Under) Expenditures	(15,708,364)	(6,011,572)	(14,298,282)	(12,245,892)	(12,321,211)
Other Financing Sources/(Uses)					
Transfers In	3,538,442	2,449,781	5,800,000	--	--
Transfers Out	--	(1,815,654)	--	1,143,560	1,495,396
Total ⁽¹⁾	<u>3,538,442</u>	<u>634,127</u>	<u>5,800,000</u>	<u>(1,143,560)</u>	<u>(1,495,396)</u>
Net Change Fund in Balance	<u>(12,169,922)</u>	<u>(5,377,445)</u>	<u>(8,498,282)</u>	<u>(13,389,452)</u>	<u>(13,816,607)</u>
Beginning Fund Balance July 1 ⁽²⁾	<u>62,934,340</u>	<u>62,934,340</u>	<u>37,078,214</u>	<u>45,359,972</u>	<u>31,970,521</u>
Ending Fund Balance, June 30 ⁽²⁾	<u>\$50,125,976</u>	<u>\$57,029,698</u>	<u>\$28,579,932</u>	<u>31,970,520</u>	<u>18,153,914</u>
Unrestricted Fund Balance	\$17,252,548	\$23,376,078	\$21,268,419	\$17,875,741	\$12,344,798
Reserve for Economic Uncertainty	8,002,347	7,992,728	8,091,489	8,860,372	9,159,724
Special Reserve Fund Balance ⁽²⁾	\$10,654,330	\$11,669,725	\$6,888,143	\$11,704,725	\$11,704,725

⁽¹⁾ Totals may not add due to independent rounding.

⁽²⁾ Since fiscal year 2011, the District Board managed State budget cuts by setting aside additional reserves to prepare for additional State funding cuts. The Special Reserve Fund is the fund in which the Board deposited reserves for cuts threatened by the State. For the 2013-14 Original Adopted Budget, the 2013-14 Estimated Actuals and the 2014-15 Adopted Budget listed above, the Beginning General Fund balance and the Ending General Fund Balance do not include the Special Reserve Fund Balance.

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, 2013" attached hereto.

Financial Statements. The District's Audited Financial Statements for the fiscal year ending fiscal year 2012-13 were prepared by Crowe Horwath LLP Sacramento, California (the "Auditor"). Audited financial statements for the District for the fiscal year ended June 30, 2013 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 2012-13 Audited Financial Statements. Copies of such financial statements will be mailed to prospective investors and their representatives upon written request to the District. 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 2008-09 through 2012-13 fiscal years.

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WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
GENERAL FUND - REVENUES, EXPENDITURES AND FUND BALANCES
FISCAL YEARS 2008-09 THROUGH 2012-13 (AUDITED)

	2008-09 Actual⁽¹⁾	2009-10 Actual⁽¹⁾	2010-11 Actual⁽¹⁾	2011-12 Actual⁽¹⁾	2012-13 Actual⁽¹⁾
REVENUES					
Revenue Limit Sources	\$161,899,365	\$142,320,077	\$147,914,626	\$147,846,255	\$149,957,871
Federal Revenue	33,497,975	31,062,400	32,744,652	33,510,605	25,624,711
Other State Revenue	66,992,666	63,976,273	63,859,239	63,344,038	60,899,441
Other Local Revenue	20,821,034	20,199,980	22,034,729	22,418,641	22,115,028
Total Revenues(2)	<u>283,211,040</u>	<u>257,558,730</u>	<u>266,553,246</u>	<u>267,119,539</u>	<u>258,597,051</u>
EXPENDITURES					
Certificated Salaries	120,290,735	110,694,305	105,990,977	106,626,682	105,317,911
Classified Salaries	41,418,183	37,823,881	38,983,802	41,184,114	41,534,667
Employee Benefits	69,075,209	60,199,786	58,161,626	61,331,324	61,417,931
Books and Supplies	8,843,494	9,912,409	11,369,314	10,708,520	9,380,887
Contract Services and Operating Expenditures	39,283,607	43,130,953	41,059,033	42,511,674	45,764,340
Capital Outlay	457,520	1,248,554	331,905	575,432	532,720
Other Outgo	41,903	33,137	51,428	29,617	59,293
Indirect Cost Reimbursement	--	--	--	--	--
Debt Service					
Principal	1,415,000	2,374,214	3,070,914	6,201,110	500,000
Interest and Other	--	241,250	686,475	366,167	628,071
Total Expenditures(2)	<u>280,825,651</u>	<u>265,658,489</u>	<u>259,705,474</u>	<u>269,534,640</u>	<u>265,135,820</u>
Excess of Revenues Over/(Under) Expenditures	<u>2,385,389</u>	<u>(8,099,759)</u>	<u>6,847,772</u>	<u>(2,415,101)</u>	<u>(6,538,769)</u>
Other Financing Sources/(Uses)					
Transfers In	916,428	1,731,887	2,700,512	8,446,212	2,449,781
Transfers Out	(794,836)	(926,928)	--	--	(1,815,654)
Proceeds from the issuance of long-term liabilities	--	--	--	--	--
Total ⁽²⁾	<u>121,592</u>	<u>804,959</u>	<u>2,700,512</u>	<u>8,446,212</u>	<u>634,127</u>
Net Change in Fund Balance	<u>2,506,981</u>	<u>(7,294,800)</u>	<u>9,548,284</u>	<u>6,031,111</u>	<u>(5,904,642)</u>
Beginning Fund Balance July 1	<u>45,839,766</u>	<u>48,346,747</u>	<u>47,354,945</u>	<u>56,903,229</u>	<u>62,934,340</u>
Ending Fund Balance, June 30	<u>\$48,346,747</u>	<u>\$41,051,947</u>	<u>\$56,903,229</u>	<u>\$62,934,340</u>	<u>\$57,029,698</u>

⁽¹⁾ Excerpted from the District's respective Audited Financial Reports.

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

Source: West Contra Costa Unified School District.

Other District Debt

Certificates of Participation. On August 24, 2005, the District caused the execution and delivery of 2005 Taxable Refunding Certificates of Participation (the “Certificates”) in the aggregate principal amount of \$10,600,000. Proceeds of the Certificates were used (i) to defease the District’s then outstanding 1994 Certificates of Participation, originally issued in the aggregate principal amount of \$11,150,000 and (ii) to defease to maturity certain certificates of participation issued by the District in 1988 (under the District’s previous name, the Richmond Unified School District) and with respect to which the District had incurred certain payment defaults. The District has timely made all base rental payments on the Certificates.

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

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT CERTIFICATES

Year Ending			
<u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$525,000	\$400,867	\$925,867
2015	555,000	375,352	930,352
2016-2020	3,205,000	1,434,204	4,639,204
2021-2024	3,630,000	511,395	4,141,395
Total	\$7,915,000	\$2,721,818	\$10,636,818

Source: West Contra Costa Unified School District

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.” Articles XIII A, XIII B, XIII C and XIII D 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 XIII A, Article XIII C 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 XIII A of the State Constitution

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

Article XIII B 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 XIII B to the State Constitution (“Article XIII B”). In June 1990, Article XIII B was amended by the voters through their approval of Proposition 111. Under Article XIII B, the State and each local governmental entity has an annual “appropriations limit” and is not permitted to spend certain monies that 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 XIII B 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 costs of living and changes in population, and adjusted where applicable for transfer of financial responsibility of providing services to or from another unit of government. Among other provisions of Article XIII B, 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 XIII C and Article XIII D 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 XIII C and XIII D 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 XIII D deals with assessments and property related fees and charges. Article XIII D explicitly provides that nothing in Article XIII C or XIII D 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 XIII C 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 XIID. 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 with respect to 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 XIII B 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.

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 XIII B spending limit would restrain the State’s ability to fund such other programs by raising taxes.

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 1A

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, the expected reduction in resources available for the State to spend on these other programs as a consequence of the passage of Proposition 22 will be approximately \$1 billion in fiscal year 2010-11, with an estimated immediate fiscal effect equal to approximately 1% of the State's total General Fund spending. The longer-term effect of Proposition 22, according to the LAO analysis, will be an 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

On November 6, 2012, State voters approved "The Schools and Local Public Safety Protection Act of 2012" ("Proposition 30"). Proposition 30 generally provides for (i) a 0.25 percent increase in the state sales tax over four calendar years, commencing on January 1, 2013 and ending December 31, 2016, and (ii) an increase on personal income taxes on taxpayers with annual earnings over \$250,000 (approximately 1% of California personal income tax filers), retroactive to January 1, 2012. The personal income tax rate increase is as follows: (i) 1% for individual filer taxable income over \$250,000 but less than \$300,000 (joint filers taxable income over \$340,000 but less than \$408,000); (ii) 2% for individual filer taxable income over \$300,000 but less than \$500,000 (joint filers taxable income over \$408,000 but less than \$680,000); and (iii) 3% for individual filer taxable income over \$500,000 (joint filers taxable income over \$680,000). Proposition 30 amends the State Constitution by adding Section 36 to Article XIII, providing, among other things for the establishment of the Education Protection Account ("EPA") in the State's General Fund.

The revenues derived from the temporary tax increases will, pursuant to Proposition 30, be deposited in the EPA and will be included in the calculation of Proposition 98 minimum funding guarantee. See " — Proposition 98" above. Pursuant to Proposition 30, funds in the EPA will be allocated quarterly, with 89% of such funds provided to school districts and 11% provided to community college districts. The funds will be distributed to school districts and community college districts in the same manner as existing unrestricted per-student funding, except that no school district will receive less than \$200 per unit of ADA and no community college district will receive less than \$100 per full time equivalent student. Under current law, approximately \$6.7 billion from the EPA are schedule to be paid to all K-14 school districts in June 2013.

The governing board of each school district, charter school and community college district is granted sole authority to determine how to spend funds received from the EPA; provided, however, that the governing board is required to make spending determinations in open session, at a public meeting. Furthermore, such entities may not use any funds from the EPA for salaries or benefits of administrators or any other administrative costs. Each school district, charter school and community college district must annually publish on its Internet web site an accounting of how much money was received from the EPA and how that money was spent.

Future Initiatives

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

August 13, 2014

West Contra Costa Unified School District
1108 Bissel Avenue
Richmond, California 94801-3135

Re: \$77,460,000 West Contra Costa Unified School District General Obligation Refunding Bonds, 2014 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 \$77,460,000 aggregate principal and issue amount of the District’s General Obligation Refunding Bonds, 2014 Series A (the “Bonds”). The Bonds are being issued pursuant to pertinent provisions of the Government Code of the State of California, and a resolution of the Board of Education of the District adopted on June 25, 2014 (the “Resolution”). Capitalized terms used herein and not otherwise defined shall have the meanings ascribed 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 connection thereto, 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 to us 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 applicable Resolution.
3. The Resolution has been duly authorized by the District and constitutes the legally valid and binding obligation 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 Resolution and 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 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 with respect to individuals and corporations. Interest on the Bonds is, however, included in the adjusted current earnings of certain corporations for purposes of computing the alternative minimum tax imposed on such corporations.
5. Interest on the Bonds is exempt from personal income taxes of the State of California 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 of California.

In rendering the opinions set forth in paragraph 4 above, we are relying upon representations and covenants of the District in the Resolution and 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 refinanced 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 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 California 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, 2013

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WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
Richmond, California

FINANCIAL STATEMENTS
June 30, 2013

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

**FINANCIAL STATEMENTS
WITH SUPPLEMENTARY INFORMATION**

For the Year Ended June 30, 2013

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditor's Report	1
Management's Discussion and Analysis	4
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Position	15
Statement of Activities	16
Fund Financial Statements:	
Balance Sheet - Governmental Funds	17
Reconciliation of the Governmental Funds Balance Sheet - to the Statement of Net Position	18
Statement of Revenues, Expenditures and Change in Fund Balances - Governmental Funds	19
Reconciliation of the Statement of Revenues, Expenditures and Change in Fund Balances - Governmental Funds - to the Statement of Activities	20
Statement of Net Position - Proprietary Fund - Self-Insurance Fund	22
Statement of Change in Net Position - Proprietary Fund - Self-Insurance Fund	23
Statement of Cash Flows - Proprietary Fund - Self-Insurance Fund	24
Statement of Fiduciary Net Position - Trust and Agency Funds	25
Statement of Change in Fiduciary Net Position - Retiree Benefits Trust Fund	26
Notes to Basic Financial Statements	27

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

**FINANCIAL STATEMENTS
WITH SUPPLEMENTARY INFORMATION**

For the Year Ended June 30, 2013

TABLE OF CONTENTS

(Continued)

	<u>Page</u>
Required Supplementary Information:	
General Fund Budgetary Comparison Schedule	60
Schedule of Other Postemployment Benefits (OPEB) Funding Progress	61
Notes to Required Supplementary Information	62
Supplementary Information:	
Combining Balance Sheet - All Non-Major Funds	63
Combining Statement of Revenues, Expenditures and Change in Fund Balances - All Non-Major Funds	64
Organization	65
Schedule of Average Daily Attendance	66
Schedule of Instructional Time	67
Schedule of Expenditure of Federal Awards	68
Reconciliation of Unaudited Actual Financial Report with Audited Financial Statements	71
Schedule of Financial Trends and Analysis - Unaudited	72
Schedule of Charter Schools	73
Notes to Supplementary Information	74
Independent Auditor's Report on Compliance with State Laws and Regulations	75
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	78

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

**FINANCIAL STATEMENTS
WITH SUPPLEMENTARY INFORMATION**

For the Year Ended June 30, 2013

TABLE OF CONTENTS

(Continued)

	<u>Page</u>
Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance	80
Findings and Recommendations:	
Schedule of Audit Findings and Questioned Costs	82
Status of Prior Year Findings and Recommendations	87

INDEPENDENT AUDITOR'S REPORT

Honorable Board of Education
West Contra Costa Unified School District
Richmond, California

Report on the Financial Statements

We have audited the accompanying 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, 2013, and the related notes to the financial statements, which collectively comprise West Contra Costa Unified School District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

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 West Contra Costa Unified School District, as of June 30, 2013, 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.

Emphasis of Matter

As discussed in Note 1 to the financial statements, in March 2012, the GASB issued Statement No. 65, "Items Previously Reported as Assets and Liabilities." The provisions of this Statement are effective for West Contra Costa Unified School District's fiscal year ended June 30, 2014, with earlier application being encouraged. West Contra Costa Unified School District has implemented this Statement retroactively for the year ended June 30, 2013 resulting in restated net position at July 1, 2012. This Statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. This Statement also provides other financial reporting guidance related to the impact of the financial statement elements deferred outflows of resources and deferred inflows of resources, such as changes in the determination of the major fund calculations and limiting the use of the term deferred in financial statement presentations. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *Management's Discussion and Analysis* on pages 4 to 14 and the Required Supplementary Information, such as the General Fund Budgetary Comparison Schedule and Schedule of Other Postemployment Benefits (OPEB) Funding Progress on pages 60 and 61 be presented to supplement the financial statements. Such information, although not a part of the financial statements, is required by Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an 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 financial statements, and other knowledge we obtained during our audit of the 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 West Contra Costa Unified School District's financial statements. The accompanying schedule of expenditures of federal awards as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and the other supplementary information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements.

The schedule of expenditures of federal awards and other supplementary information as listed in the table of contents is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information, except for the Schedule of Financial Trends and Analysis, has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and other supplementary information as listed in the table of contents, except for the Schedule of Financial Trends and Analysis, are fairly stated, in all material respects, in relation to the financial statements as a whole.

The Schedule of Financial Trends and Analysis has not been subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Report on Other Legal and Regulatory Requirements

In accordance with *Government Auditing Standards*, we have also issued our report dated December 12, 2013 on our consideration of 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 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 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.

Crowe Horwath LLP

Crowe Horwath LLP

Sacramento, California
December 12, 2013

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

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

Bruce Harter, Ph.D.
Superintendent of Schools

Sheri Gamba
Associate Superintendent
Business Services

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

INTRODUCTION

Management's 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, 2013. It should be read in conjunction with the District's financial statements.

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 AND EDUCATIONAL HIGHLIGHTS

The District's financial position has stabilized over the past year. The net position of the District as of June 2013 is \$202,490,983 as compared to the June 2012 restated net position, \$203,049,575 – a net decline of \$558,592.

The 2012-13 financial statements cap off another year of uncertainty as it relates to the State and National economy. However with the passage of Proposition 30 in the November of 2012, and the commitment from the State of California to reduce the deferrals the District was able to avoid inter-fund or external borrowing for cash. In spite of the improvement the District was still owed over \$24 million in unrestricted general fund dollars at the end of the year.

The District prepares for the 2013-14 school year with a sense of hope for the new Local Control Funding Formula (LCFF), which promises an eight year implementation that will bring the District increased revenues, and an ability to better serve our neediest students. The landmark legislation is being shepherded in over the course of 2013-14 with new budget, community engagement and activity accountability provisions. The District has tackled the difficult task of managing a budget in order to remain solvent during tough times, now it will tackle the new LCFF with equal resolve for success.

REPORTING THE DISTRICT AS A WHOLE

The complete annual financial report is a product of three separate parts: the basic financial statements, supplementary information, and this section, Management's Discussion and Analysis. The three sections together provide a comprehensive overview of the District. The basic financials are comprised of two kinds of statements that present financial information from different perspectives, District-wide and funds.

- District-wide financial statements, which comprise the first two statements, provide both short-term and long-term information about the District's overall financial position.
- Individual parts of the District, which are reported as fund financial statements, focus on reporting the District's operations in more detail. These fund financial statements comprise the remaining statements.
 - ❖ Basic services funding (i.e., regular and special education) is described in the governmental funds statements.
 - ❖ Short and long-term financial information about the activities of the District that operate like businesses (self-insurance funds) are provided in the proprietary funds statements.
 - ❖ Financial relationships, for which the District acts solely as an agent or trustee, for the benefit of others to whom the resources belong, are presented in the fiduciary fund statements.

Notes to the basic financials, which are included in the financial statements, provide more detailed data and explain some of the information in the statements. A comparison of the District's budget for the year is included as required supplementary information.

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.

Major Features of the District-Wide and Fund Financial Statements				
Type of Statement	District-wide	Fund Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire district, except fiduciary activities	The activities of the district that are not proprietary or fiduciary, such as special revenue and debt service funds	Activities the district operates similar to private businesses: such as the self-insurance fund	Instances in which the district administers resources on behalf of someone else, such as student activities and retiree benefits funds
Required financial statements	Statement of net position	Balance sheet	Statement of net position	Statement of fiduciary net position
	Statement of activities	Statement of revenues, expenditures & changes in fund balances	Statement of revenues, expenses & changes in fund net position	Statement of changes in fiduciary 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	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	All assets and liabilities, both short-term and long-term; Standard funds do not currently contain non-financial assets, though they can
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	All revenues and expenses during year, regardless of when cash is received or paid

OVERVIEW OF THE FINANCIAL STATEMENTS

The District's basic financial statements are comprised of three components: 1) District-wide financial statements, 2) fund financial statements and 3) notes to the basic financial statements.

Government-Wide Financial Statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the District's finances in a manner similar to a private sector's business.

The Statement of Net Assets and the Statement of Activities

The District as a whole is reported in the District-wide statements and uses accounting methods similar to those used by companies in the private sector. All of the District's assets and liabilities are included in the statement of net assets. The statement of activities reports all of the current year's revenues and expenses regardless of when cash is received or paid.

The District's financial health or position (net position) can be measured by the difference between the District's assets and liabilities.

- Increase or decrease in the net assets of the District over time are indicators of whether its financial position is improving or deteriorating, respectively.
- Additional non-financial factors such as condition of school buildings and other facilities and changes in the property tax base of the District need to be considered in assessing the overall health of the district.

The Statement of Net Position and the Statement of Activities show all District operations as governmental activities, the basic services provided by the District, such as regular and special education, administration and transportation. Property taxes and state formula aid finance most of these activities.

The District-wide financial statements can be found on pages 14 through 15 of this report.

REPORTING THE DISTRICT'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other local governments, uses fund accounting to ensure compliance with finance-related legal requirements. Fund financial statements report essentially the same functions as those reported in the District-wide financial statements. However, unlike the District-wide financial statements, fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year.

The District has three kinds of funds:

Governmental Funds

Most of the District's basic services are included in governmental funds, which generally focus on:

1. How cash and other financial assets can be readily converted to cash flow (in and out).
2. The balances left at year-end that are available for spending.

The governmental fund statements provide a detailed short-term view. These help determine whether there are more or fewer financial resources that can be spent in the near future for financing the District's programs. Because this kind of information does not encompass the additional long-term focus of the District-wide statements, additional information is provided on page 18 that explains the differences (or relationships) between them.

Proprietary Funds

The proprietary fund category includes Internal Service Funds.

Internal Service funds report activities that provide supplies and services for the other programs and activities of the District.

- The District has one internal fund: a self-insurance fund.

Fiduciary Funds

For assets that belong to others, such as the scholarship fund and/or student activities fund, the District acts as the trustee, or fiduciary. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes. A separate statement of fiduciary net position and a statement of change in fiduciary net position report the District's fiduciary activities. These activities are excluded from the District-wide financial statements, as the District cannot use the assets to finance the operations.

THE DISTRICT AS A WHOLE

Net Assets – The District's combined net position was lower on June 30, 2013 than it was the year before—decreasing by \$0.6 million to \$202.5 million as reflected on the next page.

Net Position

	GOVERNMENTAL ACTIVITIES	
	2013	2012
Current Assets	\$ 216,749,190	\$ 304,687,783
Capital Assets	1,029,566,611	971,032,972
Total Assets	1,246,315,801	1,275,720,755
Deferred Outflows		
Deferred loss on refunding	3,005,267	0
Current Liabilities	34,323,115	52,541,526
Long-term Liabilities	1,012,506,970	1,009,279,010
Total Liabilities	1,046,830,085	1,061,820,536
Net Position:		
Net Investment in Capital Assets, net of related debt	174,254,001	134,455,424
Restricted For:		
Capital Projects	17,899,950	50,488,711
Debt Service	48,126,375	47,714,715
Educational Programs	21,983,898	26,055,436
Other Purposes	8,936,696	8,811,871
Unrestricted	(68,709,937)	(53,625,938)
Effect of change in accounting principal		(10,850,644)
Total Net Position	\$ 202,490,983	\$ 203,049,575

The District's financial position is the product of many factors. However, three events of the last year stand out:

- Through the bond program, together with State apportionments for school facilities, the District has continued construction of new schools and has continued the process of renovating its existing schools. These activities have increased the capital assets of the District.
- The Board was able to increase District reserves and now maintains \$11.7 million in the Districts Special Reserve Fund, these dollars were set aside as insurance toward potential cuts during the economic downturn.
- The District's pay off of the State loan in 2012 and the payoff of other long term debt from the 1990's, released the District from the oversight of a State Trustee. This year-end closing marks the one year anniversary of the pay-off and highlights the Board's commitment to ongoing fiscal responsibility.

Changes in Net Position – The District’s total expenditures exceeded its revenue by \$0.6 million. Property taxes, State Aid and other general sources accounted for most of the District’s revenues contributing approximately 66 cents per every dollar of revenue received while Federal, State and local grants and contributions for specific purposes provided approximately 34 cents of every dollar of revenue.

GOVERNMENTAL ACTIVITIES		
	2013	2012
Revenues:		
Program revenues:		
Charges for Services	\$ 961,324	\$ 1,018,569
Operating Grants and Contributions	81,148,964	90,954,406
Capital Grants and Contributions	19,021,544	15,847,349
Total Program Revenues	101,131,832	107,820,324
General Revenues:		
Property Taxes	130,734,829	128,963,108
Federal and State Aid	118,672,377	124,022,794
Interest and Investment Earnings	512,567	706,458
Interagency revenues:		
Miscellaneous	5,024,888	4,366,687
Total General Revenues	254,944,661	258,059,047
Total Revenues	356,076,493	365,879,371
Expenses:		
Instruction	164,357,143	166,712,977
Support Services:		
Administrative	43,109,309	43,025,262
Student Support	43,410,992	41,317,106
Non-Student Support	19,206,508	16,304,857
Plant Services	32,965,110	30,790,480
Ancillary Services	7,167,818	7,829,975
Transfers between agencies	1,124,895	2,802,547
Community Services	166,195	155,465
Interest on long-term debt	45,127,115	37,650,021
Total Expenses	356,635,085	346,588,690
Change in Net Position	\$ (558,592)	\$ 19,290,681

Governmental Activities

The following table presents the costs of five major activities: Instruction, Support Services, Facility and Plant Services, Ancillary Services and Other. The table also shows each activity’s net cost (total cost less fees generated by the activities and intergovernmental aid provided for specific programs). The net cost of services shows the financial burden that was placed on the District for each of these functions.

The cost of all programs was \$356.6 million for this fiscal year. The users of District programs as well as Federal, State and local governments who provided funds for specific programs provided \$101.1 million. The balance of the District's expenditures was paid for by State apportionments for ADA and by local property taxes. Property taxes comprised of \$130,734,829 of this amount while Federal and State education aid formulas contributed the remaining \$118,672,377.

	Total Cost	Net (Expense) Revenue	Total Cost	Net (Expense) Revenue
	2013	2013	2012	2012
Instruction	\$ 164,357,143	\$ (108,912,961)	\$ 166,712,977	\$ (106,595,668)
Support Services	105,726,809	(66,633,643)	100,647,225	(60,184,844)
Facilities and Plant	32,965,110	(31,635,568)	30,790,480	(29,400,850)
Ancillary Services	7,167,818	(1,904,475)	7,829,975	(2,269,491)
Other	46,418,205	(46,416,606)	40,608,033	(40,317,513)
Total	\$ 356,635,085	\$ (255,503,253)	\$ 346,588,690	\$ (238,768,366)

THE DISTRICT'S FUNDS

The financial position of the District as a whole is reflected in its governmental fund statements. As the District completed the year, its governmental funds reported a combined fund balance of \$188 million, below last year's combined ending fund balance of \$249 million. This decrease is due to activities in the District's Building Fund.

General Fund Budgetary Highlights

Over the course of the year, the District revises the annual operating budget several times due to changes in State and federal funding. The District is required to prepare financial reports for the school board twice a year. This is done through the preparation of the First and Second Interim Reports, which are prepared based on information available as of October 31 and January 31 respectively. Budget adjustments and revisions can be classified into the following types:

- Appropriation of prior year ending fund balances and deferred revenues derived primarily from Federal, State and local government sources for specific programs.
- New appropriations or budget augmentations for programs and expenditures that were not known or anticipated at the time of budget development.

The final revised general fund budget of the District reflected anticipated revenues of \$262.7 million against appropriated expenditures of \$290 million thus anticipating a decrease of \$27.3 million in overall fund balance. This variance is due to potential expenditure of prior year restricted grant fund balances and spending some of the special reserve fund balance.

Actual revenues were less than anticipated and actual expenditures were also less than anticipated. The combination of these variances resulted in a higher million than projected ending fund balance, the majority of the variance occurred due to restricted fund (grant related) items.

Summary of Revenues for Governmental Function

The following schedule represents a summary of the general operating fund, special revenue fund, capital projects fund and debt service fund revenues for the fiscal year ended June 30, 2013, and the increase and decrease (in amount and percentage) in relations to prior year amounts.

	2013	Percent of	Increase (Decrease) From Prior Fiscal Year	Percent Increase (Decrease) From Prior Fiscal Year
	Fiscal Year	Total	Fiscal Year	Prior Fiscal Year
Revenue Limit Sources	\$ 149,957,871	42%	\$ 2,111,616	1.43%
Federal	42,786,953	12%	(7,990,462)	(15.74)%
Other State	84,878,249	24%	(2,480,298)	(2.84)%
Other Local	77,077,224	22%	(3,985,141)	(4.92)%
Total Revenues	\$ 354,700,297	100%	\$ (12,344,285)	(3.36)%

The following schedule represents a summary of the general operating fund, special revenue fund, capital projects fund, and bond interest & redemption fund expenditures for the fiscal year ended June 30, 2013, and the increase and decrease (in amount and percentage) in relations to prior year amounts.

Summary of Expenditures by Object Code

	2013	Percent of	Increase (Decrease) From Prior Fiscal Year	Percent Increase (Decrease) From Prior Fiscal Year
	Fiscal Year	Total	Fiscal Year	Prior Fiscal Year
Certificated salaries	\$ 107,725,336	25.93%	\$ (1,435,965)	(1.31)%
Classified salaries	48,672,103	11.71%	739,990	1.54%
Employee benefits	64,730,699	15.58%	227,902	0.35%
Books and supplies	17,773,286	4.28%	(3,654,001)	(17.05)%
Services, other operation expenses	53,550,400	12.89%	1,101,669	2.10%
Capital outlay	68,563,281	16.50%	(23,144,277)	(25.24)%
Debt service:				
Principal	20,567,536	4.95%	(6,789,550)	(24.81)%
Interest	33,844,863	8.15%	1,547,709	4.79%
Other outgo	59,293	0.01%	29,676	100.20%
Total Expenditures	\$ 415,486,797	100%	\$ (31,376,847)	(7.02)%

CAPITAL ASSET AND DEBT ADMINISTRATION

By June 30, 2013, the District had invested \$1.3 billion in a broad range of capital assets including land, school buildings, athletic facilities, computer and audio-visual equipment as well as support facilities as reflected in the following table. Additional information about the capital assets of the District can also be found in footnote 4. Total depreciation expense for the year was \$20.5 million while additions to net capital assets amounted to approximately \$58.5 million.

Construction, planning and design activities continued during the year related to the renovation of the District's elementary and secondary schools.

Capital Assets

	<u>Governmental Activities</u>			<u>Balance, June 30, 2013</u>
	<u>Balance, July 1, 2012</u>	<u>Additions</u>	<u>Reductions</u>	
Governmental activities:				
Land	\$ 52,371,291	\$ -	\$ -	\$ 52,371,291
Site Improvements	61,980,429	4,122,896	-	66,103,325
Buildings	803,589,807	86,809,096	-	890,398,893
Machinery and Equipment	13,993,750	3,090,991	(1,692,147)	15,392,604
Construction In Progress	303,721,265	76,921,186	(98,771,833)	281,870,618
Totals at historical cost	1,235,656,542	80,012,177	(100,463,980)	1,306,136,731
Less: accumulated depreciation				
Site Improvements	(41,046,185)	(1,544,223)	(775,248)	(41,815,160)
Buildings	(216,049,750)	(17,579,749)	(6,513,548)	(227,115,951)
Machinery and Equipment	(7,527,635)	(1,361,703)	(1,250,329)	(7,639,009)
Total accumulated depreciation	(264,623,570)	(20,485,675)	(8,539,125)	(276,570,120)
Governmental activities, capital Assets, Net	\$ 971,032,972	\$ 59,526,502	\$ (992,863)	\$ 1,029,566,611

Long-Term Liabilities

In recent years the District has received approval from the voters to issue \$1.63 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. 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.

Long-Term Liabilities (continued)

At year end the District had \$1,012.5 million in general obligation bonds and other long-term liabilities outstanding, an increase over the prior year of \$3.2 million.

The activities of the District's long-term liabilities are reflected in the table below as well as the footnotes to the financial statements in note number 6. The General Obligation Bonds have been sold with insurance at the highest rating possible.

	<u>Governmental Activities</u>				
				Balance	Amounts
	Balance July 1, 2012	Additions	Deductions	June 30, 2013	Due Within One Year
General Obligation Bonds	\$ 821,578,849	\$ 98,200,000	\$ 124,348,713	\$ 795,430,136	\$ 20,282,206
Accreted Interest	60,762,662	15,269,291	-	76,031,953	1,427,794
GO Bond Premium	25,353,204	10,180,869	1,947,702	33,586,371	-
1994 Certificates of Participation	8,415,000	-	500,000	7,915,000	525,000
Compensated absences	3,422,127	341,601	-	3,763,728	-
OPEB Obligation	89,718,345	23,087,931	17,026,494	95,779,782	17,814,962
Child care facilities loan	28,823	-	28,823	-	-
Total Long-term liabilities	\$ 1,009,279,010	\$ 147,079,692	\$ 143,851,732	\$ 1,012,506,970	\$ 40,049,962

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. The District has applied for and been granted four waivers of this limit by the California State Board of Education, one for Measure D 2002, one for Measure J 2005, one for Measure D 2010 and one for Measure E 2012. These waivers allow the District to issue bonds up to an amount not to exceed 3.5% of assessed value for the 2002 Measure D and 2005 Measure J and 5.0% of assessed value for the Measure D 2010 and Measure E 2012 bond authorizations.

Notes to Basic Financial Statements

The Notes to Basic Financial Statements complement the financial statements by describing qualifying factors and changes throughout the fiscal year.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The State of California has a renewed commitment to fund school districts through the LCFF. The State Budget for 2013-14 includes increased revenue for the District based upon its student population. The District is expecting increased revenue over the 8 year implementation period of the LCFF. The State's economy must continue to grow in order to achieve the funding levels anticipated in the program. The passage of Proposition 30 has helped mitigate the cash flow concerns and provide stability to the District's revenue.

BASIC FINANCIAL STATEMENTS

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

STATEMENT OF NET POSITION

June 30, 2013

	<u>Governmental Activities</u>
ASSETS	
Cash and investments (Note 2)	\$ 173,033,520
Receivables	42,868,678
Stores inventory	846,992
Non-depreciable capital assets (Note 4)	334,241,909
Depreciable capital assets, net of accumulated depreciation (Note 4)	<u>695,324,702</u>
Total assets	<u>1,246,315,801</u>
DEFERRED OUTFLOWS	
Deferred loss from refunding of debt	<u>3,005,267</u>
LIABILITIES	
Accounts payable	32,918,181
Unpaid claims and claim adjustment expenses (Note 5)	500,000
Unearned revenue	904,934
Long-term liabilities (Note 6):	
Due within one year	40,049,962
Due after one year	<u>972,457,008</u>
Total liabilities	<u>1,046,830,085</u>
NET POSITION	
Net investment in capital assets	173,088,892
Restricted (Note 7)	98,112,028
Unrestricted	<u>(68,709,937)</u>
Total net position	<u>\$ 202,490,983</u>

See accompanying notes to financial statements.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2013

		Program Revenues			Net (Expense) Revenues and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental activities (Note 4):					
Instruction	\$ 164,357,143	\$ -	\$ 36,422,638	\$ 19,021,544	(108,912,961)
Instruction-related services:					
Supervision of instruction	22,024,218	-	12,660,998	-	(9,363,220)
Instructional library, media and technology	3,264,576	-	442,565	-	(2,822,011)
School site administration	17,820,515	-	253,966	-	(17,566,549)
Pupil services:					
Home-to-school transportation	8,320,531	-	2,033,685	-	(6,286,846)
Food services	14,485,873	918,674	12,870,864	-	(696,335)
All other pupil services	20,604,588	-	8,264,232	-	(12,340,356)
General administration:					
Data processing	5,324,932	-	158,376	-	(5,166,556)
All other general administration	13,881,576	31,853	1,457,953	-	(12,391,770)
Plant services	32,965,110	10,797	1,318,745	-	(31,635,568)
Ancillary services	7,167,818	-	5,263,343	-	(1,904,475)
Community services	166,195	-	1,599	-	(164,596)
Other outgo	1,124,895	-	-	-	(1,124,895)
Interest on long-term liabilities	45,127,115	-	-	-	(45,127,115)
Total governmental activities	<u>\$ 356,635,085</u>	<u>\$ 961,324</u>	<u>\$ 81,148,964</u>	<u>\$ 19,021,544</u>	<u>\$ (255,503,253)</u>
General revenues:					
Taxes and subventions:					
Taxes levied for general purposes					64,376,754
Taxes levied for debt service					50,515,963
Taxes levied for other specific purposes					15,842,112
Federal and state aid not restricted to specific purposes					118,672,377
Interest and investment earnings					512,567
Miscellaneous					<u>5,024,888</u>
Total general revenues					<u>254,944,661</u>
Change in net position					<u>(558,592)</u>
Net position, July 1, 2012, as previously stated					213,900,219
Cumulative effect of change in accounting principle					<u>(10,850,644)</u>
Net position, July 1, 2012, as restated					<u>203,049,575</u>
Net position, June 30, 2013					<u>\$ 202,490,983</u>

See accompanying notes to financial statements.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

BALANCE SHEET

GOVERNMENTAL FUNDS

June 30, 2013

	<u>General Fund</u>	<u>Building Fund</u>	<u>Bond Interest and Redemption Fund</u>	<u>All Non-Major Funds</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and investments:					
Cash in County Treasury	\$ 26,956,843	\$ 60,748,258	\$ 48,106,428	\$ 22,338,214	\$ 158,149,743
Cash awaiting deposit	-	-	-	750	750
Cash on hand and in banks	22,591	-	-	21,186	43,777
Cash in revolving fund	70,000	-	-	-	70,000
Cash with Fiscal Agent	-	6,120,512	-	1,042,373	7,162,885
Local Agency Investment Fund	931,982	1,507,313	-	1,168,335	3,607,630
Receivables	38,991,154	29,723	19,947	3,825,624	42,866,448
Stores inventory	<u>234,001</u>	<u>-</u>	<u>-</u>	<u>612,991</u>	<u>846,992</u>
Total assets	<u>\$ 67,206,571</u>	<u>\$ 68,405,806</u>	<u>\$ 48,126,375</u>	<u>\$ 29,009,473</u>	<u>\$ 212,748,225</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 9,664,874	\$ 12,962,438	\$ -	\$ 1,270,465	\$ 23,897,777
Unearned revenue	<u>511,999</u>	<u>-</u>	<u>-</u>	<u>392,935</u>	<u>904,934</u>
Total liabilities	<u>10,176,873</u>	<u>12,962,438</u>	<u>-</u>	<u>1,663,400</u>	<u>24,802,711</u>
Fund balances:					
Nonspendable	304,001	-	-	612,991	916,992
Restricted	21,983,898	55,443,368	48,126,375	26,733,082	152,286,723
Assigned	13,039,725	-	-	-	13,039,725
Unassigned	<u>21,702,074</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>21,702,074</u>
Total fund balances	<u>57,029,698</u>	<u>55,443,368</u>	<u>48,126,375</u>	<u>27,346,073</u>	<u>187,945,514</u>
Total liabilities and fund balances	<u>\$ 67,206,571</u>	<u>\$ 68,405,806</u>	<u>\$ 48,126,375</u>	<u>\$ 29,009,473</u>	<u>\$ 212,748,225</u>

See accompanying notes to financial statements.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET -
TO THE STATEMENT OF NET POSITION

June 30, 2013

Total fund balances - Governmental Funds \$ 187,945,514

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used for governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds. The cost of the assets is \$1,306,136,731 and the accumulated depreciation is \$276,570,120 (Note 4). 1,029,566,611

Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. Long-term liabilities at June 30, 2013 consisted of (Note 6):

General Obligation Bonds	\$ (795,430,136)	
Premium on General Obligation Bonds	(33,586,371)	
Accreted interest	(76,031,953)	
Certificates of Participation	(7,915,000)	
Other Postemployment Benefits (OPEB) (Note 9)	(95,779,782)	
Compensated absences	<u>(3,763,728)</u>	
		(1,012,506,970)

Internal service funds are used to conduct certain activities for which costs are charged to other funds on a full cost-recovery basis. Net position of the Self-Insurance Fund is: 1,698,615

In the governmental funds, interest on long-term liabilities 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. (7,218,054)

Losses on refundings of debt are categorized as deferred outflows and are amortized over the life of the related debt (Note 6). 3,005,267

Total net position - governmental activities \$ 202,490,983

See accompanying notes to financial statements.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES**

GOVERNMENTAL FUNDS

For the Year Ended June 30, 2013

	<u>General Fund</u>	<u>Building Fund</u>	<u>Bond Interest and Redemption Fund</u>	<u>All Non-Major Funds</u>	<u>Total Governmental Funds</u>
Revenues:					
Revenue limit sources:					
State apportionment	\$ 88,565,509	\$ -	\$ -	\$ -	\$ 88,565,509
Local sources	<u>61,392,362</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>61,392,362</u>
Total revenue limit	<u>149,957,871</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>149,957,871</u>
Federal sources	25,624,711	-	3,947,748	13,214,494	42,786,953
Other state sources	60,899,441	454,852	603,384	22,920,572	84,878,249
Other local sources	<u>22,115,028</u>	<u>950,292</u>	<u>50,036,406</u>	<u>3,975,498</u>	<u>77,077,224</u>
Total revenues	<u>258,597,051</u>	<u>1,405,144</u>	<u>54,587,538</u>	<u>40,110,564</u>	<u>354,700,297</u>
Expenditures:					
Certificated salaries	105,317,911	-	-	2,407,425	107,725,336
Classified salaries	41,534,667	1,063,870	-	6,073,566	48,672,103
Employee benefits	61,417,931	413,708	-	2,899,060	64,730,699
Books and supplies	9,380,887	1,933,832	-	6,458,567	17,773,286
Contract services and operating expenditures	45,764,340	5,675,052	-	2,111,008	53,550,400
Capital outlay	532,720	42,843,303	-	25,187,258	68,563,281
Other outgo	59,293	-	-	-	59,293
Debt service:					
Principal retirement	500,000	-	20,038,713	28,823	20,567,536
Interest	<u>628,071</u>	<u>-</u>	<u>33,216,792</u>	<u>-</u>	<u>33,844,863</u>
Total expenditures	<u>265,135,820</u>	<u>51,929,765</u>	<u>53,255,505</u>	<u>45,165,707</u>	<u>415,486,797</u>
(Deficiency) excess of revenues (under) over expenditures	<u>(6,538,769)</u>	<u>(50,524,621)</u>	<u>1,332,033</u>	<u>(5,055,143)</u>	<u>(60,786,500)</u>
Other financing sources (uses):					
Proceeds from issuance of general obligation bonds	-	-	98,200,000	-	98,200,000
Refunding of general obligation bonds	-	-	(104,310,000)	-	(104,310,000)
Other proceeds from debt issuance	-	-	10,180,869	-	10,180,869
Other financing uses	-	-	(4,070,869)	-	(4,070,869)
Operating transfers in	2,449,781	-	-	1,945,654	4,395,435
Operating transfers out	<u>(1,815,654)</u>	<u>-</u>	<u>-</u>	<u>(2,579,781)</u>	<u>(4,395,435)</u>
Total other financing sources (uses)	<u>634,127</u>	<u>-</u>	<u>-</u>	<u>(634,127)</u>	<u>-</u>
Net changes in fund balances	(5,904,642)	(50,524,621)	1,332,033	(5,689,270)	(60,786,500)
Fund balances, July 1, 2012	<u>62,934,340</u>	<u>105,967,989</u>	<u>46,794,342</u>	<u>33,035,343</u>	<u>248,732,014</u>
Fund balances, June 30, 2013	<u>\$ 57,029,698</u>	<u>\$ 55,443,368</u>	<u>\$ 48,126,375</u>	<u>\$ 27,346,073</u>	<u>\$ 187,945,514</u>

See accompanying notes to financial statements.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS -
TO THE STATEMENT OF ACTIVITIES**

For the Year Ended June 30, 2013

Net changes in fund balances - Total Governmental Funds \$ (60,786,500)

Amounts reported for governmental activities in the statement of activities are different because:

Acquisition of capital assets is an expenditure in the governmental funds, but increases capital assets in the statement of net position (Note 4). \$ 80,012,177

Depreciation of capital assets is an expense that is not recorded in the governmental funds (Note 4). (20,485,675)

Gain or loss from disposal of capital assets are reported as revenue for entire proceeds in the governmental funds, but in the statement of activities, only the resulting gain or loss is reported (Note 4). (992,863)

In governmental funds, if debt is issued at a premium or at a discount, the premium or discount is recognized as revenue in the period it is incurred. In government-wide statements, the premium or discount is amortized as interest over the life of the debt (Note 6). (8,233,167)

Repayment or refunding of principal on long-term liabilities is an expenditure in the governmental funds, but decreases the long-term liabilities in the statement of net position (Note 6). 124,877,536

Losses on refundings of debt are categorized as deferred outflows and are amortized over the life of the related debt (Note 6). 3,005,267

In governmental funds, proceeds from debt are recognized as Other Financing Sources, but in the statement of net position as an increases to liabilities. Amounts recognized in governmental funds as proceeds from debt, net of issue premium, were (Note 6). (98,200,000)

In governmental funds, interest on long-term liabilities is recognized in the period that it becomes due. In the government-wide statement of activities, it is recognized in the period that it is incurred. 2,039,337

Accreted interest on capital appreciation bonds is not recorded in the governmental funds, but increases the long-term liabilities in the statement of net position (Note 6). (15,269,291)

Internal service funds are used to conduct certain activities for which costs are charged to other funds on a full cost recovery basis. Change in net position for the Self-Insurance Fund was. (122,375)

(Continued)

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS -
TO THE STATEMENT OF ACTIVITIES**

(Continued)

For the Year Ended June 30, 2013

In government funds, OPEB costs are recognized when employer contributions are made. In the statement of activities, OPEB costs are recognized on the accrual basis. This year, the difference between OPEB costs and actual employer contributions was (Notes 6 and 9).

\$ (6,061,437)

In the statement of activities, expenses related to compensated absences are measured by the amounts earned during the year. In the governmental funds, expenditures are measured by the amount of financial resources used (Note 6).

