



**CENTRAL SAN**

**CENTRAL CONTRA COSTA SANITARY DISTRICT**

5019 Imhoff Place, Martinez, CA 94553-4392



# ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEARS ENDED  
JUNE 30, 2024 AND 2023

**CENTRAL CONTRA COSTA SANITARY DISTRICT  
MARTINEZ, CALIFORNIA**

**ANNUAL COMPREHENSIVE FINANCIAL REPORT**

**FOR THE YEAR ENDED JUNE 30, 2024  
WITH SUMMARIZED COMPARATIVE INFORMATION FOR THE  
YEAR ENDED JUNE 30, 2023**

**Prepared By: Finance Division**

**CENTRAL CONTRA COSTA SANITARY DISTRICT**  
**Annual Comprehensive Financial Report Table of Contents**  
**For the Year Ended June 30, 2024**

**INTRODUCTORY SECTION:**

Letter of Transmittal.....	i
Board of Directors.....	viii
Mission Statement.....	ix
Organization Chart.....	x
Map of Service Area .....	xi
Certificate of Achievement .....	xii

**FINANCIAL SECTION:**

Independent Auditors' Report .....	1
Management's Discussion and Analysis .....	5-12
Basic Financial Statements	
Statement of Net Position.....	13-14
Statement of Revenues, Expenses and Changes in Net Position.....	15
Statement of Cash Flows .....	16-17
Notes to Financial Statements - <i>The accompanying notes are an integral part of the basic financial statements</i> .....	19-54
Required Supplementary Information	
Cost-Sharing Multiple Employer Defined Benefit Retirement Plan - Schedule of Proportionate Share of Net Pension Liability (Asset) .....	56
Schedule of Contributions .....	57
Post-Retirement Health Care Defined Benefit Plan - Schedule of Changes in the Net OPEB Liability and Related Ratios .....	58
Schedule of Contributions .....	59
Supplementary Information	
Combining Schedule of Net Position.....	61
Combining Schedule of Revenues, Expenses and Changes in Net Position - Enterprise Sub-Funds.....	62

**STATISTICAL SECTION (Unaudited):**

Changes in Net Position and Statement of Net Position - Last Ten Fiscal Years.....	64
Revenue by Type - Last Ten Fiscal Years .....	65
Operating Expenses by Type - Last Ten Fiscal Years.....	66
Major Revenue Base and Rates - Historical and Current Fees - Last Ten Fiscal Years.....	67
Assessed and Estimated Actual Valuation of Taxable Property - Last Ten Fiscal Years.....	68
Property Tax and Sewer Service Charge Fees Levied and Collected - Last Ten Fiscal Years.....	68
Sewer Service Charge - List of Ten Largest Customers - Last Ten Fiscal Years.....	69

Payments Under the Concord Agreement -	
Last Ten Fiscal Years.....	70
Active Service Accounts and Fiscal Year Billings -	
Sewer Service Charges.....	70
Summary of Debt Service - Type, Debt Service Coverage, Debt Ratio -	
Last Ten Fiscal Years.....	71
Ratios of Outstanding Debt – Debt as a Percentage of Per Capita Personal Income -	
Last Ten Calendar Years.....	72
Demographic and Economic Data - Population Served -	
Last Ten Calendar Years.....	73
List of Nine Largest Employers in Contra Costa County -	
Last Year and Eight Years Ago.....	