(341,601) \$ 60,227,908

Change in net position of governmental activities

\$ (558,592)

See accompanying notes to financial statements.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
STATEMENT OF NET POSITION - PROPRIETARY FUND
SELF-INSURANCE FUND

June 30, 2013

ASSETS

Cash and investments:	
Cash in County Treasury	\$ 3,996,777
Cash with Fiscal Agent	1,958
Receivables	<u>2,230</u>
 Total assets	 <u>4,000,965</u>

LIABILITIES

Accounts payable	1,802,350
Unpaid claims and claim adjustment expenses	<u>500,000</u>
 Total liabilities	 <u>2,302,350</u>

NET POSITION

Restricted	<u><u>\$ 1,698,615</u></u>
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See accompanying notes to financial statements.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
STATEMENT OF CHANGE IN NET POSITION - PROPRIETARY FUND
SELF-INSURANCE FUND

For the Year Ended June 30, 2013

Operating revenues:	
Self-insurance premiums	<u>\$ 1,755,100</u>
Operating expenses:	
Classified Salaries	74,988
Employee Benefits	37,155
Books and supplies	755
Contract services	<u>1,768,918</u>
Total operating expenses	<u>1,881,816</u>
Operating loss	(126,716)
Non-operating revenue:	
Interest income	<u>4,341</u>
Change in net position	(122,375)
Total net position, July 1, 2012	<u>1,820,990</u>
Total net position, June 30, 2013	<u><u>\$ 1,698,615</u></u>

See accompanying notes to financial statements.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
STATEMENT OF CASH FLOWS - PROPRIETARY FUND
SELF-INSURANCE FUND

For the Year Ended June 30, 2013

Cash flows from operating activities:	
Cash received from self-insurance premiums	\$ 1,755,100
Cash paid for salaries and benefits	(112,143)
Cash paid for books and supplies	(755)
Cash paid for contract services	(422,694)
Cash paid for claims	<u>(1,290,881)</u>
Net cash used in operating activities	(71,373)
Cash flows provided by non-capital financing activities:	
Cash received from agency	
fund to provide for premium payments	<u>1,715,957</u>
Cash flows provided by investing activities:	
Interest income received	<u>2,111</u>
Increase in cash and investments	1,646,695
Cash and investments, July 1, 2012	<u>2,352,040</u>
Cash and investments, June 30, 2013	<u><u>\$ 3,998,735</u></u>
Reconciliation of operating loss to net cash	
used in operating activities:	
Operating loss	\$ (126,716)
Adjustments to reconcile operating loss to net cash	
used in operating activities:	
Increase in accounts payable	<u>55,343</u>
Net cash used in operating activities	<u><u>\$ (71,373)</u></u>

See accompanying notes to financial statements.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

STATEMENT OF FIDUCIARY NET POSITION

TRUST AND AGENCY FUNDS

June 30, 2013

	<u>Trust Fund</u>	<u>Agency Funds</u>		
	<u>Retiree Benefits Trust</u>	<u>Payroll Clearing Fund</u>	<u>Student Body Funds</u>	<u>Total</u>
ASSETS				
Cash in County Treasury (Note 2)	\$ 6,683,851	\$ 1,433,430	\$ -	\$ 8,117,281
Cash on hand and in banks (Note 2)	-	-	948,325	948,325
Investments (Note 2)	7,196,979	-	-	7,196,979
Receivables	<u>7,294</u>	<u>47,888</u>	<u>-</u>	<u>55,182</u>
Total assets	<u>13,888,124</u>	<u>1,481,318</u>	<u>948,325</u>	<u>16,317,767</u>
LIABILITIES				
Accounts payable	14,541	1,481,318	-	1,495,859
Due to student groups	<u>-</u>	<u>-</u>	<u>948,325</u>	<u>948,325</u>
Total liabilities	<u>14,541</u>	<u>1,481,318</u>	<u>948,325</u>	<u>2,444,184</u>
NET POSITION				
Held in trust for retiree benefits (Note 7)	<u>\$ 13,873,583</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,873,583</u>

See accompanying notes to financial statements.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
STATEMENT OF CHANGE IN FIDUCIARY NET POSITION
RETIREE BENEFITS TRUST FUND
For the Year Ended June 30, 2013

Revenues:	
Other local sources	\$ 19,102,132
Expenditures:	
Contract services and operating expenditures (Note 9)	<u>18,048,424</u>
Change in net position	1,053,708
Net position, July 1, 2012	<u>12,819,875</u>
Net position, June 30, 2013	<u><u>\$ 13,873,583</u></u>

See accompanying notes to financial statements.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

West Contra Costa Unified School District (the "District") accounts for its financial transactions in accordance with the policies and procedures of the California 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. The following is a summary of the more significant policies:

Reporting Entity

The Board of Education is the level of government which has governance responsibilities over all activities related to public school education in the District. The Board is not included in any other governmental "reporting entity" as defined by the Governmental Accounting Standards Board since Board members have decision-making authority, the power to designate management, the responsibility to significantly influence operations and primary accountability for fiscal matters.

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. The purpose of this Corporation is 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), a form of long-term debt, which the District used to finance continuing operations. 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 department, agency, institution, commission, public authority, or other 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 agencies. Oversight responsibility implies that the nongovernmental unit is dependent on another and the dependent unit should be reported as part of the other.

Oversight responsibility is derived from the governmental unit's power and includes, but is not limited to:

- Financial interdependency
- Selection of governing authority
- Designation of management
- Ability to significantly influence operations
- Accountability for fiscal matters

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

(Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Reporting Entity (Continued)

Accordingly, for the year ended June 30, 2013, 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 Corporation Debt Service Fund. COPs issued by the Corporation are included as long-term liabilities in the government-wide financial statements.

Basis of Presentation - Financial Statements

The basic financial statements include a Management's Discussion and Analysis (MD & A) section providing an analysis of the District's overall financial position and results of operations, financial statements prepared using full accrual accounting for all of the District's activities, including infrastructure, and a focus on the major funds.

Basis of Presentation - Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities displays information about the reporting government as a whole. Fiduciary funds are not included in the government-wide financial statements. Fiduciary funds are reported only in the Statement of Fiduciary Net Position and the Statement of Change in Fiduciary Net Position at the fund financial statement level.

The Statement of Net Position and the Statement of Activities are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of Governmental Accounting Standards Board Codification Section (GASB Cod. Sec.) N50.118-.121.

Program revenues: Program revenues included in the Statement of Activities derive directly from the program itself or from parties outside the District's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the District's general revenues.

Allocation of indirect expenses: The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on general long-term liabilities is considered an indirect expense and is reported separately on the Statement of Activities.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

(Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation - Fund Accounting

The accounts of the District are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. District resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

A - Major Funds

1. General Fund:

The General Fund is the general operating fund of the District and accounts for all revenues and expenditures of the District not encompassed within other funds. All general tax revenues and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures and the capital improvement costs that are not paid through other funds are paid from the General Fund. For financial reporting purposes, the current year activity and year end balance of the Special Reserve for Other than Capital Outlay Projects Fund is combined with the General Fund.

2. Building Fund:

The Building Fund is used to account for resources used for the acquisition of capital facilities by the District.

3. Bond Interest and Redemption Fund:

The Bond Interest and Redemption Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

B - Other Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. This includes the Adult Education, Child Development, Cafeteria and Deferred Maintenance Funds.

Capital Projects Funds are used to account for resources used for the acquisition of capital facilities by the District. This includes the Capital Facilities, County School Facilities, and Special Reserve for Capital Outlay Projects Funds.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

(Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation - Fund Accounting (Continued)

B - Other Funds (Continued)

Debt Service Funds are used to account for the accumulation of resources for, and payment of, general long-term liabilities principal, interest, and related costs. This includes Corporation Debt Service and Debt Service Funds.

The Self-Insurance Fund is an Internal Service Fund used to account for services rendered on a cost-reimbursement basis within the District. The Self-Insurance Fund is further used to account for resources committed to pay for costs arising from property losses and liability claims that are covered, or only partially covered, through purchased insurance.

The Retiree Benefits Trust Fund is a trust fund used to account for the accumulation of funds for the District's defined post-employment healthcare plan.

Agency Funds are used to account for various funds where the District acts as an agent. This classification includes the Payroll Clearing Fund and Student Body Funds. In the Payroll Clearing Fund, the "due to regulatory agencies" account is used to hold dedicated funds for payroll and related expenses. The Student Body Funds include all cash activity, assets and liabilities of the various student bodies of the District.

Basis of Accounting

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

Accrual

Governmental activities in the government-wide financial statements and the proprietary and fiduciary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

Modified Accrual

The governmental funds financial statements 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 liabilities, if any, is recognized when due.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

(Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgets and Budgetary Accounting

By state law, the Board of Education must adopt a final budget by July 1. A public hearing is conducted to receive comments prior to adoption. The Board of Education complied with these requirements.

Receivables

Receivables are made up principally of amounts due from the State of California for Revenue Limit funding and Categorical programs. The District has determined that no allowance for doubtful accounts was needed as of June 30, 2013.

Stores Inventory

Inventories in the General and Cafeteria Funds are valued at average cost. Stores inventory recorded in the General and Cafeteria Funds consists mainly of school supplies and consumable supplies. Inventories are recorded as an expenditure at the time the individual inventory items are transferred from the warehouse to schools and offices.

Cafeteria Food Purchases

Cafeteria purchases include food purchased through the State of California Office of Surplus Property, for which the District is required to pay only a handling charge. The state does not require the Cafeteria Fund to record the fair market value of these commodities. The expenditures for these items would have been greater had the District paid fair market value for the government surplus food commodities.

Capital Assets

Capital assets purchased or acquired, with an original cost of \$5,000 or more, are recorded at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlay that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Capital assets are depreciated using the straight-line method over 4 - 30 years depending on asset types.

Compensated Absences

Compensated absences totaling \$3,763,728 are recorded as a liability of the District. The liability is for the earned but unused benefits.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

(Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accumulated Sick Leave

Sick leave benefits are not recognized as liabilities of the District. The District's policy is to record sick leave as a operating expenditure or expense in the period taken since 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 for certain STRS and CalPERS employees, when the employee retires.

Unearned Revenue

Revenue from federal, state, and local special projects and programs is recognized when qualified expenditures have been incurred. Funds received but not earned are recorded as unearned revenue until earned.

Restricted Net Position

Restrictions of the ending net position indicate the portions of net position not appropriable for expenditure or amounts legally segregated for a specific future use. The restriction for unspent categorical program revenues are state programs where the revenue received is restricted for expenditures only in that particular program. The restriction for the future payment of self-insurance claims represents the portion of net position to be used for future payment of self-insured claims. The restriction for special revenues represents the portion of net position restricted for special purposes. The restriction for capital projects represents the portion of net position restricted for capital projects. The restriction for debt service repayments represents the portion of net position which the District plans to expend on debt repayment. The restriction for retiree benefits represents the portion of net position which will be used for payment of health insurance premiums for current and future retirees. It is the District's policy to first use restricted net position when allowable expenditures are incurred.

Fund Balance Classifications

Governmental Accounting Standards Board Codification Sections 1300 and 1800, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB Cod. Sec. 1300 and 1800) implements a five-tier fund balance classification hierarchy that depicts the extent to which a government is bound by spending constraints imposed on the use of its resources. The five classifications, discussed in more detail below, are nonspendable, restricted, committed, assigned and unassigned.

A - Nonspendable Fund Balance:

The nonspendable fund balance classification reflects amounts that are not in spendable form, such as revolving fund cash and stores inventory.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

(Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balance Classifications (Continued)

B - Restricted Fund Balance:

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. These are the same restrictions used to determine restricted net assets as reported in the government-wide and fiduciary trust fund statements.

C - Committed Fund Balance:

The committed fund balance classification reflects amounts subject to internal constraints self-imposed by formal action of the Board of Education. 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. Formal action by the Board of Education is required to remove any commitment from any fund balance. At June 30, 2013, the District had no committed fund balances.

D - Assigned Fund Balance:

The assigned fund balance classification reflects amounts that the District's Board of Education has approved to be used for specific purposes, based on the District's intent related to those specific purposes. The Board of Education can designate personnel with the authority to assign fund balances, however, as of June 30, 2013, no such designation has occurred.

E - Unassigned Fund Balance:

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.

In any fund other than the General Fund, a positive unassigned fund balance is never reported because amounts in any other fund are assumed to have been assigned, at least, to the purpose of that fund. 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.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

(Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balance Policy

The District has an expenditure policy relating to fund balances. For purposes of fund balance classifications, expenditures are to be spent from restricted fund balances first, followed in order by committed fund balances (if any), assigned fund balances and lastly unassigned fund balances.

While GASB Cod. Sec. 1300 and 1800 do not require districts to establish a minimum fund balance policy or a stabilization arrangement, GASB Cod. Sec. 1300 and 1800 do require the disclosure of a minimum fund balance policy and stabilization arrangements, if they have been adopted by the Board of Education. At June 30, 2013, the District has not established a minimum fund balance policy nor has it established a stabilization arrangement.

Property Taxes

Secured property taxes are attached as an enforceable lien on property as of March 1. Taxes are due in two installments on or before December 10 and April 10. Unsecured property taxes are due in one installment on or before August 31. The County of Contra Costa bills and collects taxes for the District.

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 at June 30.

Eliminations and Reclassifications

In the process of aggregating data for the Statement of Net Position and the Statement of Activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

Estimates

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Accordingly, actual results may differ from those estimates.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

(Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

New Accounting Pronouncements

In November 2010, the GASB issued Statement No. 61, *The Financial Reporting Entity: Omnibus*. The Statement improves financial reporting for a governmental financial reporting entity. The requirements of Statement No. 14, *The Financial Reporting Entity*, and the related financial reporting requirements of Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, were amended to better meet user needs and to address reporting entity issues. This statement was adopted for the District's fiscal year ended June 30, 2013 with no material impact on the District.

In December 2010, the GASB issued Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. The Statement incorporates into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in the following pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements: (1) Financial Accounting Standards Board (FASB) Statements and Interpretations; (2) Accounting Principles Board Opinions; and (3) Accounting Research Bulletins of the American Institute of Certified Public Accountants' (AICPA) Committee on Accounting Procedure. This statement was adopted for the District's fiscal year ended June 30, 2013 with no material impact on the District.

In June 2011, the GASB issued Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. This Statement provides a new statement of net position format to report all assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position (which is the net residual amount of the other elements). This Statement requires that deferred outflows of resources and deferred inflows of resources be reported separately from assets and liabilities. This Statement also amends certain provisions of GASB Statement No. 34, *Basic Financial Statement – and Management's Discussion and Analysis – for State and Local Governments*, and related pronouncements to reflect the residual measure in the statement of financial position as net position, rather than net assets. This statement was adopted for the District's fiscal year ended June 30, 2013 with no material impact on financial statements of the District.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

(Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

New Accounting Pronouncements (Continued)

In March 2012, the GASB issued Statement No. 65, *Items Previously Reported as Assets and Liabilities*. This Statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. This Statement also provides other financial reporting guidance related to the impact of the financial statement elements deferred outflows of resources and deferred inflows of resources, such as changes in the determination of the major fund calculations and limiting the use of the term deferred in financial statement presentations. The provisions of this Statement are effective for the District's fiscal year ended June 30, 2014, with earlier application being encouraged. Based on the implementation of Statement No. 65 the District's July 1, 2012 net position was restated by \$10,850,644 because bond issuance costs were no longer capitalized. In addition, the District recorded a deferred outflow due to the loss on refunding debt of \$3,005,267.

In March 2012, the GASB issued Statement No. 66, *Technical Corrections – 2013, an amendment of GASB Statements No. 10 and No. 61*. The objective of this Statement is to improve accounting and financial reporting for a governmental financial reporting entity by resolving conflicting guidance that resulted from the issuance of two pronouncements, Statements No. 64, Fund Balance Reporting and Governmental Fund Type Definitions, and No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre- November 30, 1989 FASB and AICPA Pronouncements. This Statement amends Statement No. 10, Accounting and Financial Reporting for Risk Financing and Related Insurance Issues, by removing the provision that limits fund-based reporting of an entity's risk financing activities to the general fund and the internal service fund type. As a result, Districts should base their decisions about fund type classification on the nature of the activity to be reported, as required in Statement 54 and Statement No. 34, Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments. This Statement also amends Statement 62 by modifying the specific guidance on accounting for (1) operating lease payments that vary from a straight line basis, (2) the difference between the initial investment (purchase price) and the principal amount of a purchased loan or group of loans, and (3) servicing fees related to mortgage loans that are sold when the stated service fee rate differs significantly from a current (normal) servicing fee rate. These changes clarify how to apply Statement No. 13, Accounting for Operating Leases with Scheduled Rent Increases, and result in guidance that is consistent with the requirements in Statement No. 48, Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues, respectively. The provisions of this Statement are effective for the District's fiscal year ended June 30, 2014, with earlier application encouraged. Management has not determined what impact, if any, this GASB statement will have on the District's financial statements.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

(Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

New Accounting Pronouncements (Continued)

In June 2012, the GASB issued Statement No. 67, *Financial Reporting for Pension Plans*. This Statement replaces the requirements of Statement No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans* and Statement No. 50 as they relate to pension plans that are administered through trusts or similar arrangements meeting certain criteria. The Statement 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 No. 67 enhances note disclosures and RSI for both defined benefit and defined contribution pension plans. Statement No. 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 RSI schedules. This Statement is effective for the District's financial period beginning June 30, 2014. Management has not determined what impact, if any, this GASB statement might have on its financial statements.

In June 2012, the GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions*. This Statement 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 No. 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 (RSI). This Statement is effective for the District's financial period beginning June 30, 2015. Management has not determined what impact, if any, this GASB statement might have on the District's financial statements.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

(Continued)

2. CASH AND INVESTMENTS

Cash and investments at June 30, 2013 consisted of the following:

	Governmental Activities			Fiduciary
	Governmental Funds	Proprietary Fund	Total	Activities
Pooled Funds:				
Cash in County Treasury	\$158,149,743	\$ 3,996,777	\$162,146,520	\$ 8,117,281
Cash awaiting deposit	750	-	750	-
Deposits:				
Cash on hand and in banks	43,777	-	43,777	948,325
Cash in revolving fund	<u>70,000</u>	<u>-</u>	<u>70,000</u>	<u>-</u>
Total pooled funds and deposits	<u>158,264,270</u>	<u>3,996,777</u>	<u>162,261,047</u>	<u>9,065,606</u>
Investments:				
Cash with Fiscal Agent	7,162,885	1,958	7,164,843	-
Local Agency Investment Fund	<u>3,607,630</u>	<u>-</u>	<u>3,607,630</u>	<u>7,196,979</u>
Total investments	<u>10,770,515</u>	<u>1,958</u>	<u>10,772,473</u>	<u>7,196,979</u>
Total	<u>\$169,034,785</u>	<u>\$ 3,998,735</u>	<u>\$173,033,520</u>	<u>\$ 16,262,585</u>

Pooled Funds

In accordance with Education Code Section 41001, the District maintains substantially all of its cash in the Contra Costa County Treasury. The County pools these funds with those of school districts in the County and invests the cash. These pooled funds are carried at cost which approximates fair value. Interest earned is deposited quarterly into participating funds. Any investment losses are proportionately shared by all funds in the pool. Earnings are calculated on an annual basis and funds allocated to participating funds are adjusted to the calculated annual rate at year-end.

Because the District's deposits are maintained in a recognized pooled investment fund under the care of a third party and the District's share of the pooled investment fund does not consist of specific, identifiable investment securities owned by the District, no disclosure of the individual deposits and investments or related custodial credit risk classifications is required.

In accordance with applicable state laws, the Contra Costa County Treasurer may invest in derivative securities. However, at June 30, 2013, the Contra Costa County Treasurer has represented that the Treasurer's pooled investment fund contained no derivatives or other investments with similar risk profiles.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

(Continued)

2. CASH AND INVESTMENTS (Continued)

Deposits - Custodial Credit Risk

The District limits custodial credit risk by ensuring uninsured balances are collateralized by the respective financial institution. Cash balances held in banks are insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC) and are collateralized by the respective financial institution. At June 30, 2013, the carrying amount of the District's accounts was \$1,062,102, and the bank balances were \$1,157,374. Of the bank balances, \$849,463 was uninsured but collateralized.

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 Special Reserve for Capital Outlay Projects, Corporation Debt Service and Self-Insurance Funds represents amounts held by third parties in the District's name.

Local Agency Investment Fund

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.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

(Continued)

2. CASH AND INVESTMENTS (Continued)

Interest Rate Risk

The District does not have a formal investment policy that limits cash and investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. At June 30, 2013, the District had no significant interest rate risk related to cash and investments held.

Credit Risk

The District does not have a formal investment policy that limits its investment choices other than the limitations of state law.

Concentration of Credit Risk

The District does not place limits on the amount it may invest in any one issuer. At June 30, 2013, the District had no concentration of credit risk.

3. INTERFUND TRANSACTIONS

Interfund Activity

Transactions between funds of the District are recorded as interfund transfers, except for the Self-Insurance Fund activity which is recorded as income and expenditures of the Self-Insurance Fund and the funds which incur payroll costs, respectively. The unpaid balances at year end, as a result of such transactions, are shown as due to and due from other funds.

At June 30, 2013, there were no outstanding interfund receivable or payable balances.

Interfund Transfers

Interfund transfers consist of operating transfers from funds receiving revenue to funds through which the resources are to be expended.

Interfund transfers for the 2012-2013 fiscal year were as follows:

Transfer from the General Fund to the Adult Education Fund to cover the cost of operations for the Adult Education program.	\$ 1,815,654
Transfer from the Special Reserve for Capital Outlay Projects Fund to Child Development Fund for reimbursement of lost portables.	130,000
Transfer from the Adult Education Fund to the General Fund for indirect cost support.	46
Transfer from the Child Development Fund to the General Fund for indirect cost support.	60,739
Transfer from the Cafeteria Fund to the General Fund for indirect cost support.	466,412
Transfer from the Deferred Maintenance Fund to the General Fund for Tier III flexibility provisions of SBX3 4.	1,000,000
Transfer from the Debt Service Fund to the General Fund to partially cover Certificates of Participation payments.	<u>922,584</u>
	<u>\$ 4,395,435</u>

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

(Continued)

4. CAPITAL ASSETS

A schedule of changes in capital assets for the year ended June 30, 2013 is shown below:

	Balance July 1, <u>2012</u>	Transfers and <u>Additions</u>	Transfers and <u>Deductions</u>	Balance June 30, <u>2013</u>
<u>Governmental Activities</u>				
Non-depreciable:				
Land	\$ 52,371,291	\$ -	\$ -	\$ 52,371,291
Work-in-process	303,721,265	76,921,186	(98,771,833)	281,870,618
Depreciable:				
Buildings	803,589,797	-	86,809,096	890,398,893
Site improvements	61,980,429	-	4,122,896	66,103,325
Equipment	<u>13,993,760</u>	<u>3,090,991</u>	<u>(1,692,147)</u>	<u>15,392,604</u>
Totals, at cost	<u>1,235,656,542</u>	<u>80,012,177</u>	<u>(9,531,988)</u>	<u>1,306,136,731</u>
Less accumulated depreciation:				
Buildings	(216,049,750)	(17,579,749)	(6,513,548)	(227,115,951)
Site improvements	(41,046,185)	(1,544,223)	(775,248)	(41,815,160)
Equipment	<u>(7,527,635)</u>	<u>(1,361,703)</u>	<u>(1,250,329)</u>	<u>(7,639,009)</u>
Total accumulated depreciation	<u>(264,623,570)</u>	<u>(20,485,675)</u>	<u>(8,539,125)</u>	<u>(276,570,120)</u>
Capital assets, net	<u>\$ 971,032,972</u>	<u>\$ 59,526,502</u>	<u>\$ (992,863)</u>	<u>\$1,029,566,611</u>

Depreciation expense was charged to governmental activities as follows:

Instruction	\$ 11,136,299
Supervision of instruction	1,527,421
Instructional library, media and technology	224,903
School site administration	1,122,273
Home to school transportation	558,248
Food services	950,104
All other pupil services	1,265,898
Ancillary services	522,938
Community services	10,383
All other general administration	840,123
Centralized data processing	266,428
Plant services	<u>2,060,657</u>
Total depreciation expense	<u>\$ 20,485,675</u>

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

(Continued)

5. SELF-INSURANCE CLAIMS

The District is self-insured for property and liability claims. For accounting and reporting purposes, the District has established a separate Self-Insurance Fund for the payment of claims. For the year ended June 30, 2013, the District provides coverage up to a maximum of \$100,000 for each property or liability claim. The District participates in a joint powers authority for claims in excess of coverage provided by the Fund (Note 10).

The liability for unpaid claims and claim adjustment expenses represents the ultimate cost of claims that have been reported but not settled and of claims that have been incurred but not reported. These claims will be paid in future years.

District management recomputes the liability annually using available updated claims data. Every three years, the District contracts with an actuary who performs an actuarial study using a variety of statistical techniques to produce current estimates that consider claim frequency and other economic factors.

The liabilities for unpaid claims and claim adjustment expenses are as follows:

	June 30, <u>2013</u>	June 30, <u>2012</u>
Unpaid claim and claim adjustment expenses, beginning of year	\$ 500,000	\$ 500,000
Total incurred claims and claim adjustment expenses	1,290,881	708,587
Total payments	<u>(1,290,881)</u>	<u>(708,587)</u>
Total unpaid claims and claim adjustment expenses at end of year	<u>\$ 500,000</u>	<u>\$ 500,000</u>

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

(Continued)

6. LONG-TERM LIABILITIES

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, 2013, 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, and Measure D of 2010. Proceeds from the Bonds are being used to improve, construct or refurbish the District's schools.

<u>Bond</u>	<u>Interest Rate %</u>	<u>Date of Issuance</u>	<u>Maturity Date August 1,</u>	<u>Amount of Original Issuance</u>	<u>Outstanding July 1, 2012</u>	<u>Issued Current Year</u>	<u>Redeemed Current Year</u>	<u>Outstanding June 30, 2013</u>
Measure E, Refunding Series A	4.15% - 5.7%	2001	2025	\$ 28,610,000	\$ 18,495,000	\$ -	\$ 1,160,000	\$ 17,335,000
Measure E, Refunding Series B	4.3% - 6.0%	2001	2024	10,255,000	6,810,000	-	395,000	6,415,000
Measure M, Series C	2.5% - 5.0%	2003	2012	95,000,000	43,115,000	-	43,115,000	-
Measure D, Series A	4.25% - 7.0%	2002	2012	30,000,000	11,515,000	-	11,515,000	-
Measure D, Series B	4.1% - 5.0%	2003	2012	100,000,000	40,460,000	-	40,460,000	-
Measure D, Series C, Current Interest	4.0% - 5.0%	2004	2034	40,000,000	35,625,000	-	10,080,000	25,545,000
Measure D, Series C, Capital Appreciation	2.4% - 5.8%	2004	2034	29,999,377	28,179,129	-	656,115	27,523,014
Measure D, Series D, Capital Appreciation	3.15% - 5.05%	2006	2034	99,998,106	93,145,012	-	2,327,598	90,817,414
Measure J, Series A	4.0% - 5.0%	2006	2035	70,000,000	61,280,000	-	-	61,280,000
Measure J, Series B	5.0% - 6.0%	2009	2035	120,000,000	115,025,000	-	-	115,025,000
Measure J, Series C1	6.24% - 12.0%	2010	2033	52,084,759	52,084,759	-	-	52,084,759
Measure J, Series C2	8.46%	2010	2034	52,825,000	52,825,000	-	-	52,825,000
2009 Refunding	3.0% - 5.38%	2010	2031	57,860,000	49,955,000	-	3,600,000	46,355,000
Measure J, Series D1	6.56%	2010	2024	25,000,000	25,000,000	-	-	25,000,000
Measure J, Series D2	6.80% - 6.81%	2010	2036	2,499,949	2,499,949	-	-	2,499,949
2011 Refunding	3.0% - 5.25%	2011	2024	85,565,000	85,565,000	-	4,425,000	81,140,000
2010 Measure D, Series A	3.0% - 5.0%	2011	2041	79,000,000	79,000,000	-	6,615,000	72,385,000
2010 Measure D, Series A-1	3.0% - 5.0%	2011	2030	21,000,000	21,000,000	-	-	21,000,000
2012 Refunding	3.0% - 5.25%	2012	2032	98,200,000	-	98,200,000	-	98,200,000
				<u>\$ 1,097,897,191</u>	<u>\$ 821,578,849</u>	<u>\$ 98,200,000</u>	<u>\$ 124,348,713</u>	<u>\$ 795,430,136</u>

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

(Continued)

6. LONG-TERM LIABILITIES (Continued)

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, 2013, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 1,225,000	\$ 953,335	\$ 2,178,335
2015	1,295,000	890,880	2,185,880
2016	1,355,000	823,560	2,178,560
2017	1,435,000	751,653	2,186,653
2018	1,520,000	674,901	2,194,901
2019-2023	9,010,000	2,010,136	11,020,136
2024-2026	<u>1,495,000</u>	<u>130,381</u>	<u>1,625,381</u>
	<u>\$ 17,335,000</u>	<u>\$ 6,234,846</u>	<u>\$ 23,569,846</u>

The annual requirements to amortize the 2001 Refunding Measure E, Series B, General Obligation Bonds Payable, outstanding as of June 30, 2013, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 425,000	\$ 378,785	\$ 803,785
2015	445,000	355,855	800,855
2016	475,000	331,400	806,400
2017	500,000	303,000	803,000
2018	535,000	272,850	807,850
2019-2023	3,220,000	840,450	4,060,450
2024-2025	<u>815,000</u>	<u>48,900</u>	<u>863,900</u>
	<u>\$ 6,415,000</u>	<u>\$ 2,531,240</u>	<u>\$ 8,946,240</u>

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

(Continued)

6. LONG-TERM LIABILITIES (Continued)

General Obligation Bonds (Continued)

The annual requirements to amortize the 2005 Measure D, Series C, Current Interest General Obligation Bonds Payable, outstanding as of June 30, 2013, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 905,000	\$ 1,211,935	\$ 2,116,935
2015	-	1,193,835	1,193,835
2016	-	1,193,835	1,193,835
2017	1,035,000	1,172,618	2,207,618
2018	1,085,000	1,128,344	2,213,344
2019-2023	3,575,000	4,981,319	8,556,319
2024-2028	3,480,000	4,564,500	8,044,500
2029-2033	10,455,000	2,613,625	13,068,625
2034-2035	<u>5,010,000</u>	<u>253,750</u>	<u>5,263,750</u>
	<u>\$ 25,545,000</u>	<u>\$ 18,313,761</u>	<u>\$ 43,858,761</u>

The annual requirements to amortize the 2005 Measure D, Series C, Capital Appreciation General Obligation Bonds Payable, outstanding as of June 30, 2013, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 739,473	\$ 475,527	\$ 1,215,000
2015	814,828	600,172	1,415,000
2016	882,657	737,343	1,620,000
2017	948,557	891,443	1,840,000
2018	731,640	768,360	1,500,000
2019-2023	5,182,913	7,527,087	12,710,000
2024-2028	6,789,918	15,005,082	21,795,000
2029-2033	7,510,192	24,299,808	31,810,000
2034-2035	<u>3,922,836</u>	<u>16,127,164</u>	<u>20,050,000</u>
	<u>\$ 27,523,014</u>	<u>\$ 66,431,986</u>	<u>\$ 93,955,000</u>

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

(Continued)

6. LONG-TERM LIABILITIES (Continued)

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, 2013, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 2,527,733	\$ 952,267	\$ 3,480,000
2015	2,719,715	1,215,285	3,935,000
2016	2,904,482	1,520,519	4,425,001
2017	3,054,074	1,880,926	4,935,000
2018	3,818,039	2,706,962	6,525,001
2019-2023	19,584,695	19,805,305	39,390,000
2024-2028	20,998,966	34,586,034	55,585,000
2029-2033	23,600,021	57,309,979	80,910,000
2034-2035	<u>11,609,689</u>	<u>35,925,309</u>	<u>47,534,998</u>
	<u>\$ 90,817,414</u>	<u>\$ 155,902,586</u>	<u>\$ 246,720,000</u>

The annual requirements to amortize the 2006 Measure J, Series A, General Obligation Bonds Payable, outstanding as of June 30, 2013, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 545,000	\$ 2,948,103	\$ 3,493,103
2015	1,710,000	2,903,003	4,613,003
2016	1,775,000	2,832,415	4,607,415
2017	1,850,000	2,757,871	4,607,871
2018	1,920,000	2,678,915	4,598,915
2019-2023	10,900,000	12,001,548	22,901,548
2024-2028	13,530,000	9,013,000	22,543,000
2029-2033	16,910,000	5,225,000	22,135,000
2034-2036	<u>12,140,000</u>	<u>928,750</u>	<u>13,068,750</u>
	<u>\$ 61,280,000</u>	<u>\$ 41,288,605</u>	<u>\$ 102,568,605</u>

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

(Continued)

6. LONG-TERM LIABILITIES (Continued)

General Obligation Bonds (Continued)

The annual requirements to amortize the 2009 Measure J, Series B, General Obligation Bonds Payable, outstanding as of June 30, 2013, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ -	\$ 6,656,375	\$ 6,656,375
2015	-	6,656,375	6,656,375
2016	1,225,000	6,625,750	7,850,750
2017	1,900,000	6,538,125	8,438,125
2018	1,600,000	6,433,125	8,033,125
2019-2023	12,700,000	30,194,625	42,894,625
2024-2028	28,200,000	24,449,625	52,649,625
2029-2033	33,000,000	14,413,688	47,413,688
2034-2036	<u>36,400,000</u>	<u>3,622,500</u>	<u>40,022,500</u>
	<u>\$ 115,025,000</u>	<u>\$ 105,590,188</u>	<u>\$ 220,615,188</u>

The annual requirements to amortize the 2010 Measure J, Series C1, General Obligation Bonds Payable, outstanding as of June 30, 2013, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 324,003	\$ 400,997	\$ 725,000
2018	821,333	1,243,667	2,065,000
2019-2023	11,116,614	19,003,386	30,120,000
2024-2029	13,398,919	27,886,081	41,285,000
2030-2033	25,356,107	85,293,893	110,650,000
2034	<u>1,067,783</u>	<u>4,917,217</u>	<u>5,985,000</u>
	<u>\$ 52,084,759</u>	<u>\$ 138,745,241</u>	<u>\$ 190,830,000</u>

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

(Continued)

6. LONG-TERM LIABILITIES (Continued)

General Obligation Bonds (Continued)

The annual requirements to amortize the 2010 Measure J, Series C2, General Obligation Bonds Payable, outstanding as of June 30, 2013, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ -	\$ 4,468,995	\$ 4,468,995
2015	-	4,468,995	4,468,995
2016	-	4,468,995	4,468,995
2017	-	4,468,995	4,468,995
2018	-	4,468,995	4,468,995
2019-2023	-	22,344,975	22,344,975
2024-2028	-	22,344,975	22,344,975
2029-2033	-	22,344,975	22,344,975
2034-2035	<u>52,825,000</u>	<u>4,935,353</u>	<u>57,760,353</u>
	<u>\$ 52,825,000</u>	<u>\$ 94,315,253</u>	<u>\$ 147,140,253</u>

The annual requirements to amortize the 2009 General Obligation Refunding Bonds outstanding as of June 30, 2013, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 4,575,000	\$ 1,878,331	\$ 6,453,331
2015	5,120,000	1,690,656	6,810,656
2016	7,070,000	1,457,256	8,527,256
2017	8,505,000	1,154,163	9,659,163
2018	10,950,000	740,619	11,690,619
2019-2023	2,895,000	2,197,094	5,092,094
2024-2028	3,610,000	1,449,816	5,059,816
2029-2032	<u>3,630,000</u>	<u>400,681</u>	<u>4,030,681</u>
	<u>\$ 46,355,000</u>	<u>\$ 10,968,616</u>	<u>\$ 57,323,616</u>

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

(Continued)

6. LONG-TERM LIABILITIES (Continued)

General Obligation Bonds (Continued)

The annual requirements to amortize the 2010 Measure J, Series D1, General Obligation Bonds Payable, outstanding as of June 30, 2013, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ -	\$ 286,250	\$ 286,250
2015	-	286,250	286,250
2016	-	286,250	286,250
2017	-	286,250	286,250
2018	-	286,250	286,250
2019-2023	3,180,000	1,413,045	4,593,045
2024-2025	<u>21,820,000</u>	<u>250,068</u>	<u>22,070,068</u>
	<u>\$ 25,000,000</u>	<u>\$ 3,094,363</u>	<u>\$ 28,094,363</u>

The annual requirements to amortize the 2010 Measure J, Series D2, General Obligation Bonds Payable, outstanding as of June 30, 2013, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2034-2037	<u>\$ 2,499,949</u>	<u>\$ 31,320,051</u>	<u>\$ 33,820,000</u>

The annual requirements to amortize the 2011 Refunding General Obligation Bonds Payable, outstanding as of June 30, 2013, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 3,800,000	\$ 3,814,913	\$ 7,614,913
2015	6,285,000	3,595,838	9,880,838
2016	6,150,000	3,320,913	9,470,913
2017	5,900,000	3,060,263	8,960,263
2018	5,110,000	2,814,913	7,924,913
2019-2023	39,515,000	8,837,804	48,352,804
2024-2025	<u>14,380,000</u>	<u>662,550</u>	<u>15,042,550</u>
	<u>\$ 81,140,000</u>	<u>\$ 26,107,194</u>	<u>\$ 107,247,194</u>

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

(Continued)

6. LONG-TERM LIABILITIES (Continued)

General Obligation Bonds (Continued)

The annual requirements to amortize the 2010 Measure D, Series A, General Obligation Bonds Payable, outstanding as of June 30, 2013, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 5,540,000	\$ 3,544,000	\$ 9,084,000
2015	-	3,460,900	3,460,900
2016	-	3,460,900	3,460,900
2017	-	3,460,900	3,460,900
2018	-	3,460,900	3,460,900
2019-2023	850,000	17,246,500	18,096,500
2024-2028	2,470,000	16,840,019	19,310,019
2029-2033	9,890,000	15,729,838	25,619,838
2034-2038	25,280,000	10,840,888	36,120,888
2039-2042	<u>28,355,000</u>	<u>3,070,569</u>	<u>31,425,569</u>
	<u>\$ 72,385,000</u>	<u>\$ 81,115,414</u>	<u>\$ 153,500,414</u>

The annual requirements to amortize the 2010 Measure D, Series A-1, General Obligation Bonds Payable, outstanding as of June 30, 2013, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ -	\$ 281,400	\$ 281,400
2015	-	281,400	281,400
2016	-	281,400	281,400
2017	-	281,400	281,400
2018	-	281,400	281,400
2019-2023	-	1,407,000	1,407,000
2024-2028	-	1,407,000	1,407,000
2029-2031	<u>21,000,000</u>	<u>703,500</u>	<u>21,703,500</u>
	<u>\$ 21,000,000</u>	<u>\$ 4,924,500</u>	<u>\$ 25,924,500</u>

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

(Continued)

6. LONG-TERM LIABILITIES (Continued)

General Obligation Bonds (Continued)

The annual requirements to amortize the 2012 General Obligation Refunding Bonds Payable, outstanding as of June 30, 2013, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ -	\$ 4,882,000	\$ 4,882,000
2015	-	4,882,000	4,882,000
2016	-	4,882,000	4,882,000
2017	-	4,882,000	4,882,000
2018	-	4,882,000	4,882,000
2019-2023	2,690,000	24,293,750	26,983,750
2024-2028	37,745,000	20,304,625	58,049,625
2029-2033	<u>57,765,000</u>	<u>7,303,375</u>	<u>65,068,375</u>
	<u>\$ 98,200,000</u>	<u>\$ 76,311,750</u>	<u>\$ 174,511,750</u>

The bonds which were refunded by the 2012 General Obligation Refunding Bonds are considered defeased and are longer included as a liability of the District. At June 30, 2013, the outstanding balance of the defeased bonds was \$104,310,000.

Although the 2012 refundings resulted in the recognition of an accounting loss of \$3,005,267 for the year ended June 30, 2013, the District in effect decreased its aggregate debt service payments by \$12.5 million over the next twenty-one years, and the District obtained an economic gain of \$9.5 million.

Calculation of the difference in cash flow requirements and economic loss are as follows:

Old debt service cash flows	\$ 189,783,044
New debt service cash flows	<u>177,237,533</u>
Cash flow difference	<u>\$ 12,545,511</u>
Present value of old debt cash flows	\$ 122,309,456
Present value of new debt cash flows	<u>112,798,055</u>
Economic gain	<u>\$ 9,511,401</u>

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

(Continued)

6. LONG-TERM LIABILITIES (Continued)

Certificates of Participation

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%.

Scheduled payments for the COPs are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 525,000	\$ 400,867	\$ 925,867
2015	555,000	375,352	930,352
2016	585,000	348,157	933,157
2017	605,000	318,731	923,731
2018	635,000	288,300	923,300
2019-2023	3,715,000	923,720	4,638,720
2024	<u>1,295,000</u>	<u>66,690</u>	<u>1,361,690</u>
	<u>\$ 7,915,000</u>	<u>\$ 2,721,817</u>	<u>\$ 10,636,817</u>

Schedule of Changes in Long-Term Liabilities

A schedule of changes in long-term liabilities for the year ended June 30, 2013 is shown below:

	<u>Balance July 1, 2012</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2013</u>	<u>Amounts Due Within One Year</u>
Governmental activities:					
General Obligation Bonds	\$ 821,578,849	\$ 98,200,000	\$ 124,348,713	\$ 795,430,136	\$ 20,282,206
General Obligation Bonds Premium	25,353,204	10,180,869	1,947,702	33,586,371	-
Accreted interest	60,762,662	15,269,291	-	76,031,953	1,427,794
Certificates of Participation	8,415,000	-	500,000	7,915,000	525,000
Child care facilities loan	28,823	-	28,823	-	-
OPEB obligation (Note 9)	89,718,345	23,087,931	17,026,494	95,779,782	17,814,962
Compensated absences	<u>3,422,127</u>	<u>341,601</u>	<u>-</u>	<u>3,763,728</u>	<u>-</u>
Total	<u>\$1,009,279,010</u>	<u>\$ 147,079,692</u>	<u>\$ 143,851,732</u>	<u>\$1,012,506,970</u>	<u>\$ 40,049,962</u>

Payments on the General Obligation Bonds are made from the Bond Interest and Redemption Fund. Payments on the Certificates of Participation are made from the General Fund. Payments on the child care facilities acquisition loan are made from the Child Development Fund. Payments on the OPEB obligation are made from the Retiree Benefits Trust Fund. Payments on compensated absences are made from the fund for which the related employee worked.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

(Continued)

7. NET POSITION / FUND BALANCES

Restricted net position consisted of the following at June 30, 2013:

	Governmental <u>Activities</u>	Fiduciary <u>Funds</u>
Restricted for unspent categorical program revenues	\$ 21,983,898	\$ -
Restricted for future payment of self-insured claims	1,698,615	-
Restricted for special revenues	7,238,081	-
Restricted for capital projects	19,065,059	-
Restricted for debt service	48,126,375	-
Restricted for retiree benefits	<u>-</u>	<u>13,873,583</u>
Total restricted net position	<u>\$ 98,112,028</u>	<u>\$ 13,873,583</u>

Fund balances, by category, at June 30, 2013 consisted of the following:

	General <u>Fund</u>	Building <u>Fund</u>	Bond Interest and Redemption <u>Fund</u>	All Non-Major <u>Funds</u>	<u>Total</u>
Nonspendable:					
Revolving cash fund	\$ 70,000	\$ -	\$ -	\$ -	\$ 70,000
Stores Inventory	<u>234,001</u>	<u>-</u>	<u>-</u>	<u>612,991</u>	<u>846,992</u>
Subtotal nonspendable	<u>304,001</u>	<u>-</u>	<u>-</u>	<u>612,991</u>	<u>916,992</u>
Restricted:					
Unspent categorical revenues	21,983,898	-	-	-	21,983,898
Adult education	-	-	-	2,065,909	2,065,909
Child development	-	-	-	157,052	157,052
Food services	-	-	-	3,098,099	3,098,099
Deferred maintenance	-	-	-	1,304,030	1,304,030
Capital projects	-	55,443,368	-	19,065,059	74,508,427
Debt service	<u>-</u>	<u>-</u>	<u>48,126,375</u>	<u>1,042,933</u>	<u>49,169,308</u>
Subtotal restricted	<u>21,983,898</u>	<u>55,443,368</u>	<u>48,126,375</u>	<u>26,733,082</u>	<u>152,286,723</u>
Assigned:					
Tier III flexibility	11,669,725	-	-	-	11,669,725
UTR ratified agreement	<u>1,370,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,370,000</u>
Subtotal Assigned	<u>13,039,725</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,039,725</u>
Unassigned:					
Designated for economic uncertainty	7,992,728	-	-	-	7,992,728
Undesignated	<u>13,709,346</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,709,346</u>
Subtotal Unassigned	<u>21,702,074</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>21,702,074</u>
Total fund balances	<u>\$ 57,029,698</u>	<u>\$ 55,443,368</u>	<u>\$ 48,126,375</u>	<u>\$ 27,346,073</u>	<u>\$ 187,945,514</u>

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

(Continued)

8. EMPLOYEE RETIREMENT SYSTEMS

Qualified employees are covered under multiple-employer defined benefit pension plans maintained by agencies of the State of California. Certificated employees are members of the State Teachers' Retirement System (STRS), and classified employees are members of the California Public Employees' Retirement System (CalPERS).

Plan Description and Provisions

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 Law. 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 Q Street, Sacramento, California 95811.

Funding Policy

Active plan members are required to contribute 7% of their salary 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 the CalPERS Board of Administration. The required employer contribution rate for fiscal year 2012-2013 was 11.417% of annual payroll. The contribution requirements of the plan members are established by state statute. The District's contributions to CalPERS for the fiscal years ending June 30, 2011, 2012 and 2013 were \$3,775,389, \$4,213,692 and \$4,523,452, respectively, and equal 100% of the required contributions for each year.

State Teachers' Retirement System (STRS)

Plan Description

The District contributes to the State Teachers' Retirement System (STRS), a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by STRS. The plan provides retirement, disability and survivor benefits to beneficiaries. Benefit provisions are established by state statutes, as legislatively amended, within the State Teachers' Retirement Law. STRS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the STRS annual financial report may be obtained from the STRS Executive Office, 100 Waterfront Place, West Sacramento, California 95605.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

(Continued)

8. EMPLOYEE RETIREMENT SYSTEMS (Continued)

Plan Description and Provisions (Continued)

State Teachers' Retirement System (STRS) (Continued)

Funding Policy

Active plan members are required to contribute 8% of their salary. The required employer contribution rate for fiscal year 2012-2013 was 8.25% of annual payroll. The contribution requirements of the plan members are established by state statute. The District's contributions to STRS for the fiscal years ending June 30, 2011, 2012 and 2013 were \$8,409,803, \$8,544,399 and \$8,461,859, respectively, and equal 100% of the required contributions for each year.

9. OTHER POSTEMPLOYMENT BENEFITS

In addition to the pension benefits described in Note 8, the District provides post-employment health benefits to all employees (1) hired prior to December 31, 2006 and who have attained five continuous years of service with the District (as defined by PERS/STRS); (2) are hired after January 1, 2007 and have attained ten continuous years of service with the District (as defined by PERS/STRS). Dental benefits are provided to employees who meet the rule of "75" (number of years worked plus age equals 75 or more) to qualify for post employment dental benefits. As of June 30, 2013, a total of 2,419 retirees met the health care benefit requirement.

The District offers retirees a choice of two health maintenance organizations (HMO's) for health benefits and a supplemental Medicare Part A Plan; dental benefits are offered through one insurer. The District pays 100% for the monthly HMO up to the cost of the CalPERS Northern California Blue Shield health plan and 100% dental for eligible employees and their spouses who retired prior to January 1, 2007. Employees who retire after January 1, 2007 are covered by the terms of their bargaining union that are in effect at their retirement date. All eligible retirees and their spouses who qualify for Medicare benefits must apply for and pay for the Part B premium as required by law. Expenditures for post-employment health care benefits are recognized when paid.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

(Continued)

9. OTHER POSTEMPLOYMENT BENEFITS (Continued)

Annual OPEB Cost and Net OPEB Obligation

The District's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the District's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the District's net OPEB obligation:

Annual required contribution	\$ 23,367,100
Interest on net OPEB obligation	4,037,326
Adjustment to annual required contribution	<u>(4,316,495)</u>
Annual OPEB cost	23,087,931
Contributions made	<u>(17,026,494)</u>
Increase in net OPEB obligation	6,061,437
Net OPEB obligation - beginning of year	<u>89,718,345</u>
Net OPEB obligation - end of year	<u><u>\$ 95,779,782</u></u>

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the year ended June 30, 2013 and preceding two years were as follows:

<u>Fiscal Year</u> <u>Ended</u>	<u>Annual</u> <u>OPEB Cost</u>	<u>Percentage</u> <u>of Annual</u> <u>OPEB Cost</u> <u>Contributed</u>	<u>Net OPEB</u> <u>Obligation</u>
June 30, 2011	\$ 23,606,113	28.1%	\$ 84,111,607
June 30, 2012	\$ 24,550,667	72.2%	\$ 89,718,345
June 30, 2013	\$ 23,087,931	24.1%	\$ 95,779,782

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

(Continued)

9. OTHER POSTEMPLOYMENT BENEFITS (Continued)

Funded Status and Funding Progress

As of July 1, 2012, the most recent actuarial valuation date, the plan was unfunded. The actuarial liability for benefits was \$364,528,416 and the actuarial value of assets was \$0, resulting in a unfunded actuarial accrued liability (UAAL) of \$364,528,416. However, the District has set aside \$13,873,583 in the Retiree Benefits Trust Fund for future payment of these benefits. No current employees are covered by the Plan. The OPEB plan is currently operated as a pay-as-you-go plan.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2012 actuarial valuation, the entry age normal cost method was used. The actuarial assumptions included a 4.5 percent investment rate of return (net of administrative expenses), which is a blended rate of the expected long-term investment returns on plan assets and on the employer's own investments calculated based on the funded level of the plan on the valuation date, and an annual healthcare cost trend rate of 8.5 percent initially, reduced by decrements to an ultimate rate of 5.5 percent after 10 years. Both rates included a 3.25 percent inflation assumption. The actuarial value of assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period. The UAAL is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at June 30, 2013, was 25 years.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

(Continued)

10. JOINT POWERS AGREEMENTS

Contra Costa County Schools Insurance Group

The District is a member with other school districts of a Joint Powers Authority, Contra Costa County Schools Insurance Group (CCCSIG), for the operation of a common risk management and insurance program for workers' compensation coverage. The following is a summary of financial information for CCCSIG at June 30, 2013:

Total assets	\$ 93,655,160
Total liabilities	\$ 78,994,453
Total net position	\$ 14,660,707
Total revenues	\$ 42,123,990
Total expenses	\$ 42,145,080
Change in net position	\$ (21,090)

Northern California Regional Liability Excess Fund (Nor Cal Relief)

The District is a member with other agencies of a Joint Powers Authority, Northern California Regional Liability Excess Fund (Nor Cal Relief), for the operation of a common risk management and insurance program for property and liability coverage. The following is a summary of financial information for Nor Cal Relief at June 30, 2012 (most recent information available):

Total assets	\$ 63,057,995
Total liabilities	\$ 33,010,616
Total net assets	\$ 30,047,379
Total revenues	\$ 38,435,295
Total expenses	\$ 34,816,047
Change in net assets	\$ 3,619,248

The relationship between the District and the Joint Powers Authorities is such that the Joint Powers Authorities are not component units of the District for financial reporting purposes.

11. CONTINGENCIES

Contingent Liabilities

The District is subject to legal proceedings and claims which arise in ordinary course of business. In the opinion of management, the amount of ultimate liability with respect to these actions will not materially affect the financial position or results of operations of the District.

The District has received federal and state funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could result in expenditure disallowances under terms of the grants, it is management's opinion that any required reimbursements or future revenue offsets subsequently determined will not have a material effect on the financial position or results of operations of the District.

Construction Commitments

As of June 30, 2013, the District has approximately \$107,301,004 in outstanding commitments on construction contracts.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

(Continued)

12. SUBSEQUENT EVENTS

General Obligation Bonds

On October 31, 2013, the District issued Election of 2012, Series A General Obligation Bonds totaling \$85,000,000. The bonds were issued to finance the construction and upgrade of certain schools and other District facilities authorized by the 2012 Election. The Board of Supervisors of Contra Costa County is empowered and obligated to annually levy and collect ad valorem property taxes without limitation as to rate or amount on all taxable property in the District, for the repayment of interest, principal and premium, if any. The Bonds bear interest at rates ranging from 4.0% to 5.5% and are scheduled to mature through August 1, 2045.

On October 31, 2013, the District issued Election of 2010, Series B General Obligation Bonds totaling \$40,000,000. The bonds were issued to finance the construction and upgrade of certain schools and other District facilities authorized by the 2010 Election. The Board of Supervisors of Contra Costa County is empowered and obligated to annually levy and collect ad valorem property taxes without limitation as to rate or amount on all taxable property in the District, for the repayment of interest, principal and premium, if any. The Bonds bear interest at rates ranging from 2.0% to 5.5% and are scheduled to mature through August 1, 2045.

REQUIRED SUPPLEMENTARY INFORMATION

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

GENERAL FUND

BUDGETARY COMPARISON SCHEDULE

For the Year Ended June 30, 2013

	<u>Budget</u>			<u>Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Revenue limit sources:				
State apportionment	\$ 92,664,668	\$ 88,946,661	\$ 88,565,509	\$ (381,152)
Local sources	<u>55,589,910</u>	<u>61,096,457</u>	<u>61,392,362</u>	<u>295,905</u>
Total revenue limit	<u>148,254,578</u>	<u>150,043,118</u>	<u>149,957,871</u>	<u>(85,247)</u>
Federal sources	25,780,824	31,663,584	25,624,711	(6,038,873)
Other state sources	56,493,658	59,036,192	60,899,441	1,863,249
Other local sources	<u>20,507,475</u>	<u>21,908,121</u>	<u>22,115,028</u>	<u>206,907</u>
Total revenues	<u>251,036,535</u>	<u>262,651,015</u>	<u>258,597,051</u>	<u>(4,053,964)</u>
Expenditures:				
Certificated salaries	102,999,261	107,512,461	105,317,911	2,194,550
Classified salaries	40,963,091	42,161,236	41,534,667	626,569
Employee benefits	62,107,767	63,442,953	61,417,931	2,025,022
Books and supplies	10,274,961	14,149,584	9,380,887	4,768,697
Contract services and operating expenditures	46,193,996	57,196,420	45,764,340	11,432,080
Capital outlay	3,869,298	4,510,381	532,720	3,977,661
Other outgo	50,000	102,572	59,293	43,279
Debt service:				
Principal retirement	500,000	500,000	500,000	-
Interest	<u>424,967</u>	<u>424,967</u>	<u>628,071</u>	<u>(203,104)</u>
Total expenditures	<u>267,383,341</u>	<u>290,000,574</u>	<u>265,135,820</u>	<u>24,864,754</u>
Deficiency of revenues under expenditures	<u>(16,346,806)</u>	<u>(27,349,559)</u>	<u>(6,538,769)</u>	<u>20,810,790</u>
Other financing sources (uses):				
Operating transfers in	3,538,442	3,479,785	2,449,781	(1,030,004)
Operating transfers out	<u>-</u>	<u>-</u>	<u>(1,815,654)</u>	<u>(1,815,654)</u>
Total other financing sources (uses)	<u>3,538,442</u>	<u>3,479,785</u>	<u>634,127</u>	<u>(2,845,658)</u>
Net change in fund balance	(12,808,364)	(23,869,774)	(5,904,642)	17,965,132
Fund balance, July 1, 2012	<u>62,934,340</u>	<u>62,934,340</u>	<u>62,934,340</u>	<u>-</u>
Fund balance, June 30, 2013	<u>\$ 50,125,976</u>	<u>\$ 39,064,566</u>	<u>\$ 57,029,698</u>	<u>\$ 17,965,132</u>

See accompanying notes to required supplementary information.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
SCHEDULE OF OTHER POSTEMPLOYMENT BENEFITS (OPEB)
FUNDING PROGRESS

For the Year Ended June 30, 2013

Schedule of Funding Progress							
<u>Fiscal Year Ended</u>	<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL)</u>	<u>Unfunded Actuarial Accrued Liability (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll*</u>	<u>UAAL as a Percentage of Covered Payroll*</u>
6/30/2011	July 1, 2010	\$0	\$386 million	\$386 million	0%	\$0	0%
6/30/2012	July 1, 2010	\$0	\$386 million	\$386 million	0%	\$0	0%
6/30/2013	July 1, 2012	\$0	\$365 million	\$365 million	0%	\$0	0%

* No current employees are covered by the Plan.

See accompanying notes to required supplementary information.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

1. PURPOSE OF SCHEDULES

A - Budgetary Comparison Schedule

The District employs budget control by object codes and by individual appropriation accounts. Budgets are prepared on the modified accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board. The budgets are revised during the year by the Board of Education to provide for revised priorities. Expenditures cannot legally exceed appropriations by major object code. The originally adopted and final revised budgets for the General Fund are presented as Required Supplementary Information. The basis of budgeting is the same as GAAP.

B - Schedule of Other Postemployment Benefits Funding Progress

The Schedule of Funding Progress presents multi-year trend information which compares, over time, the actuarially accrued liability for benefits with the actuarial value of accumulated plan assets.

SUPPLEMENTARY INFORMATION

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

COMBINING BALANCE SHEET

ALL NON-MAJOR FUNDS

June 30, 2013

	Adult Education Fund	Child Development Fund	Cafeteria Fund	Deferred Maintenance Fund	Capital Facilities Fund	County School Facilities Fund	Special Reserve for Capital Outlay Projects Fund	Corporation Debt Service Fund	Debt Service Fund	Total
ASSETS										
Cash in County Treasury	\$ 1,972,754	\$ 610,106	\$ 99,621	\$ 1,303,025	\$ 1,282,952	\$ 9,936,802	\$ 7,132,954	\$ -	\$ -	\$ 22,338,214
Cash awaiting deposit	-	-	750	-	-	-	-	-	-	750
Cash on hand and in banks	21,186	-	-	-	-	-	-	-	-	21,186
Cash with Fiscal Agent	-	-	-	-	-	-	-	1,042,373	-	1,042,373
Local Agency Investment Fund	3,226	-	-	-	1,165,109	-	-	-	-	1,168,335
Receivables	296,987	4,278	3,498,434	1,005	1,030	9,243	14,087	-	560	3,825,624
Stores inventory	-	-	612,991	-	-	-	-	-	-	612,991
Total assets	<u>\$ 2,294,153</u>	<u>\$ 614,384</u>	<u>\$ 4,211,796</u>	<u>\$ 1,304,030</u>	<u>\$ 2,449,091</u>	<u>\$ 9,946,045</u>	<u>\$ 7,147,041</u>	<u>\$ 1,042,373</u>	<u>\$ 560</u>	<u>\$ 29,009,473</u>
LIABILITIES AND FUND BALANCES										
Liabilities:										
Accounts payable	\$ 228,244	\$ 64,397	\$ 500,706	\$ -	\$ 6,477	\$ -	\$ 470,641	\$ -	\$ -	\$ 1,270,465
Unearned revenue	-	392,935	-	-	-	-	-	-	-	392,935
Total liabilities	<u>228,244</u>	<u>457,332</u>	<u>500,706</u>	<u>-</u>	<u>6,477</u>	<u>-</u>	<u>470,641</u>	<u>-</u>	<u>-</u>	<u>1,663,400</u>
Fund balances:										
Nonspendable	-	-	612,991	-	-	-	-	-	-	612,991
Restricted	<u>2,065,909</u>	<u>157,052</u>	<u>3,098,099</u>	<u>1,304,030</u>	<u>2,442,614</u>	<u>9,946,045</u>	<u>6,676,400</u>	<u>1,042,373</u>	<u>560</u>	<u>26,733,082</u>
Total fund balances	<u>2,065,909</u>	<u>157,052</u>	<u>3,711,090</u>	<u>1,304,030</u>	<u>2,442,614</u>	<u>9,946,045</u>	<u>6,676,400</u>	<u>1,042,373</u>	<u>560</u>	<u>27,346,073</u>
Total liabilities and fund balances	<u>\$ 2,294,153</u>	<u>\$ 614,384</u>	<u>\$ 4,211,796</u>	<u>\$ 1,304,030</u>	<u>\$ 2,449,091</u>	<u>\$ 9,946,045</u>	<u>\$ 7,147,041</u>	<u>\$ 1,042,373</u>	<u>\$ 560</u>	<u>\$ 29,009,473</u>

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES

ALL NON-MAJOR FUNDS

For the Year Ended June 30, 2013

	Adult Education Fund	Child Development Fund	Cafeteria Fund	Deferred Maintenance Fund	Capital Facilities Fund	County School Facilities Fund	Special Reserve for Capital Outlay Projects Fund	Corporation Debt Service Fund	Debt Service Fund	Total
Revenues:										
Federal sources	\$ 364,091	\$ 457,811	\$ 12,392,592	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,214,494
Other state sources	324,771	1,658,698	883,570	1,090,587	-	18,962,946	-	-	-	22,920,572
Other local sources	<u>421,086</u>	<u>147,245</u>	<u>979,210</u>	<u>5,792</u>	<u>1,374,767</u>	<u>68,168</u>	<u>976,459</u>	<u>-</u>	<u>2,771</u>	<u>3,975,498</u>
Total revenues	<u>1,109,948</u>	<u>2,263,754</u>	<u>14,255,372</u>	<u>1,096,379</u>	<u>1,374,767</u>	<u>19,031,114</u>	<u>976,459</u>	<u>-</u>	<u>2,771</u>	<u>40,110,564</u>
Expenditures:										
Certificated salaries	1,430,646	976,779	-	-	-	-	-	-	-	2,407,425
Classified salaries	681,132	647,523	4,744,911	-	-	-	-	-	-	6,073,566
Employee benefits	497,168	586,522	1,815,370	-	-	-	-	-	-	2,899,060
Books and supplies	63,181	19,828	6,362,247	-	-	-	13,311	-	-	6,458,567
Contract services and operating expenditures	242,630	30,283	446,012	89,345	236,337	-	1,066,401	-	-	2,111,008
Capital outlay	-	-	234,310	-	5,773	24,946,405	770	-	-	25,187,258
Debt service:										
Principal retirement	<u>-</u>	<u>28,823</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>28,823</u>
Total expenditures	<u>2,914,757</u>	<u>2,289,758</u>	<u>13,602,850</u>	<u>89,345</u>	<u>242,110</u>	<u>24,946,405</u>	<u>1,080,482</u>	<u>-</u>	<u>-</u>	<u>45,165,707</u>
(Deficiency) excess of revenues (under) over expenditures	<u>(1,804,809)</u>	<u>(26,004)</u>	<u>652,522</u>	<u>1,007,034</u>	<u>1,132,657</u>	<u>(5,915,291)</u>	<u>(104,023)</u>	<u>-</u>	<u>2,771</u>	<u>(5,055,143)</u>
Other financing sources (uses):										
Operating transfers in	1,815,654	130,000	-	-	-	-	-	-	-	1,945,654
Operating transfers out	<u>(46)</u>	<u>(60,739)</u>	<u>(466,412)</u>	<u>(1,000,000)</u>	<u>-</u>	<u>-</u>	<u>(130,000)</u>	<u>-</u>	<u>(922,584)</u>	<u>(2,579,781)</u>
Total other financing sources (uses)	<u>1,815,608</u>	<u>69,261</u>	<u>(466,412)</u>	<u>(1,000,000)</u>	<u>-</u>	<u>-</u>	<u>(130,000)</u>	<u>-</u>	<u>(922,584)</u>	<u>(167,715)</u>
Net change in fund balances	10,799	43,257	186,110	7,034	1,132,657	(5,915,291)	(234,023)	-	(919,813)	(5,689,270)
Fund balances, July 1, 2012	<u>2,055,110</u>	<u>113,795</u>	<u>3,524,980</u>	<u>1,296,996</u>	<u>1,309,957</u>	<u>15,861,336</u>	<u>6,910,423</u>	<u>1,042,373</u>	<u>920,373</u>	<u>33,035,343</u>
Fund balances, June 30, 2013	<u>\$ 2,065,909</u>	<u>\$ 157,052</u>	<u>\$ 3,711,090</u>	<u>\$ 1,304,030</u>	<u>2,442,614</u>	<u>\$ 9,946,045</u>	<u>\$ 6,676,400</u>	<u>\$ 1,042,373</u>	<u>\$ 560</u>	<u>\$ 27,346,073</u>

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

ORGANIZATION

June 30, 2013

West Contra Costa Unified School District was established as the Richmond Unified School District on July 1, 1985, and, with the passage of AB 535, 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 in the State of California. There were no changes in the boundaries of the District during the current year. The District is currently operating one special education pre-school, thirty four elementary, two kindergarten through eighth, six middle, one middle-college high and six high schools. The District also maintains two alternative high schools, an elementary community day school and a school for continuing adult education.

BOARD OF EDUCATION

<u>Name</u>	<u>Office</u>	<u>Term Expires</u>
Ms. Madeline Kronenberg	President	December 3, 2014
Mr. Charles Ramsey	Clerk	December 3, 2014
Mr. Randall Enos	Member	December 2, 2016
Mr. Todd A Groves	Member	December 2, 2016
Ms. Elaine Merriweather	Member	December 3, 2014

ADMINISTRATION

Bruce Harter, Ph.D.
Superintendent of Schools

Wendell Greer
Associate Superintendent, K-12

William Fay
Associate Superintendent for Operations

Sheri Gamba
Associate Superintendent for Business Services

Nia Rashidchi
Assistant Superintendent of Educational Services

Kenneth Whittemore
Assistant Superintendent of Human Resources

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

SCHEDULE OF AVERAGE DAILY ATTENDANCE

For the Year Ended June 30, 2013

	<u>Original Second Period Report</u>	<u>Audited* Second Period Report</u>	<u>Annual Report</u>
Elementary:			
Kindergarten	2,490	2,490	2,493
First through Third	7,059	7,059	7,050
Fourth through Eighth	9,964	9,964	9,947
Home and Hospital	11	11	13
Special Education	817	817	824
Non Public Schools	44	44	29
Community Day School	<u>8</u>	<u>8</u>	<u>9</u>
Total Elementary	<u>20,393</u>	<u>20,393</u>	<u>20,365</u>
Secondary:			
Regular Classes	6,678	6,678	6,622
Special Education	488	488	483
Compulsory Continuation Education	294	358	324
Community Day School	17	17	18
Home and Hospital	25	25	28
Non Public Schools	<u>78</u>	<u>78</u>	<u>48</u>
Total Secondary	<u>7,580</u>	<u>7,644</u>	<u>7,523</u>
	<u><u>27,973</u></u>	<u><u>28,037</u></u>	<u><u>27,888</u></u>

* Reflects revisions made by the District, based on an internal review of records.

See accompanying notes to supplementary information.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

SCHEDULE OF INSTRUCTIONAL TIME

For the Year Ended June 30, 2013

<u>Grade Level</u>	<u>Statutory 1986-87 Minutes Require- ment</u>	<u>Reduced 1986-87 Minutes Require- ment</u>	<u>Statutory 1982-83 Actual Minutes</u>	<u>Reduced 1982-83 Actual Minutes</u>	<u>2012-13 Actual Minutes</u>	<u>Number of Days Traditional Calendar</u>	<u>Status</u>
<u>DISTRICT</u>							
Kindergarten	36,000	35,000	31,500	30,625	36,000	180	In Compliance
Grade 1	50,400	49,000	45,160	43,906	50,490	180	In Compliance
Grade 2	50,400	49,000	45,160	43,906	50,490	180	In Compliance
Grade 3	50,400	49,000	45,160	43,906	50,490	180	In Compliance
Grade 4	54,000	52,500	45,160	43,906	54,070	180	In Compliance
Grade 5	54,000	52,500	45,160	43,906	54,070	180	In Compliance
Grade 6	54,000	52,500	45,160	43,906	54,070	180	In Compliance
Grade 7	54,000	52,500	45,160	43,906	55,455	180	In Compliance
Grade 8	54,000	52,500	45,160	43,906	55,455	180	In Compliance
Grade 9	64,800	63,000	52,898	51,429	63,955	180	In Compliance
Grade 10	64,800	63,000	52,898	51,429	63,955	180	In Compliance
Grade 11	64,800	63,000	52,898	51,429	63,955	180	In Compliance
Grade 12	64,800	63,000	52,898	51,429	63,955	180	In Compliance

See accompanying notes to supplementary information.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
SCHEDULE OF EXPENDITURE OF FEDERAL AWARDS
For the Year Ended June 30, 2013

<u>Federal Catalog Number</u>	<u>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>
<u>U. S. Department of Education - Passed through California Department of Education</u>			
	Special Education Cluster:		
84.027	Special Education IDEA: Basic Local Assistance Entitlement, Part B, Sec. 611 (Formerly 94-142)	13379	\$ 5,652,522
84.027	Special Education IDEA: Local Assistance Part B, Sec 611 Private School ISPs	10115	67,210
84.173A	Special Education - Alternative Dispute Resolution, Part B, Sec. 611	13007	5,690
84.027A	Special Education - State Performance Plan Facilitated Review	13693	17,095
84.027A	Special Education IDEA: Preschool Local Entitlement, Part B, Sec. 611 (Age 3-5)	13682	447,673
84.173A	Special Education IDEA: Preschool Staff Development, Part B, Sec. 619	13431	3,788
84.027A	Special Education IDEA: Mental Health Services, Part B, Sec. 611	14468	274,531
84.173	Special Education IDEA: Preschool Grant, Part B, Sec 619 (Age 3-4-5)	13430	<u>336,382</u>
	Subtotal Special Education Cluster		<u>6,804,891</u>
	School Improvement Grants Cluster:		
84.377	NCLB: Title I, School Improvement Grant (SIG)	14971	3,512,933
84.388	NCLB: ARRA Title I, School Improvement Grant (SIG) for Elementary and Secondary	15020	<u>1,441,006</u>
	School Improvement Grants Cluster		<u>4,953,939</u>
	Adult Education Programs:		
84.002A	Adult Education: Adult Basic Education and ESL	14508	272,480
84.002	Adult Education: Adult Secondary Education	13978	44,982
84.002A	Adult Education: English Literacy and Civics Education	14109	<u>45,266</u>
	Subtotal Adult Education Programs:		<u>362,728</u>
	NCLB: Title III Programs:		
84.365	NCLB: Title III, Limited English Proficiency (LEP) Student Program	14346	1,192,745
84.365	NCLB: Title III, Immigrant Education Program	15146	<u>98,863</u>
	Subtotal NCLB: Title III Programs:		<u>1,291,608</u>

(Continued)

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
SCHEDULE OF EXPENDITURE OF FEDERAL AWARDS
(Continued)
For the Year Ended June 30, 2013

<u>Federal Catalog Number</u>	<u>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>
<u>U.S. Department of Education - Passed through California Department of Education (Continued)</u>			
	NCLB: Title IV Programs:		
84.287	NCLB: Title IV, Part B, 21st Century Community Learning Centers Program	14349	\$ 1,210,965
84.287	NCLB: Title IV, Part B, 21st Century Community Learning Centers Program High School Assets	14535	<u>54,588</u>
	Subtotal NCLB: Title IV Programs:		<u>1,265,553</u>
	Carl D Perkins Programs:		
84.048	Carl D. Perkins Career and Technical Education Secondary, Section 131 (Vocational Education)	14894	220,132
84.048	Carl D Perkins Career and Technical Education Adult, Section 132	14893	<u>1,363</u>
	Subtotal Carl D Perkins Programs:		<u>221,495</u>
	Fund for the Improvement of Education:		
84.215X	Teaching American History	10128	267,697
84.215E	Readiness and Emergency Management	14377	<u>205,064</u>
	Subtotal Fund for the Improvement of Education:		<u>472,761</u>
84.010	NCLB: Title I, Part A, Basic Grants Low Income and Neglected	14329	7,347,497
84.126	Department of Rehabilitation: Workability II Transitions Partnership Program	10006	210,176
84.181	Special Education IDEA: Early Intervention Grants, Part C	23761	83,664
84.184	Safe and Supportive Schools Programmatic Intervention (S3)	15164	674,901
84.196	NCLB: Title X, McKinney-Vento Homeless Assistance Grants	14332	69,142
84.318	NCLB: Title II, Part D, Enhancing Education Through Technology (EETT)	14334	28,442
84.351C	Learning Without Borders	N/A	339,213
84.367	NCLB: Title II, Part A, Improving Teacher Quality	14341	1,287,881
84.410	Education Jobs Fund (SB 847)	25152	<u>82,678</u>
	Total U.S. Department of Education		<u>25,496,569</u>

(Continued)

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
SCHEDULE OF EXPENDITURE OF FEDERAL AWARDS
(Continued)
For the Year Ended June 30, 2013

<u>Federal Catalog Number</u>	<u>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>
<u>U.S. Department of Health and Human Services - Passed through California Department of Education</u>			
93.778	Dept of Health Care Services: Medi-Cal Billing Option	10013	<u>718,468</u>
<u>U.S. Department of Agriculture - Passed through California Department of Education</u>			
	Child Nutrition Cluster:		
10.555	Child Nutrition: School Programs	13391	11,687,273
10.559	Child Nutrition: Summer Food Service Program Operations	13004	<u>705,319</u>
	Subtotal Child Nutrition Cluster		<u>12,392,592</u>
	Total Federal Programs		<u>\$ 38,607,629</u>

See accompanying notes to supplementary information.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
RECONCILIATION OF UNAUDITED ACTUAL FINANCIAL REPORT
WITH AUDITED FINANCIAL STATEMENTS

For the Year Ended June 30, 2013

There were no adjustments proposed to any funds of the District.

See accompanying notes to supplementary information.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

SCHEDULE OF FINANCIAL TRENDS AND ANALYSIS

**For the Year Ended June 30, 2013
(In Thousands)**

(UNAUDITED)

	(Budget) 2014	2013	2012	2011
<u>General Fund</u>				
Revenues and other financing sources	\$ 258,120	\$ 261,047	\$ 275,566	\$ 269,254
Expenditures	270,383	265,135	269,535	259,706
Other uses and transfers out	<u>-</u>	<u>1,816</u>	<u>-</u>	<u>-</u>
Total outgo	<u>270,383</u>	<u>266,951</u>	<u>269,535</u>	<u>259,706</u>
Change in fund balance	<u>\$ (12,263)</u>	<u>\$ (5,904)</u>	<u>\$ 6,031</u>	<u>\$ 9,548</u>
Ending fund balance	<u>\$ 44,767</u>	<u>\$ 57,030</u>	<u>\$ 62,934</u>	<u>\$ 56,903</u>
Available reserves	<u>\$ 19,785</u>	<u>\$ 21,702</u>	<u>\$ 22,173</u>	<u>\$ 18,071</u>
Designated for economic uncertainties	<u>\$ 8,091</u>	<u>\$ 7,993</u>	<u>\$ 8,169</u>	<u>\$ 7,860</u>
Undesignated fund balance	<u>\$ 11,694</u>	<u>\$ 13,709</u>	<u>\$ 14,004</u>	<u>\$ 10,211</u>
Available reserves as percentages of total outgo	<u>7.32%</u>	<u>5.14%</u>	<u>8.23%</u>	<u>6.96%</u>
<u>All Funds</u>				
Total long-term liabilities	<u>\$ 972,457</u>	<u>\$ 1,012,507</u>	<u>\$ 1,009,279</u>	<u>\$ 918,349</u>
Average daily attendance at P-2 (not in thousands)	<u>27,971</u>	<u>28,037</u>	<u>27,598</u>	<u>27,589</u>

The General Fund fund balance has increased by \$9,675,000 over the past three years. The fiscal year 2013-2014 budget projects a decrease of \$12,263,000. For a district this size, the State of California requires available reserves of at least 3 percent of total General Fund expenditures, transfers out, and other uses. The District has met this requirement.

The District has incurred an operating deficit in the fiscal year 2012-2013, and anticipates incurring an operating deficit during the 2013-2014 fiscal year.

Total long-term liabilities have increased by \$94,158,000 over the past two years, due primarily to the issuance of General Obligation Bonds (See Note 6 to the financial statements).

Average daily attendance has increased by 448 over the past two years. The District anticipates a decrease of 66 ADA for the 2013-2014 fiscal year.

See accompanying notes to supplementary information.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

SCHEDULE OF CHARTER SCHOOLS

For the Year Ended June 30, 2013

<u>Charter Schools Chartered by District</u>	<u>Included in District Financial Statements, or Separate Report</u>
Manzanita Charter School	Separate Report
Leadership High Charter School	Separate Report
Richmond College Prep K-5	Separate Report
West Community High School	Separate Report
Richmond Charter Academy	Separate Report

See accompanying notes to supplementary information.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

NOTES TO SUPPLEMENTARY INFORMATION

1. PURPOSE OF SCHEDULES

A - Schedule of Average Daily Attendance

Average daily attendance 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.

B - Schedule of Instructional Time

The District has received incentive funding for increasing instructional time as provided by the Incentives for Longer Instructional Day and Year. This schedule presents information on the amount of instructional time offered by the District, and whether the District complied with the provisions of Education Code Sections 46201 through 46206.

C - Schedule of Expenditure of Federal Awards

OMB Circular A-133 requires a disclosure of the financial activities of all federally funded programs. This schedule was prepared to comply with A-133 requirements, and is presented on the modified accrual basis of accounting.

The following schedule provides a reconciliation between revenues reported on the Statement of Revenues, Expenditures and Change in Fund Balances and the related expenditures reported on the Schedule of Expenditure of Federal Awards. The reconciling amounts represent Federal funds that have been recorded as revenues that have not been expended by June 30, 2013.

<u>Description</u>	<u>CFDA Number</u>	<u>Amount</u>
Total Federal revenues, Statement of Revenues, Expenditures and Change in Fund Balances		\$ 42,786,953
Less: Federal reimbursement of interest paid on Build America Bonds	N/A	(3,947,748)
Medi-Cal Billing Funds not spent	93.778	<u>(231,576)</u>
Total Schedule of Expenditure of Federal Awards		<u>\$ 38,607,629</u>

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

NOTES TO SUPPLEMENTARY INFORMATION

(Continued)

1. PURPOSE OF SCHEDULES (Continued)

D - Reconciliation of Unaudited Actual Financial Report with Audited Financial Statements

This schedule provides the information necessary to reconcile the Unaudited Actual Financial Report to the audited financial statements.

E - Schedule of Financial Trends and Analysis - Unaudited

This schedule provides information on the District's financial condition over the past three years and its anticipated condition for the 2013-2014 fiscal year, as required by the State Controller's Office. The information in this schedule has been derived from audited information.

F - Schedule of Charter Schools

This schedule provides information for the California Department of Education to monitor financial reporting by Charter Schools.

2. EARLY RETIREMENT INCENTIVE PROGRAM

Education Code Section 14502 requires certain disclosure in the financial statements of districts which adopt Early Retirement Incentive Programs pursuant to Education Code Sections 22714 and 44929. For the fiscal year ended June 30, 2013, the District did not adopt this program.

INDEPENDENT AUDITOR'S REPORT
ON COMPLIANCE WITH STATE LAWS AND REGULATIONS

Honorable Board of Education
West Contra Costa Unified School District
Richmond, California

Report on Compliance with State Laws and Regulations

We have audited West Contra Costa Unified School District's compliance with the types of compliance requirements described in the State of California's Standards and Procedures for Audits of California K-12 Local Educational Agencies (the "Audit Guide") to the state laws and regulations listed below for the year ended June 30, 2013.

<u>Description</u>	<u>Audit Guide Procedures</u>	<u>Procedures Performed</u>
Attendance Reporting	6	Yes
Teacher Certification and Misassignments	3	Yes
Kindergarten Continuance	3	Yes
Independent Study	23	Yes
Continuation Education	10	Yes
Instructional Time:		
School Districts	6	Yes
County Offices of Education	3	No, See below
Instructional Materials:		
General requirements	8	Yes
Ratio of Administrative Employees to Teachers	1	Yes
Classroom Teacher Salaries	1	Yes
Early Retirement Incentive Program	4	No, See below
Gann Limit Calculation	1	Yes
School Accountability Report Card	3	Yes
Juvenile Court Schools	8	No, See below
Class Size Reduction Program:		
General requirements	7	Yes
Option one classes	3	Yes
Option two classes	4	No, See below
Districts with only one school serving K-3	4	No, See below
After School Education and Safety Program:		
General requirements	4	Yes
After school	5	Yes
Before school	6	No, See below
Contemporaneous Records of Attendance, for charter schools	1	No, See below
Mode of Instruction, for charter schools	1	No, See below
Nonclassroom-Based Instruction/Independent Study, for charter schools	15	No, See below
Determination of Funding for Nonclassroom-Based Instruction, for charter schools	3	No, See below
Annual Instructional Minutes - Classroom-Based, for charter schools	4	No, See below

The District is not a County Office of Education, therefore, we did not perform any procedures related to Instructional Time for County Offices of Education.

The District does not offer an Early Retirement Incentive Program; therefore, we did not perform any procedures related to the Early Retirement Incentive Program.

The District does not have any Juvenile Court Schools, therefore, we did not perform any procedures related to Juvenile Court Schools.

The District does not offer Option Two, and the District has more than one school serving K-3, therefore, we did not perform any procedures related to Class Size Reduction Program-Option Two and Districts with only one school serving K-3.

The District does not operate a Before School program, therefore we did not perform any procedures related to After School Education and Safety-Before School.

The District does not have any Charter Schools, therefore, we did not perform any of the procedures required by Article 4 of the Audit Guide.

Management's Responsibility

Management is responsible for compliance with the requirements of state laws and regulations.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance with state laws and regulations of West Contra Costa Unified School District. 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 State of California's Standards and Procedures for Audits of California K-12 Local Educational Agencies. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the state laws and regulations listed above occurred. An audit includes examining, on a test basis, evidence about West Contra Costa Unified School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.


We believe that our audit provides a reasonable basis for our opinion on compliance with state laws and regulations. However, our audit does not provide a legal determination of West Contra Costa Unified School District's compliance.

Opinion with State Laws and Regulations

In our opinion, West Contra Costa Unified School District complied, in all material respects, with the state laws and regulations referred to above for the year ended June 30, 2013. Further, based on our examination, for items not tested, nothing came to our attention to indicate that West Contra Costa Unified School District had not complied with the state laws and regulations.

Purpose of this Report

The purpose of this report on compliance is solely to describe the scope of our testing of compliance and the results of that testing based on the requirements of the *State of California's Standards and Procedures for Audits of California K-12 Local Educational Agencies*. Accordingly, this report is not suitable for any other purpose.


Crowe Horwath LLP

Sacramento, California
December 12, 2013

INDEPENDENT AUDITOR'S 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

Honorable Board of Education
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, 2013, and the related notes to the financial statements, which collectively comprise West Contra Costa Unified School District's basic financial statements, and have issued our report thereon dated December 12, 2013.

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) to determine the 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 may exist that have not been identified.

We identified certain deficiencies in internal control, as described in the accompanying Schedule of Audit Findings and Questioned Costs as Finding 2013-01, that we consider to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether West Contra Costa Unified School District's financial statements are free of 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 determination of financial statement amounts. 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*.

West Contra Costa Unified School District's Response to Findings

West Contra Costa Unified School District's response to the finding identified in our audit is described in the accompanying schedule of Audit Findings and Questioned Costs. West Contra Costa Unified School District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this 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 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.

Crowe Horwath LLP

Crowe Horwath LLP

Sacramento, California
December 12, 2013

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
FOR EACH MAJOR FEDERAL PROGRAM AND REPORT
ON INTERNAL CONTROL OVER COMPLIANCE

Honorable Board of Education
West Contra Costa Unified School District
Richmond, California

Report on Compliance for Each Major Federal Program

We have audited West Contra Costa Unified School District's compliance with the types of compliance requirements described in the *OMB Circular A-133 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, 2013. 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.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of West Contra Costa Unified School District's major federal programs based on our audit of the types of compliance requirements referred to above. 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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about West Contra Costa Unified School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of West Contra Costa Unified School District's compliance.

Opinion on Each Major Federal Program

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, 2013.

Report on Internal Control Over Compliance

Management of West Contra Costa Unified School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered West Contra Costa Unified School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of West Contra Costa Unified School District's 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.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Purpose of this Report

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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Crowe Horwath LLP
Crowe Horwath LLP

Sacramento, California
December 12, 2013

FINDINGS AND RECOMMENDATIONS

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2013

SECTION I - SUMMARY OF AUDITOR'S RESULTS

FINANCIAL STATEMENTS

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified?	_____ Yes	___X___ No	
Significant deficiency(ies) identified not considered to be material weakness(es)?	___X___ Yes	_____ None reported	

Noncompliance material to financial statements noted?

	_____ Yes	___X___ No	
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FEDERAL AWARDS

Internal control over major programs:

Material weakness(es) identified?	_____ Yes	___X___ No	
Significant deficiency(ies) identified not considered to be material weakness(es)?	_____ Yes	___X___ None reported	

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section .510(a)?

	_____ Yes	___X___ No	
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Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
84.377, 84.388	School Improvement Grants Cluster (Including ARRA)
84.367	NCLB: Title II, Part A, Improving Teacher Quality
84.184	Safe and Supportive Schools Programmatic Intervention
10.555, 10.559	Child Nutrition Cluster

Dollar threshold used to distinguish between Type A and Type B programs: \$ 1,158,229

Auditee qualified as low-risk auditee? _____ Yes ___X___ No

STATE AWARDS

Type of auditor's report issued on compliance for state programs: Unmodified

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS
(Continued)
Year Ended June 30, 2013

SECTION II - FINANCIAL STATEMENT FINDINGS

2013-01 - SIGNIFICANT DEFICIENCY - ASSOCIATED STUDENT BODY (30000)

Criteria

Internal Controls - Safeguarding of Assets

Condition

Richmond High School:

Checks are written without proper dual-signatures. There is no formal approval of revenue-producing activities by the student store. There is no formal documentation maintained for actions by the student council (i.e. minutes of meetings).

Lincoln Elementary:

There are no monthly reconciliations or financial statements prepared for the student account as the balances are not kept on any books. Checks are written without proper dual-signatures.

Portola Middle School:

There are no monthly reconciliations or financial statements prepared for the student account. Checks are written without proper dual-signatures.

Effect

There exists a risk that ASB funds could be misappropriated.

Cause

Effective internal controls have not been designed and implemented at the school site level.

Fiscal Impact

Not determinable.

Recommendation

All sites:

- ASB should issue receipts for all cash received and maintain supporting documentation for the receipts, such as the revenue producing activity and name of the individual depositing the funds.
- All ASB disbursements should have two signers on the checks. At least one individual should be someone separate from the normal day to day activity in the ASB accounts (teacher or principal)
- Disbursements should be accompanied by support (vendor's invoices, receipts, purchase orders, approvals, etc.)
- Monthly bank reconciliations should be prepared and approved by two separate individuals (school secretary and principal) as evidenced by their dated signatures. The reconciliations should then be sent to the District for final review.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS
(Continued)
Year Ended June 30, 2013

SECTION II - FINANCIAL STATEMENT FINDINGS

2013-01 - SIGNIFICANT DEFICIENCY - ASSOCIATED STUDENT BODY (30000) (Continued)

Corrective Action Plan

The District has developed an Associated Student Body Manual which has been distributed to all Secondary School Sites. The Manual contains processes and procedures regarding Fundraisers, Allowable Expenditures, Student Body Council Meetings, Collection of Funds, and Deposit of Funds. Management further plans to organize several in-service trainings, in addition to on-site visits throughout the remainder of the 2013-14 school year for sites at all levels. At the in-service trainings, management will discuss the manual in detail, and go over common errors found in the processes and procedures of student body funds.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS
(Continued)
Year Ended June 30, 2013

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS
(Continued)
Year Ended June 30, 2013

SECTION IV - STATE AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported.

STATUS OF PRIOR YEAR
FINDINGS AND RECOMMENDATIONS

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
STATUS OF PRIOR YEAR FINDINGS AND RECOMMENDATIONS
Year Ended June 30, 2013

Finding/Recommendation	Current Status	District Explanation If Not Implemented
2012-01	Partially Implemented.	See Current Year Finding 2013-01.
Chavez Elementary School:		
<ul style="list-style-type: none"> • Receipts are not used to document the receipt of funds by the student body accountant. • Checks for disbursement of funds require a single signer to approve the disbursement with no other means of approval documented. • Bank reconciliations could not be provided to evidence they had been prepared, and that an independent review of the reconciliation had been completed. 		
De Anza High School:		
<ul style="list-style-type: none"> • Receipts are not used to document the receipt of funds by the student body accountant/secretary. • When receipts are given to the ASB accountant/secretary there is no sign-off by the depositor to indicate he or she agrees with the amount recorded as deposited. • There is no documentation of formal approval for revenue producing activities in the sample of transactions reviewed. • Bank reconciliations are not completed on a timely basis. 		
DeJean Middle School:		
<ul style="list-style-type: none"> • Receipts are not used to document the receipt of funds by the student body accountant. • Cash count forms are not signed by the Office Manager or the Individual depositing the funds. • Funds received are not deposited into the Bank account in a timely manner. • Vendor invoices are not obtained for support in the cash disbursement cycle. • No record of approval over revenue producing activities is documented or retained. • Bank reconciliations are not completed on a timely basis. 		

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
STATUS OF PRIOR YEAR FINDINGS AND RECOMMENDATIONS
Year Ended June 30, 2013

Finding/Recommendation	Current Status	District Explanation If Not Implemented
2012-01 (Continued)		
Gompers High School:		
<ul style="list-style-type: none"> Bank reconciliations are not completed on a timely basis. 		
Bank Reconciliations:		
<ul style="list-style-type: none"> Testing of associated student body cash balances as of June 30, 2012 indicate that nearly all bank reconciliations for the District's elementary sites had not been completed timely, or did not evidence review by an individual independent of the preparation. 		
<p>The internal control deficiencies at the site level and regarding proper and timely preparation and approval of bank reconciliations aggregate to a significant deficiency in internal controls over associate student body accounting.</p>		
All sites:		
<ul style="list-style-type: none"> Receipts should be issued and signed by both the depositor and the ASB accountant/secretary as evidence that the funds were deposited and both parties agreed to the amount noted as turned in by the depositor. Sites should maintain a log to track receipts books issued to clubs. All receipt books which have not been issued to a club should be stored in a safe which is maintained under dual control. Funds received by the ASB accountant/secretary should be deposited to the bank account on a timely manner. For sites that do not experience a high volume of ASB activity, any funds received to the ASB office should be deposited during the week received. 		

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
STATUS OF PRIOR YEAR FINDINGS AND RECOMMENDATIONS
Year Ended June 30, 2013

Finding/Recommendation	Current Status	District Explanation If Not Implemented
2012-01 (Continued)		
<ul style="list-style-type: none">• The District should develop and implement a process for ensuring that all revenue producing activities and expenditures are properly approved by all three relevant parties: Principal, ASB Advisor, and Student Representative (for an organized ASB). This approval should be evidenced by their signatures on a disbursement and/or fundraising approval form. Revenue producing activities should also include evidence of approval by the student government.• All disbursement checks should have two authorized signers required. At least one individual should be someone separate from the normal day to day activity in the ASB account.• All disbursements should be supported by a vendor invoice, receipt, or other supporting documentation.		

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 \$77,460,000 aggregate principal amount of West Contra Costa Unified School District (Contra Costa County, California) General Obligation Refunding Bonds, 2014 Series A (the “Bonds”). The Bonds are being issued pursuant to a resolution adopted by the Board of Education of the District on June 25, 2014 (collectively, the “Resolution”).

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 of 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, a Division of Zions First National Bank, 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.

“Holders” shall mean registered owners of the Bonds.

“Listed Events” shall mean any of the events listed in Section 5(a) 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 Underwriters as 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 2013-14 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 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, 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. Reporting of Significant Events.

(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 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. 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; and

9. bankruptcy, insolvency, receivership or similar proceedings.

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), adverse tax opinions or other material 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; and
6. notices of redemption.

(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 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 the 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: August 13, 2014

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

By: _____ [FORM ONLY]
Associate Superintendent of Business Services

Dissemination Agent:
KNN PUBLIC FINANCE

By: _____ [FORM ONLY]
Authorized Officer

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) General Obligation Refunding Bonds, 2014 Series A

Date of Issuance: August 13, 2014

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

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APPENDIX E

BOOK-ENTRY ONLY SYSTEM

The information in numbered paragraphs 1-10 of this APPENDIX E, concerning The Depository Trust Company, New York, New York (“DTC”) and DTC’s book-entry system, has been furnished by DTC for use in official statements and the District takes no responsibility for the completeness or accuracy thereof. The West Contra Costa Unified School District (the “District”) cannot and does not give any assurances that DTC, DTC Participants or Indirect Participants will distribute to the Beneficial Owners (a) payments of interest or principal with respect to the Bonds (as defined in the front part of this Official Statement), (b) certificates 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 Participants or DTC Indirect Participants will act in the manner described in this APPENDIX E. 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 Participants are on file with DTC. As used in this APPENDIX E, “Securities” means the Bonds, “Issuer” means the District and “Agent” means the Paying Agent.

1. DTC 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 each series of the Bonds, each in the aggregate principal amount of such issue, and will be deposited with DTC.

2. 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. 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.

3. 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 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 ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

4. 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.

5. 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.

6. 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.

7. Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the 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 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).

8. Redemption proceeds, distributions and dividend payments 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 the 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 of, premium, if any, and interest 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.

9. DTC may discontinue providing its services as securities 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 securities depository is not obtained, Bond certificates are required to be printed and delivered.

10. The District may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

11. The information in this section 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.

Discontinuation of Book-Entry Only System; Payment to Beneficial Owners

In the event that the book-entry system is discontinued, the following provisions would also apply: (a) Bonds may be exchanged for a like aggregate principal amount of Bonds or other authorized denominations of the same maturity and interest rate, upon surrender thereof to the Paying Agent; (b) the transfer of any Bond may be registered on the books maintained by the Paying Agent under the applicable Resolution for such purpose only upon the surrender thereof to the Paying Agent together with a duly executed written instrument of transfer in a form approved by the Paying Agent; (c) for every exchange or transfer of Bonds, the Paying Agent shall require the payment by any owner requesting such transfer or exchange of any tax or other governmental charge required to be paid with respect to such exchange or registration of transfer; (d) all interest payments on the Bonds will be made by wire or check mailed by the Paying Agent to the owners thereof to such owner's address as it appears on the registration books maintained by the Paying Agent on the 15th day of the month preceding such Interest Payment Date; and (e) all payments of principal of and any premium on the Bonds will be paid upon surrender thereof to the Paying Agent.

The District cannot and does not give any assurances that DTC will distribute to Participants or that Participants or others will distribute to the Beneficial Owners payments of principal of and interest and premium, if any, on the Bonds or any redemption or other notices or that they will do so on a timely basis or will serve and act in the manner described in this Official Statement. The District is not responsible or liable for the failure of DTC or any Direct Participant or Indirect Participant to make any payments or give any notice to a Beneficial Owner with respect to the Bonds or any error or delay relating thereto.

Neither the District nor the Paying Agent will have any responsibility or obligation to Direct Participants, to Indirect Participants or to any Beneficial Owner with respect to (i) the accuracy of any records maintained by DTC, any Participant, or any Indirect Participant; (ii) the payment by DTC or any Direct Participant or Indirect Participant of any amount with respect to the principal of or premium, if any, or interest on the Bonds; (iii) any notice that is permitted or required to be given to Holders pursuant to the applicable Resolution; (iv) the selection by DTC, any Direct Participant or any Indirect Participant of any person to receive payment in the event of a partial redemption of the Bonds; (v) any consent given or other action taken by DTC as Bondholder; or (vi) any other procedures or obligations of DTC, Participants or Indirect Participants under the book-entry system.

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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. 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.

**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
2010	1,049,025	23,549	24,060	18,390	103,701	29,139
2011	1,056,306	23,649	24,153	18,461	104,382	28,931
2012	1,066,597	23,801	24,299	18,581	105,004	29,137
2013	1,076,429	23,945	24,438	18,692	105,715	29,309
2014	1,087,008	24,087	24,572	18,794	106,138	29,465

⁽¹⁾ Excludes population statistics of unincorporated territory within the District.
Source: California Department of Finance, estimates as of January 2014.

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

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Employment	471,700	465,900	474,300	487,800	499,100
Unemployment	53,400	58,300	54,800	48,000	39,800
Total Civilian Labor Force ⁽²⁾	525,100	524,200	529,200	535,700	538,900
Unemployment Rate ⁽³⁾	10.2%	11.1%	10.4%	9.0%	7.4%

⁽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.*

The following table summarizes the number of workers by industry in the County for calendar years 2009 through 2013.

CONTRA COSTA COUNTY FREMONT-HAYWARD-OAKLAND METROPOLITAN DIVISION Estimated Number of Wage and Salary Workers by Industry⁽¹⁾

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Farm	1,400	1,400	1,500	1,500	1,500
Manufacturing	82,800	79,700	80,500	80,300	78,600
Wholesale Trade	43,700	41,800	42,100	43,200	45,000
Retail Trade	102,100	100,300	101,100	102,900	106,900
Transportation & Public Utilities	33,200	31,500	32,200	32,900	33,500
Information	25,300	23,600	22,600	22,000	21,400
Financial Activities	48,000	48,200	47,700	48,400	49,500
Professional and Business Services	151,100	152,100	157,300	165,100	172,300
Education and Health	135,600	136,400	137,200	141,000	171,000
Leisure and Hospitality	85,100	85,800	88,200	92,000	98,000
Other Services	34,700	34,900	35,700	36,200	37,000
Government	172,500	165,300	163,900	162,900	163,400
Total All Industries ⁽²⁾	970,300	949,800	958,700	981,100	1,035,300

⁽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: *Labor Market Information Division of the California Employment Development Department.*

The following table summarizes the unemployment rates in Contra Costa County and the cities within the District as of April 2014.

**CONTRA COSTA COUNTY
CIVILIAN LABOR FORCE UNEMPLOYMENT RATES
(As of April 2014)⁽¹⁾**

Contra Costa County	6.1%
City of El Cerrito	5.4
City of Hercules	4.3
City of Pinole	4.2
City of Richmond	10.1
City of San Pablo	12.6
State of California	7.3
United States	6.3

⁽¹⁾ As of April 2014 and place of residence; calculated based on unrounded data; not seasonally adjusted.

Source: *California Employment Development Department, Labor Market Information Division.*

Largest Employers

The following table summarizes the 10 largest employers in Alameda and Contra Costa Counties.

**EAST BAY: ALAMEDA AND CONTRA COSTA COUNTIES
LARGEST EMPLOYERS
(As of June 30, 2013)**

<u>Employer</u>	<u>Products/Services</u>	<u>Number of East Bay Employees</u>
Kaiser Permanente	Health Care Services	17,199
University of California-Berkeley	Educational Services	14,319
Safeway	Retail Trade	12,200
Chevron Corp	Oil Refiners	11,113
Alameda County	Public Administration	9,223
Contra Costa County	Public Administration	8,556
Lawrence Livermore National Laboratory	Professional, Scientific and Technical Services	8,000
Berkeley National Laboratory	Professional, Scientific and Technical Services	6,000
Novartis Vaccines & Diagnostics	Professional, Scientific and Technical Services	5,417
City of Oakland	Public Administration	5,252

Source: *InfoGroup.*

The following table lists the largest employers within Contra Costa County, including city location and industry.

**CONTRA COSTA COUNTY
MAJOR EMPLOYERS**

Employer	Location	Industry
AAA Northern Ca Nevada & Utah	Walnut Creek	Automobile Clubs
BART	Richmond	Transit Lines
Bayer Health Care Phrmctcls	Richmond	Laboratories-Pharmaceutical (Mfrs)
Bio-Rad Laboratories Inc	Hercules	Biological Products (Mfrs)
Chevron Corp	San Ramon	Oil Refiners (Mfrs)
Chevron Global Downstream LLC	San Ramon	Marketing Programs & Services
Concord Naval Weapons Station	Concord	Federal Government-National Security
Contra-Costa Regional Med Ctr	Martinez	Hospitals
Department of Veterans Affairs	Martinez	Clinics
Doctors Medical Ctr	San Pablo	Hospitals
John Muir Health Physical Rhb	Concord	Physical Therapists
John Muir Medical Ctr	Concord	Hospitals
John Muir Medical Ctr	Walnut Creek	Hospitals
Kaiser	Martinez	Clinics
Kaiser Permanente	Antioch	Hospitals
Kaiser Permanente	Walnut Creek	Hospitals
La Raza Market	Richmond	Grocers-Retail
Muirlab	Walnut Creek	Laboratories-Medical
Richmond City Offices	Richmond	Government Offices-City, Village & Twp
San Ramon Regional Medical Ctr	San Ramon	Hospitals
Shell Oil Products	Martinez	Oil & Gas Producers
St Mary's College	Moraga	Schools-Universities & Colleges Academic
Sutter Delta Medical Ctr	Antioch	Hospitals
Tesoro Golden Eagle Refinery	Pacheco	Oil Refiners (Mfrs)
Va Outpatient Clinic	Martinez	Surgical Centers

Source: *State of California Employment Development Department*, extracted from the America's Labor Market Information System (ALMIS) Employer Database, 2014, 2nd Edition

The following table summarizes the 10 principal employers in the City of Richmond, California.

**CITY OF RICHMOND
PRINCIPAL EMPLOYERS
(As of June 30, 2013)**

<u>Employer</u>	<u>Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
Chevron Refinery	2,191	1	2.1%
West Contra Costa Unified School District	1,580	2	1.5
Social Security Administration	1,259	3	1.2
U.S. Postal Service	1,047	4	1.0
Contra Costa County	844	5	0.8
City of Richmond	776	6	0.7
The Permanente Medical Group	694	7	0.7
Bio-Rad Laboratories	473	8	0.5
Michael Stead Auto Depot and Sales	472	9	0.5
Kaiser Foundation Hospitals	426	10	0.4
Subtotal	9,762		9.4%
Total City Day Population	104,887		

Source: *City of Richmond Community Development Department* .

Commercial Activity

The following table summarizes historical taxable transactions within the County for 2008 to 2012 (the most recent calendar year for which such data is available).

**CONTRA COSTA COUNTY
TAXABLE TRANSACTIONS
(Dollars in Thousands)**

Year	Sales Tax Permits	Taxable Transactions
2008	23,149	\$13,307,681
2009	21,395	11,883,049
2010	21,784	11,953,846
2011	21,153	12,799,857
2012	21,504	13,997,249

Source: *California State Board of Equalization*.

The following table summarizes historical taxable transactions in cities in the District for calendar years 2008 to 2012 (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)

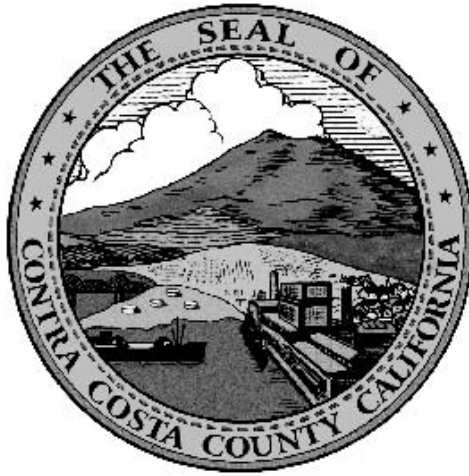
<u>City</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
El Cerrito	\$308,414	\$278,014	\$246,574	\$253,036	\$273,354
Hercules	128,453	116,921	114,753	119,322	136,763
Pinole	286,289	250,977	259,846	273,341	285,581
Richmond	1,160,972	1,016,242	1,069,512	1,124,265	1,191,003
San Pablo	155,280	139,345	142,225	152,982	165,422

⁽¹⁾ Excludes taxable transactions occurring in unincorporated territory within the District.
Source: *California State Board of Equalization*.

APPENDIX G

**COUNTY INVESTMENT POLICY AND EXCERPTS FROM TREASURER'S QUARTERLY
INVESTMENT REPORT AS OF MARCH 31, 2014**

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CONTRA COSTA COUNTY
TREASURER'S QUARTERLY INVESTMENT REPORT
AS OF MARCH 31, 2014

TABLE OF CONTENTS

	<u>Page</u>
I. Executive Summary	1
II. Contra Costa County Investment Pool Summary	2
III. Appendix	
A. Investment Portfolio Detail—Managed by Treasurer’s Office	
1. Portfolio Summary	4
2. Portfolio Detail	6
3. Market Valuation Sources	21
B. Investment Portfolio Detail – Managed by Outside Contracted Parties	
1. State of California Local Agency Investment Fund	
a. Summary	23
2. Asset Management Funds	
a. Wells Capital Management	22
b. CalTRUST	42
3. East Bay Regional Communications System Authority (EBRCS)	
a. Summary	46
4. Miscellaneous	
a. Statements	47

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 3/31/14, the fair value of the Treasurer's investment portfolio was 99.80% of the cost. More than 87 percent of the portfolio or over \$2.15 billion will mature in less than a year. Historical activities combined with future cash flow projections indicate that the County is able to meet its cash flow needs for the next six months.

- Treasurer's Investment Portfolio Characteristics

Par	\$2,460,404,314.68
Cost	\$2,465,325,113.22
Market Value	\$2,463,436,550.71
Weighted Yield to Maturity	0.35%
Weighted Average Days to Maturity	159 days
Weighted Duration	0.44 year

CONTRA COSTA COUNTY INVESTMENT POOL
As of March 31, 2014

<u>TYPE</u>	<u>PAR VALUE</u>	<u>COST</u>	<u>FAIR VALUE</u>	<u>PERCENT OF TOTAL COST</u>
A. Investments Managed by Treasurer's Office				
1. U.S. Treasuries (STRIPS, Bills, Notes)	\$26,785,000.00	\$28,072,524.08	\$27,752,042.90	1.14%
2. U.S. Agencies				
Federal Agriculture Mortgage Corporation	0.00	0.00	0.00	0.00%
Federal Home Loan Banks	70,740,000.00	71,054,510.62	70,802,872.88	2.88%
Federal National Mortgage Association	67,957,000.00	69,425,518.04	68,485,112.10	2.82%
Federal Farm Credit Banks	49,325,000.00	49,392,311.71	49,362,205.82	2.00%
Federal Home Loan Mortgage Corporation	59,353,000.00	61,005,417.40	59,817,163.89	2.47%
Municipal Bonds	6,620,000.00	6,888,245.85 ¹	6,888,245.85 ¹	0.28%
Subtotal	253,995,000.00	257,766,003.62	255,355,600.54	10.46%
3. Money Market Instruments				
Bankers Acceptances	0.00	0.00	0.00	0.00%
Repurchase Agreement	0.00	0.00	0.00	0.00%
Commercial Paper	784,912,000.00	784,209,706.90	784,653,899.62	31.81%
Negotiable Certificates of Deposit	603,337,000.00	603,339,843.00	603,485,280.93	24.47%
Medium Term Certificates of Deposit	0.00	0.00	0.00	0.00%
Corporate Notes	101,327,000.00	101,554,432.40	101,770,943.14	4.12%
Money Market Accounts	565,318.32	565,318.32	565,318.32	0.02%
Time Deposit	3,200.00	3,200.00	3,200.00	0.00%
Subtotal	1,490,144,518.32	1,489,672,500.62	1,490,478,642.01	60.42%
TOTAL (Section A.)	1,770,924,518.32	1,775,511,028.32	1,773,586,285.45	72.02%
B. Investments Managed by Outside Contractors				
1. Local Agency Investment Fund	232,333,236.58	232,333,236.58	232,406,913.63 ²	9.42%
2. Other				
a. EBRCS Bond	2,455,113.76	2,455,113.76	2,455,113.76	0.10%
b. Miscellaneous (BNY, CCFCU)	112,754.84	112,754.84	112,754.84	0.00%
c. Wells Capital Management	44,067,855.96	44,402,144.50	44,364,647.81	1.80%
d. CalTRUST (Short-Term Fund)	118,091,414.64	118,091,414.64	118,091,414.64	4.79%
Subtotal	164,727,139.20	165,061,427.74	165,023,931.05	6.70%
TOTAL (Section B.)	397,060,375.78	397,394,664.32	397,430,844.68	16.12%
C. Cash	292,419,420.58	292,419,420.58	292,419,420.58	11.86%
³GRAND TOTAL (FOR A , B, & C)	\$2,460,404,314.68	\$2,465,325,113.22	\$2,463,436,550.71	100.00%

Notes:

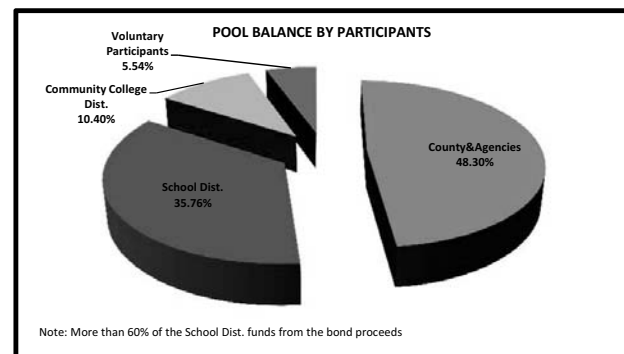
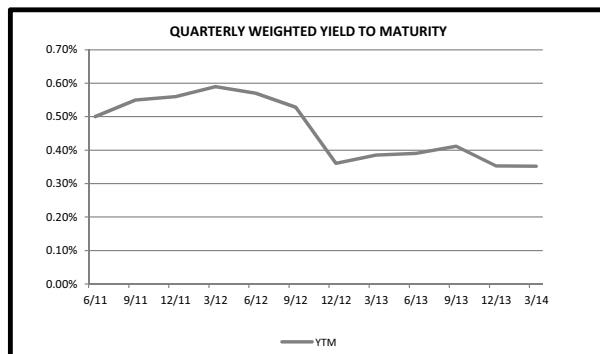
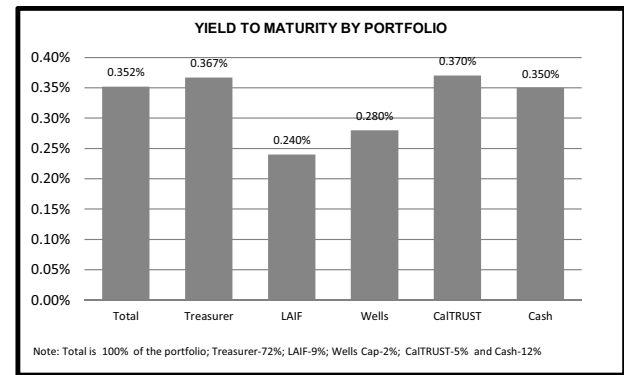
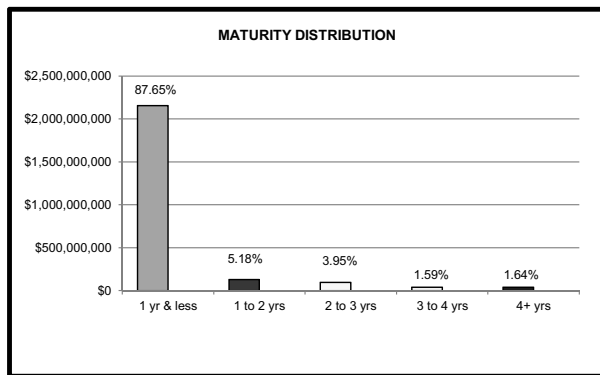
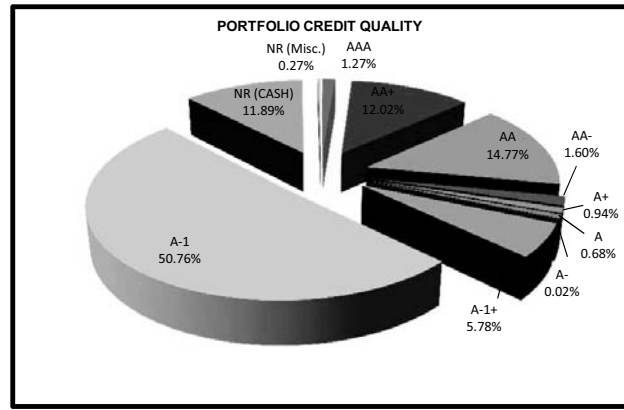
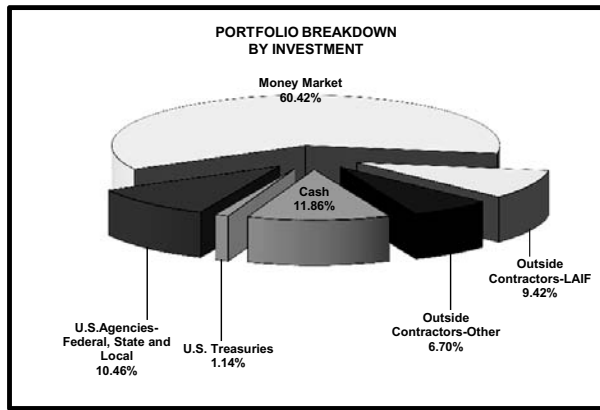
1. Fair Value equals Cost less purchase interest

2. Estimated Fair Value

3. Does not include the Futuris Public Entity Trust of the Contra Costa Community College District Retirement Board of Authority

**CONTRA COSTA COUNTY
INVESTMENT POOL
AT A GLANCE
AS OF MARCH 31, 2014**

Page 3



NOTES TO INVESTMENT PORTFOLIO SUMMARY AND AT A GLANCE AS OF MARCH 31, 2014

1. All report information is unaudited but due diligence was utilized in its preparation.
2. There may be slight differences between the portfolio summary page and the attached exhibits and statements for investments managed by outside contractors or trustees. The variance is due to the timing difference in recording transactions associated with outside contracted parties during interim periods and later transmitted to the appropriate county agency and/or the Treasurer's Office. In general, the Treasurer's records reflect booked costs at the beginning of a period.
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 safeguard the principal, meet the liquidity needs and achieve a return. As a result, more than 87% of the portfolio will mature in less than a year with a weighted average maturity of 159 days.

SECTION III

APPENDIX

A. INVESTMENT PORTFOLIO DETAIL - MANAGED BY TREASURER'S OFFICE

1

CONTRA COSTA COUNTY TREASURER'S OFFICE INVESTMENT INVENTORY WITH MARKET VALUE										
INVESTMENTS OUTSTANDING AS OF 03/31/14 MAJOR SORT KEY IS ICC#										
INVEST NUMBER	DESCRIPTION PURCHASE MATURITY DATE	CUSIP	BANK BROK	FUND SAFE	CPN RATE YTM TR	PAR/SHARES BOOK	MARKET VALUE MARKET PRICE	CURR ACCR INT PRICE SOURCE	UNREALIZED GAIN UNREALIZED LOSS	
SUBTOTAL (Inv Type) 12	TREASURY NOTES		1.56%	(M)	2.3316 .5461	26,785,000.00 28,072,524.08	27,752,042.90 103.6103900000	135,703.89	5,929.01 -325,824.72	
SUBTOTAL (Inv Type) 19	FHLB FLOATING ACT/360		.86%	(M)	1.0000 1.0116	15,300,000.00 15,291,250.00	15,219,990.00 99.47705900000	2,333.33	.00 -71,260.00	
SUBTOTAL (Inv Type) 22	FEDERAL HOME LOAN BANKS		2.80%	(M)	1.0900 .9265	49,435,000.00 49,762,154.71	49,578,023.15 100.2893160000	159,586.96	128,629.46 -293,997.20	
SUBTOTAL (Inv Type) 23	FEDERAL NATIONAL MORTGA		3.61%	(M)	1.4903 .8543	63,429,000.00 64,902,115.97	63,957,289.75 100.8328840000	255,684.05	16,428.36 -961,254.58	
SUBTOTAL (Inv Type) 27	FEDERAL FARM CREDIT BAN		2.78%	(M)	.5851 .5529	49,325,000.00 49,392,311.71	49,362,205.82 100.0754300000	49,901.29	41,855.67 -71,862.70	
SUBTOTAL (Inv Type) 28	FEDERAL HOME LOAN MORTG		.15%	(M)	.1523 .1525	2,608,000.00 2,604,162.03	2,607,065.33 99.96416100000	1,471.45	1,431.85	
SUBTOTAL (Inv Type) 29	FHLMC NOTES		3.23%	(M)	2.0172 1.0466	56,745,000.00 58,401,255.37	57,210,098.56 100.8196290000	192,152.70	29,243.10 -1,219,179.48	
SUBTOTAL (Inv Type) 31	MUNICIPAL BONDS		.39%	(M)	2.5718 1.2139	6,620,000.00 6,888,245.85	6,888,245.85 104.0520520000	41,025.05	.00	
SUBTOTAL (Inv Type) 41	FNMA DISCOUNT NOTES		.26%	(M)	.1167 .1168	4,528,000.00 4,523,402.07	4,527,822.35 99.99607700000	3,823.51	596.77	
SUBTOTAL (Inv Type) 43	FHLB DISCOUNT NOTES		.34%	(M)	.0859 .0859	6,005,000.00 6,001,105.91	6,004,859.73 99.99766400000	3,307.86	445.96	
SUBTOTAL (Inv Type) 70	COMMERCIAL PAPER INT BE		1.21%	(M)	.1454 .1454	21,525,000.00 21,525,000.00	21,522,192.06 99.98695500000	6,285.33	.00 -2,807.94	
SUBTOTAL (Inv Type) 71	COMMERCIAL PAPER DISCOU		43.03%	(M)	.2231 .2232	763,387,000.00 762,684,706.90	763,131,707.56 99.96655800000	397,554.36	71,645.61 -22,199.31	
SUBTOTAL (Inv Type) 72	NEGOTIABLE CERT OF DEPO		33.65%	(M)	.2366 .2352	596,687,000.00 596,690,553.15	596,838,350.93 100.0253650000	321,697.90	148,053.89 -256.11	
SUBTOTAL (Inv Type) 73	CORP NOTE FLTG RT ACT-		.75%	(M)	.5334 .6942	13,200,000.00 13,152,450.00	13,221,931.00 100.1661440000	15,877.05	69,481.00	
SUBTOTAL (Inv Type) 75	CORPORATE NOTES		4.99%	(M)	1.2495 1.1004	88,127,000.00 88,401,982.40	88,549,012.14 100.4788680000	290,063.81	270,229.46 -98,089.88	

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1

CONTRA COSTA COUNTY
TREASURER'S OFFICE
INVESTMENT INVENTORY WITH MARKET VALUE

PAGE: 2
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(RPTMKT)

INVESTMENTS OUTSTANDING AS OF 03/31/14
MAJOR SORT KEY IS ICC#

INVEST NUMBER	DESCRIPTION PURCHASE MATURITY DATE	CUSIP	BANK BROK	FUND SAFE	CPN RATE YTM TR	PAR/SHARES BOOK	MARKET VALUE MARKET PRICE	CURR ACCR INT PRICE SOURCE	UNREALIZED GAIN UNREALIZED LOSS
SUBTOTAL (Inv Type) 80 YCD / NCD QTR FLTR			.37% (M)		.3894 .3983	6,650,000.00 6,649,289.85	6,646,930.00 99.95383500000	5,584.83	.00 -2,359.85
SUBTOTAL (Inv Type) 99 MONEY MARKET ACCOUNTS			.03% (M)		0.0000 .0000	565,318.32 565,318.32	565,318.32 100.0000000000	.00	.00
SUBTOTAL (Inv Type) 1000 TD WITH CALC CODE OF			.00% (M)		1.4000 1.4000	3,200.00 3,200.00	3,200.00 100.0000000000	129.80	.00
GRAND TOTAL					.4686 .3680	1770924518.32 1775511028.32	1773586285.45 100.1503040000	1,882,183.17	783,970.14 -3,069,091.77

NOTE: GRAND TOTAL EXCLUDES RETIREMENT INVESTMENTS , IF ANY.

CONTRA COSTA COUNTY
TREASURER'S OFFICE
INVESTMENT INVENTORY WITH MARKET VALUE

(RPTMKT)

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INVESTMENTS OUTSTANDING AS OF 03/31/14
MAJOR SORT KEY IS ICC#

INVEST NUMBER	DESCRIPTION PURCHASE MATURITY DATE	CUSIP	BANK BROK	FUND SAFE	CPN RATE YTM TR	PAR/SHARES BOOK	MARKET VALUE MARKET PRICE	CURR ACCR INT PRICE SOURCE	UNREALIZED GAIN UNREALIZED LOSS
80191	AUHSD GOVT TREASURY NOTE 01/03/12 10/15/14	912828RL6	14 49	5007 000	.5000 .3842	40,000.00 40,128.00	40,089.20 100.2230000000	92.31 SUNGARD	-38.80
80949	CCCCD GOV US TREAS NTS 11/06/12 07/31/17	912828TG5	14 37	7903 000	.5000 .6915	225,000.00 223,144.53	220,693.50 98.0860000000	186.46 SUNGARD	-2,451.03
81033	CCCSIG GOV US TREASURY NOTES 11/30/12 11/15/15	912828EN6	14 37	6911 000	4.5000 .3490	2,540,000.00 2,824,220.39	2,712,948.60 106.8090000000	43,257.18 SUNGARD	-111,271.79
81318	CCCSIG GOV US TREAS NTS 03/28/13 04/30/16	912828QF0	14 22	6911 000	2.0000 .3815	2,400,000.00 2,517,771.26	2,475,744.00 103.1560000000	20,154.70 SUNGARD	-42,027.26
81356	CCCSIG GOV US TREAS NTS 04/11/13 04/30/16	912828QF0	14 37	6911 000	2.0000 .3417	400,000.00 420,125.00	412,624.00 103.1560000000	3,359.12 SUNGARD	-7,501.00
81441	CCCSIG GOV US TREASURY NOTES 05/15/13 06/30/16	912828KZ2	14 37	6911 000	3.2500 .4000	700,000.00 761,933.59	742,329.00 106.0470000000	5,718.92 SUNGARD	-19,604.59
81450	CCCSIG GOV US TREASURY NOTES 05/28/13 06/30/16	912828KZ2	14 37	6911 000	3.2500 .4365	2,420,000.00 2,623,825.62	2,566,337.40 106.0470000000	19,771.13 SUNGARD	-57,488.22
81453	CCCSIG GOV US TREAS NTS 05/31/13 05/31/16	912828QP8	14 37	6911 000	1.7500 .5214	525,000.00 542,040.38	538,944.00 102.4560000000	3,079.33 SUNGARD	-3,096.38
81590	CCCSIG GOV US TREAS NTS 08/30/13 08/31/16	912828RF9	14 37	6911 000	1.0000 .8133	1,430,000.00 1,437,423.86	1,442,626.90 100.8830000000	1,243.48 SUNGARD	5,203.04
81667	CCCSIG GOV US TREASURY NOTES 11/01/13 11/30/16	912828MA5	14 37	6911 000	2.7500 .6317	2,100,000.00 2,235,433.59	2,210,733.00 105.2730000000	19,355.77 SUNGARD	-24,700.59
81720	CCCSIG GOV US TREASURY NOTES 12/03/13 11/30/16	912828RU6	14 37	6911 000	.8750 .5735	3,850,000.00 3,884,416.31	3,863,244.00 100.3440000000	11,351.71 SUNGARD	-20,894.67
81763	CCCSIG GOV US TREASURY NOTES 01/03/14 12/31/15	912828PM6	14 37	6911 000	2.1250 .3849	1,045,000.00 1,081,228.37	1,077,489.05 103.1090000000	5,582.23 SUNGARD	-3,555.29
81764	CCCCD GOV US TREASURY NOTES 01/03/14 12/31/15	912828PM6	14 37	7903 000	2.1250 .3849	250,000.00 258,667.08	257,772.50 103.1090000000	1,335.47 SUNGARD	-850.55
81838	CCCCD GOV US TREASURY NOTES 02/07/14 07/31/16	912828QX1	14 37	7903 000	1.5000 .4724	275,000.00 282,008.48	280,821.75 102.1170000000	683.71 SUNGARD	-1,106.96
81852	CCCCD GOV US TREASURY NOTES 02/28/14 03/31/17	912828SM3	14 37	7903 100	1.0000 .7306	480,000.00 483,937.50	481,200.00 100.2500000000	13.11 SUNGARD	-2,737.50
81857	CCCSIG GOV US TREAS NOTES 02/28/14 09/30/16	912828LP3	14 37	6911 000	3.0000 .5290	5,450,000.00 5,795,308.59	5,766,808.50 105.8130000000	446.72 SUNGARD	-28,500.09
81877	CCCSIG GOV US TREASURY NOTES 03/21/14 03/31/17	912828SM3	14 37	6911 000	1.0000 .9252	2,430,000.00 2,435,410.55	2,436,075.00 100.2500000000	66.39 SUNGARD	664.45
81878	CCCCD GOV US TREASURY NOTES 03/21/14 03/31/17	912828SM3	14 37	7903 000	1.0000 .9252	225,000.00 225,500.98	225,562.50 100.2500000000	6.15 SUNGARD	61.52
SUBTOTAL (Inv Type) 12 TREASURY NOTES			1.56%(M)		2.3316 .5461	26,785,000.00 28,072,524.08	27,752,042.90 103.6103900000	135,703.89	5,929.01 -325,824.72
81881	GOV FHLB MULTI STEP CPN CALLABL 03/26/14 03/26/19	3130A15L8	14 51	8177 000	1.0000 1.0204	5,000,000.00 4,995,000.00	4,960,700.00 99.2140000000	833.33 SUNGARD	-34,300.00
81882	GOV FHLB MULTI STEP CPN CALLABL 03/26/14 03/26/19	3130A15L8	14 51	8177 000	1.0000 1.0306	2,500,000.00 2,496,250.00	2,480,350.00 99.2140000000	416.67 SUNGARD	-15,900.00
81884	GOV FHLB MULTI STEP CPN CALLABL 03/27/14 03/27/19	3130A1B98	14 51	8177 000	1.0000 1.0000	5,000,000.00 5,000,000.00	4,986,500.00 99.7300000000	694.44 SUNGARD	-13,500.00

CONTRA COSTA COUNTY
TREASURER'S OFFICE
INVESTMENT INVENTORY WITH MARKET VALUE

(RPTMKT)

PAGE: 2
RUN: 05/21/14 10:33:11

INVESTMENTS OUTSTANDING AS OF 03/31/14
MAJOR SORT KEY IS ICC#

INVEST NUMBER	DESCRIPTION PURCHASE MATURITY DATE	CUSIP	BANK BROK	FUND SAFE	CPN RATE YTM TR	PAR/SHARES BOOK	MARKET VALUE MARKET PRICE	CURR ACCR INT PRICE SOURCE	UNREALIZED GAIN UNREALIZED LOSS
81885	GOV FHLB MULTI STEP CPN CALLABL 03/27/14 03/27/19	3130A1B98	14 16	8177 000	1.0000 1.0000	2,800,000.00 2,800,000.00	2,792,440.00 99.73000000000	388.89 SUNGARD	-7,560.00
SUBTOTAL (Inv Type) 19 FHLB FLOATING ACT/360					.86% (M)	1.0000 1.0116	15,300,000.00 15,291,250.00	15,219,990.00 99.47705900000	2,333.33 -71,260.00
77988	WT GOV FHLB NOTES 10/28/09 09/12/14	3133XUMR1	14 16	8451 000	3.2500 2.6754	165,000.00 169,296.60	167,341.35 101.41900000000	297.91 SUNGARD	-1,955.25
78467	WT GOV FHLB NOTES 04/19/10 03/13/15	3133XWX95	14 17	8451 000	2.7500 2.7001	170,000.00 170,379.10	174,165.00 102.45000000000	233.74 SUNGARD	3,785.90
78631	RM GOV FHLB NOTES 06/11/10 06/13/14	3133XWE70	14 17	8169 000	2.5000 1.9802	2,900,000.00 2,957,768.00	2,914,007.00 100.48300000000	21,750.01 SUNGARD	-43,761.00
79123	RM GOV FHLB NOTES 12/10/10 12/12/14	313371W51	14 29	8169 000	1.2500 1.5830	6,075,000.00 5,996,754.00	6,117,646.50 100.70200000000	22,992.23 SUNGARD	120,892.50
79131	RM GOV FHLB NOTES 06/21/10 06/13/14	3133XWE70	14 16	8169 000	2.5000 1.9189	4,885,000.00 4,993,202.75	4,908,594.55 100.48300000000	36,637.50 SUNGARD	-84,608.20
80199	AUHSD GOVT FHLB 01/03/12 05/28/14	313373JR4	14 49	5033 000	1.3750 .5663	50,000.00 50,963.50	50,101.00 100.20200000000	234.90 SUNGARD	-862.50
80648	RM GOV FHLB NOTES 06/11/12 06/10/16	313373SZ6	14 17	8167 000	2.1250 .7600	1,895,000.00 1,996,647.80	1,958,027.70 103.32600000000	12,416.20 SUNGARD	-38,620.10
80662	RM GOV FHLB NOTES 06/20/12 06/10/16	313373SZ6	14 17	8169 000	2.1250 .7451	2,840,000.00 2,993,104.40	2,934,458.40 103.32600000000	18,607.92 SUNGARD	-58,646.00
80907	WT GOV FHLB NOTES 10/10/12 09/08/17	313380EC7	14 17	8451 000	.7500 .7901	170,000.00 169,671.90	167,048.80 98.26400000000	81.47 SUNGARD	-2,623.10
81500	GOV FHLB CALLABLE NOTES 06/18/13 06/13/17	313383EX5	14 17	8177 000	.8100 1.0024	5,000,000.00 4,962,500.00	4,950,250.00 99.00500000000	12,150.00 SUNGARD	-12,250.00
81565	CCCSIG GOV FHLB GLOBAL NOTES 08/09/13 08/28/15	313383V81	14 37	6911 000	.3750 .3769	2,135,000.00 2,134,914.60	2,137,839.55 100.13300000000	4,314.47 SUNGARD	2,924.95
81612	DCD GOV FEDERAL HOME LOAN BANK 09/06/13 08/22/14	313383W56	14 17	4695 000	.1700 .1773	1,700,000.00 1,699,881.00	1,700,646.00 100.03800000000	313.08 SUNGARD	765.00
81758	CCCSIG GOV FHLB CALLABLE NOTES 12/30/13 12/30/15	3130A0GK0	14 37	6911 000	.3750 .3901	2,315,000.00 2,314,305.50	2,310,277.40 99.79600000000	2,194.43 SUNGARD	-4,028.10
81761	CCCCD GOV FHLB CALLABLE NOTES 12/30/13 12/30/15	3130A0GK0	14 7	7903 000	.3750 .3901	355,000.00 354,893.50	354,275.80 99.79600000000	336.51 SUNGARD	-617.70
81839	CCCSIG GOV FHLB GLOBAL NOTES 02/07/14 02/19/16	3130A0SD3	14 37	6911 000	.3750 .3720	2,785,000.00 2,785,167.10	2,783,551.80 99.94800000000	1,218.45 SUNGARD	-1,615.30
81842	RM GOV FEDERAL HOME LOAN BANKS 02/14/14 02/10/15	3130A0WM8	14 17	8170 000	.1250 .1706	995,000.00 994,566.07	994,542.30 99.95400000000	176.20 SUNGARD	-9.95
81856	GOV FHLB CALLABLE NOTES 02/28/14 11/28/16	3130A0Z45	14 6	8177 000	.7500 .7500	10,000,000.00 10,018,750.00	9,955,600.00 99.55600000000	25,625.00 SUNGARD	-44,400.00
SUBTOTAL (Inv Type) 22 FEDERAL HOME LOAN BANKS					2.51% (M)	1.2062 1.0187	44,435,000.00 44,762,765.82	44,578,373.15 100.32265800000	159,580.02 128,368.35 -293,997.20
79569	RM GOV FNMA NOTES 05/16/11 04/15/15	31359MA45	14 29	8169 000	5.0000 1.5552	4,406,000.00 4,980,101.80	4,625,418.80 104.98000000000	101,582.78 SUNGARD	-354,683.00

CONTRA COSTA COUNTY
TREASURER'S OFFICE
INVESTMENT INVENTORY WITH MARKET VALUE

(RPTMKT)

PAGE: 3
RUN: 05/21/14 10:33:11

INVESTMENTS OUTSTANDING AS OF 03/31/14
MAJOR SORT KEY IS ICC#

INVEST NUMBER	DESCRIPTION PURCHASE MATURITY DATE	CUSIP	BANK BROK	FUND SAFE	CPN RATE YTM TR	PAR/SHARES BOOK	MARKET VALUE MARKET PRICE	CURR ACCR INT PRICE SOURCE	UNREALIZED GAIN UNREALIZED LOSS
79869	RM GOV FNMA NOTES 09/09/11 08/25/15	3136FPBB2	14	8167	2.2500	898,000.00	922,317.84	2,020.50	
			17	000	.8502	946,860.18	102.7080000000	SUNGARD	-24,542.34
79870	RM GOV FNMA NOTES 09/09/11 08/25/15	3136FPBB2	14	8169	2.2500	2,692,000.00	2,764,899.36	6,057.00	
			17	000	.8502	2,838,471.72	102.7080000000	SUNGARD	-73,572.36
79947	RM GOV FNMA NOTES 10/13/11 09/21/15	31398A3T7	14	8169	2.0000	3,605,000.00	3,694,980.80	2,002.78	
			17	000	1.1400	3,724,073.15	102.4960000000	SUNGARD	-29,092.35
80020	WT GOV FNMA NOTES 11/09/11 09/28/16	3135G0CM3	14	8451	1.2500	173,000.00	175,434.11	18.02	1,697.13
			17	000	1.1600	173,736.98	101.4070000000	SUNGARD	
80118	RM GOV FNMA NOTES 12/09/11 10/26/15	31398A4M1	14	8169	1.6250	6,000,000.00	6,122,880.00	41,979.17	
			29	000	.8931	6,167,100.00	102.0480000000	SUNGARD	-44,220.00
80281	RM GOV FNMA NOTES 01/23/12 03/15/16	3135G0AL7	14	8169	2.2500	4,035,000.00	4,176,668.85	4,035.00	
			17	000	1.0002	4,239,211.35	103.5110000000	SUNGARD	-62,542.50
80642	CCCCD GOV FNMA NOTES 06/07/12 11/15/16	3135G0ES8	14	7903	1.3750	295,000.00	299,590.20	1,532.35	
			37	000	.8541	301,678.80	101.5560000000	SUNGARD	-2,088.60
80833	RM GOV FNMA NOTES 09/14/12 09/28/16	3135G0CM3	14	8169	1.2500	4,703,000.00	4,769,171.21	489.90	
			29	000	.6158	4,821,797.78	101.4070000000	SUNGARD	-52,626.57
81224	CCCSIG GOV FNMA NOTES 02/15/13 03/30/16	3135G0VA8	14	6911	.5000	145,000.00	145,097.15	4,830.14	250.69
			37	000	.5368	144,846.46	100.0670000000	SUNGARD	
81225	CCCCD GOV FNMA NOTES 02/15/13 03/30/16	3135G0VA8	14	7903	.5000	275,000.00	275,184.25	744.44	486.74
			37	000	.5368	274,697.51	100.0670000000	SUNGARD	
81230	WT GOV FNMA NOTES 02/21/13 02/08/18	3135G0TG8	14	8451	.8750	165,000.00	161,515.20	212.55	
			17	000	.9700	164,242.02	97.8880000000	SUNGARD	-2,726.82
81361	RM GOV FEDERAL NATL MTG ASSN 04/15/13 04/27/17	3135G0JA2	14	8169	1.1250	3,900,000.00	3,919,539.00	18,768.75	
			17	000	.6002	3,981,432.00	100.5010000000	SUNGARD	-61,893.00
81449	GOV FNMA CALLABLE MULTI-STEP UP 05/22/13 05/22/18	3136G1M63	14	8177	.7500	10,000,000.00	9,844,800.00	26,875.00	
			29	000	.7500	10,000,000.00	98.4480000000	SUNGARD	-155,200.00
81478	AUHSO GOV FNMA NOTES 06/07/13 05/21/18	3135G0WJ8	14	5033	.8750	200,000.00	194,588.00	631.94	
			17	000	1.1901	196,976.00	97.2940000000	SUNGARD	-2,388.00
81484	GOV FNMA CALLABLE MULTI-STEP UP 06/12/13 06/12/18	3136G1MU0	14	8177	.8000	5,000,000.00	4,953,800.00	12,111.11	
			16	000	.8084	4,997,950.00	99.0760000000	SUNGARD	-44,150.00
81485	RM GOV FNMA NOTES 06/14/13 05/27/15	3135G0KM4	14	8167	.5000	2,888,000.00	2,898,079.12	4,973.78	
			22	000	.3062	2,898,887.76	100.3490000000	SUNGARD	-808.64
81503	GOV FNMA CALLABLE NOTES 06/19/13 06/19/17	3136G1NU9	14	8177	1.0000	5,000,000.00	4,979,300.00	14,166.67	
			17	000	1.0128	4,997,500.00	99.5860000000	SUNGARD	-18,200.00
81538	WT GOV FNMA NOTES 07/17/13 05/21/18	3135G0WJ8	14	8451	.8750	164,000.00	159,562.16	518.19	32.80
			17	000	1.4598	159,529.36	97.2940000000	SUNGARD	
81588	CCCSIG GOV FNMA NOTES 08/30/13 03/30/16	3135G0VA8	14	6911	.5000	2,000,000.00	2,001,340.00	27.78	12,140.00
			37	000	.7115	1,989,200.00	100.0670000000	SUNGARD	
81589	CCCCD GOV FNMA NOTES 08/30/13 03/30/16	3135G0VA8	14	7903	.5000	300,000.00	300,201.00	4.17	1,821.00
			37	000	.7113	298,380.00	100.0670000000	SUNGARD	
81628	CCCSIG GOV FNMA NOTES 10/03/13 09/28/16	3135G0CM3	14	6911	1.2500	235,000.00	238,306.45	24.48	
			37	000	.7486	238,393.71	101.4070000000	SUNGARD	-87.26
81629	CCCSIG GOV FNMA NOTES 10/03/13 09/28/16	3135G0CM3	14	6911	1.2500	975,000.00	988,718.25	101.56	
			37	000	.7409	989,630.95	101.4070000000	SUNGARD	-912.70
81630	CCCCD GOV FNMA NOTES 10/03/13 09/28/16	3135G0CM3	14	7903	1.2500	110,000.00	111,547.70	11.46	
			37	000	.7409	111,612.84	101.4070000000	SUNGARD	-65.14
81728	GOV FEDERAL NATL MORTGAGE ASSOC 12/09/13 12/09/16	3136G1Y78	14	8177	.7000	5,000,000.00	4,968,550.00	10,888.89	
			16	000	.7000	5,000,000.00	99.3710000000	SUNGARD	-31,450.00

CONTRA COSTA COUNTY
TREASURER'S OFFICE
INVESTMENT INVENTORY WITH MARKET VALUE

(RPTMKT)

PAGE: 4
RUN: 05/21/14 10:33:11

INVESTMENTS OUTSTANDING AS OF 03/31/14
MAJOR SORT KEY IS ICC#

INVEST NUMBER	DESCRIPTION PURCHASE MATURITY DATE	CUSIP	BANK BROK	FUND SAFE	CPN RATE YTM TR	PAR/SHARES BOOK	MARKET VALUE MARKET PRICE	CURR ACCR INT PRICE SOURCE	UNREALIZED GAIN UNREALIZED LOSS
SUBTOTAL (Inv Type) 23 FEDERAL NATIONAL MORTGA 3.59%(M)					1.4929 .8546	63,164,000.00 64,636,310.37	63,691,489.45 100.8351110000	254,608.41	16,428.36 -961,249.28
80522 RM GOV FFCB NOTES	04/13/12 03/28/16	3133EAJU3	14	8169	1.0500 .8103	4,040,000.00 4,077,652.80	4,091,388.80 101.2720000000	353.50 SUNGARD	13,736.00
80543 RM GOV FFCB NOTES	04/20/12 03/28/16	3133EAJU3	14	8169	1.0500 .7900	3,957,000.00 3,996,818.30	4,007,333.04 101.2720000000	346.25 SUNGARD	10,514.74
80718 RM GOV FFCB NOTES	07/23/12 07/12/16	3133EAXG8	14	8167	.6500 .6002	2,494,000.00 2,498,863.30	2,496,244.60 100.0900000000	3,557.41 SUNGARD	-2,618.70
81102 GOV FFCB CALLABLE NOTES	12/28/12 11/29/16	3133EC5B6	14	8177	.6400 .6400	10,000,000.00 10,000,000.00	9,944,000.00 99.4400000000	21,688.89 SUNGARD	-56,000.00
81281 RM GOV FEDERAL FARM CR BK NOTES	03/15/13 02/25/15	3133ECG81	14	8167	.3000 .3000	5,000,000.00 5,000,000.00	5,004,400.00 100.0880000000	1,500.00 SUNGARD	4,400.00
81321 RM GOV FEDERAL FARM CR BKS	04/01/13 03/16/15	3133EC5Q3	14	8171	.3300 .2803	1,995,000.00 1,996,935.15	1,998,291.75 100.1650000000	274.31 SUNGARD	1,356.60
81479 AUHSD GOV FFCB NOTES	06/07/13 05/17/17	3133ECPT5	14	5033	.6500 .7901	200,000.00 198,914.00	197,670.00 98.8350000000	483.89 SUNGARD	-1,244.00
81480 AUHSD GOV FFCB NOTES	06/07/13 05/28/15	3133ECQF4	14	5033	.2500 .2805	100,000.00 99,940.00	100,041.00 100.0410000000	85.42 SUNGARD	101.00
81579 RM GOV FFCB NOTES	08/20/13 12/07/16	3133ECWV2	14	8169	.8750 .9720	2,505,000.00 2,497,134.30	2,507,329.65 100.0930000000	6,940.93 SUNGARD	10,195.35
81732 GOV FEDERAL FARM CREDIT BANK	12/10/13 12/10/15	3133EDBM3	14	8177	.2900 .3402	5,545,000.00 5,539,455.00	5,540,064.95 99.9110000000	4,958.15 SUNGARD	609.95
81746 RM GOV FFCB NOTES	12/18/13 12/12/14	3133EDBT8	14	8171	.1700 .1700	3,489,000.00 3,489,098.86	3,489,942.03 100.0270000000	1,795.87 SUNGARD	942.03
81841 GOV FEDERAL FARM CR BKS CALLABL	02/11/14 08/11/16	3133EDF31	14	8177	.5700 .5801	10,000,000.00 9,997,500.00	9,985,500.00 99.8550000000	7,916.67 SUNGARD	-12,000.00
SUBTOTAL (Inv Type) 27 FEDERAL FARM CREDIT BAN 2.78%(M)					.5851 .5529	49,325,000.00 49,392,311.71	49,362,205.82 100.0754300000	49,901.29	41,855.67 -71,862.70
81639 RM GOV FHLMC DISC	10/15/13 09/30/14	313397H79	14	8168	.1700 .1703	295,000.00 294,512.43	294,910.52 99.9696666667	234.03 SUNGARD	164.06
81704 RM GOV FHLMC DISCOUNT NOTE	11/22/13 11/04/14	313397N23	14	8167	.1500 .1502	1,942,000.00 1,939,192.19	1,941,297.64 99.9638333333	1,051.92 SUNGARD	1,053.53
81710 RM GOV FHLMC DISC NOTES	12/02/13 11/18/14	313397P88	14	8168	.1500 .1502	371,000.00 370,457.41	370,857.17 99.9615000000	185.50 SUNGARD	214.26
SUBTOTAL (Inv Type) 28 FHLMC DISCOUNT NOTES .15%(M)					.1523 .1525	2,608,000.00 2,604,162.03	2,607,065.33 99.9641610000	1,471.45	1,431.85
78760 RM GOV FHLMC NOTES	07/28/10 07/15/14	3134A4UU6	14	8169	5.0000 1.5749	1,765,000.00 1,996,409.15	1,789,868.85 101.4090000000	18,630.56 SUNGARD	-206,540.30

CONTRA COSTA COUNTY
TREASURER'S OFFICE
INVESTMENT INVENTORY WITH MARKET VALUE

PAGE: 5
RUN: 05/21/14 10:33:11

(RPTMKT)

INVESTMENTS OUTSTANDING AS OF 03/31/14
MAJOR SORT KEY IS ICC#

INVEST NUMBER	DESCRIPTION PURCHASE MATURITY DATE	CUSIP	BANK BROK	FUND SAFE	CPN RATE YTM TR	PAR/SHARES BOOK	MARKET VALUE MARKET PRICE	CURR ACCR INT PRICE SOURCE	UNREALIZED GAIN UNREALIZED LOSS
78768	RM GOV FHLMC NOTES 08/02/10 07/15/14	3134A4UU6	14 29	8169 000	5.0000 1.3620	4,418,000.00 5,034,443.54	4,480,249.62 101.4090000000	46,634.44 SUNGARD	-554,193.92
78850	RM GOV FHLMC NOTES 09/10/10 07/28/14	3137EACD9	14 17	8169 000	3.0000 1.3300	2,340,000.00 2,487,402.71	2,361,504.60 100.9190000000	12,285.00 SUNGARD	-125,898.11
78867	WT GOV FHLMC NOTES 09/14/10 09/10/15	3137EACM9	14 29	8451 000	1.7500 1.6701	170,000.00 170,647.70	173,621.00 102.1300000000	173.54 SUNGARD	2,973.30
79321	RM GOV FHLMC NOTES 02/18/11 02/09/15	3137EACH0	14 17	8169 000	2.8750 2.0000	5,800,000.00 5,992,966.00	5,929,920.00 102.2400000000	24,086.11 SUNGARD	-63,046.00
79343	WT GOV FHLMC NOTES 02/25/11 01/19/16	3134A4ZT4	14 17	8451 000	4.7500 2.3306	155,000.00 172,267.00	167,248.10 107.9020000000	1,472.50 SUNGARD	-5,018.90
79367	RM GOV FHLMC NOTES 03/11/11 02/09/15	3137EACH0	14 29	8169 000	2.8750 1.8391	5,006,000.00 5,200,783.46	5,118,134.40 102.2400000000	20,788.81 SUNGARD	-82,649.06
79501	MDUSD GOV FHLMC NOTES 04/21/11 04/02/14	3128X23A1	14 11	7530 000	4.5000 1.2700	45,000.00 49,191.30	45,005.40 100.0120000000	1,006.89 SUNGARD	-4,185.90
79566	PW GOV FHLMC NOTES 05/13/11 04/29/14	3134G2CL4	14 29	1388 000	1.3500 1.0576	1,610,000.00 1,623,685.00	1,611,577.80 100.0980000000	9,177.00 SUNGARD	-12,107.20
80183	AUHSO GOVT FHLMC NOTES 01/03/12 09/22/14	3134G2WG3	14 49	5007 000	.7500 .6422	500,000.00 501,450.00	500,930.00 100.1860000000	93.75 SUNGARD	-520.00
80184	AUHSO GOVT FHLMC NOTES 01/03/12 09/19/14	3134G2YJ5	14 49	5007 000	.5000 .6419	190,000.00 189,276.10	190,104.50 100.0550000000	31.67 SUNGARD	828.40
80200	AUHSO GOVT FHLMC 01/03/12 09/19/14	3134G2YJ5	14 49	5033 000	.5000 .6419	110,000.00 109,580.90	110,060.50 100.0550000000	18.33 SUNGARD	479.60
80276	RM GOV FHLMC NOTES 01/18/12 12/29/14	3137EADA4	14 17	8169 000	.6250 .5202	4,473,000.00 4,486,687.38	4,484,182.50 100.2500000000	7,144.40 SUNGARD	-2,504.88
80411	WT GOV FHLMC NOT 03/12/12 03/08/17	3137EADC0	14 17	8451 000	1.0000 1.1201	170,000.00 169,012.30	170,416.50 100.2450000000	108.61 SUNGARD	1,404.20
80732	CCCSIG GOV FHLMC GLOBAL NOTES 07/31/12 08/28/15	3134G3ZA1	14 37	6911 000	.5000 .4619	1,860,000.00 1,862,157.60	1,864,315.20 100.2320000000	852.50 SUNGARD	2,157.60
80900	CCCCD GOV FHLMC GLOBAL NOTES 10/05/12 09/29/17	3137EADL0	14 37	7903 000	1.0000 .7642	295,000.00 298,395.45	292,625.25 99.1950000000	16.39 SUNGARD	-5,770.20
81293	GOV FHLMC NOTES 03/22/13 09/18/15	3134G36F2	14 7	8177 000	.4200 .4200	10,000,000.00 10,000,000.00	10,012,500.00 100.1250000000	1,516.67 SUNGARD	12,500.00
81335	CCCSIG GOV FHLMC GLOBAL REF 04/04/13 07/17/15	3134A4VC5	14 37	6911 000	4.3750 .3389	3,955,000.00 4,260,269.23	4,166,632.05 105.3510000000	35,567.53 SUNGARD	-93,637.18
81544	CCCSIG GOV FHLMC NOTES 08/02/13 05/13/16	3137EADQ9	14 37	6911 000	.5000 .6668	2,000,000.00 1,990,820.00	1,999,720.00 99.9860000000	3,833.33 SUNGARD	8,900.00
81634	CCCCD GOV FHLMC NOTES 10/03/13 10/14/16	3137EADS5	14 37	7903 000	.8750 .7733	265,000.00 265,805.60	265,800.30 100.3020000000	1,075.64 SUNGARD	-5.30
81722	CCCCD GOV FHLMC GLOBAL NOTES 11/01/13 06/29/17	3137EADH9	14 37	7903 000	1.0000 .9609	795,000.00 796,113.00	792,114.15 99.6370000000	2,031.67 SUNGARD	-3,998.85
81847	RM GOV FHLMC NOTE3S 02/25/14 03/08/17	3137EADC0	14 17	8167 000	1.0000 .7803	3,870,000.00 3,895,464.60	3,879,481.50 100.2450000000	2,472.50 SUNGARD	-15,983.10
81869	RM GOV FEDERAL HOME LN MTG CORP 03/14/14 03/07/18	3137EADP1	14 17	8169 000	.8750 1.2500	7,061,000.00 6,959,675.63	6,916,108.28 97.9480000000	4,118.92 SUNGARD	-42,366.00
81870	WT GOV FEDERAL HOME LN MTG CORP 03/12/14 03/07/18	3137EADP1	14 50	8451 000	.8750 1.2797	157,000.00 154,557.32	153,778.36 97.9480000000	91.58 SUNGARD	-759.88
SUBTOTAL (Inv Type) 29 FHLMC NOTES			3.24% (M)		2.0121 1.0454	57,010,000.00 58,667,060.97	57,475,898.86 100.8172230000	193,228.34	29,243.10 -1,219,184.78

CONTRA COSTA COUNTY
TREASURER'S OFFICE
INVESTMENT INVENTORY WITH MARKET VALUE

(RPTMKT)

PAGE: 6
RUN: 05/21/14 10:33:11

INVESTMENTS OUTSTANDING AS OF 03/31/14
MAJOR SORT KEY IS ICC#

INVEST NUMBER	DESCRIPTION PURCHASE MATURITY DATE	CUSIP	BANK BROK	FUND SAFE	CPN RATE YTM TR	PAR/SHARES BOOK	MARKET VALUE MARKET PRICE	CURR ACCR INT PRICE SOURCE	UNREALIZED GAIN UNREALIZED LOSS
80198	AUHSD MUNI COMPTON CA CNTY REDE 01/03/12 08/01/16	204712FD0	14	5033	0.0000	10,000.00	7,453.00*	.00	0.00
			49	000	6.5258	7,453.00	74.530000000000	BOOK	
80760	CCCCD MUNI PALO ALTO USD CA GOB 08/14/12 08/01/17	697379UA1	14	7903	1.4020	440,000.00	440,000.00*	1,028.13	0.00
			37	000	1.4020	440,000.00	100.000000000000	BOOK	
81277	CCCSIG MUNI UNIV OF CAL TX RV B 03/14/13 05/15/16	91412GPX7	14	6911	.6590	1,240,000.00	1,240,000.00*	3,087.05	0.00
			37	000	.6590	1,240,000.00	100.000000000000	BOOK	
81278	CCCCD MUNI UNIV OF CAL TX RV BD 03/14/13 05/15/17	91412GPY5	14	7903	.9660	175,000.00	175,000.00*	638.63	0.00
			37	000	.9660	175,000.00	100.000000000000	BOOK	
81314	CCCCD MUNI CA ST TXBL GO BONDS 03/27/13 02/01/16	13063BN73	14	7903	1.0500	120,000.00	120,405.60*	406.00	0.00
			37	000	.9292	120,405.60	100.338000000000	BOOK	
81319	CCCSIG MUNI CA ST TXBL GO BONDS 03/27/13 02/01/16	13063BN73	14	6911	1.0500	550,000.00	551,859.00*	1,860.83	0.00
			37	000	.9292	551,859.00	100.338000000000	BOOK	
81508	AUHSD MUNI CHICAGO PREREF CALL 06/27/13 01/01/17	167486JB6	14	5057	5.0000	170,000.00	189,542.34*	2,125.00	0.00
			49	000	1.6188	189,542.34	111.4954941176	BOOK	
81509	AUHSD MUNI CHICAGO UNREF CALL 06/27/13 01/01/17	167486JC4	14	5057	5.0000	390,000.00	421,318.77*	4,875.00	0.00
			49	000	2.5923	421,318.77	108.0304538462	BOOK	
81510	AUHSD MUNI WASHINGTON ST SER D 06/27/13 01/01/18	93974B3K6	14	5057	5.0000	600,000.00	696,925.06*	7,500.00	0.00
			49	000	1.3012	696,925.06	116.1541766667	BOOK	
81512	AUHSD MUNI SOUTH BEND IN CMNTY 06/27/13 01/15/16	836496NW5	14	5057	5.0000	505,000.00	547,506.38*	5,330.56	0.00
			49	000	1.6170	547,506.38	108.4171049505	BOOK	
81513	AUHSD MUNI PENNSYLVANIA ST FIRS 06/27/13 03/15/15	70914PHZ8	14	5057	5.0000	505,000.00	541,394.23*	1,122.22	0.00
			49	000	.7655	541,394.23	107.2067782178	BOOK	
81514	AUHSD MUNI WICOMICO CNTY MD 06/27/13 12/01/18	967545R89	14	5057	3.5000	390,000.00	427,550.12*	4,550.00	0.00
			49	000	1.6386	427,550.12	109.6282358974	BOOK	
81632	CCCSIG MUNI UNIV OF CAL TXBL RE 10/02/13 05/15/16	91412GSX4	14	6911	.9070	415,000.00	415,000.00*	1,871.57	0.00
			37	000	.9070	415,000.00	100.000000000000	BOOK	
81633	CCCCD MUNI UNIV OF CAL TXBL REV 10/02/13 05/15/18	91412GSZ9	14	7903	2.0540	195,000.00	195,000.00*	1,991.52	0.00
			37	000	2.0540	195,000.00	100.000000000000	BOOK	
81693	CCCCD MUNI CA ST TAXABLE GO BND 11/05/13 11/01/16	13063CFD7	14	7903	1.2500	125,000.00	125,586.25*	633.68	0.00
			37	000	1.0901	125,586.25	100.469000000000	BOOK	
81694	CCCSIG MUNI CA ST TAXABLE GO BD 11/05/13 11/01/16	13063CFD7	14	6911	1.2500	790,000.00	793,705.10*	4,004.86	0.00
			37	000	1.0901	793,705.10	100.469000000000	BOOK	
SUBTOTAL (Inv Type) 31 MUNICIPAL BONDS					.39% (M)	2.5718	6,620,000.00	6,888,245.85	41,025.05
						1.2139	6,888,245.85	104.0520520000	.00
81486	RM GOV FNMA DISC NOTES 06/14/13 06/02/14	313589XP3	14	8167	.1400	2,903,000.00	2,902,854.85	3,285.23	554.79
			22	000	.1402	2,899,014.83	99.995000000000	SUNGARD	
81651	PW GOV FNMA DISCOUNT NOTES 10/24/13 04/23/14	313589VX8	14	1388	.0750	1,625,000.00	1,624,967.50	538.28	41.98
			17	000	.0750	1,624,387.24	99.998000000000	SUNGARD	
SUBTOTAL (Inv Type) 41 FNMA DISCOUNT NOTES					.26% (M)	.1167	4,528,000.00	4,527,822.35	3,823.51
						.1168	4,523,402.07	99.996077000000	596.77

* MARKET = BOOK LESS PURCHASE INTEREST

CONTRA COSTA COUNTY
TREASURER'S OFFICE
INVESTMENT INVENTORY WITH MARKET VALUE

(RPTMKT)

PAGE: 7
RUN: 05/21/14 10:33:11

INVESTMENTS OUTSTANDING AS OF 03/31/14
MAJOR SORT KEY IS ICC#

INVEST NUMBER	DESCRIPTION PURCHASE MATURITY DATE	CUSIP	BANK BROK	FUND SAFE	CPN RATE YTM TR	PAR/SHARES BOOK	MARKET VALUE MARKET PRICE	CURR ACCR INT PRICE SOURCE	UNREALIZED GAIN UNREALIZED LOSS
81400	RM GOV FHLB DISC 05/01/13 04/14/14	313385VN3	14	8168	.1200	250,000.00	249,998.19	279.17	9.02
			17	000	.1201	249,710.00	99.99927777778	SUNGARD	
81447	RM GOV FHLB DISC 05/21/13 05/12/14	313385WS1	14	8171	.1200	2,502,000.00	2,501,943.01	2,627.10	284.95
			17	000	.1201	2,499,030.96	99.99772222222	SUNGARD	
81543	CLT GOV FHLB DISC 08/01/13 07/16/14	313385ZK5	14	1207	.1400	253,000.00	252,970.20	239.09	74.49
			17	000	.1402	252,656.62	99.98822222222	SUNGARD	
81846	MTC GOV FHLB DISC 02/21/14 05/02/14	313385WG7	14	8138	.0500	3,000,000.00	2,999,948.33	162.50	77.50
			17	000	.0500	2,999,708.33	99.99827777778	SUNGARD	
81888	MTC GOV FHLB NOTES 03/31/14 06/27/14	313385YQ3	14	8138	.0500	5,000,000.00	4,999,637.50	6.94	241.67
			17	000	.0500	4,999,388.89	99.99275000000	SUNGARD	
SUBTOTAL (Inv Type) 43 FHLB DISCOUNT NOTES					.62% (M)	.0696	11,005,000.00	11,004,497.23	3,314.80
						.0696	11,000,494.80	99.99543200000	687.63
81796	PW CP TOYOTA MOTOR CREDIT CORP 01/13/14 04/14/14	89236BJ39	14	2505	.1401	1,000,000.00	999,953.06	303.44	
			48	000	.1401	1,000,000.00	99.99530555556	SUNGARD	-46.94
81797	PW CP TOYOTA MOTOR CREDIT CORP 01/13/14 04/14/14	89236BJ39	14	2520	.1401	8,000,000.00	7,999,624.44	2,427.53	
			48	000	.1401	8,000,000.00	99.99530555556	SUNGARD	-375.56
81798	PW CP TOYOTA MOTOR CREDIT CORP 01/13/14 04/14/14	89236BJ39	14	2521	.1401	500,000.00	499,976.53	151.72	
			48	000	.1401	500,000.00	99.99530555556	SUNGARD	-23.47
81799	PW CP TOYOTA MOTOR CREDIT CORP 01/13/14 04/14/14	89236BJ39	14	2527	.1401	500,000.00	499,976.53	151.72	
			48	000	.1401	500,000.00	99.99530555556	SUNGARD	-23.47
81800	PW CP TOYOTA MOTOR CREDIT CORP 01/13/14 04/14/14	89236BJ39	14	2546	.1401	325,000.00	324,984.74	98.62	
			48	000	.1401	325,000.00	99.99530555556	SUNGARD	-15.26
81801	PW CP TOYOTA MOTOR CREDIT CORP 01/13/14 04/14/14	89236BJ39	14	2552	.1401	1,500,000.00	1,499,929.58	455.16	
			48	000	.1401	1,500,000.00	99.99530555556	SUNGARD	-70.42
81802	PW CP TOYOTA MOTOR CREDIT CORP 01/13/14 04/14/14	89236BJ39	14	2554	.1401	1,200,000.00	1,199,943.67	364.13	
			48	000	.1401	1,200,000.00	99.99530555556	SUNGARD	-56.33
81803	PW CP TOYOTA MOTOR CREDIT CORP 01/13/14 04/14/14	89236BJ39	14	2558	.1401	900,000.00	899,957.75	273.10	
			48	000	.1401	900,000.00	99.99530555556	SUNGARD	-42.25
81804	PW CP TOYOTA MOTOR CREDIT CORP 01/13/14 04/14/14	89236BJ39	14	2566	.1401	3,700,000.00	3,699,826.31	1,122.73	
			48	000	.1401	3,700,000.00	99.99530555556	SUNGARD	-173.69
81805	PW CP TOYOTA MOTOR CREDIT CORP 01/13/14 04/14/14	89236BJ39	14	2571	.1401	1,000,000.00	999,953.06	303.44	
			48	000	.1401	1,000,000.00	99.99530555556	SUNGARD	-46.94
81806	PW CP TOYOTA MOTOR CREDIT CORP 01/13/14 04/14/14	89236BJ39	14	2579	.1401	1,000,000.00	999,953.06	303.44	
			48	000	.1401	1,000,000.00	99.99530555556	SUNGARD	-46.94
81851	PW CP TOYOTA MOTOR INT BEAR 02/26/14 08/25/14	89236BK45	14	2519	.2002	1,500,000.00	1,498,540.00	283.62	
			48	000	.2002	1,500,000.00	99.90266666667	SUNGARD	-1,460.00
81865	PW CP TOYOTA MOTOR CR CORP INT 03/11/14 09/08/14	89236BL36	14	1121	.2001	400,000.00	399,573.33	46.68	
			48	000	.2001	400,000.00	99.89333333333	SUNGARD	-426.67
SUBTOTAL (Inv Type) 70 COMM PAPER INTEREST BEA					1.21% (M)	.1454	21,525,000.00	21,522,192.06	6,285.33
						.1454	21,525,000.00	99.98695500000	-2,807.94
81705	CP ABBEY NATIONAL N AMERICA 11/26/13 04/10/14	0027A1DA4	14	8177	.2300	25,000,000.00	24,999,187.50	20,125.00	625.00
			17	000	.2302	24,978,437.50	99.99675000000	SUNGARD	

CONTRA COSTA COUNTY
TREASURER'S OFFICE
INVESTMENT INVENTORY WITH MARKET VALUE

(RPTMKT)

PAGE: 8
RUN: 05/21/14 10:33:11

INVESTMENTS OUTSTANDING AS OF 03/31/14
MAJOR SORT KEY IS ICC#

INVEST NUMBER	DESCRIPTION PURCHASE MATURITY DATE	CUSIP	BANK BROK	FUND SAFE	CPN RATE YTM TR	PAR/SHARES BOOK	MARKET VALUE MARKET PRICE	CURR ACCR INT PRICE SOURCE	UNREALIZED GAIN UNREALIZED LOSS
81706	CP UNION BANK OF CALIFORNIA 11/26/13 04/11/14	90526NDB8	14	8177	.2000	20,000,000.00	19,999,277.78	14,000.00	388.89
81707	PW CP UNION BANK OF CALIFORNIA 11/26/13 08/22/14	90526NHN8	14	1122	.2600	2,000,000.00	1,998,093.33	1,820.00	158.89
81717	RM CP UNION BANK OF CALIFORNIA 12/03/13 08/29/14	90526NHV0	14	8170	.2700	1,996,114.44	99.90466666667	898.75	125.87
81718	CP BNP PARIBAS 12/03/13 04/15/14	0556N1DF7	14	8177	.2500	25,000,000.00	24,998,736.11	20,659.72	1,166.67
81719	CP ABBEY NATIONAL NORTH AMERICA 12/03/13 04/15/14	0027A1DF3	14	8177	.2300	25,000,000.00	24,998,736.11	19,006.95	972.22
81724	CP BANK OF NOVA SCOTIA 12/04/13 04/15/14	06416KDF4	14	8177	.1700	25,000,000.00	24,998,736.11	13,930.55	388.89
81725	CP TOYOTA MOTOR CREDIT CORP 12/05/13 04/16/14	89233HDG6	14	8177	.1700	25,000,000.00	24,998,645.83	13,812.50	416.66
81726	CP UBS FINANCE DE 12/06/13 04/14/14	90262DDE2	14	8177	.1550	25,000,000.00	24,998,826.39	12,486.11	225.70
81729	CP ABBEY NATIONAL N AMERICA LLC 12/09/13 04/08/14	0027A1D89	14	8177	.2300	25,000,000.00	24,999,368.06	18,048.61	486.12
81733	CP CREDIT AGRICOLE NORTH AMERIC 12/10/13 04/25/14	22532CDR2	14	8177	.2500	25,000,000.00	24,997,833.33	19,444.44	2,000.00
81738	CP UBS FINANCE DE 12/11/13 05/19/14	90262DEK7	14	8177	.1950	15,000,000.00	14,997,400.00	9,018.75	1,300.00
81739	CP BANK OF NOVA SCOTIA 12/11/13 04/29/14	06416KDV9	14	8177	.1800	30,000,000.00	29,996,966.67	16,650.00	1,166.67
81741	CP BNP PARIBAS 12/12/13 05/28/14	0556N1EU3	14	8177	.2800	25,000,000.00	24,994,854.17	21,388.89	5,937.50
81742	CP SOCIETE GENERALE N AMERICA 12/12/13 05/21/14	83365SEM1	14	8177	.3000	25,000,000.00	24,995,486.11	22,916.66	5,902.78
81744	CP CREDIT AGRI NORTH AMERICA 12/17/13 05/29/14	22532CEV2	14	8177	.3000	30,000,000.00	29,993,716.67	26,250.00	8,216.67
81747	CP SOCIETE GENERALE N AMER 12/19/13 05/30/14	83365SEW9	14	8177	.3100	30,000,000.00	29,993,608.33	26,608.33	8,850.00
81749	CP TOYOTA MOTOR CREDIT CORP 12/20/13 06/10/14	89233HFA7	14	8177	.2300	25,000,000.00	24,991,736.11	16,291.67	2,916.66
81752	CCCSO CP ABBEY NATL N AMERICA 12/23/13 06/19/14	0027A1FK0	14	3407	.2900	5,000,000.00	4,998,134.72	3,987.50	1,316.67
81754	CP UNION BANK OF CALIFORNIA 12/26/13 06/11/14	90526NFB6	14	8177	.2100	20,000,000.00	19,993,294.44	11,200.00	1,577.77
81759	CP CREDIT AGRICOLE NORTH AMERIC 12/30/13 06/27/14	22532CFT6	14	8177	.3200	30,000,000.00	29,987,675.00	24,533.33	10,875.00
81766	PW CP UNION BANK OF CALIFORNIA 01/02/14 05/02/14	90526NE27	14	1115	.1500	5,100,000.00	5,099,429.08	1,891.25	87.83
81767	PW CP UNION BANK OF CALIFORNIA 01/02/14 05/02/14	90526NE27	14	1234	.1500	1,100,000.00	1,099,876.86	407.92	18.94
81768	PW CP UNION BANK OF CALIFORNIA 01/02/14 05/02/14	90526NE27	14	1240	.1500	2,200,000.00	2,199,753.72	815.83	37.89
81769	PW CP UNION BANK OF CALIFORNIA 01/02/14 05/02/14	90526NE27	14	1242	.1500	3,780,000.00	3,779,576.85	1,401.75	65.10

CONTRA COSTA COUNTY
TREASURER'S OFFICE
INVESTMENT INVENTORY WITH MARKET VALUE

(RPTMKT)

PAGE: 9
RUN: 05/21/14 10:33:11

INVESTMENTS OUTSTANDING AS OF 03/31/14
MAJOR SORT KEY IS ICC#

INVEST NUMBER	DESCRIPTION PURCHASE MATURITY DATE	CUSIP	BANK BROK	FUND SAFE	CPN RATE YTM TR	PAR/SHARES BOOK	MARKET VALUE MARKET PRICE	CURR ACCR INT PRICE SOURCE	UNREALIZED GAIN UNREALIZED LOSS
81770	PW CP UNION BANK OF CALIFORNIA 01/02/14 05/02/14	90526NE27	14	1260	.1500	2,000,000.00	1,999,776.11	741.67	34.44
81771	PW CP UNION BANK OF CALIFORNIA 01/02/14 05/02/14	90526NE27	14	1270	.1500	3,000,000.00	2,999,664.17	1,112.50	51.67
81772	PW CP UNION BANK OF CALIFORNIA 01/02/14 05/02/14	90526NE27	14	1282	.1500	4,500,000.00	4,499,496.25	1,668.75	77.50
81773	PW CP UNION BANK OF CALIFORNIA 01/02/14 05/02/14	90526NE27	14	1395	.1500	850,000.00	849,904.85	315.21	14.64
81774	PW CP UNION BANK OF CALIFORNIA 01/02/14 05/02/14	90526NE27	14	8214	.1500	3,200,000.00	3,199,641.78	1,186.67	55.11
81787	CP BNP PARIBAS 01/08/14 06/26/14	0556N1FS7	14	8177	.2400	25,000,000.00	24,989,847.22	13,833.33	4,180.56
81790	PW CP UNION BANK OF CALIFORNIA 01/10/14 04/10/14	90526NDA0	14	1401	.1300	400,000.00	399,987.00	117.00	0.00
81792	PW CP UBS FINANCE DISC 01/10/14 07/10/14	90262DGA7	14	2480	.2150	1,100,000.00	1,099,388.89	532.13	45.83
81793	PW CP UBS FINANCE DISC 01/10/14 07/10/14	90262DGA7	14	2758	.2150	2,000,000.00	1,998,888.89	967.50	83.33
81795	PW CP UBS FINANCE DELAWARE LLC 01/10/14 07/10/14	90262DGA7	14	2401	.2150	4,300,000.00	4,297,611.11	2,080.12	179.17
81809	CP ABBEY NATIONAL N AMERICA LL 01/17/14 06/26/14	0027A1FS3	14	8177	.2700	20,000,000.00	19,991,877.78	11,100.00	4,777.78
81816	CP BNP PARIBAS 01/29/14 06/30/14	0556N1FW8	14	8177	.2500	25,000,000.00	24,987,500.00	10,763.89	3,125.00
81837	CCCSIG CP BNP PARIBAS FINANCE 02/07/14 11/03/14	0556N1L35	14	6911	.4483	1,850,000.00	1,846,559.00	1,225.62	1,554.00
81855	CP TOYOTA MOTOR CREDIT CORP DIS 03/05/14 07/29/14	89233HGV0	14	8177	.1600	25,000,000.00	24,983,472.22	3,000.00	
81858	CP UNION BANK OF CALIFORNIA 03/07/14 07/25/14	90526NGR0	14	8177	.1600	25,000,000.00	24,984,027.78	2,777.78	-3,305.56
81867	CP CREDIT AGRICOLE N AMER 03/13/14 07/30/14	22532CGW8	14	8177	.2400	15,000,000.00	14,988,000.00	1,900.00	0.00
81868	CP SOCIETE GENERALE N AMER 03/13/14 07/30/14	83365SGW7	14	8177	.2100	15,000,000.00	14,988,000.00	1,662.50	
81874	CP BANK OF NOVA SCOTIA 03/19/14 08/11/14	06416KHB9	14	8177	.1700	20,000,000.00	19,982,400.00	1,227.78	-1,500.00
81875	CP TOYOTA MOTOR CREDIT CORP 03/19/14 08/08/14	89233HH80	14	8177	.1700	25,000,000.00	24,978,500.00	1,534.72	-5,133.34
81880	CP BNP PARIBAS 03/26/14 07/24/14	0556N1GQ0	14	8177	.2200	25,000,000.00	24,984,166.67	916.67	1,583.33
81883	CP BANK OF NOVA SCOTIA NY 03/27/14 07/25/14	06416KGR5	14	8177	.1650	25,000,000.00	24,984,027.78	572.92	
81886	CP SOCIETE GENERALE N AMER 03/27/14 07/25/14	83365SGR8	14	8177	.2100	25,000,000.00	24,984,027.78	723.09	-2,795.14
SUBTOTAL (Inv Type) 71 COMMERCIAL PAPER DISCOU 43.03%(M)						.2231	763,387,000.00	397,554.36	71,645.61
						.2232	762,684,706.90		-22,199.31

CONTRA COSTA COUNTY
TREASURER'S OFFICE
INVESTMENT INVENTORY WITH MARKET VALUE

(RPTMKT)

PAGE: 10
RUN: 05/21/14 10:33:11

INVESTMENTS OUTSTANDING AS OF 03/31/14
MAJOR SORT KEY IS ICC#

INVEST NUMBER	DESCRIPTION PURCHASE MATURITY DATE	CUSIP	BANK BROK	FUND SAFE	CPN RATE YTM TR	PAR/SHARES BOOK	MARKET VALUE MARKET PRICE	CURR ACCR INT PRICE SOURCE	UNREALIZED GAIN UNREALIZED LOSS
81394	CCCSIG YCD RABOBANK NEDERLAND N 04/29/13 04/29/15	21684BEP5	14	6911	.6000	2,000,000.00	2,000,000.00*	5,133.33	0.00
			37	000	.6000	2,000,000.00	100.0000000000	BOOK	
81533	RM NCD UNION BANK 07/09/13 07/10/14	905269CW4	14	8170	.2900	1,020,000.00	1,020,456.91	2,185.63	456.91
			16	000	.2900	1,020,000.00	100.0447946932	SUNGARD	
81578	PW NCD UNION BANK NA 08/08/13 08/08/14	905269DX1	14	1401	.3000	500,000.00	500,306.34	983.33	306.34
			16	000	.3000	500,000.00	100.0612681940	SUNGARD	
81709	YCD SOCIETE GENERALE 11/27/13 04/16/14	83368NSG7	14	8177	.2500	30,000,000.00	30,002,532.58	26,041.67	1,367.00
			7	000	.2400	30,001,165.58	100.0084419230	SUNGARD	
81723	NCD UNION BANK OF CALIFORNIA 12/04/13 04/16/14	905269HU3	14	8177	.2000	25,000,000.00	25,001,555.08	16,388.89	1,555.08
			16	000	.2000	25,000,000.00	100.0062203230	SUNGARD	
81727	YCD ABBEY NATIONAL TREASURY SER 12/06/13 04/15/14	00279HQ25	14	8177	.2300	25,000,000.00	25,001,770.33	18,527.78	1,770.33
			22	000	.2300	25,000,000.00	100.0070813195	SUNGARD	
81730	CCCSIG YCD CREDIT SUISSE NY 12/09/13 12/05/14	22549TPN2	14	6911	.5000	1,900,000.00	1,903,537.92	2,981.94	3,537.92
			37	000	.5000	1,900,000.00	100.1862063138	SUNGARD	
81731	YCD SOCIETE GENERALE NY 12/09/13 04/09/14	83368NTD3	14	8177	.2500	25,000,000.00	25,001,187.19	19,618.06	1,187.19
			7	000	.2500	25,000,000.00	100.0047487621	SUNGARD	
81734	YCD CREDIT AGRICOLE CIB NY 12/10/13 05/09/14	22532U2L7	14	8177	.3000	25,000,000.00	25,006,498.07	23,333.33	6,498.07
			22	000	.3000	25,000,000.00	100.0259922980	SUNGARD	
81736	YCD BNP PARIBAS SF 12/11/13 04/28/14	05572NRU2	14	8177	.2500	25,000,000.00	25,003,693.38	19,270.83	3,693.38
			10	000	.2500	25,000,000.00	100.0147735235	SUNGARD	
81737	YCD STANDARD CHARTERED BK NY 12/11/13 05/23/14	85325BF90	14	8177	.2200	25,000,000.00	25,005,886.88	16,958.33	4,756.01
			17	000	.2100	25,001,130.87	100.00235475376	SUNGARD	
81740	YCD ABBEY NATL TREASURY SERV 12/12/13 05/20/14	00279HQ58	14	8177	.2600	25,000,000.00	25,006,942.23	19,861.11	6,942.23
			22	000	.2600	25,000,000.00	100.0277689035	SUNGARD	
81743	YCD BNP PARIBAS 12/17/13 05/12/14	05572NRY4	14	8177	.2500	10,000,000.00	10,002,216.01	7,291.67	2,216.01
			10	000	.2500	10,000,000.00	100.0221600599	SUNGARD	
81745	YCD SOCIETE GENERALE NY 12/18/13 05/30/14	83368NUB5	14	8177	.3100	30,000,000.00	30,012,496.09	26,866.67	12,496.09
			11	000	.3100	30,000,000.00	100.0416536319	SUNGARD	
81750	PW NCD UNION BANK OF CALIFORNIA 12/20/13 12/22/14	905269JM9	14	1401	.2800	500,000.00	500,183.74	396.67	183.74
			16	000	.2800	500,000.00	100.0367484916	SUNGARD	
81753	CCCSD NCD UNION BANK OF CALIF 12/23/13 06/23/14	905269JP2	14	3407	.2300	2,000,000.00	2,000,793.05	1,265.00	793.05
			16	000	.2300	2,000,000.00	100.0396523498	SUNGARD	
81762	YCD CREDIT AGRICOLE CIB NY 12/31/13 06/25/14	22532U3Q5	14	8177	.3300	25,000,000.00	25,016,119.73	20,854.17	16,119.73
			22	000	.3300	25,000,000.00	100.0644789330	SUNGARD	
81781	PW YCD NORDEA BANK FIN 01/06/14 05/06/14	65558EXC7	14	8215	.1750	5,200,000.00	5,200,597.84	2,148.61	597.84
			11	000	.1750	5,200,000.00	100.0114968602	SUNGARD	
81782	PW YCD NORDEA BANK FIN 01/06/14 05/06/14	65558EXC7	14	8216	.1750	4,000,000.00	4,000,459.87	1,652.78	459.87
			11	000	.1750	4,000,000.00	100.0114968602	SUNGARD	
81783	PW YCD NORDEA BANK FIN 01/06/14 05/06/14	65558EXC7	14	1392	.1750	20,000,000.00	20,002,299.37	8,263.89	2,299.37
			11	000	.1750	20,000,000.00	100.0114968602	SUNGARD	
81784	PW YCD NORDEA BANK FIN 01/06/14 05/06/14	65558EXC7	14	1114	.1750	6,000,000.00	6,000,689.81	2,479.17	689.81
			11	000	.1750	6,000,000.00	100.0114968602	SUNGARD	
81785	PW YCD NORDEA BANK FIN 01/06/14 05/06/14	65558EXC7	14	1290	.1750	400,000.00	400,045.99	165.28	45.99
			11	000	.1750	400,000.00	100.0114968602	SUNGARD	

* MARKET = BOOK LESS PURCHASE INTEREST

CONTRA COSTA COUNTY
TREASURER'S OFFICE
INVESTMENT INVENTORY WITH MARKET VALUE

(RPTMKT)

PAGE: 11
RUN: 05/21/14 10:33:11

INVESTMENTS OUTSTANDING AS OF 03/31/14
MAJOR SORT KEY IS ICC#

INVEST NUMBER	DESCRIPTION PURCHASE MATURITY DATE	CUSIP	BANK BROK	FUND SAFE	CPN RATE YTM TR	PAR/SHARES BOOK	MARKET VALUE MARKET PRICE	CURR ACCR INT PRICE SOURCE	UNREALIZED GAIN UNREALIZED LOSS
81786	PW YCD NORDEA BANK FIN 01/06/14 05/06/14	65558EXC7	14	1399	.1750	430,000.00	430,049.44	177.67	49.44
81788	YCD BANK OF NOVA SCOTIA HOUSTON 01/08/14 06/27/14	06417HDG8	14	8177	.2100	30,000,000.00	30,010,996.28	14,525.00	10,996.28
81811	YCD ABBEY NATIONAL TREASURY SER 01/21/14 07/10/14	00279HR73	14	8177	.2900	25,000,000.00	25,011,213.06	14,097.22	11,213.06
81815	YCD CREDIT AGRICOLE CIB NY 01/30/14 06/30/14	22532U5P5	14	8177	.3000	30,000,000.00	30,012,882.50	15,250.00	11,625.80
81817	PW NCD UNION BANK OF CALIFORNIA 02/03/14 05/02/14	905269KK1	14	2505	.1400	750,000.00	750,053.32	166.25	53.32
81818	PW NCD UNION BANK OF CALIFORNIA 02/03/14 05/02/14	905269KK1	14	2517	.1400	500,000.00	500,035.55	110.83	35.55
81819	PW NCD UNION BANK OF CALIFORNIA 02/03/14 05/02/14	905269KK1	14	2520	.1400	7,000,000.00	7,000,497.67	1,551.67	497.67
81820	PW NCD UNION BANK OF CALIFORNIA 02/03/14 05/02/14	905269KK1	14	2552	.1400	1,500,000.00	1,500,106.64	332.50	106.64
81821	PW NCD UNION BANK OF CALIFORNIA 02/03/14 05/02/14	905269KK1	14	2554	.1400	1,200,000.00	1,200,085.31	266.00	85.31
81822	PW NCD UNION BANK OF CALIFORNIA 02/03/14 05/02/14	905269KK1	14	2558	.1400	775,000.00	775,055.10	171.79	55.10
81823	PW NCD UNION BANK OF CALIFORNIA 02/03/14 05/02/14	905269KK1	14	2566	.1400	3,300,000.00	3,300,234.62	731.50	234.62
81824	PW NCD UNION BANK OF CALIFORNIA 02/03/14 05/02/14	905269KK1	14	2571	.1400	750,000.00	750,053.32	166.25	53.32
81825	PW NCD UNION BANK OF CALIFORNIA 02/03/14 05/02/14	905269KK1	14	2572	.1400	450,000.00	450,031.99	99.75	31.99
81826	PW NCD UNION BANK OF CALIFORNIA 02/03/14 05/02/14	905269KK1	14	2578	.1400	800,000.00	800,056.88	177.33	56.88
81827	PW NCD UNION BANK OF CALIFORNIA 02/03/14 05/02/14	905269KK1	14	2579	.1400	1,150,000.00	1,150,081.76	254.92	81.76
81828	PW NCD UNION BANK OF CALIFORNIA 02/03/14 05/02/14	905269KK1	14	2581	.1400	750,000.00	750,053.32	166.25	53.32
81829	PW NCD UNION BANK OF CALIFORNIA 02/03/14 05/02/14	905269KK1	14	2583	.1400	700,000.00	700,049.77	155.17	49.77
81830	YCD ABBEY NATL TREASURY SERV 02/06/14 06/30/14	00279HS31	14	8177	.2400	25,000,000.00	25,006,946.20	9,000.00	6,946.20
81840	YCD BNP PARIBAS 02/10/14 07/11/14	05572NSW7	14	8177	.2500	20,000,000.00	20,006,794.99	6,944.44	6,794.99
81843	CCCFFD YCD BNP PARIBAS 02/18/14 07/18/14	05572NSY3	14	2022	.2500	9,600,000.00	9,603,485.55	2,800.00	3,485.55
81844	CCCFFD YCD BNP PARIBAS 02/18/14 11/17/14	05572NSZ0	14	2024	.4400	3,900,000.00	3,905,244.63	2,002.00	5,244.63
81845	PW NCD UNION BANK OF CALIFORNIA 02/19/14 08/13/14	905269KR6	14	1105	.2100	500,000.00	500,149.87	119.58	149.87
81848	HR YCD BNP PARIBAS 02/25/14 04/25/14	05572NTE6	14	8165	.1700	2,990,000.00	2,990,228.37	494.18	228.37
81849	HR YCD BNP PARIBAS 02/25/14 04/25/14	05572NTE6	14	8166	.1700	2,844,000.00	2,844,217.22	470.05	217.22

CONTRA COSTA COUNTY
TREASURER'S OFFICE
INVESTMENT INVENTORY WITH MARKET VALUE

(RPTMKT)

PAGE: 12
RUN: 05/21/14 10:33:11

INVESTMENTS OUTSTANDING AS OF 03/31/14
MAJOR SORT KEY IS ICC#

INVEST NUMBER	DESCRIPTION PURCHASE MATURITY DATE	CUSIP	BANK BROK	FUND SAFE	CPN RATE YTM TR	PAR/SHARES BOOK	MARKET VALUE MARKET PRICE	CURR ACCR INT PRICE SOURCE	UNREALIZED GAIN UNREALIZED LOSS
81850	HR YCD BNP PARIBAS 02/25/14 04/25/14	05572NTE6	14	8172	.1700	3,978,000.00	3,978,303.84	657.48	303.84
81854	YCD BNP PARIBAS 02/28/14 07/24/14	05572NTK2	14	8177	.2300	20,000,000.00	20,006,384.59	4,088.89	6,384.59
81859	SO NCD BANK OF AMERICA 03/10/14 04/09/14	06052TGP9	14	1056	.1000	2,100,000.00	2,100,021.00	128.33	21.00
81860	SO NCD BANK OF AMERICA 03/10/14 04/09/14	06052TGP9	14	1147	.1000	1,200,000.00	1,200,012.00	73.33	12.00
81861	SO NCD BANK OF AMERICA 03/10/14 04/09/14	06052TGP9	14	1334	.1000	1,200,000.00	1,200,012.00	73.33	12.00
81862	SO NCD BANK OF AMERICA 03/10/14 04/09/14	06052TGP9	14	1360	.1000	3,600,000.00	3,600,036.00	220.00	36.00
81863	SO NCD BANK OF AMERICA 03/10/14 04/09/14	06052TGP9	14	2629	.1000	5,800,000.00	5,800,057.99	354.44	57.99
81864	SO NCD BANK OF AMERICA 03/10/14 04/09/14	06052TGP9	14	2656	.1000	3,600,000.00	3,600,036.00	220.00	36.00
81871	PW NCD UNION BANK OF CALIFORNIA 03/14/14 04/14/14	905269LB0	14	1401	.1000	1,300,000.00	1,300,020.22	65.00	20.22
81872	PW NCD UNION BANK OF CALIFORNIA 03/14/14 02/02/15	905269LC8	14	1401	.2800	500,000.00	499,743.89	70.00	
81873	YCD SVENSKA HANDELSBANKEN NY 03/18/14 06/25/14	86958C5V2	14	8177	.1550	25,000,000.00	25,005,672.60	1,506.94	5,672.60
81879	YCD STANDARD CHARTERED BK NY 03/25/14 07/25/14	85325BM68	14	8177	.1800	25,000,000.00	25,004,025.78	875.00	4,025.78
81887	NCD BANK OF AMERICA NA 03/28/14 07/25/14	06052THE3	14	8177	.2100	20,000,000.00	20,005,153.25	466.67	5,153.25
SUBTOTAL (Inv Type) 72 NEGOTIABLE CERT OF DEPO 33.65%(M)					.2366	596,687,000.00	596,838,350.93	321,697.90	148,053.89
					.2352	596,690,553.15	100.0253650000		-256.11
81269	CORP GENERAL ELEC CAP CORP FLTR 03/08/13 01/08/16	36962GU51	14	8177	.4394	10,000,000.00	9,996,600.00	10,129.59	44,150.00
81655	CCCSIG CORP GECC FLOATER 07/12/13 07/12/16	36962G7A6	14	6911	.8917	2,700,000.00	2,725,056.00	5,216.16	25,056.00
81794	CCCSIG CORP BERKSHIRE HATH FLTR 01/10/14 01/10/17	084664CA7	14	6911	.3904	500,000.00	500,275.00	439.20	275.00
SUBTOTAL (Inv Type) 73 CORP NOTE FLTG RT ACT- .75%(M)					.5303	13,200,000.00	13,221,931.00	15,784.95	69,481.00
					.7116	13,152,450.00	100.1661440000		
78744	CCCCD CORP US BANCORP 07/27/10 07/27/15	91159HGX2	14	7903	2.4500	600,000.00	615,012.00	2,613.33	15,600.00
79020	CCCCD CORP GENERAL E 11/09/10 11/09/15	36962G4T8	14	7903	2.2500	750,000.00	769,920.00	6,656.25	20,327.41
79043	CCCCD CORP PROCTOR & GAMBLE CAL 11/18/10 11/15/15	742718DS5	14	7903	1.8000	200,000.00	204,180.00	1,360.00	5,816.00
					1.9729	198,364.00	102.0900000000	SUNGARD	

CONTRA COSTA COUNTY
TREASURER'S OFFICE
INVESTMENT INVENTORY WITH MARKET VALUE

(RPTMKT)

PAGE: 13
RUN: 05/21/14 10:33:11

INVESTMENTS OUTSTANDING AS OF 03/31/14
MAJOR SORT KEY IS ICC#

INVEST NUMBER	DESCRIPTION PURCHASE MATURITY DATE	CUSIP	BANK BROK	FUND SAFE	CPN RATE YTM TR	PAR/SHARES BOOK	MARKET VALUE MARKET PRICE	CURR ACCR INT PRICE SOURCE	UNREALIZED GAIN UNREALIZED LOSS

79582	CORP IBM CORPORATION 05/20/11 05/12/14	459200GW5	14	8177	1.2500	10,000,000.00	10,011,100.00	48,263.89	
80189	AUHSO CORP JOHNSON & JOHNSON 01/03/12 05/15/14	478160AX2	14	5007	1.2000	490,000.00	490,465.50	2,221.33	-7,800.00
80435	CORP TOYOTA MOTOR CREDIT CORP 03/15/12 02/17/15	89233P5Z5	14	8177	1.0000	10,000,000.00	10,061,400.00	12,222.22	-6,732.60
80448	CORP WALMART STORES INC 03/23/12 10/25/15	931142CX9	14	8177	1.5000	5,000,000.00	5,076,850.00	32,500.00	11,300.00
80450	CORP ROYAL BANK OF 03/26/12 03/13/15	78008T2C7	14	8177	1.1500	10,000,000.00	10,080,800.00	5,749.95	-22,250.00
80653	CCCCD CORP WALT DISNEY CO 06/14/12 02/15/17	25468PCS3	14	7903	1.1250	135,000.00	135,213.30	194.06	84,000.00
80654	CCCCD CORP WALT DISNEY CO 06/14/12 02/15/17	25468PCS3	14	7903	1.1250	240,000.00	240,379.20	345.00	
80678	CCCCD CORP 3M COMPANY GLO 06/29/12 06/26/17	88579YAE1	14	7903	1.0000	315,000.00	313,714.80	831.25	1,238.40
80809	CCCCD CORP JOHN DEERE CAP NTS 09/07/12 09/04/15	24422ERV3	14	7903	.7000	120,000.00	120,406.80	63.00	
81054	CCCCD CORP CHEVRON CORP NEW 12/05/12 12/05/17	166764AA8	14	7903	1.1040	105,000.00	104,081.25	373.52	-337.05
81150	CCCCD CORP BERKSHIRE HATHAWAY 01/15/13 05/15/17	084664BS9	14	7903	1.6000	110,000.00	111,345.30	664.89	488.40
81162	CCCCD CORP JP MORGAN CHASE & CO 01/24/13 03/01/15	46625HCE8	14	7903	4.7500	200,000.00	207,554.00	791.67	
81198	CORP GENERAL ELECTRIC CAP CORP 02/04/13 01/08/16	36962G6R0	14	8177	1.0000	5,000,000.00	5,035,900.00	11,527.78	-222.20
81217	CCCCD CORP BERKSHIRE HATHAWAY 02/11/13 02/09/18	084670BH0	14	7903	1.5500	245,000.00	243,892.60	548.53	35,900.00
81242	CCCSIG CORP PEPSICO INC NOTES 02/28/13 02/26/16	713448CE6	14	6911	.7000	515,000.00	514,222.35	350.54	-766.85
81243	CCCCD CORP CATERPILLAR FINL SVCS 02/28/13 02/26/16	14912L5N7	14	7903	.7000	100,000.00	100,000.00	68.07	
81244	CCCCD CORP PEPSICO INC NOTES 02/28/13 02/26/16	713448CE6	14	7903	.7000	100,000.00	99,849.00	68.07	124.00
81412	CCCSIG CORP APPLE INC 05/03/13 05/03/16	037833AH3	14	6911	.4500	730,000.00	727,583.70	1,350.50	
81413	CCCCD CORP APPLE INC 05/03/13 05/03/18	037833AJ9	14	7903	1.0000	175,000.00	169,636.25	719.44	-597.40
81425	CCCSIG CORP IBM GLOBAL NOTES 05/07/13 05/06/16	459200HL8	14	6911	.4500	1,880,000.00	1,872,968.80	3,407.50	-1,095.00
81432	CORP JP MORGAN CHASE & CO 05/07/13 04/23/15	46623EJW0	14	8177	.8000	10,000,000.00	10,025,300.00	35,111.11	-1,729.60
81444	CCCCD CORP TOYOTA MOTOR CRED 05/17/13 05/17/16	89236TAL9	14	7903	.8000	190,000.00	190,716.30	565.78	17,500.00
81445	CCCSIG CORP TOYOTA MOTOR CRED 05/17/13 05/17/16	89236TAL9	14	6911	.8000	810,000.00	813,053.70	2,412.00	
81472	CCCSIG CORP PFIZER INC 06/03/13 01/15/17	717081DD2	14	6911	.9000	1,800,000.00	1,793,646.00	3,420.00	3,385.80
			37	000	.9450	1,797,120.00	99.6470000000	SUNGARD	-3,474.00

CONTRA COSTA COUNTY
TREASURER'S OFFICE
INVESTMENT INVENTORY WITH MARKET VALUE

(RPTMKT)

PAGE: 14
RUN: 05/21/14 10:33:11

INVESTMENTS OUTSTANDING AS OF 03/31/14
MAJOR SORT KEY IS ICC#

INVEST NUMBER	DESCRIPTION PURCHASE MATURITY DATE	CUSIP	BANK BROK	FUND SAFE	CPN RATE YTM TR	PAR/SHARES BOOK	MARKET VALUE MARKET PRICE	CURR ACCR INT PRICE SOURCE	UNREALIZED GAIN UNREALIZED LOSS
81501	CORP GENERAL ELECTRIC CAP CORP 06/18/13 01/08/16	36962G6R0	14	8177	1.0000	5,000,000.00	5,035,900.00	11,527.78	39,550.00
81505	CCCSIG CORP CHEVRON 06/24/13 06/24/16	166764AC4	14	6911	.8890	940,000.00	944,953.80	2,251.64	4,953.80
81542	CCCSIG CORP WELLS FARGO & CO 07/29/13 07/20/16	94974BFL9	14	6911	1.2500	1,170,000.00	1,179,816.30	2,884.38	10,939.50
81577	CCCSIG CORP BERKSHIRE HATHAWAY 08/15/13 08/15/16	084664BX8	14	6911	.9500	985,000.00	990,072.75	1,195.68	5,594.80
81650	CCCSIG CORP BERKSHIRE HATHAWAY 10/15/13 08/15/16	084664BX8	14	6911	.9500	355,000.00	356,828.25	430.93	2,502.75
81668	CCCSIG CORP COCA COLA CO 11/01/13 11/01/16	191216BD1	14	6911	.7500	360,000.00	359,082.00	1,125.00	-504.00
81703	CORP TOYOTA MTR CRD CORP MTN 11/15/13 10/05/17	89233P6S0	14	8177	1.2500	5,000,000.00	4,954,250.00	30,555.55	9,750.00
81751	CCCSIG CORP CISCO SYSTMS INC GL 12/20/13 02/22/16	17275RAC6	14	6911	5.5000	1,900,000.00	2,075,085.00	11,320.83	-24,795.00
81789	CORP MICROSOFT CORP 01/10/14 12/06/18	594918AV6	14	8177	1.6250	6,406,000.00	6,358,339.36	33,253.37	-10,121.48
81813	CORP INTEL STRUCTURD BND CALLBL 01/27/14 12/15/17	458140AL4	14	8177	1.3500	5,211,000.00	5,175,721.53	20,713.73	-3,908.25
81876	CCCSIG CORP EXXON MOBIL CORP NT 03/20/14 03/15/17	30231GAA0	14	6911	.9210	990,000.00	989,772.30	405.24	-227.70
SUBTOTAL (Inv Type) 75 CORPORATE NOTES					4.99% (M)	1.2495	88,127,000.00	88,549,012.14	270,229.46
						1.1004	88,401,982.40	100.4788680000	-98,089.88
81567	CCCSIG YCD QTR FLTR SVENSKA HAN 04/05/13 10/06/14	86958CVF8	14	6911	.4229	2,250,000.00	2,247,297.50	2,220.26	-2,359.85
81807	CCCSIG YCD NORDEA BANK FLOATER 01/17/14 07/17/15	65558EXP8	14	6911	.3579	1,950,000.00	1,950,000.00*	1,434.38	0.00
81808	CCCSIG YCD BANK OF NOVA SCOTIA 01/17/14 07/17/15	06417HDS2	14	6911	.3879	2,450,000.00	2,449,632.50*	1,953.26	0.00
SUBTOTAL (Inv Type) 80 YCD / NCD QTR FLTR					.37% (M)	.3909	6,650,000.00	5,607.90	.00
						.4014	6,649,289.85	99.95383500000	-2,359.85
81524	AUHSO MM DREYFUS TAX EXEMPT 06/27/13 04/01/14	26202K205	14	5057	0.0000	537,226.12	537,226.12*	.00	0.00
81525	AUHSO MM DREYFUS TAX EXEMPT 06/27/13 04/01/14	26202K205	14	5057	0.0000	28,092.20	28,092.20*	.00	0.00
SUBTOTAL (Inv Type) 99 MONEY MARKET ACCOUNTS					.03% (M)	0.0000	565,318.32	.00	.00
						.0000	565,318.32	100.0000000000	

* MARKET = BOOK LESS PURCHASE INTEREST

CONTRA COSTA COUNTY
TREASURER'S OFFICE
INVESTMENT INVENTORY WITH MARKET VALUE

(RPTMKT)

PAGE: 15
RUN: 05/21/14 10:33:11

INVESTMENTS OUTSTANDING AS OF 03/31/14
MAJOR SORT KEY IS ICC#

INVEST NUMBER	DESCRIPTION PURCHASE MATURITY DATE	CUSIP	BANK BROK	FUND SAFE	CPN RATE YTM TR	PAR/SHARES BOOK	MARKET VALUE MARKET PRICE	CURR ACCR INT PRICE SOURCE	UNREALIZED GAIN UNREALIZED LOSS
79591	CD CCCCD BERTA KAMM WESTAMERICA 05/24/11 05/24/14	121101042	29 24	8175 2400	1.4000 1.4000	3,200.00 3,200.00	3,200.00 100.0000000000	129.80 UPRICE	0.00
SUBTOTAL	(Inv Type) 1000 TD WITH CALC CODE OF		.00%(M)		1.4000 1.4000	3,200.00 3,200.00	3,200.00 100.0000000000	129.80	.00
GRAND TOTAL					.4686 .3680	1770924518.32 1775511028.32	1773586272.95 100.1503030000	1,882,114.14	783,950.70 -3,069,091.77



AvantGard • www.sungard.com/avantgard • (818) 223-2300 main • (818) 223-2301 fax

January 30, 2014

Belinda Zhu
Assistant County Treasurer
Contra Costa County
625 Court Street, Room 100
Martinez, CA 94533

Dear Belinda,

Per your request, I am confirming for you the source of the SunGard market pricing data.

Monthly you receive three pricing files from us, RAPID, PRICES and MARKET. The data within these files is obtained from Interactive Data Corp. The content of the PRICES file consist of prices for overnight repos, TDs, CDs, CPs B/As and government discount issues other than Treasury Bills. The content of the RAPID file consists of prices for U.S. government issues and Treasuries. The MARKET file consists of Corporate Bonds, Notes and Equity prices.

If you need further information, please do not hesitate to contact me.

Sincerely,

SunGard AvantGard

A handwritten signature in black ink, appearing to read "Karen M. Tanaka".

Karen M. Tanaka
Senior Account Relationship Manager

SECTION III

APPENDIX

B. INVESTMENT PORTFOLIO DETAIL – MANAGED BY OUTSIDE CONTRACTED PARTIES

B.1. STATE OF CALIFORNIA LOCAL AGENCY INVESTMENT FUND (LAIF)

**CONTRA COSTA COUNTY
AS OF MARCH 31, 2014**

Page 22

CALIFORNIA STATE LOCAL AGENCY INVESTMENT ACCOUNTS	STATE CONTROLLER ACCOUNT NUMBER	ACCOUNT BALANCE	ESTIMATED FAIR VALUE
ACALANES UNION HIGH SCHOOL	75-07-010	944,091.65	944,391.04
ANTIOCH UNIFIED SCHOOL DISTRICT	75-07-005	23,771,609.37	23,779,147.78
BRENTWOOD UNION SCHOOL DISTRICT	75-07-013	7,250,651.89	7,252,951.20
BYRON UNION SCHOOL DISTRICT	75-07-017	164,679.47	164,731.69
CANYON ELEMENTARY SCHOOL DISTRICT	75-07-018	191,506.11	191,566.84
CENTRAL CONTRA COSTA SANITARY DISTRICT	70-07-001	31,500,000.00	31,509,989.22
CONTRA COSTA COMMUNITY COLLEGE	75-07-001	612,797.94	612,992.27
CONTRA COSTA COUNTY	99-07-000	50,000,000.00	50,015,855.90
CONTRA COSTA COUNTY OFFICE OF EDUCATION	75-07-007	1,275,865.54	1,276,270.14
CONTRA COSTA COUNTY SCHOOL INSURANCE GROUP	35-07-001	2,221,085.16	2,221,789.51
CROCKETT COMMUNITY SERVICES DISTRICT	16-07-004	1,851,712.94	1,852,300.15
DELTA DIABLO SANITATION DISTRICT	70-07-003	72,242.71	72,265.62
EAST CONTRA COSTA REG FEE & FINANCING AUTH	40-07-006	954,538.20	954,840.90
JOHN SWETT UNIFIED SCHOOL DISTRICT	75-07-020	17,162,021.64	17,167,464.03
KENSINGTON FIRE PROTECTION DISTRICT	17-07-011	3,463,100.70	3,464,198.91
KENSINGTON POLICE PROTECTION & COMMUNITY SERVICES DISTRICT	16-07-003	890,607.88	890,890.31
KNIGHTSEN SCHOOL DISTRICT	75-07-019	0.00	0.00
LAFAYETTE SCHOOL DISTRICT	75-07-012	6,368,139.08	6,370,158.53
MARTINEZ UNIFIED SCHOOL DISTRICT	75-07-011	7,289,763.64	7,292,075.36
MORAGA ORINDA FIRE DISTRICT	17-07-003	23,920.96	23,928.55
MT DIABLO UNIFIED SCHOOL DISTRICT	75-07-008	14,570,475.06	14,575,095.62
MT VIEW SANITARY DISTRICT	70-07-008	7,761,945.94	7,764,407.39
OAKLEY UNION SCHOOL DISTRICT	75-07-009	246,037.40	246,115.42
ORINDA UNION SCHOOL DISTRICT	75-07-015	7,371,736.83	7,374,074.54
PITTSBURG UNIFIED SCHOOL DISTRICT	75-07-002	1,415,699.57	1,416,148.51
RECLAMATION DISTRICT 800	60-07-003	4,666,670.10	4,668,149.99
REDEVELOPMENT AGENCY	65-07-015	6,951.14	6,953.34
RODEO -HERCULES FIRE PROTECTION DISTRICT	17-07-001	110,248.89	110,283.85
SAN RAMON VALLEY UNIFIED SCHOOL DISTRICT	75-07-004	281,309.05	281,398.26
WALNUT CREEK SCHOOL DISTRICT	75-07-003	0.00	0.00
WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT	75-07-014	39,893,827.72	39,906,478.77
	TOTAL	<u>232,333,236.58</u>	<u>232,406,913.63</u>

SECTION III

APPENDIX

B. INVESTMENT PORTFOLIO DETAIL – MANAGED BY OUTSIDE CONTRACTED PARTIES

B.2. ASSET MANAGEMENT FUNDS

- a. WELLS CAPITAL MANAGEMENT**
- b. CalTRUST**

WELLS CAPITAL MANAGEMENT



WC-Contra Costa County

131235

Begin Date	1/1/2014
End Date	3/31/2014

The information contained in this report represents estimated trade date investment calculations provided via Clearwater Analytics for Wells Capital Management clients. Certain calculations may not be available for all time periods. Please refer to your custody statement for official portfolio holdings and transactions. Note that certain accounting methods may cause differences between this investment report and your custody statement.

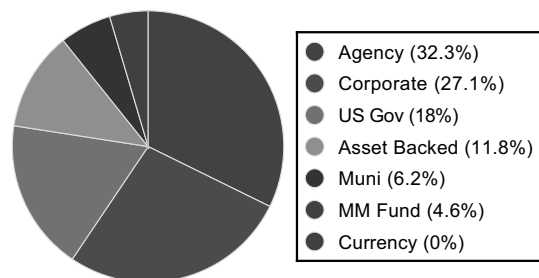
WC-Contra Costa County

Risk Summary	1
Perf Summary TotIdxExc GrossOfFees	4
Perf Summary TotIdxExc NetOfFees	5
Financials	6
Income Detail	7
Balance Sheet Classification	9
Trading Activity	11
Transaction Detail	13
MMF Transaction Detail	16

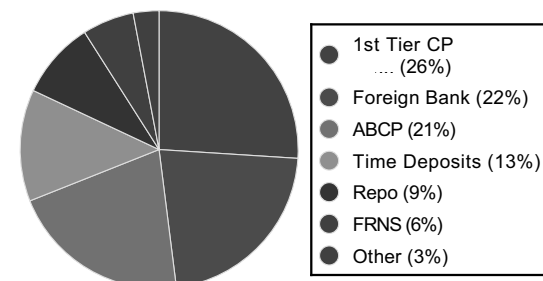
Summary

Cash	2,030,065.53
Fixed Income	42,334,582.28
Duration	0.595
Convexity	---
Weighted Avg Life	0.745
Weighted Avg Maturity	1.003
Weighted Avg Eff Maturity	0.728
Yield	0.280%
Purchase Yield	0.381%
Avg Credit Rating	AA+/Aa1/AA+

Security Type



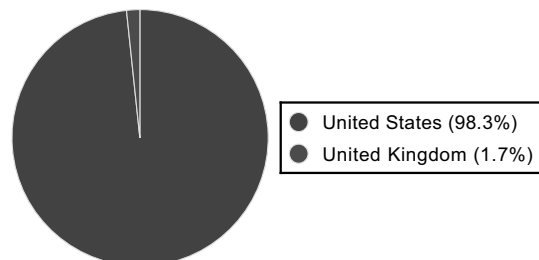
MMF Asset Allocation



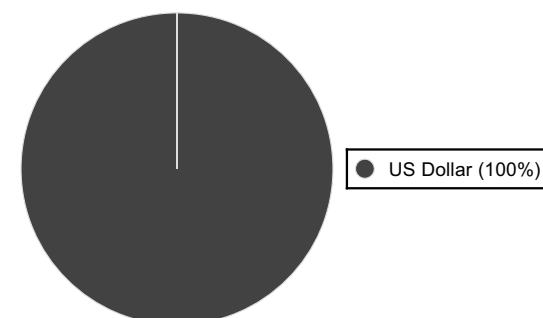
Issuer Concentration

Government of the United States	18.0%
Federal Home Loan Mortgage Corpor...	15.9%
Federal Farm Credit Banks Funding...	9.5%
MMF - WFA HERITAGE MONEY MARK-I	4.6%
Federal Home Loan Banks Office of...	3.5%
Federal National Mortgage Associa...	3.4%
California, State of	3.4%
The Bank of New York Mellon Corpo...	1.7%
Other	40.0%

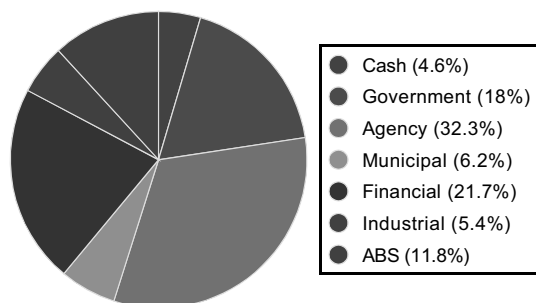
Country



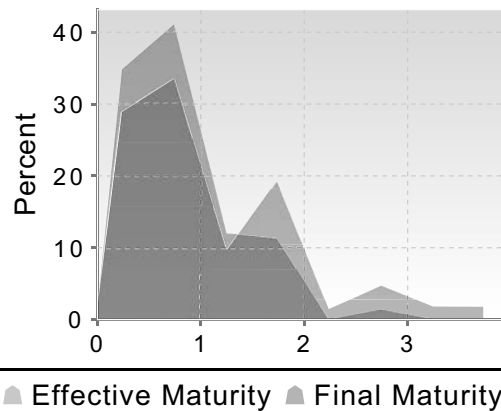
Currency



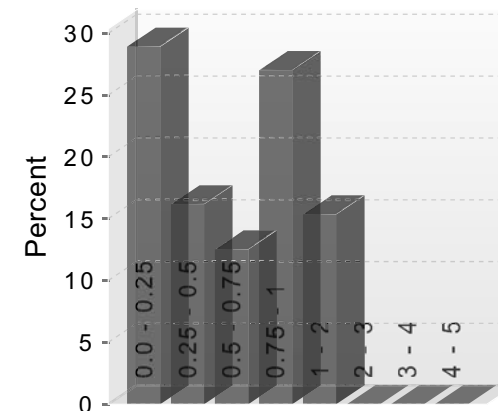
Market Sectors



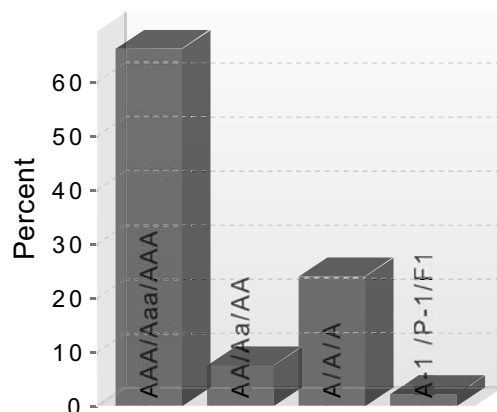
Time to Maturity (Years)



Duration



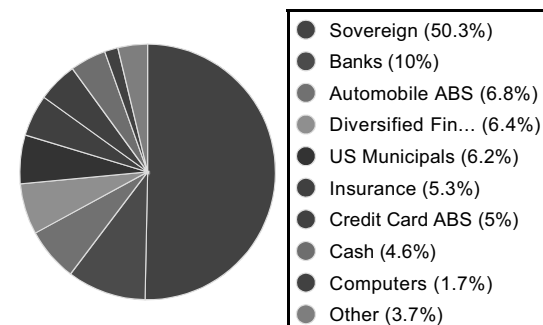
Credit Ratings



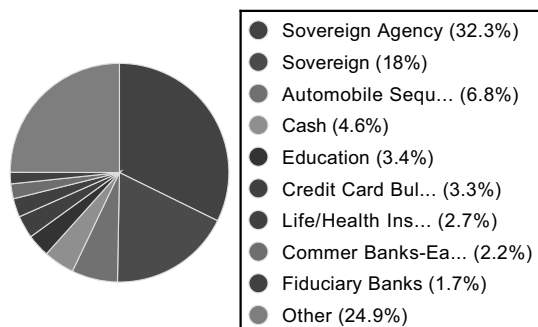
Credit Duration

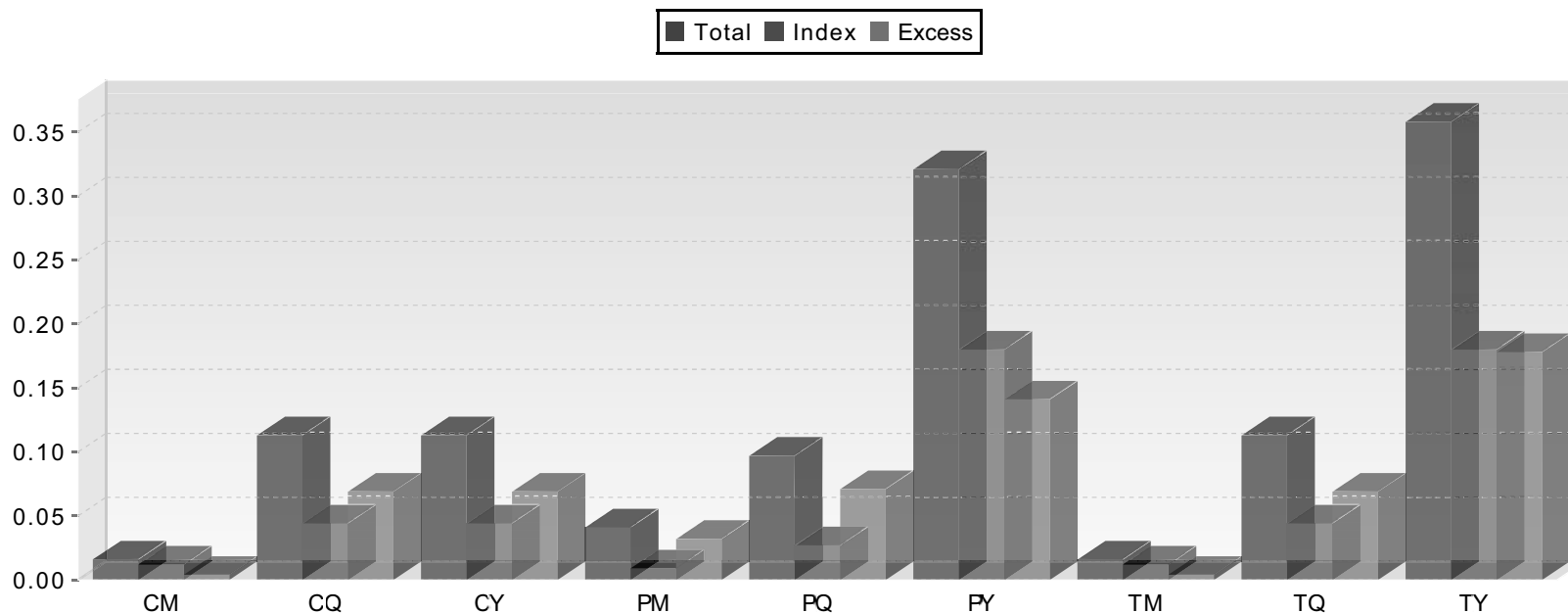
	0.0 - 0.25	0.25 - 0.5	0.5 - 0.75	0.75 - 1	1 - 2	2 - 3	3 - 4	4 - 5
AAA	16.5	13.4	10.9	15.2	12.4	0.0	0.0	0.0
AA	1.7	2.8	0.0	1.4	1.7	0.0	0.0	0.0
A	10.8	0.0	1.7	10.4	1.2	0.0	0.0	0.0
BBB	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
BB	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
B	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CCC	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CC	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
C	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Industry Sectors



Industry Subsectors





	Curr Month 3/1/14-3/31/14	Curr Quarter 1/1/14-3/31/14	Curr Year 1/1/14-3/31/14	Prev Month 2/1/14-2/28/14	Prev Quarter 10/1/13-12/31/13	Prev Year 1/1/13-12/31/13	Trailing Month 3/1/14-3/31/14	Trailing Quarter 1/1/14-3/31/14	Trailing Year 4/1/13-3/31/14
Total Return	0.016%	0.113%	0.113%	0.041%	0.097%	0.321%	0.016%	0.113%	0.358%
Index Return	0.012%	0.044%	0.044%	0.009%	0.027%	0.180%	0.012%	0.044%	0.180%
Excess Return	0.004%	0.069%	0.069%	0.032%	0.071%	0.141%	0.004%	0.069%	0.178%

Index: BofA Merrill Lynch 6 Month Treasury Bill Index (G002) (G002)

Gross of Fees (includes trading expenses)

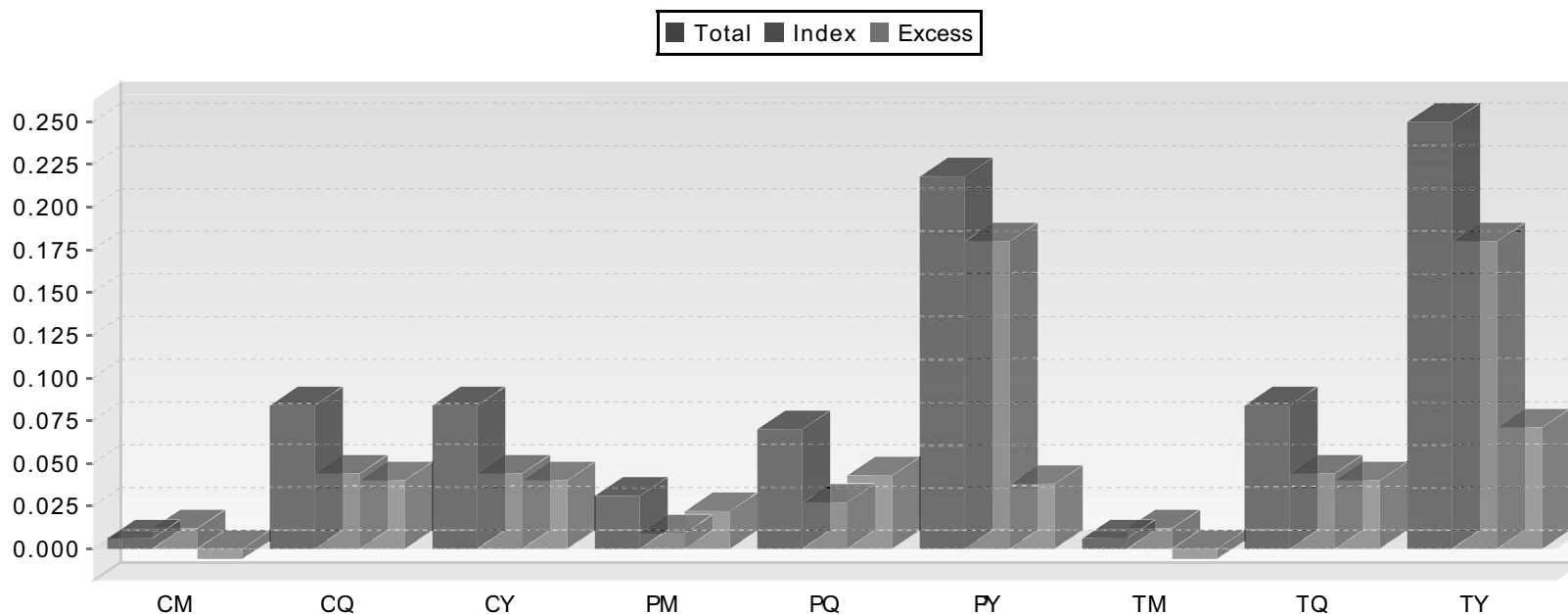
Returns are actual and have not been annualized.



Summary Performance (WC-Contra Costa County)

3/31/2014

Page 29 Dated: 4/1/2014



	Curr Month 3/1/14-3/31/14	Curr Quarter 1/1/14-3/31/14	Curr Year 1/1/14-3/31/14	Prev Month 2/1/14-2/28/14	Prev Quarter 10/1/13-12/31/13	Prev Year 1/1/13-12/31/13	Trailing Month 3/1/14-3/31/14	Trailing Quarter 1/1/14-3/31/14	Trailing Year 4/1/13-3/31/14
Total Return	0.006%	0.084%	0.084%	0.031%	0.070%	0.218%	0.006%	0.084%	0.250%
Index Return	0.012%	0.044%	0.044%	0.009%	0.027%	0.180%	0.012%	0.044%	0.180%
Excess Return	-0.006%	0.040%	0.040%	0.022%	0.043%	0.038%	-0.006%	0.040%	0.071%

Index: BofA Merrill Lynch 6 Month Treasury Bill Index (G002) (G002)

Net of Fees (includes management and trading)

Returns are actual and have not been annualized.

WELLS CAPITAL MANAGEMENT



Financials (WC-Contra Costa County)

1/1/2014 - 3/31/2014

Page 30 Dated: 4/1/2014

Balance Sheet		<i>WC-Contra Costa County</i>	
	<i>As of:</i>	<i>12/31/2013</i>	<i>3/31/2014</i>
Original Cost		44,414,452.10	44,402,144.50
Amortization/Accretion		-203,894.63	-164,035.96
Realized Impairment Loss		0.00	0.00
Amortized Cost		44,210,557.47	44,238,108.54
Accrued Interest		113,572.56	97,262.86
Ending Book Value		44,324,130.03	44,335,371.40
Unrealized Gain		24,098.37	30,845.55
Unrealized Loss		-3,292.28	-1,569.14
Net Unrealized Gain/Loss		20,806.09	29,276.41
Total Market Value		44,344,936.11	44,364,647.81
Income Statement		<i>Begin Date</i>	<i>1/1/2014</i>
	<i>End Date</i>	<i>3/31/2014</i>	
Net Transfers In/Out			-17,618.01
Amortization/Accretion			-67,685.03
Interest Income	109,138.92		
Dividend Income	0.00		
Other Income	0.00		
Income Subtotal			109,138.92
Realized Gain	51.72		
Realized Loss	-0.01		
Realized Impairment Loss	0.00		
Net Gain/Loss			51.70
Expenses			-12,646.21
Net Income			28,859.38
Statement of Cash Flows		<i>Begin Date</i>	<i>1/1/2014</i>
	<i>End Date</i>	<i>3/31/2014</i>	
Net Income			28,859.38
Amortization/Accretion	67,685.03		
Change in MV on CE Securities	0.00		
Change in Accrued	22,078.19		
Net Gain/Loss	-51.70		
Balance Sheet Reclassifications	0.00		
Non Cash Adjustments			89,711.52
Purchases of Marketable Securities	-7,926,667.26		
Purchased Accrued of Marketable Securities	-5,768.49		
Sales of Marketable Securities	2,269,744.49		
Sold Accrued of Marketable Securities	0.00		
Maturities of Marketable Securities	4,900,000.00		
Net Purchases/Sales			-762,691.26
Transfers of Cash & Cash Equivalents			-17,618.01
Net Change in Cash & Cash Equivalents			-661,738.37
Beginning Cash & Cash Equivalents			2,691,803.90
Ending Cash & Cash Equivalents			2,030,065.53

WELLS CAPITAL MANAGEMENT



Income Detail (WC-Contra Costa County)

1/1/2014 - 3/31/2014

Page 31 Dated: 4/1/2014

Cusip/ISIN	Curr Face	Description	Coupon	Maturity	Eff Maturity	Net Transfers	Net G/L	Amortization/ Accretion	Income	Expenses	Net Income	Settle Date
02666QK69	700,000.00	AMERICAN HONDA FINANCE	1.450	02/27/2015	02/27/2015	0.00	0.00	-1,465.67	2,537.50	0.00	1,071.83	06/06/2013
05578XAB4	315,000.00	BMWOT 2013-A A2	0.410	02/25/2016	04/25/2015	0.00	0.00	1.83	322.89	0.00	324.72	11/06/2013
06050TLU4	500,000.00	BANK OF AMERICA NA	0.706	02/14/2017	02/14/2017	0.00	0.00	0.00	451.12	0.00	451.12	02/14/2014
06406HBN8	750,000.00	BANK OF NEW YORK MELLON	3.100	01/15/2015	01/15/2015	0.00	0.00	-4,657.25	5,812.50	0.00	1,155.25	07/26/2013
07330NAE5	750,000.00	BRANCH BANKING & TRUST	0.565	10/28/2015	10/28/2014	0.00	0.00	-153.71	671.35	0.00	517.64	02/03/2014
12572QAD7	0.00	CME GROUP INC	5.750	02/15/2014	02/15/2014	0.00	0.00	-4,448.86	5,270.83	0.00	821.97	06/20/2012
13063BN65	750,000.00	CALIFORNIA ST-TXBL	0.850	02/01/2015	02/01/2015	0.00	0.00	0.00	1,593.75	0.00	1,593.75	09/11/2013
161571FY5	750,000.00	CHAIT 2013-A4 A4	0.255	05/15/2017	04/25/2015	0.00	0.00	0.00	484.78	0.00	484.78	05/23/2013
17305ECH6	400,000.00	CCCIT 2004-A8 A8	4.900	12/12/2016	12/10/2014	0.00	0.00	-4,290.64	4,900.00	0.00	609.36	08/08/2013
17305ECH6	300,000.00	CCCIT 2004-A8 A8	4.900	12/12/2016	12/10/2014	0.00	0.00	-3,276.98	3,675.00	0.00	398.02	09/27/2013
22546QAE7	250,000.00	CREDIT SUISSE NEW YORK	3.500	03/23/2015	03/23/2015	0.00	0.00	-1,644.44	2,187.50	0.00	543.06	08/20/2013
235851AK8	475,000.00	DANAHER CORP	1.300	06/23/2014	06/23/2014	0.00	0.00	-1,076.63	1,543.75	0.00	467.12	03/19/2013
235851AK8	250,000.00	DANAHER CORP	1.300	06/23/2014	06/23/2014	0.00	0.00	-543.10	812.50	0.00	269.40	07/11/2013
24422ESA8	660,000.00	JOHN DEERE CAPITAL CORP	0.312	01/12/2015	01/12/2015	0.00	0.00	0.00	514.65	0.00	514.65	03/11/2013
3128X33E1	500,000.00	FREDDIE MAC	5.050	01/26/2015	01/26/2015	0.00	0.00	-721.90	701.39	0.00	-20.51	03/21/2014
313376UF0	0.00	FEDERAL HOME LOAN BANK	0.375	01/29/2014	01/29/2014	0.00	0.00	-109.26	291.67	0.00	182.40	10/05/2012
313381MG7	1,560,000.00	FEDERAL HOME LOAN BANK	0.500	01/08/2016	04/08/2014	0.00	0.00	0.00	1,950.00	0.00	1,950.00	12/23/2013
313383UB5	0.00	FEDERAL HOME LOAN BANK	0.200	08/29/2014	08/29/2014	0.00	51.72	11.61	477.78	0.00	541.10	08/15/2013
313397A35	1,000,000.00	FREDDIE MAC DISCOUNT NT	0.000	08/01/2014	08/01/2014	0.00	0.00	475.00	0.00	0.00	475.00	10/16/2013
3133EA4S4	1,000,000.00	FEDERAL FARM CREDIT BANK	0.250	10/16/2014	10/16/2014	0.00	0.00	-91.92	625.00	0.00	533.08	08/21/2013
3133EA6W3	1,000,000.00	FEDERAL FARM CREDIT BANK	0.270	11/05/2014	11/05/2014	0.00	0.00	-13.85	675.00	0.00	661.15	01/24/2013
3133EDGC0	1,000,000.00	FEDERAL FARM CREDIT BANK	0.250	11/04/2015	11/04/2015	0.00	0.00	28.75	48.61	0.00	77.36	03/24/2014
3133EDGM8	1,000,000.00	FEDERAL FARM CREDIT BANK	0.350	03/10/2016	03/10/2016	0.00	0.00	44.57	165.28	0.00	209.84	03/14/2014
3133EDGM8	200,000.00	FEDERAL FARM CREDIT BANK	0.350	03/10/2016	03/10/2016	0.00	0.00	7.41	13.61	0.00	21.02	03/24/2014
3134G36G0	1,000,000.00	FREDDIE MAC	0.350	03/18/2015	03/18/2015	0.00	0.00	-265.05	875.00	0.00	609.95	12/18/2013
3134G3H78	1,000,000.00	FREDDIE MAC	0.350	12/05/2014	12/05/2014	0.00	0.00	-136.58	875.00	0.00	738.42	07/09/2013
3134G4DE5	1,500,000.00	FREDDIE MAC	0.310	01/09/2015	01/09/2015	0.00	0.00	0.00	1,162.50	0.00	1,162.50	07/09/2013
3134G4TH1	1,000,000.00	FREDDIE MAC	0.300	07/08/2015	07/08/2015	0.00	0.00	-15.86	650.00	0.00	634.14	01/13/2014
3137EADD8	1,000,000.00	FREDDIE MAC	0.500	04/17/2015	04/17/2015	0.00	0.00	-506.69	1,125.00	0.00	618.31	01/10/2014
31398AXJ6	1,500,000.00	FANNIE MAE	2.500	05/15/2014	05/15/2014	0.00	0.00	-8,272.88	9,375.00	0.00	1,102.12	11/30/2012
36962G6Q2	750,000.00	GENERAL ELEC CAP CORP	0.839	01/08/2016	01/08/2016	0.00	0.00	-412.90	1,574.29	0.00	1,161.39	09/23/2013
40428HPG1	700,000.00	HSBC USA INC	2.375	02/13/2015	02/13/2015	0.00	0.00	-2,828.03	4,156.25	0.00	1,328.22	08/20/2013
43814EAB1	548,176.79	HAROT 2013-2 A2	0.370	10/16/2015	08/30/2014	0.00	-0.00	14.31	590.33	0.00	604.64	04/24/2013
459200HD6	750,000.00	IBM CORP	0.750	05/11/2015	05/11/2015	0.00	0.00	-455.82	1,406.25	0.00	950.43	06/14/2013
46623EJH3	700,000.00	JPMORGAN CHASE & CO	0.983	05/02/2014	05/02/2014	0.00	0.00	-401.53	1,734.71	0.00	1,333.19	07/23/2012
55292LAB0	400,000.00	MTBAT 2013-1A A2	0.660	02/16/2016	09/18/2014	0.00	0.00	1.29	660.00	0.00	661.29	09/19/2013
59217GAM1	610,000.00	MET LIFE GLOB FUNDING I	2.000	01/09/2015	01/09/2015	0.00	0.00	-2,039.93	3,050.00	0.00	1,010.07	05/21/2013
594918AB0	250,000.00	MICROSOFT CORP	2.950	06/01/2014	06/01/2014	0.00	0.00	-1,624.70	1,843.75	0.00	219.05	01/10/2013
637432MP7	279,000.00	NATIONAL RURAL UTIL COOP	1.000	02/02/2015	02/02/2015	0.00	0.00	-433.65	697.50	0.00	263.85	05/02/2013
637432MP7	450,000.00	NATIONAL RURAL UTIL COOP	1.000	02/02/2015	02/02/2015	0.00	0.00	-479.32	1,125.00	0.00	645.68	06/18/2013

WELLS CAPITAL MANAGEMENT



Income Detail (WC-Contra Costa County)

Page 32 Dated: 4/1/2014

1/1/2014 - 3/31/2014

Cusip/ISIN	Curr Face	Description	Coupon	Maturity	Eff Maturity	Net Transfers	Net G/L	Amortization/ Accretion	Income	Expenses	Net Income	Settle Date
64952WBE2	500,000.00	NEW YORK LIFE GLOBAL FDG	1.300	01/12/2015	01/12/2015	0.00	0.00	-666.82	1,625.00	0.00	958.18	07/11/2013
70659PAE1	750,000.00	PENAR 2013-1A A1	0.546	11/18/2017	11/19/2015	0.00	0.00	0.00	1,027.35	0.00	1,027.35	11/21/2013
74005PAR5	650,000.00	PRAXAIR INC	4.625	03/30/2015	03/30/2015	0.00	0.00	-6,570.00	7,515.62	0.00	945.63	08/22/2013
74153WCA5	375,000.00	PRICOA GLOBAL FUNDING 1	0.505	08/19/2015	08/19/2015	0.00	0.00	0.00	475.06	0.00	475.06	08/23/2013
74153WCA5	300,000.00	PRICOA GLOBAL FUNDING 1	0.505	08/19/2015	08/19/2015	0.00	0.00	-88.27	257.26	0.00	168.99	01/30/2014
74254PYF3	500,000.00	PRINCIPAL LIFE INC FDG	5.550	04/27/2015	04/27/2015	0.00	0.00	-6,183.40	6,937.50	0.00	754.10	11/22/2013
797355R97	750,000.00	SAN DIEGO USD-A-TXBL	0.342	07/01/2014	07/01/2014	0.00	0.00	0.00	641.25	0.00	641.25	04/30/2013
842477TB7	475,000.00	STHRN CA PUB PWR-B	0.350	07/01/2014	07/01/2014	0.00	0.00	0.00	415.63	0.00	415.63	06/06/2013
89236VAB6	600,000.00	TAOT 2013-B A2	0.480	02/15/2016	11/29/2014	0.00	0.00	5.16	720.00	0.00	725.16	09/18/2013
90290KAB1	660,000.00	USAOT 2014-1 A2	0.380	10/17/2016	03/27/2015	0.00	0.00	1.47	215.97	0.00	217.43	02/28/2014
90331HKP7	700,000.00	US BANK NA	4.950	10/30/2014	10/30/2014	0.00	0.00	-7,916.02	8,662.50	0.00	746.48	10/11/2013
912828B82	1,000,000.00	US TREASURY N/B	0.250	02/29/2016	02/29/2016	0.00	0.00	61.97	81.52	0.00	143.49	03/20/2014
912828PZ7	0.00	US TREASURY N/B	1.250	03/15/2014	03/15/2014	0.00	0.00	-5,988.28	7,562.15	0.00	1,573.87	10/31/2012
912828SW1	2,000,000.00	US TREASURY N/B	0.250	05/31/2014	05/31/2014	0.00	0.00	-220.19	1,236.26	0.00	1,016.08	02/06/2013
912828TA8	2,000,000.00	US TREASURY N/B	0.250	06/30/2014	06/30/2014	0.00	0.00	-61.57	1,243.09	0.00	1,181.52	12/06/2012
912828TF7	2,000,000.00	US TREASURY N/B	0.125	07/31/2014	07/31/2014	0.00	0.00	541.88	618.17	0.00	1,160.05	02/14/2013
912828UP3	1,000,000.00	US TREASURY N/B	0.250	02/28/2015	02/28/2015	0.00	0.00	37.87	617.94	0.00	655.81	08/20/2013
91412GFA8	750,000.00	CA UNI-FLTG-TXB-Y-2	0.556	07/01/2014	05/02/2014	0.00	0.00	0.00	1,050.90	0.00	1,050.90	03/16/2012
92867GAC7	480,613.64	VALET 2012-1 A3	0.850	08/22/2016	11/26/2014	0.00	-0.01	-508.46	1,157.95	0.00	649.48	10/08/2013
931142CN1	0.00	WAL-MART STORES INC	3.000	02/03/2014	02/03/2014	0.00	0.00	-347.99	400.00	0.00	52.01	11/29/2012
949917397	2,030,042.59	WFA HERITAGE MONEY MARK-I	0.010	---	---	0.00	0.00	0.00	50.74	0.00	50.74	---
CCYUSD	22.94	US Dollar	---	---	---	-17,618.01	0.00	0.00	0.00	-12,646.21	-12,646.21	---
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WELLS CAPITAL MANAGEMENT



Balance Sheet Classification (WC-Contra Costa County)

Page 33 Dated: 4/1/2014

3/31/2014

Cash Equivalent (3)														4.58%	2,030,065.53	
Cusip/ISIN	Description	Curr Face	Sector	Rating	Coupon	Maturity	Eff Maturity	Pur Yield	Yield	Orig Cost	Amort Cost	Unreal G/L	Price	Accr Int	Fair Value	Mkt Value
949917397	WFA HERITAGE MONEY MARK-I	2,030,042.59	Cash	AAAm/Aaa/NA	0.010	---	---	0.000	0.000	2,030,042.59	2,030,042.59	0.00	1.000	0.00	2,030,042.59	2,030,042.59
CCYUSD	US Dollar	0.42	Cash	AAA/Aaa/AAA	0.000	---	---	0.000	0.000	0.42	0.42	0.00	1.000	0.00	0.42	0.42
CCYUSD	Net Receivables/Payables	22.52	Cash	AAA/Aaa/AAA	0.000	---	---	0.000	0.000	22.52	22.52	0.00	1.000	0.00	22.52	22.52
---	---	2,030,065.53	---	---	---	---	---	0.000	0.000	2,030,065.53	2,030,065.53	0.00	---	0.00	2,030,065.53	2,030,065.53

Short Term (31)													59.39%		26,350,092.65	
Cusip/ISIN	Description	Curr Face	Sector	Rating	Coupon	Maturity	Eff Maturity	Pur Yield	Yield	Orig Cost	Amort Cost	Unreal G/L	Price	Accr Int	Fair Value	Mkt Value
02666QK69	AMERICAN HONDA FINANCE	700,000.00	Financial	A+/A1/NA	1.450	02/27/2015	02/27/2015	0.593	0.348	710,276.00	705,406.71	1,505.09	100.987	958.61	706,911.80	707,870.41
06406HBN8	BANK OF NEW YORK MELLON	750,000.00	Financial	A+/A1/AA-	3.100	01/15/2015	01/15/2015	0.560	0.380	777,840.00	764,954.94	1,117.56	102.143	4,908.33	766,072.50	770,980.83
13063BN65	CALIFORNIA ST-TXBL	750,000.00	Municipal	A/A1/A	0.850	02/01/2015	02/01/2015	0.850	0.495	750,000.00	750,000.00	2,227.50	100.297	1,062.50	752,227.50	753,290.00
22546QAE7	CREDIT SUISSE NEW YORK	250,000.00	Financial	A/A1/A	3.500	03/23/2015	03/23/2015	0.814	0.562	260,597.50	256,504.67	743.08	102.899	194.44	257,247.75	257,442.19
235851AK8	DANAHER CORP	475,000.00	Industrial	A+/A2/NA	1.300	06/23/2014	06/23/2014	0.376	0.312	480,514.75	475,992.89	103.41	100.231	1,880.97	476,096.30	477,777.27
235851AK8	DANAHER CORP	250,000.00	Industrial	A+/A2/NA	1.300	06/23/2014	06/23/2014	0.416	0.312	252,093.97	250,500.86	76.14	100.231	884.72	250,577.00	251,461.72
24422ESA8	JOHN DEERE CAPITAL CORP	660,000.00	Financial	A/A2/NA	0.312	01/12/2015	01/12/2015	0.317	0.232	660,000.00	660,000.00	416.46	100.063	445.66	660,416.46	660,862.12
3128X33E1	FREDDIE MAC	500,000.00	Agency	AA+/Aaa/AAA	5.050	01/26/2015	01/26/2015	0.224	0.254	520,410.00	519,688.10	-64.10	103.925	4,559.03	519,624.00	524,183.03
313397A35	FREDDIE MAC DISCOUNT NT	1,000,000.00	Agency	A-1+*/P-1*/F1+*	0.000	08/01/2014	08/01/2014	0.193	0.049	998,474.72	999,356.11	474.89	99.983	0.00	999,831.00	999,831.00
3133EA4S4	FEDERAL FARM CREDIT BANK	1,000,000.00	Agency	AA+/Aaa/AAA	0.250	10/16/2014	10/16/2014	0.213	0.121	1,000,430.00	1,000,202.23	532.77	100.074	1,145.83	1,000,735.00	1,001,880.83
3133EA6W3	FEDERAL FARM CREDIT BANK	1,000,000.00	Agency	AA+/Aaa/AAA	0.270	11/05/2014	11/05/2014	0.264	0.126	1,000,100.00	1,000,033.54	858.46	100.089	1,095.00	1,000,892.00	1,001,987.00
3134G36G0	FREDDIE MAC	1,000,000.00	Agency	AA+/Aaa/AAA	0.350	03/18/2015	03/18/2015	0.243	0.203	1,001,340.00	1,001,033.71	242.29	100.128	126.39	1,001,276.00	1,001,402.39
3134G3HT8	FREDDIE MAC	1,000,000.00	Agency	AA+/Aaa/AAA*	0.350	12/05/2014	12/05/2014	0.294	0.270	1,000,780.00	1,000,376.34	-4.34	100.037	1,127.78	1,000,372.00	1,001,499.78
3134G4DE5	FREDDIE MAC	1,500,000.00	Agency	AA+/Aaa/AAA	0.310	01/09/2015	01/09/2015	0.310	0.242	1,500,000.00	1,500,000.00	474.00	100.032	1,059.17	1,500,474.00	1,501,533.17
31398AXJ6	FANNIE MAE	1,500,000.00	Agency	AA+/Aaa/AAA	2.500	05/15/2014	05/15/2014	0.263	0.253	1,548,810.00	1,504,044.52	360.98	100.294	14,166.67	1,504,405.50	1,518,572.17
40428HPG1	HSBC USA INC	700,000.00	Financial	A+/A2/AA-	2.375	02/13/2015	02/13/2015	0.720	0.486	717,031.00	709,992.36	1,946.14	101.706	2,216.67	711,938.50	714,155.17
46623EHJ3	JPMORGAN CHASE & CO	700,000.00	Financial	A/A3/A+	0.983	05/02/2014	05/02/2014	0.745	0.388	702,891.00	700,138.30	250.90	100.056	286.81	700,389.20	700,676.01
59217GAM1	MET LIFE GLOB FUNDING I	610,000.00	Financial	AA-/Aa3/NA	2.000	01/09/2015	01/09/2015	0.630	0.430	623,554.20	616,414.45	937.27	101.205	2,778.89	617,351.72	620,130.61
594918AB0	MICROSOFT CORP	250,000.00	Industrial	AAA/Aaa/AA+	2.950	06/01/2014	06/01/2014	0.311	0.498	259,152.50	251,101.19	-55.94	100.418	2,458.33	251,045.25	253,503.58
637432MP7	NATIONAL RURAL UTIL COOP	279,000.00	Financial	A+/A1/NA	1.000	02/02/2015	02/02/2015	0.365	0.365	282,088.53	280,479.22	25.43	100.539	457.25	280,504.65	280,961.90
637432MP7	NATIONAL RURAL UTIL COOP	450,000.00	Financial	A+/A1/NA	1.000	02/02/2015	02/02/2015	0.564	0.365	453,163.50	451,635.01	791.84	100.539	737.50	452,426.85	453,164.35
64952WBE2	NEW YORK LIFE GLOBAL FDG	500,000.00	Financial	AA+/Aaa/AAA	1.300	01/12/2015	01/12/2015	0.754	0.437	504,075.00	502,119.00	1,203.00	100.664	1,426.39	503,322.00	504,748.39
74005PAR5	PRAXAIR INC	650,000.00	Industrial	A/A2/NA	4.625	03/30/2015	03/30/2015	0.511	0.557	692,705.00	676,499.00	-207.80	104.045	83.51	676,291.20	676,374.71
797355R97	SAN DIEGO USD-A-TXBL	750,000.00	Municipal	AA-/Aa3/NA	0.342	07/01/2014	07/01/2014	0.342	0.268	750,000.00	750,000.00	142.50	100.019	641.25	750,142.50	750,783.75
842477TB7	STHRN CA PUB PWR-B	475,000.00	Municipal	AA-/NA/NA	0.350	07/01/2014	07/01/2014	0.350	0.637	475,000.00	475,000.00	-351.50	99.926	415.62	474,648.50	475,064.12
90331HKP7	US BANK NA	700,000.00	Financial	A+/A1/A+	4.950	10/30/2014	10/30/2014	0.354	0.379	733,775.00	718,646.61	-310.11	102.620	14,533.75	718,336.50	732,870.25
912828SW1	US TREASURY N/B	2,000,000.00	Government	AA+*/Aaa/AAA	0.250	05/31/2014	05/31/2014	0.205	0.074	2,001,171.88	2,000,146.79	477.21	100.031	1,675.82	2,000,624.00	2,002,299.82
912828TA8	US TREASURY N/B	2,000,000.00	Government	AA+*/Aaa/AAA	0.250	06/30/2014	06/30/2014	0.238	0.069	2,000,390.63	2,000,061.57	876.43	100.047	1,256.91	2,000,938.00	2,002,194.91
912828TF7	US TREASURY N/B	2,000,000.00	Government	AA+*/Aaa/AAA	0.125	07/31/2014	07/31/2014	0.235	0.070	1,996,796.88	1,999,271.47	1,118.53	100.020	414.36	2,000,390.00	2,000,804.36
912828UP3	US TREASURY N/B	1,000,000.00	Government	AA+*/Aaa/AAA	0.250	02/28/2015	02/28/2015	0.265	0.139	999,765.63	999,859.88	1,156.12	100.102	217.39	1,001,016.00	1,001,233.39
91412GFA8	CA UNI-FLTG-TXB-Y-2	750,000.00	Municipal	AA/Aa2/AA	0.556	07/01/2014	05/02/2014	0.565	0.255	750,000.00	750,000.00	217.50	100.029	335.92	750,217.50	750,553.42
---	---	26,149,000.00	---	---	---	---	---	0.368	0.247	26,403,227.69	26,269,459.49	17,281.68	---	63,351.48	26,286,741.18	26,350,092.65

Long Term (24)														36.03%	15,984,489.62
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WELLS CAPITAL MANAGEMENT



Balance Sheet Classification (WC-Contra Costa County)

Page 34 Dated: 4/1/2014

3/31/2014

Cusip/ISIN	Description	Curr Face	Sector	Rating	Coupon	Maturity	Eff Maturity	Pur Yield	Yield	Orig Cost	Amort Cost	Unreal G/L	Price	Accr Int	Fair Value	Mkt Value
05578XAB4	BMWOT 2013-A A2	315,000.00	Asset Backed	NA/Aaa/AAA	0.410	02/25/2016	04/25/2015	0.414	0.392	314,988.69	314,991.78	98.63	100.029	21.52	315,090.40	315,111.93
06050TLU4	BANK OF AMERICA NA	500,000.00	Financial	A/A2/A	0.706	02/14/2017	02/14/2017	0.717	0.706	500,000.00	500,000.00	4.00	100.001	451.12	500,004.00	500,455.12
07330NAE5	BRANCH BANKING & TRUST	750,000.00	Financial	A/A1/A+	0.565	10/28/2015	10/28/2014	0.442	0.408	750,720.00	750,566.29	140.21	100.094	742.02	750,706.50	751,448.52
161571FY5	CHAIT 2013-A4 A4	750,000.00	Asset Backed	AAA/Aaa/AAA	0.255	05/15/2017	04/25/2015	0.256	0.316	750,000.00	750,000.00	-511.50	99.932	79.69	749,488.50	749,568.19
17305ECH6	CCCIT 2004-A8 A8	400,000.00	Asset Backed	AAA/Aaa/AAA	4.900	12/12/2016	12/10/2014	0.526	0.379	423,312.50	412,061.48	425.72	103.122	6,043.33	412,487.20	418,530.53
17305ECH6	CCCIT 2004-A8 A8	300,000.00	Asset Backed	AAA/Aaa/AAA	4.900	12/12/2016	12/10/2014	0.448	0.379	315,984.38	309,211.96	153.44	103.122	4,532.50	309,365.40	313,897.90
313381MG7	FEDERAL HOME LOAN BANK	1,560,000.00	Agency	AA+/Aaa/AAA*	0.500	01/08/2016	04/08/2014	0.500	0.212	1,560,000.00	1,560,000.00	107.64	100.007	1,798.33	1,560,107.64	1,561,905.97
3133EDGC0	FEDERAL FARM CREDIT BANK	1,000,000.00	Agency	AA+/Aaa/AAA	0.250	11/04/2015	11/04/2015	0.382	0.345	997,880.00	997,908.75	815.25	99.872	187.50	998,724.00	998,911.50
3133EDGM8	FEDERAL FARM CREDIT BANK	1,000,000.00	Agency	AA+/Aaa/AAA	0.350	03/10/2016	03/10/2016	0.441	0.507	998,200.00	998,244.57	1,184.43	99.943	204.17	999,429.00	999,633.17
3133EDGM8	FEDERAL FARM CREDIT BANK	200,000.00	Agency	AA+/Aaa/AAA	0.350	03/10/2016	03/10/2016	0.520	0.507	199,336.00	199,343.41	542.39	99.943	40.83	199,885.80	199,926.63
3134G4TH1	FREDDIE MAC	1,000,000.00	Agency	AA+/Aaa/AAA	0.300	07/08/2015	07/08/2015	0.293	0.272	1,000,110.00	1,000,094.14	275.86	100.037	691.67	1,000,370.00	1,001,061.67
3137EADD8	FREDDIE MAC	1,000,000.00	Agency	AA+/Aaa/AAA	0.500	04/17/2015	04/17/2015	0.272	0.167	1,002,890.00	1,002,383.31	818.69	100.320	2,277.78	1,003,202.00	1,005,479.78
36962G6Q2	GENERAL ELEC CAP CORP	750,000.00	Financial	AA+/A1/NR	0.839	01/08/2016	01/08/2016	0.627	0.452	753,840.00	752,968.32	2,175.93	100.686	1,451.38	755,144.25	756,595.63
43814EAB1	HAROT 2013-2 A2	548,176.79	Asset Backed	NA/Aaa/AAA	0.370	10/16/2015	08/30/2014	0.381	0.352	548,130.46	548,155.53	62.37	100.008	84.51	548,217.90	548,302.41
459200HD6	IBM CORP	750,000.00	Industrial	AA-/Aa3/A+	0.750	05/11/2015	05/11/2015	0.502	0.358	753,525.00	752,051.19	1,504.56	100.474	2,187.50	753,555.75	755,743.25
55292LAB0	MTBAT 2013-1A A2	400,000.00	Asset Backed	AAA/Aaa/NA	0.660	02/16/2016	09/18/2014	0.663	0.420	399,991.68	399,994.66	458.14	100.113	117.33	400,452.80	400,570.13
70659PAE1	PENAR 2013-1A A1	750,000.00	Asset Backed	AAA/Aaa/AAA	0.546	11/18/2017	11/19/2015	0.550	0.462	750,000.00	750,000.00	1,047.75	100.140	159.38	751,047.75	751,207.13
74153WCA5	PRICOA GLOBAL FUNDING 1	375,000.00	Financial	AA-/A1/A+	0.505	08/19/2015	08/19/2015	0.512	0.325	375,000.00	375,000.00	941.62	100.251	215.72	375,941.62	376,157.34
74153WCA5	PRICOA GLOBAL FUNDING 1	300,000.00	Financial	AA-/A1/A+	0.505	08/19/2015	08/19/2015	0.335	0.325	300,819.00	300,730.73	22.57	100.251	172.58	300,753.30	300,925.88
74254PYF3	PRINCIPAL LIFE INC FDG	500,000.00	Financial	A+/A1/AA-	5.550	04/27/2015	04/27/2015	0.520	0.534	535,795.00	526,863.43	-37.43	105.365	11,870.83	526,826.00	538,696.83
89236VAB6	TAOT 2013-B A2	600,000.00	Asset Backed	AAA/Aaa/NA	0.480	02/15/2016	11/29/2014	0.487	0.359	599,967.06	599,978.25	512.55	100.082	128.00	600,490.80	600,618.80
90290KAB1	USAOT 2014-1 A2	660,000.00	Asset Backed	AAA/Aaa/NA	0.380	10/17/2016	03/27/2015	0.384	0.395	659,974.13	659,975.60	-26.42	99.992	111.47	659,949.18	660,060.65
912828B82	US TREASURY N/B	1,000,000.00	Government	AA+/Aaa/AAA	0.250	02/29/2016	02/29/2016	0.440	0.413	996,328.13	996,390.10	953.90	99.734	217.39	997,344.00	997,561.39
92867GAC7	VALET 2012-1 A3	480,613.64	Asset Backed	AAA/NA/AAA	0.850	08/22/2016	11/26/2014	0.481	0.408	482,059.24	481,670.04	324.40	100.287	124.83	481,994.45	482,119.27
---	---	15,888,790.43	---	---	---	---	---	0.449	0.371	15,968,851.28	15,938,583.52	11,994.73	---	33,911.38	15,950,578.24	15,984,489.62

Summary

44,364,647.81

Total Orig Face / Shares	Total Curr Face / Shares	Yield	Purchase Yield	Total Orig Cost	Total Book Value	Total Amort Cost	Total Unreal G/L	Total Accr Int	Total Fair Value	Total Mkt Value
44,489,065.53	44,067,855.96	0.28	0.38	44,402,144.50	44,335,371.40	44,238,108.54	29,276.41	97,262.86	44,267,384.95	44,364,647.81

WELLS CAPITAL MANAGEMENT



Trading Activity (WC-Contra Costa County)

1/1/2014 - 3/31/2014

Page 35 Dated: 4/1/2014

	Purchases	Sales	Maturities
Cash Equivalents (<= 90 days)	-6,582,307.93	7,244,045.51	0.00
Marketable Securities			
Short Term	-524,267.64	2,000,000.00	4,900,000.00
Long Term	-7,408,168.11	269,744.49	0.00
Equities	0.00	0.00	0.00
Funds	0.00	0.00	0.00
Alternative Investments	0.00	0.00	0.00
Totals	-14,514,743.68	9,513,790.00	4,900,000.00

Trade Date	Settle Date	Type	Cusip/ISIN	Description	Coupon	Maturity	Broker/Dealer	Orig Face	Notional	Price	Original Cost	Principal	Accr Int	Real G/L	Comm	Proceeds	Class
01/09/2014	01/10/2014	BUY	3137EADD8	FREDDIE MAC	0.500	04/17/2015	Citigroup Global Markets (AU)	1,000,000.00	1,000,000.00	100.289	1,002,890.00	1,002,890.00	1,152.78	0.00	0.00	-1,004,042.78	LT
01/10/2014	01/13/2014	BUY	3134G4TH1	FREDDIE MAC	0.300	07/08/2015	APX Asset	1,000,000.00	1,000,000.00	100.011	1,000,110.00	1,000,110.00	41.67	0.00	0.00	-1,000,151.67	LT
01/16/2014	01/16/2014	PPD	43814EAB1	HAROT 2013-2 A2	0.370	10/16/2015	---	20,649.33	20,649.33	---	20,647.59	20,649.33	0.00	-0.00	0.00	20,649.33	LT
01/20/2014	01/20/2014	PPD	92867GAC7	VALET 2012-1 A3	0.850	08/22/2016	---	36,054.30	36,054.30	---	36,162.75	36,054.30	0.00	-0.00	0.00	36,054.30	LT
01/27/2014	01/30/2014	BUY	74153WCA5	PRICOA GLOBAL FUNDING 1	0.505	08/19/2015	APX Asset	300,000.00	300,000.00	100.273	300,819.00	300,819.00	304.86	0.00	0.00	-301,123.86	LT
01/29/2014	01/29/2014	MTY	313376UF0	FEDERAL HOME LOAN BANK	0.375	01/29/2014	---	1,000,000.00	1,000,000.00	100.000	1,001,877.00	1,000,000.00	0.00	0.00	0.00	1,000,000.00	ST
01/29/2014	02/03/2014	BUY	07330NAE5	BRANCH BANKING & TRUST	0.565	10/28/2015	CastleOak Securities LP	750,000.00	750,000.00	100.096	750,720.00	750,720.00	70.67	0.00	0.00	-750,790.67	LT
02/03/2014	02/03/2014	MTY	931142CN1	WAL-MART STORES INC	3.000	02/03/2014	---	150,000.00	150,000.00	100.000	154,545.00	150,000.00	0.00	0.00	0.00	150,000.00	ST
02/11/2014	02/14/2014	BUY	06050TLU4	BANK OF AMERICA NA	0.706	02/14/2017	Bank of America	500,000.00	500,000.00	100.000	500,000.00	500,000.00	0.00	0.00	0.00	-500,000.00	LT
02/14/2014	02/14/2014	SELL	313383UB5	FEDERAL HOME LOAN BANK	0.200	08/29/2014	Not Provided	2,000,000.00	2,000,000.00	100.000	1,999,900.00	2,000,000.00	0.00	51.72	0.00	2,000,000.00	ST
02/15/2014	02/15/2014	MTY	12572QAD7	CME GROUP INC	5.750	02/15/2014	---	750,000.00	750,000.00	100.000	809,812.50	750,000.00	0.00	0.00	0.00	750,000.00	ST
02/16/2014	02/16/2014	PPD	43814EAB1	HAROT 2013-2 A2	0.370	10/16/2015	---	68,200.02	68,200.02	---	68,194.26	68,200.02	0.00	0.00	0.00	68,200.02	LT
02/20/2014	02/20/2014	PPD	92867GAC7	VALET 2012-1 A3	0.850	08/22/2016	---	45,488.79	45,488.79	---	45,625.62	45,488.79	0.00	-0.00	0.00	45,488.79	LT
02/25/2014	02/28/2014	BUY	90290KAB1	USAOT 2014-1 A2	0.380	10/17/2016	J.P. Morgan Securities Inc. (AU)	660,000.00	660,000.00	99.996	659,974.13	659,974.13	0.00	0.00	0.00	-659,974.13	LT
03/13/2014	03/14/2014	BUY	3133EDGM8	FEDERAL FARM CREDIT BANK	0.350	03/10/2016	FIRST TENNESSEE BANK N A BOND	1,000,000.00	1,000,000.00	99.820	998,200.00	998,200.00	38.89	0.00	0.00	-998,238.89	LT
03/15/2014	03/15/2014	MTY	912828PZ7	US TREASURY N/B	1.250	03/15/2014	---	3,000,000.00	3,000,000.00	100.000	3,041,015.63	3,000,000.00	0.00	0.00	0.00	3,000,000.00	ST
03/16/2014	03/16/2014	PPD	43814EAB1	HAROT 2013-2 A2	0.370	10/16/2015	---	62,973.86	62,973.86	---	62,968.54	62,973.86	0.00	-0.00	0.00	62,973.86	LT
03/19/2014	03/20/2014	BUY	912828B82	US TREASURY N/B	0.250	02/29/2016	MORGAN STANLEY CO	1,000,000.00	1,000,000.00	99.633	996,328.13	996,328.13	135.87	0.00	0.00	-996,464.00	LT
03/20/2014	03/20/2014	PPD	92867GAC7	VALET 2012-1 A3	0.850	08/22/2016	---	36,378.19	36,378.19	---	36,487.61	36,378.19	0.00	-0.00	0.00	36,378.19	LT
03/20/2014	03/21/2014	BUY	3128X33E1	FREDDIE MAC	5.050	01/26/2015	CastleOak Securities LP	500,000.00	500,000.00	104.082	520,410.00	520,410.00	3,857.64	0.00	0.00	-524,267.64	ST
03/21/2014	03/24/2014	BUY	3133EDGC0	FEDERAL FARM CREDIT BANK	0.250	11/04/2015	Deutsche Bank	1,000,000.00	1,000,000.00	99.788	997,880.00	997,880.00	138.89	0.00	0.00	-998,018.89	LT
03/21/2014	03/24/2014	BUY	3133EDGM8	FEDERAL FARM CREDIT BANK	0.350	03/10/2016	FIRST TENNESSEE BANK N A BOND	200,000.00	200,000.00	99.668	199,336.00	199,336.00	27.22	0.00	0.00	-199,363.22	LT

WELLS CAPITAL MANAGEMENT



Trading Activity (WC-Contra Costa County)

1/1/2014 - 3/31/2014

Page 36 Dated: 4/1/2014

Trade Date	Settle Date	Type	Cusip/ISIN	Description	Coupon	Maturity	Broker/Dealer	Orig Face	Notional	Price	Original Cost	Principal	Accr Int	Real G/L	Comm	Proceeds	Class
---	---	NMMF_BUY	949917397	WFA HERITAGE MONEY MARK-I	---	---	Not Provided	6,582,307.93	6,582,307.93	1.000	6,582,307.93	6,582,307.93	0.00	0.00	0.00	-6,582,307.93	CE
---	---	NMMF_SELL	949917397	WFA HERITAGE MONEY MARK-I	---	---	Not Provided	7,244,045.51	7,244,045.51	1.000	7,244,045.51	7,244,045.51	0.00	0.00	0.00	7,244,045.51	CE
---	---	---	---	---	---	---	---	28,906,097.94	---	---	29,030,257.19	28,922,765.19	5,768.49	51.70	0.00	-100,953.68	---

WELLS CAPITAL MANAGEMENT



Transaction Detail (WC-Contra Costa County)

1/1/2014 - 3/31/2014

Page 37 Dated: 4/1/2014

Summary

Cusip/ISIN	Beginning Balance	Ending Balance
CCYUSD	0.45	0.42

Cash Affecting Transactions

Trade Date	Settle Date	Type	Notional	Cusip/ISIN	Description	Coupon	Maturity	Price	Amount
---	---	NMMF_BUY	---	949917397	WFA HERITAGE MONEY MARK-I	---	---	1.000	-6,582,307.93
---	---	NMMF_SELL	---	949917397	WFA HERITAGE MONEY MARK-I	---	---	1.000	7,244,045.51
12/31/2013	01/02/2014	MMF	---	949917397	WFA HERITAGE MONEY MARK-I	0.010	---	---	23.28
01/01/2014	01/02/2014	CPN	---	842477TB7	STHRN CA PUB PWR-B	0.350	07/01/2014	---	951.32
01/01/2014	01/02/2014	CPN	---	797355R97	SAN DIEGO USD-A-TXBL	0.342	07/01/2014	---	1,717.13
01/02/2014	01/02/2014	CPN	---	91412GFA8	CA UNI-FTG-TXB-Y-2	0.556	07/01/2014	---	364.90
01/08/2014	01/08/2014	CPN	---	36962G6Q2	GENERAL ELEC CAP CORP	0.839	01/08/2016	---	1,615.46
01/08/2014	01/08/2014	CPN	---	313381MG7	FEDERAL HOME LOAN BANK	0.500	01/08/2016	---	3,900.00
01/09/2014	01/09/2014	CPN	---	3134G4DE5	FREDDIE MAC	0.310	01/09/2015	---	2,325.00
01/09/2014	01/09/2014	CPN	---	59217GAM1	MET LIFE GLOB FUNDING I	2.000	01/09/2015	---	6,100.00
01/09/2014	01/10/2014	BUY	1,000,000.00	3137EADD8	FREDDIE MAC	0.500	04/17/2015	100.289	-1,004,042.78
01/10/2014	01/13/2014	BUY	1,000,000.00	3134G4TH1	FREDDIE MAC	0.300	07/08/2015	100.011	-1,000,151.67
01/12/2014	01/12/2014	CPN	---	64952WBE2	NEW YORK LIFE GLOBAL FDG	1.300	01/12/2015	---	3,250.00
01/13/2014	01/13/2014	CPN	---	24422ESA8	JOHN DEERE CAPITAL CORP	0.312	01/12/2015	---	517.44
01/15/2014	01/15/2014	CPN	---	89236VAB6	TAOT 2013-B A2	0.480	02/15/2016	---	240.00
01/15/2014	01/15/2014	CPN	---	55292LAB0	MTBAT 2013-1A A2	0.660	02/16/2016	---	220.00
01/15/2014	01/15/2014	CPN	---	06406HBN8	BANK OF NEW YORK MELLON	3.100	01/15/2015	---	11,625.00
01/15/2014	01/15/2014	CPN	---	161571FY5	CHAIT 2013-A4 A4	0.255	05/15/2017	---	166.63
01/16/2014	01/16/2014	CPN	---	43814EAB1	HAROT 2013-2 A2	0.370	10/16/2015	---	215.83
01/16/2014	01/16/2014	PPD	---	43814EAB1	HAROT 2013-2 A2	0.370	10/16/2015	---	20,649.33
01/20/2014	01/20/2014	CPN	---	92867GAC7	VALET 2012-1 A3	0.850	08/22/2016	---	423.96
01/20/2014	01/20/2014	PPD	---	92867GAC7	VALET 2012-1 A3	0.850	08/22/2016	---	36,054.30
01/21/2014	01/21/2014	TRN	---	CCYUSD	US Dollar	---	---	---	-17,618.01
01/21/2014	01/21/2014	MEXP	---	CCYUSD	US Dollar	---	---	---	-4,149.61
01/21/2014	01/21/2014	CPN	---	70659PAE1	PENAR 2013-1A A1	0.546	11/18/2017	---	393.13
01/25/2014	01/25/2014	CPN	---	05578XAB4	BMWOT 2013-A A2	0.410	02/25/2016	---	107.63
01/27/2014	01/30/2014	BUY	300,000.00	74153WCA5	PRICOA GLOBAL FUNDING 1	0.505	08/19/2015	100.273	-301,123.86
01/29/2014	01/29/2014	MTY	1,000,000.00	313376UF0	FEDERAL HOME LOAN BANK	0.375	01/29/2014	100.000	1,000,000.00
01/29/2014	01/29/2014	CPN	---	313376UF0	FEDERAL HOME LOAN BANK	0.375	01/29/2014	---	1,875.00
01/29/2014	02/03/2014	BUY	750,000.00	07330NAE5	BRANCH BANKING & TRUST	0.565	10/28/2015	100.096	-750,790.67
01/31/2014	01/31/2014	CPN	---	912828TF7	US TREASURY N/B	0.125	07/31/2014	---	1,250.00
01/31/2014	02/03/2014	MMF	---	949917397	WFA HERITAGE MONEY MARK-I	0.010	---	---	12.59
02/01/2014	02/03/2014	CPN	---	13063BN65	CALIFORNIA ST-TXBL	0.850	02/01/2015	---	3,187.50
02/02/2014	02/02/2014	CPN	---	637432MP7	NATIONAL RURAL UTIL COOP	1.000	02/02/2015	---	3,645.00

WELLS CAPITAL MANAGEMENT



Transaction Detail (WC-Contra Costa County)

Page 38 ^{Dated: 4/1/2014}

1/1/2014 - 3/31/2014

Trade Date	Settle Date	Type	Notional	Cusip/ISIN	Description	Coupon	Maturity	Price	Amount
02/03/2014	02/03/2014	CPN	---	931142CN1	WAL-MART STORES INC	3.000	02/03/2014	---	25.00
02/03/2014	02/03/2014	MTY	150,000.00	931142CN1	WAL-MART STORES INC	3.000	02/03/2014	100.000	150,000.00
02/03/2014	02/03/2014	CPN	---	91412GFA8	CA UNI-FLTG-TXB-Y-2	0.556	07/01/2014	---	379.33
02/03/2014	02/03/2014	CPN	---	931142CN1	WAL-MART STORES INC	3.000	02/03/2014	---	2,250.00
02/11/2014	02/14/2014	BUY	500,000.00	06050TLU4	BANK OF AMERICA NA	0.706	02/14/2017	100.000	-500,000.00
02/13/2014	02/13/2014	CPN	---	40428HPG1	HSBC USA INC	2.375	02/13/2015	---	8,312.50
02/14/2014	02/14/2014	CPN	---	313383UB5	FEDERAL HOME LOAN BANK	0.200	08/29/2014	---	1,988.89
02/14/2014	02/14/2014	SELL	2,000,000.00	313383UB5	FEDERAL HOME LOAN BANK	0.200	08/29/2014	100.000	2,000,000.00
02/15/2014	02/15/2014	CPN	---	12572QAD7	CME GROUP INC	5.750	02/15/2014	---	21,562.50
02/15/2014	02/15/2014	CPN	---	89236VAB6	TAOT 2013-B A2	0.480	02/15/2016	---	240.00
02/15/2014	02/15/2014	MTY	750,000.00	12572QAD7	CME GROUP INC	5.750	02/15/2014	100.000	750,000.00
02/15/2014	02/15/2014	CPN	---	55292LAB0	MTBAT 2013-1A A2	0.660	02/16/2016	---	220.00
02/16/2014	02/16/2014	CPN	---	43814EAB1	HAROT 2013-2 A2	0.370	10/16/2015	---	209.47
02/16/2014	02/16/2014	PPD	---	43814EAB1	HAROT 2013-2 A2	0.370	10/16/2015	---	68,200.02
02/18/2014	02/18/2014	CPN	---	161571FY5	CHAIT 2013-A4 A4	0.255	05/15/2017	---	184.17
02/18/2014	02/18/2014	CPN	---	70659PAE1	PENAR 2013-1A A1	0.546	11/18/2017	---	319.08
02/19/2014	02/19/2014	CPN	---	74153WCA5	PRICOA GLOBAL FUNDING 1	0.505	08/19/2015	---	876.47
02/20/2014	02/20/2014	PPD	---	92867GAC7	VALET 2012-1 A3	0.850	08/22/2016	---	45,488.79
02/20/2014	02/20/2014	CPN	---	92867GAC7	VALET 2012-1 A3	0.850	08/22/2016	---	398.42
02/20/2014	02/20/2014	MEXP	---	CCYUSD	US Dollar	---	---	---	-4,275.88
02/25/2014	02/25/2014	CPN	---	05578XAB4	BMWOT 2013-A A2	0.410	02/25/2016	---	107.63
02/25/2014	02/28/2014	BUY	660,000.00	90290KAB1	USAOT 2014-1 A2	0.380	10/17/2016	99.996	-659,974.13
02/27/2014	02/27/2014	CPN	---	02666QK69	AMERICAN HONDA FINANCE	1.450	02/27/2015	---	5,075.00
02/28/2014	02/28/2014	CPN	---	912828UP3	US TREASURY N/B	0.250	02/28/2015	---	1,250.00
02/28/2014	03/03/2014	MMF	---	949917397	WFA HERITAGE MONEY MARK-I	0.010	---	---	15.63
03/03/2014	03/03/2014	CPN	---	91412GFA8	CA UNI-FLTG-TXB-Y-2	0.556	07/01/2014	---	326.38
03/13/2014	03/14/2014	BUY	1,000,000.00	3133EDGM8	FEDERAL FARM CREDIT BANK	0.350	03/10/2016	99.820	-998,238.89
03/15/2014	03/15/2014	CPN	---	912828PZ7	US TREASURY N/B	1.250	03/15/2014	---	18,750.00
03/15/2014	03/15/2014	MTY	3,000,000.00	912828PZ7	US TREASURY N/B	1.250	03/15/2014	100.000	3,000,000.00
03/15/2014	03/15/2014	CPN	---	89236VAB6	TAOT 2013-B A2	0.480	02/15/2016	---	240.00
03/15/2014	03/15/2014	CPN	---	55292LAB0	MTBAT 2013-1A A2	0.660	02/16/2016	---	220.00
03/15/2014	03/15/2014	CPN	---	90290KAB1	USAOT 2014-1 A2	0.380	10/17/2016	---	104.50
03/16/2014	03/16/2014	PPD	---	43814EAB1	HAROT 2013-2 A2	0.370	10/16/2015	---	62,973.86
03/16/2014	03/16/2014	CPN	---	43814EAB1	HAROT 2013-2 A2	0.370	10/16/2015	---	188.44
03/17/2014	03/17/2014	CPN	---	46623EJH3	JPMORGAN CHASE & CO	0.983	05/02/2014	---	1,756.79
03/17/2014	03/17/2014	CPN	---	161571FY5	CHAIT 2013-A4 A4	0.255	05/15/2017	---	143.16
03/18/2014	03/18/2014	CPN	---	3134G36G0	FREDDIE MAC	0.350	03/18/2015	---	1,750.00
03/18/2014	03/18/2014	CPN	---	70659PAE1	PENAR 2013-1A A1	0.546	11/18/2017	---	317.63
03/19/2014	03/20/2014	BUY	1,000,000.00	912828B82	US TREASURY N/B	0.250	02/29/2016	99.633	-996,464.00
03/20/2014	03/20/2014	CPN	---	92867GAC7	VALET 2012-1 A3	0.850	08/22/2016	---	366.20
03/20/2014	03/20/2014	PPD	---	92867GAC7	VALET 2012-1 A3	0.850	08/22/2016	---	36,378.19

WELLS CAPITAL MANAGEMENT



Transaction Detail (WC-Contra Costa County)

1/1/2014 - 3/31/2014

Page 39 Dated: 4/1/2014

Trade Date	Settle Date	Type	Notional	Cusip/ISIN	Description	Coupon	Maturity	Price	Amount
03/20/2014	03/21/2014	BUY	500,000.00	3128X33E1	FREDDIE MAC	5.050	01/26/2015	104.082	-524,267.64
03/20/2014	03/20/2014	MEXP	---	CCYUSD	US Dollar	---	---	---	-4,220.72
03/21/2014	03/24/2014	BUY	1,000,000.00	3133EDGC0	FEDERAL FARM CREDIT BANK	0.250	11/04/2015	99.788	-998,018.89
03/21/2014	03/24/2014	BUY	200,000.00	3133EDGM8	FEDERAL FARM CREDIT BANK	0.350	03/10/2016	99.668	-199,363.22
03/23/2014	03/23/2014	CPN	---	22546QAE7	CREDIT SUISSE NEW YORK	3.500	03/23/2015	---	4,375.00
03/25/2014	03/25/2014	CPN	---	05578XAB4	BMWOT 2013-A A2	0.410	02/25/2016	---	107.63
03/30/2014	03/30/2014	CPN	---	74005PAR5	PRAXAIR INC	4.625	03/30/2015	---	15,031.25
---	---	---	---	---	---	---	---	---	-0.03

Payable/Receivable Transactions

Trade Date	Settle Date	Type	Notional	Cusip/ISIN	Description	Coupon	Maturity	Price	Amount
03/31/2014	04/01/2014	MMF	---	949917397	WFA HERITAGE MONEY MARK-I	0.010	---	---	22.52
---	---	---	---	---	---	---	---	---	22.52

WELLS CAPITAL MANAGEMENT



MMF Transaction Detail (WC-Contra Costa County)

Page 40 Dated: 4/1/2014

1/1/2014 - 3/31/2014

Cusip/ISIN	Description	Beginning Balance	Ending Balance
949917397	WFA HERITAGE MONEY MARK-I	2,691,780.17	2,030,042.59

Cash Affecting Transactions

Trade Date	Settle Date	Type	Notional	Cusip/ISIN	Ticker	Description	Real G/L	Amount
01/02/2014	01/02/2014	BUY	3,056.63	949917397	SHIXX	WFA HERITAGE MONEY MARK-I	0.00	-3,056.63
01/08/2014	01/08/2014	BUY	1,615.46	949917397	SHIXX	WFA HERITAGE MONEY MARK-I	0.00	-1,615.46
01/08/2014	01/08/2014	BUY	3,900.00	949917397	SHIXX	WFA HERITAGE MONEY MARK-I	0.00	-3,900.00
01/09/2014	01/09/2014	BUY	8,425.00	949917397	SHIXX	WFA HERITAGE MONEY MARK-I	0.00	-8,425.00
01/10/2014	01/10/2014	SELL	1,004,042.78	949917397	SHIXX	WFA HERITAGE MONEY MARK-I	0.00	1,004,042.78
01/13/2014	01/13/2014	SELL	996,901.67	949917397	SHIXX	WFA HERITAGE MONEY MARK-I	0.00	996,901.67
01/14/2014	01/14/2014	BUY	517.44	949917397	SHIXX	WFA HERITAGE MONEY MARK-I	0.00	-517.44
01/15/2014	01/15/2014	BUY	11,791.63	949917397	SHIXX	WFA HERITAGE MONEY MARK-I	0.00	-11,791.63
01/16/2014	01/16/2014	BUY	460.00	949917397	SHIXX	WFA HERITAGE MONEY MARK-I	0.00	-460.00
01/17/2014	01/17/2014	BUY	20,865.17	949917397	SHIXX	WFA HERITAGE MONEY MARK-I	0.00	-20,865.17
01/21/2014	01/21/2014	SELL	4,149.61	949917397	SHIXX	WFA HERITAGE MONEY MARK-I	0.00	4,149.61
01/21/2014	01/21/2014	BUY	18,860.26	949917397	SHIXX	WFA HERITAGE MONEY MARK-I	0.00	-18,860.26
01/22/2014	01/22/2014	BUY	393.13	949917397	SHIXX	WFA HERITAGE MONEY MARK-I	0.00	-393.13
01/28/2014	01/28/2014	BUY	107.63	949917397	SHIXX	WFA HERITAGE MONEY MARK-I	0.00	-107.63
01/29/2014	01/29/2014	BUY	1,001,875.00	949917397	SHIXX	WFA HERITAGE MONEY MARK-I	0.00	-1,001,875.00
01/30/2014	01/30/2014	SELL	301,123.86	949917397	SHIXX	WFA HERITAGE MONEY MARK-I	0.00	301,123.86
01/31/2014	01/31/2014	BUY	1,250.00	949917397	SHIXX	WFA HERITAGE MONEY MARK-I	0.00	-1,250.00
01/31/2014	02/03/2014	MMF	0.00	949917397	SHIXX	WFA HERITAGE MONEY MARK-I	0.00	12.59
02/03/2014	02/03/2014	SELL	591,316.25	949917397	SHIXX	WFA HERITAGE MONEY MARK-I	0.00	591,316.25
02/03/2014	02/03/2014	BUY	25.00	949917397	SHIXX	WFA HERITAGE MONEY MARK-I	0.00	-25.00
02/13/2014	02/13/2014	BUY	8,312.50	949917397	SHIXX	WFA HERITAGE MONEY MARK-I	0.00	-8,312.50
02/14/2014	02/14/2014	BUY	1,501,988.89	949917397	SHIXX	WFA HERITAGE MONEY MARK-I	0.00	-1,501,988.89
02/18/2014	02/18/2014	BUY	772,206.67	949917397	SHIXX	WFA HERITAGE MONEY MARK-I	0.00	-772,206.67
02/19/2014	02/19/2014	BUY	69,605.04	949917397	SHIXX	WFA HERITAGE MONEY MARK-I	0.00	-69,605.04
02/20/2014	02/20/2014	SELL	4,275.88	949917397	SHIXX	WFA HERITAGE MONEY MARK-I	0.00	4,275.88
02/20/2014	02/20/2014	BUY	45,887.21	949917397	SHIXX	WFA HERITAGE MONEY MARK-I	0.00	-45,887.21
02/26/2014	02/26/2014	BUY	107.63	949917397	SHIXX	WFA HERITAGE MONEY MARK-I	0.00	-107.63
02/27/2014	02/27/2014	BUY	5,075.00	949917397	SHIXX	WFA HERITAGE MONEY MARK-I	0.00	-5,075.00
02/28/2014	02/28/2014	SELL	658,724.13	949917397	SHIXX	WFA HERITAGE MONEY MARK-I	0.00	658,724.13
02/28/2014	03/03/2014	MMF	0.00	949917397	SHIXX	WFA HERITAGE MONEY MARK-I	0.00	15.63
03/03/2014	03/03/2014	BUY	15.63	949917397	SHIXX	WFA HERITAGE MONEY MARK-I	0.00	-15.63
03/03/2014	03/03/2014	BUY	326.38	949917397	SHIXX	WFA HERITAGE MONEY MARK-I	0.00	-326.38
03/14/2014	03/14/2014	SELL	998,238.89	949917397	SHIXX	WFA HERITAGE MONEY MARK-I	0.00	998,238.89
03/17/2014	03/17/2014	BUY	3,019,353.16	949917397	SHIXX	WFA HERITAGE MONEY MARK-I	0.00	-3,019,353.16
03/17/2014	03/17/2014	BUY	1,756.79	949917397	SHIXX	WFA HERITAGE MONEY MARK-I	0.00	-1,756.79
03/18/2014	03/18/2014	BUY	65,016.80	949917397	SHIXX	WFA HERITAGE MONEY MARK-I	0.00	-65,016.80

WELLS CAPITAL MANAGEMENT



MMF Transaction Detail (WC-Contra Costa County)

1/1/2014 - 3/31/2014

Page 41 Dated: 4/1/2014

Trade Date	Settle Date	Type	Notional	Cusip/ISIN	Ticker	Description	Real G/L	Amount
03/20/2014	03/20/2014	SELL	1,000,367.09	949917397	SHIXX	WFA HERITAGE MONEY MARK-I	0.00	1,000,367.09
03/21/2014	03/21/2014	SELL	487,523.24	949917397	SHIXX	WFA HERITAGE MONEY MARK-I	0.00	487,523.24
03/24/2014	03/24/2014	SELL	1,197,382.11	949917397	SHIXX	WFA HERITAGE MONEY MARK-I	0.00	1,197,382.11
03/25/2014	03/25/2014	BUY	107.63	949917397	SHIXX	WFA HERITAGE MONEY MARK-I	0.00	-107.63
03/26/2014	03/26/2014	BUY	4,375.00	949917397	SHIXX	WFA HERITAGE MONEY MARK-I	0.00	-4,375.00
03/31/2014	03/31/2014	BUY	15,031.25	949917397	SHIXX	WFA HERITAGE MONEY MARK-I	0.00	-15,031.25
---	---	---	---	---	---	---	0.00	661,765.80

Payable/Receivable Transactions

Trade Date	Settle Date	Type	Notional	Cusip/ISIN	Ticker	Description	Real G/L	Amount
03/31/2014	04/01/2014	MMF	0.00	949917397	SHIXX	WFA HERITAGE MONEY MARK-I	0.00	22.52
---	---	---	---	---	---	---	0.00	22.52

WELLS CAPITAL MANAGEMENT





CONTRA COSTA COUNTY
STATEMENT FOR PERIOD
March 01, 2014 - March 31, 2014

Page 42

CalTrust Short Term Fund

201-000004-10

Date	Transaction	Shares	Price Per Share	Amount	Average Cost NAV	Average Cost Amount	Realized Gain/Loss*
02/28/2014	BALANCE FORWARD	11,769,656.606	10.03	118,049,655.76	10.01463531	117,868,818.58	
03/03/2014	INCOME DISTRIBUTION - FEBRUARY	4,163.398	10.03	41,758.88	10.01464074	41,758.88	0.00
03/31/2014	UNREALIZED GAIN (LOSS)	0.000		0.00		0.00	
03/31/2014	ENDING BALANCE	<u>11,773,820.004</u>	10.03	<u>118,091,414.64</u>		<u>117,910,577.46</u>	
	INCOME DISTRIBUTION PAID - FEBRUARY			0.00			
	INCOME ACCRUAL - MARCH			38,786.39			
	CUMULATIVE UNREALIZED GAIN (LOSS)			180,837.18			

* Please note that this information should not be construed as tax advice and it is recommended that you consult with a tax professional regarding your account.

For Inquiries About Your Account, Contact:

Nottingham Investment Administration
116 South Franklin Street
Rocky Mount, NC 27804
Attention: CalTRUST Shareholder Services
Phone: 800.773.3863
Fax: 252-972-1908
Email: caltrustsupport@ncfunds.com

CONTRA COSTA COUNTY
ATTN: BELINDA ZHU
625 COURT STREET
ROOM 102
MARTINEZ CA 94553-1281



	CalTrust Short Term	LAIF		CalTrust Short Term Total Return	CalTrust Short Term Yield Return	LAIF Yield Return
Market Value	\$672,938,183.10	N/A	One Month	0.01%	0.03%	0.02%
NAV per Share	\$10.03	N/A	Three Month	0.11%	0.10%	0.06%
Yield	0.37%	0.23%	Six Month	0.27%	0.19%	0.13%
Period Total Return	0.01%	N/A	Calendar Y-T-D	0.11%	0.10%	0.06%
Period Yield Return	0.03%	0.02%	One Year*	0.44%	0.36%	0.25%
Effective Duration	0.66 yrs.	N/A	Two Year*	0.43%	0.37%	0.30%
Average Maturity	1.34 yrs.	0.55 yrs.	Three Year*	0.46%	0.42%	0.33%
			Five Year*	0.82%	0.51%	0.47%
			Since Inception*	2.13%	2.09%	2.04%
			*Annualized			
Portfolio Sector Breakdown 			Portfolio Quality Breakdown 			

Disclosure to Performance Information

- This performance information is based on an inception date of February 13, 2005, when the CalTrust Short-Term portfolio commenced investment operations according to its investment objective, and does not include any investment returns from temporary investments held before the commencement of those operations.
- First-month index returns, February 13-28, 2005, are intra-period and were calculated by calculating the average daily return during the month and multiplying the average daily return by number of days in the shortened period.
- Performance was calculated net of investment advisory and program administration fees.
- The Local Agency Investment Fund (LAIF) is a diversified portfolio managed by the State of California for local governments and special districts.
- Performance for the CalTRUST Short Term Account is on a trade date basis. LAIF's monthly performance was calculated by taking the average monthly effective yield and dividing it by 365 then multiplying the result by the number of days in the month.
- Yield represents the 7-day net distribution on investments for the period.
- Rating source - Standard & Poor's.
- Past performance is no guarantee of future results.



Investment Trust of California

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<<Back		CalTrust Short Term Fund		View	Export		Print	Home
Search		Complete Listing		Additional Ratings		Effective Date: 3/31/2014		Go
Ticker	CUSIP	Description	S&P Rating 3/31/2014 ¹	Mat. Date	Years	Shares	Price	Value
AE082514	0258MOCZ0	AMER EXPRESS CREDIT CO 5.125% 08/25/14	A-	8/25/2014	0.4	3,930,000.00	101.8658	\$4,003,325.94
AE111315	025815AB7	AMERICAN EXPR CENTURION 11/13/15	A-	11/13/2015	1.7	7,000,000.00	100.4582	\$7,032,074.00
AH022715	02666QK69	AMERICAN HONDA FINANCE 1.45 2/27/15	A+	2/27/2015	0.9	1,100,000.00	100.9874	\$1,110,861.40
AH091914	02666QJ53	AMERICAN HONDA FINANC 1.85% 9/19/14	A+	9/19/2014	0.5	1,193,000.00	100.7090	\$1,201,458.37
HN052616	02666QM59	AMERICAN HONDA FINAN CE 5/26/2016 0.6463	A+	5/26/2016	2.2	5,300,000.00	100.4440	\$5,323,532.00
HN092115	02666QG64	AMERICAN HONDA FINAN CE 9/21/2015 2.5%	A+	9/21/2015	1.5	2,000,000.00	102.8295	\$2,056,590.00
HN100716	02665WAA9	AMERICAN HONDA FINAN CE 10/7/2016 0.7418	A+	10/7/2016	2.6	1,250,000.00	100.7991	\$1,259,988.75
BA051514	06051GDY2	BANK OF AMERICA CORP 5/15/2014 7.375%	A	5/15/2014	0.2	3,962,000.00	100.8048	\$3,993,886.18
BA021417	06050TLU4	BANK OF AMERICA NA 2/14/2017 0.7061%	A-	2/14/2017	2.9	500,000.00	100.0008	\$500,004.00
BA111416	06050TSL9	BANK OF AMERICA NA 11/14/2016 0.7089%	A	11/14/2016	2.7	2,200,000.00	100.1562	\$2,203,436.40
BM061815	06406HBQ1	BANK OF NEW YORK MELLO 2.95% 6/18/15	A+	6/18/2015	1.2	750,000.00	102.8245	\$771,183.75
BN022015	06406HCC1	BANK OF NEW YORK MELLON 1.2% 2/20/15	A+	2/20/2015	0.9	7,260,000.00	100.7067	\$7,311,306.42
BN112414	06406HBZ1	BANK OF NEW YORK MELLON 1.7% 11/24/14	A+	11/24/2014	0.7	2,976,000.00	100.7791	\$2,999,186.02
BA100114	072031AA5	BAY AREA CA WTR SPLY & CONSV AGY 10/01/14	AA-	10/1/2014	0.6	2,520,000.00	99.8940	\$2,517,328.80
BH011515	084664AT8	BERKSHIRE HATHAWAY FIN 4.85% 1/15/2015	AA	1/15/2015	0.8	2,605,000.00	103.5302	\$2,696,961.71
BR021115	084670AV0	BERKSHIRE HATHAWAY INC 2/11/2015 3.2%	AA	2/11/2015	0.9	5,368,000.00	102.4615	\$5,500,133.32
BR121014	09247XAD3	BLACKROCK INC 3.5% 12/10/14	A+	12/10/2014	0.8	4,775,000.00	102.1518	\$4,877,748.45
Au022516	05578XAB4	BMWOT 2013-1 A2 02/25/2016 0.41%	Aaa	2/25/2016	1.9	4,585,000.00	100.0287	\$4,586,315.90
BB120116	07330NAF2	BRANCH BANKING & TRU ST 12/1/2016 0.6743	A	12/1/2016	2.8	5,000,000.00	100.3693	\$5,018,465.00
CS040114	13063A5B6	CALIFORNIA ST TAX- ABLE 5.25% 4/01/2014	A	4/1/2014	0.1	7,495,000.00	100.0000	\$7,495,000.00
CA020115	13063BN65	CALIFORNIA ST-TXBL 2/1/2015 0.85%	A	2/1/2015	0.9	3,000,000.00	100.2970	\$3,008,910.00
Cr070717	17305EBU8	CCCIT 2003-A7 A7 7/7/2017 4.15%	AAA	7/7/2017	3.3	5,000,000.00	104.6363	\$5,231,815.00
Cr112516	17305EFD2	CCCIT 2013-A5 A5 11/25/2016 0.34%	AAA	11/25/2016	2.7	5,000,000.00	100.0264	\$5,001,320.00
CH051517	161571FY5	CHAIT 2013-A4 A4 5/15/2017 0.2992%	AAA	5/15/2017	3.2	10,250,000.00	99.9318	\$10,243,009.50
CS120415	808513AH8	CHARLES SCHWAB CORP 0.85% 12/04/15	A	12/4/2015	1.8	4,500,000.00	100.3628	\$4,516,326.00
C031017	172967HL8	CITIGROUP INC 3/10/2017 0.7744%	A-	3/10/2017	3.0	1,650,000.00	99.7695	\$1,646,196.75
C081214	172967EY3	CITIGROUP INC 8/12/2014 6.375%	A-	8/12/2014	0.4	4,771,000.00	102.0996	\$4,871,171.92
CS080114	190335GD5	COAST CMNTY CLG-B-TX B 8/1/2014 0.45%	AA-	8/1/2014	0.4	1,960,000.00	99.9310	\$1,958,647.60
CM011515	20030NAB7	COMCAST CORP 1/15/2015 6.5%	A-	1/15/2015	0.8	4,000,000.00	104.5865	\$4,183,460.00
CS120715	22549TNZ7	CREDIT SUISSE NEW YO RK 12/7/2015 0.6513	A	12/7/2015	1.8	10,000,000.00	100.1347	\$10,013,470.00
DF010915	233851AS3	DAIMLER FINANCE NA LLC 01/09/2015	A-	1/9/2015	0.8	8,815,000.00	100.3678	\$8,847,421.57
DA041015	233851AN4	DAIMLER FINANCE NA L LC 4/10/2015 1.65%	A-	4/10/2015	1.1	1,402,000.00	100.8102	\$1,413,359.00
FM012916	3135G0TH6	FANNIE MAE 0.48% 01/29/16	AA+	1/29/2016	1.8	5,000,000.00	99.9855	\$4,999,275.00
FM51514	31398AXJ6	FANNIE MAE 2.5% 05/15/14	AA+	5/15/2014	0.2	8,000,000.00	100.2937	\$8,023,496.00
FN022616	3135G0UV3	FANNIE MAE 2/26/2016 0.75%	AA+	2/26/2016	1.9	5,000,000.00	100.4825	\$5,024,125.00
FN042516	3135G0WK5	FANNIE MAE 4/25/2016 0.5%	AA+	4/25/2016	2.1	5,000,000.00	99.8766	\$4,993,830.00
FN042916	3135G0WG4	FANNIE MAE 4/29/2016 0.5%	AA+	4/29/2016	2.1	10,000,000.00	99.8080	\$9,980,800.00
FN092115	31398A3T7	FANNIE MAE 9/21/2015 2%	AA+	9/21/2015	1.5	2,250,000.00	102.4959	\$2,306,157.75
FM070215	3135G0LN1	FANNIE MAE 0.50% 7/2/2015	AA+	7/2/2015	1.3	10,000,000.00	100.3553	\$10,035,530.00
FM062714	3135G0BJ1	FANNIE MAE 1.125% 6/27/2014	AA+	6/27/2014	0.2	20,000,000.00	100.2482	\$20,049,640.00
FF042314	3133EALW6	FEDERAL FARM CREDIT BANK 0.3% 04/23/14	AA+	4/23/2014	0.1	16,000,000.00	100.0141	\$16,002,256.00
FH010816	313381MG7	FEDERAL HOME LOAN BA NK 1/8/2016 0.5%	AA+	1/8/2016	1.8	5,000,000.00	100.0069	\$5,000,345.00
FH011615	313381H24	FEDERAL HOME LOAN BA NK 1/16/2015 0.25%	AA+	1/16/2015	0.8	5,000,000.00	100.0870	\$5,004,350.00
FH091115	313370JB5	FEDERAL HOME LOAN BA NK 9/11/2015 1.75%	AA+	9/11/2015	1.5	10,000,000.00	102.0395	\$10,203,950.00
FB111816	31677QA22	FIFTH THIRD BANK 11/18/2016 0.7481%	A-	11/18/2016	2.7	5,450,000.00	100.3750	\$5,470,437.50
Au081516	31679JAB9	FITAT 2014-1 A2 8/15/2016 0.46%	AAA	8/15/2016	2.4	11,100,000.00	100.0080	\$11,100,888.00
FH010915	3134G4DE5	FREDDIE MAC 1/9/2015 0.31%	AA+	1/9/2015	0.8	10,250,000.00	100.0316	\$10,253,239.00
FH012816	3134G34B3	FREDDIE MAC 1/28/2016 0.5%	AA+	1/28/2016	1.8	2,500,000.00	99.9676	\$2,499,190.00
FH012916	3134G4TQ1	FREDDIE MAC 1/29/2016 0.5%	AA+	1/29/2016	1.8	2,500,000.00	100.0304	\$2,500,760.00
FH060616	3134G46A1	FREDDIE MAC 6/6/2016 0.5%	AA+	6/6/2016	2.2	5,000,000.00	99.8845	\$4,994,225.00
FH091815	3134G36F2	FREDDIE MAC 9/18/2015 0.42%	AA+	9/18/2015	1.5	2,150,000.00	100.1254	\$2,152,696.10
FH103015	3134G4JH2	FREDDIE MAC 10/30/2015 0.5%	AA+	10/30/2015	1.6	5,000,000.00	100.0272	\$5,001,360.00
FH111315	3134G4KC1	FREDDIE MAC 11/13/2015 0.4%	AA+	11/13/2015	1.7	3,000,000.00	100.0374	\$3,001,122.00
FH120514	3134G3H78	FREDDIE MAC 12/5/2014 0.35%	AA+	12/5/2014	0.8	3,000,000.00	100.0372	\$3,001,116.00
FM082815	3134G4FP8	FREDDIE MAC 8/28/2015 0.5%	AA+	8/28/2015	1.4	2,875,000.00	100.0783	\$2,877,251.13
FM092515	3134G3L24	FREDDIE MAC 0.5% 09/25/15	AA+	9/25/2015	1.5	12,910,000.00	100.2694	\$12,944,779.54
FM041715	3137EADD8	FREDDIE MAC 0.50% 4/17/2015	AA+	4/17/2015	1.1	5,000,000.00	100.3202	\$5,016,010.00
FM031515	31398V2J4	FREDDIE MAC 3/15/15	AAA	3/15/2015	1.0	484,703.35	100.0377	\$484,886.09
GE042018	36159LCF1	GE DEALER FLOORPLAN MASTER NT 04/20/18	Aaa	4/20/2018	4.1	10,400,000.00	100.2695	\$10,428,028.00
GC010816	36962GU51	GENERAL ELEC CAP CORP 01/08/16	AA+	1/8/2016	1.8	2,000,000.00	99.9658	\$1,999,316.00
GE010816	36962G6Q2	GENERAL ELEC CAP CORP 01/08/16	AA+	1/8/2016	1.8	2,000,000.00	100.6859	\$2,013,718.00
GE051116	36962G2V5	GENERAL ELEC CAP CORP 05/11/2016	AA+	5/11/2016	2.2	6,000,000.00	99.8618	\$5,991,708.00
GS080115	38141EA74	GOLDMAN SACHS GROUP INC 8/1/2015 3.7%	A-	8/1/2015	1.4	1,000,000.00	103.6999	\$1,036,999.00
GS112114	38141EB40	GOLDMAN SACHS GROUP INC 11/21/14	A-	11/21/2014	0.7	4,605,000.00	100.4783	\$4,627,025.72
AH082216	43813JAB1	HAROT 2014-1 A2 8/22/2016 0.41%	Aaa	9/21/2016	2.5	5,000,000.00	99.9353	\$4,996,765.00
Au071618	41283YAC1	HDMOT 2013-1 A3 7/16/2018 0.65%	Aaa	7/16/2018	4.3	2,000,000.00	100.0731	\$2,001,462.00
HA111614	43814EAB1	HONDA AUTO RECEIV- ABLES 10/17/15	Aaa	10/17/2015	1.6	3,993,859.42	100.0075	\$3,994,158.96
HS040114	40428EJQ3	HSBC BANK USA 4.625% 04/01/14	A	4/1/2014	0.1	9,990,000.00	100.0000	\$9,990,000.00
IL030115	452152HQ7	ILLINOIS ST 3/1/2015 4.511%	A-	3/1/2015	1.0	3,025,000.00	103.4160	\$3,128,334.00
IN011515	454624W2	IN BOND BANK-TXBL 1/15/2015 0.661%	AA+	1/15/2015	0.8	5,065,000.00	99.9690	\$5,063,429.85
IN071514	454624V4	IN BOND BANK-TXBL 7/15/2014 0.522%	AA+	7/15/2014	0.3	2,665,000.00	99.9380	\$2,663,347.70
IS042914	45779QDV5	INSTITUTIONAL SECD 04/29/14	A-1	4/29/2014	0.1	15,000,000.00	99.9896	\$14,998,441.50

JA093015	46849LSF9	JACKSON NATL LIFE GL OBAL 9/30/2015 0.59	AA	9/30/2015	1.5	5,000,000.00	100.3437	\$5,017,185.00
JA100114	469487HV7	JACKSONVILLE-B-TXBL 10/1/2014 0.54%	AA-	10/1/2014	0.6	960,000.00	99.9360	\$959,385.60
JP061316	48121CJM9	JP MORGAN CHASE BANK NA 6/13/2016 0.6101	A	6/13/2016	2.2	6,650,000.00	99.4876	\$6,615,925.40
JP012015	46625HHP8	JPMORGAN CHASE & CO 1/20/2015 3.7%	A	1/20/2015	0.8	2,000,000.00	102.5172	\$2,050,344.00
JP021517	46623EJZ3	JPMORGAN CHASE & CO 2/15/2017 0.750933%	A	2/15/2017	2.9	1,000,000.00	100.0859	\$1,000,859.00
JP092215	46623EJB6	JPMORGAN CHASE & CO 09/22/15	A	9/22/2015	1.5	2,000,000.00	101.1775	\$2,023,550.00
MB021516	58768VAC5	MBALT 2013-A A3 2/15/2016 0.59%	AAA	2/15/2016	1.9	2,350,000.00	100.0817	\$2,351,919.95
Au071516	58768DAC5	MBALT 2013-B A3 7/15/2016 0.62%	Aaa	7/15/2016	2.3	6,070,000.00	100.0504	\$6,073,059.28
ML010915	59217GAM1	MET LIFE GLOB FUNDING 2% 1/9/2015	AA-	1/9/2015	0.8	1,815,000.00	101.2052	\$1,836,874.38
ML011116	59217GAD1	MET LIFE GLOB FUND- ING 3.125% 1/11/2016	AA-	1/11/2016	1.8	1,000,000.00	104.1545	\$1,041,545.00
ML061014	59217EBW3	MET LIFE GLOB FUND- ING 5.125% 6/10/2014	AA-	6/10/2014	0.2	2,495,000.00	100.9118	\$2,517,749.41
ME040215	59157BAH5	METLIFE INSTITUTIONA L FD 4/2/2015 1.625	AA-	4/2/2015	1.1	2,000,000.00	101.1929	\$2,023,858.00
MI101514	594615AS5	MICHIGAN ST-TXBL-I-B 10/15/2014 1%	A+	10/15/2014	0.6	10,250,000.00	100.2340	\$10,273,985.00
MS022516	61746BDH6	MORGAN STANLEY 02/25/16	A-	2/25/2016	1.9	6,000,000.00	101.4368	\$6,086,208.00
MS042815	61747YCE3	MORGAN STANLEY 4/28/2015 6%	A-	4/28/2015	1.1	1,000,000.00	105.5593	\$1,055,593.00
OI021616	55292LAB0	MTBAT 2013-1A A2 2/16/2016 0.66%	AAA	2/16/2016	1.9	4,100,000.00	100.1132	\$4,104,641.20
Au111517	55292LAC8	MTBAT 2013-1A A3 11/15/2017 1.06%	AAA	11/15/2017	3.7	4,000,000.00	100.7002	\$4,028,008.00
OI091515	65476VAB5	NALT 2013-A A2A 9/15/2015 0.45%	Aaa	9/15/2015	1.5	9,355,102.57	100.0309	\$9,357,993.30
NY011215	64952WBE2	NEW YORK LIFE GLOBAL FDG 1.3% 1/12/2015	AA+	1/12/2015	0.8	4,875,000.00	100.6644	\$4,907,389.50
NY072415	64952WBH5	NEW YORK LIFE GLOBAL FDG 0.75% 7/24/15	AA+	7/24/2015	1.3	6,775,000.00	100.1559	\$6,785,562.23
NS030317	654740AG4	NISSAN MOTOR ACCEPTA NCE 3/3/2017 0.7843	BBB+	3/3/2017	3.0	2,000,000.00	100.1742	\$2,003,484.00
NJ061515	645771WY8	NJ BLDG AUTH-B-REF 6/15/2015 0.748%	A+	6/15/2015	1.2	2,330,000.00	100.1050	\$2,332,446.50
OC050114	68428LCY8	ORANGE CNTY CA PENSN OBLG 0.73% 5/1/14	AA-	5/1/2014	0.2	3,250,000.00	100.0310	\$3,251,007.50
Cr111817	70659PAE1	PENAR 2013-1A A1 11/18/2017 0%		11/18/2017	3.7	9,250,000.00	100.1397	\$9,262,922.25
AP082216	73328XAC3	PILOT 2013-1 A3 8/22/2016 0.7%	AAA	8/22/2016	2.4	10,000,000.00	100.1865	\$10,018,650.00
PB042916	69349LAL2	PNC BANK NA 04/29/16	A	4/29/2016	2.1	2,200,000.00	100.0446	\$2,200,981.20
PN012816	69349LAJ7	PNC BANK NA 01/28/2016	A	1/28/2016	1.8	3,650,000.00	100.0408	\$3,651,489.20
PF052716	74256LAF6	PRINCIPAL LFE GLB FN D II 5/27/2016 0.64	A	5/27/2016	2.2	4,025,000.00	100.1556	\$4,031,262.90
PL091815	74256LAB5	PRINCIPAL LIFE GLB FND 1.125% 9/18/15	A+	9/18/2015	1.5	1,600,000.00	100.5572	\$1,608,915.20
PL121115	74256LAC3	PRINCIPAL LIFE GLB FND II 1% 12/11/15	A+	12/11/2015	1.8	4,000,000.00	100.0999	\$4,003,996.00
PR100115	743755AK6	PRVDNC HLTH & SVC OB L GR 10/1/2015 0.80	AA	10/1/2015	1.6	5,600,000.00	99.8406	\$5,591,073.60
SD070114	797355R97	SAN DIEGO CA UNIF SCH 0.342% 7/1/14	AA-	7/1/2014	0.3	15,250,000.00	100.0190	\$15,252,897.50
SJ080114	798186YJ5	SAN JOSE CA UNIF SCH DIST 8/1/14	AA	8/1/2014	0.4	2,925,000.00	100.8770	\$2,950,652.25
SM090114	799017KN7	SAN MATEO CALIF 0.685% 9/1/14	AA+	9/1/2014	0.5	500,000.00	100.0630	\$500,315.00
SM080114	802385MC5	SANTA MONICA CCD-B 8/1/2014 0.486%	AA	8/1/2014	0.4	4,295,000.00	99.9270	\$4,291,864.65
SR090114	802626AQ4	SANTA ROSA-REF-TXBL 9/1/2014 1.663%	AA-	9/1/2014	0.5	1,310,000.00	99.9310	\$1,309,096.10
SC060115	837151HT9	SC PUB SVC AUT-D-TXB L 6/1/2015	SP-1+	6/1/2015	1.2	7,000,000.00	100.3940	\$7,027,580.00
SS120815	85744NAB7	STATE STREET BANK & TRST 12/08/15	A+	12/8/2015	1.8	3,000,000.00	99.8952	\$2,996,856.00
SF081414	86476PLG1	SUFFOLK CO-I-TANS 8/14/2014 1.5%	SP-1	8/14/2014	0.4	10,000,000.00	100.4240	\$10,042,400.00
Au021516	89236VAB6	TAOT 2013-B A2 2/15/2016 0.48%	AAA	2/15/2016	1.9	11,050,000.00	100.0818	\$11,059,038.90
TV061515	880591DY5	TENN VALLEY AUTHORIT Y 6/15/2015 4.375%	AA+	6/15/2015	1.2	1,000,000.00	104.8027	\$1,048,027.00
UN092616	90521APG7	UNION BANK NA 9/26/2016 0.9996%	A+	9/26/2016	2.5	2,160,000.00	100.9883	\$2,181,347.28
UC051515	91412GSW6	UNIV CA-AJ-TXBL 5/15/2015 0.528%	AA	5/15/2015	1.2	2,855,000.00	100.1870	\$2,860,338.85
UC070141	91412GEZ4	UNIVERSITY CALIF REVS 07/01/2041**	AA/A-1+	7/1/2014	0.3	1,000,000.00	100.0290	\$1,000,290.00
US030415	91159HGU8	US BANCORP 3/4/2015 3.15%	A+	3/4/2015	1.0	1,500,000.00	102.5817	\$1,538,725.50
US103014	90331HKP7	US BANK NA 4.95% 10/30/2014	A+	10/30/2014	0.6	5,700,000.00	102.6195	\$5,849,311.50
T0131116	912828B41	US TREASURY N/B 1/31/2016 0.375%	Aaa	1/31/2016	1.8	8,000,000.00	100.0312	\$8,002,496.00
T022916	912828B82	US TREASURY N/B 2/29/2016 0.25%	Aaa	2/29/2016	1.9	5,000,000.00	99.7344	\$4,986,720.00
T083115	912828VU1	US TREASURY N/B 8/31/2015 0.375%	Aaa	8/31/2015	1.4	10,000,000.00	100.2461	\$10,024,610.00
T103115	912828PE4	US TREASURY N/B 10/31/2015 1.25%	Aaa	10/31/2015	1.6	5,015,000.00	101.5469	\$5,092,577.04
T113015	912828A26	US TREASURY N/B 11/30/2015 0.25%	Aaa	11/30/2015	1.7	10,000,000.00	99.9297	\$9,992,970.00
T123115	912828A67	US TREASURY N/B 12/31/2015 0.25%	Aaa	12/31/2015	1.8	10,000,000.00	99.8672	\$9,986,720.00
US071714	90327QCS6	USAA CAPITAL CORP 3.5% 7/17/2014	AA+	7/17/2014	0.3	1,882,000.00	100.8450	\$1,897,902.90
Au082216	92867GAC7	VALET 2012-1 A3 8/22/2016 0.85%	AAA	8/22/2016	2.4	1,922,454.57	100.2873	\$1,927,977.78
VA072016	92867PAB9	VALET 2013-2 A2 7/20/2016 0.67%	AAA	7/20/2016	2.3	4,875,000.00	99.9997	\$4,874,985.38
VZ091516	92343VBL7	VERIZON COMMUNICATIO NS 9/15/2016 1.7823	BBB+	9/15/2016	2.5	1,925,000.00	102.8683	\$1,980,214.78
Au122115	92867NAB4	VWALT 2013-A A2A 12/21/2015 0.63%	AAA	12/21/2015	1.8	5,055,602.28	100.1250	\$5,061,921.78
VPWF3801	VP7000236	WELLS FARGO ADVANT- AGE HERITAGE	AAA	4/1/2014	0.1	34,192,990.74	100.0000	\$34,192,990.74

Grand Total \$675,247,033.08

* Security ratings are updated monthly at month-end.

**Mandatory put on 7/1/14.

SECTION III

APPENDIX

B. INVESTMENT PORTFOLIO DETAIL – MANAGED BY OUTSIDE CONTRACTED PARTIES

B. 3. EAST BAY REGIONAL COMMUNICATIONS SYSTEM AUTHORITY (EBRCS)

EBRCS TRANSACTIONS* For the Quarter Ending March 31, 2014 FY 2013-2014								
FUND	BALANCE @	JV/Date	JV/Date	JV/Date	JV/Date	JV/Date	JV/Date	BALANCE @
NUMBER	12/31/13							03/31/14
100300	2,455,113.76							2,455,113.76
TOTALS	2,455,113.76	0.00	0.00	0.00	0.00	0.00	0.00	2,455,113.76

* East Bay Regional Communications System Authority

SECTION III

APPENDIX

B. INVESTMENT PORTFOLIO DETAIL – MANAGED BY OUTSIDE CONTRACTED PARTIES

B. 4. MISCELLANEOUS



BNY MELLON
The Bank of New York Mellon Trust Company, N.A.

Statement Period 03/01/2014 Through 03/31/2014
Account 036111
CCC 91-1 PLEASANT HILL BART 98 RESER FD

Statement of Assets Held

Shares / Par Value	Asset Description	Market Price Average Cost	Market Value Cost	Accrued Income Est Annual Income	Market Yield
FIXED INCOME					
27,582.960	COUNTY OF CONTRA COSTA CFD NO. 1992-1 (PLEASANT HILL BART STATION AREA) SPECIAL TAX BOND CERTIFICATE #R-1 DATED 6/17/1992 CUSIP: S86617840 MATURITY DATE: 08/01/2015 RATE: 5.40%	1.00000 1.00000	27,582.96 27,582.96	0.00 1,489.48	5.40%
Total FIXED INCOME			27,582.96	0.00	5.40%
			27,582.96	1,489.48	
OTHER					
414,274.350	CALIFORNIA ARBITRAGE MGMT PROGRAM CAMP PRINCIPAL CUSIP: S86217350	1.00000 1.00000	414,274.35 414,274.35	0.00 0.00	0.00%
Total OTHER			414,274.35	0.00	0.00%
			414,274.35	0.00	
CASH AND SHORT TERM					
148,749.680	WELLS FARGO ADV TRSRY PLUS M MKT #453 CUSIP: S99998240	1.00000 1.00000	148,749.68 148,749.68	0.00 14.87	0.00%
Total CASH AND SHORT TERM			148,749.68	0.00	0.00%
			148,749.68	14.87	
ACCOUNT TOTALS			590,606.99	0.00	0.25%
			590,606.99	1,504.35	

Total Market Value Plus Total Accrued Income 590,606.99

Statement of Transactions

Transaction Date	Transaction Description	Income	Principal	Cost	Realized Gains/Losses
03/01/14	OPENING BALANCE	0.00	0.00	590,585.06	
03/04/14	Dividend WELLS FARGO ADV TRSRY PLUS M MKT #453 DIVIDEND	1.12	0.00	0.00	0.00
03/04/14	Cash Debit WELLS FARGO ADV TRSRY PLUS M MKT #453 INVESTMENT MAINTENANCE FEE	1.12 -	0.00	0.00	0.00
03/04/14	DAILY ENDING BALANCE	0.00	0.00	590,585.06	0.00
03/13/14	Purchase CALIFORNIA ARBITRAGE MGMT PROGRAM CAMP PRINCIPAL INTEREST POSTING FEBRUARY 2014 TRNIIJ1403122305500 21.93 SHARES	0.00	21.93 -	21.93	0.00
03/13/14	Dividend CALIFORNIA ARBITRAGE MGMT PROGRAM CAMP INTEREST POSTING FEBRUARY 2014 TRNIIJ1403122305400	21.93	0.00	0.00	0.00
03/13/14	Cash Debit TRANSFERRED TO ACCOUNT 036111 FF	21.93 -	0.00	0.00	0.00
03/13/14	Cash Credit TRANSFERRED FROM ACCOUNT 036111 FF	0.00	21.93	0.00	0.00
03/13/14	DAILY ENDING BALANCE	0.00	0.00	590,606.99	0.00
03/31/14	CLOSING BALANCE	0.00	0.00	590,606.99	0.00

Cumulative realized capital gain and loss position from 12/31/2013 for securities held in principal of account:

Short Term: 0.00 * Long Term: 0.00 *

* The above gain and loss position does not include transactions where tax cost information is incomplete or unavailable.

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Account #	Holder	Trustee	Name	Balance	Last Tran Date
0000041723	CONTRA COSTA COU	SOCIAL SER	TRUST FOR OTHA SHAMBURGER	14,858.23	12/26/12
0000054152	CONTRA COSTA COU	SOCIAL SER	TRUST FOR RUSHAWN THOMAS	0.00	10/03/12
0000060554	CONTRA COSTA COU	SOCIAL SER	TRUST FOR BRANDON EATON	3,266.61	05/08/12
0000060949	CONTRA COSTA COU	SOCIAL SER	TRUST FOR AZRIELA MARTINEZ	0.00	10/11/11
0000064570	CONTRA COSTA COU	SOCIAL SER	TRUST FOR NICARE RANDLE	3,366.70	11/12/13
Subtotal for Account Type:				90	
Count:				5	
Total Share Balance				21,491.54	
0000058426	CONTRA COSTA COU	SOCIAL SER	TRUST FOR PASCHERIA CARROLL	3,336.88	02/19/09
0000060974	CONTRA COSTA COU	SOCIAL SER	TRUST FOR HECTOR URBINA	0.00	02/25/11
0000063174	CONTRA COSTA COU	SOCIAL SER	TRUST FOR DYLAN ROBERTS	0.00	10/31/12
Subtotal for Account Type:				91	
Count:				3	
Total Share Balance				3,336.88	
0000052505	CONTRA COSTA COU	SOCIAL SER	TRUST FOR JUSTIN GARNER	10,831.36	11/04/05
0000057022	CONTRA COSTA COU	SOCIAL SER	TRUST FOR FREDONIA WRIGHT	19,526.35	10/17/12
0000058545	CONTRA COSTA COU	SOCIAL SER	TRUST FOR CHIDI UBOCHI	6,627.99	05/04/10
0000061977	CONTRA COSTA COU	SOCIAL SER	TRUST FOR SPENCER BROWN	0.00	01/10/13
0000063927	CONTRA COSTA COU	SOCIAL SER	TRUST FOR KATHRYN HUBLER	6,736.79	01/14/14
0000064538	CONTRA COSTA COU	SOCIAL SER	TRUST FOR HUNTER PETRIE	0.00	12/16/13
Subtotal for Account Type:				92	
Count:				6	
Total Share Balance				43,722.48	
0000058428	CONTRA COSTA COU	SOCIAL SER	TRUST FOR MICAH FINCH	3,336.88	02/19/09
0000058714	CONTRA COSTA COU	SOCIAL SER	TRUST FOR CARLOS PORTILLO	0.00	04/09/12
0000060592	CONTRA COSTA COU	SOCIAL SER	TRUST FOR ALISA TORRES DINOTTIA	3,281.38	04/06/11
0000061976	CONTRA COSTA COU	SOCIAL SER	TRUST FOR LAKISHA NIOUS	3,269.57	12/28/11
0000063642	CONTRA COSTA COU	SOCIAL SER	TRUST FOR MORGAN JEPSEN	0.00	02/26/13
0000063799	CONTRA COSTA COU	SOCIAL SER	TRUST FOR LUJLA MUJIC	0.00	04/01/13
0000064744	CONTRA COSTA COU	SOCIAL SER	TRUST FOR CAMRON VALLARE	3,399.00	03/27/14
Subtotal for Account Type:				93	
Count:				7	
Total Share Balance				13,286.83	
0000058543	CONTRA COSTA COU	SOCIAL SER	TRUST FOR ALEXANDER LOPEZ	0.00	02/24/09
0000060553	CONTRA COSTA COU	SOCIAL SER	TRUST FOR CHRISTIAN WILLIAMS	0.00	10/05/10
0000061268	CONTRA COSTA COU	SOCIAL SER	TRUST FOR TATIANA CANNON	0.00	06/03/11
0000061973	CONTRA COSTA COU	SOCIAL SER	TRUST FOR ORPHIUS BLACKSHEAR	0.00	01/10/13
0000063524	CONTRA COSTA COU	SOCIAL SER	TRUST FOR CHARLES FINNEY	3,334.15	03/05/13
0000063641	CONTRA COSTA COU	SOCIAL SER	TRUST FOR NICHOLAS HINSON	0.00	08/06/13
Subtotal for Account Type:				94	
Count:				6	
Total Share Balance				3,334.15	

CONTRA COSTA FEDERAL CREDIT UNION

Social Service Trust Accounts

03/31/14 at 04/01/14 01:02 Seq 2812 Page 2

Page 49

KDH.CCC.SOC.SERV.RPT

Account #	Holder	Trustee	Name	Balance	Last Tran Date
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Totals for Entire Report

Selected Record Count:

27

Total Share Balance

85,171.88



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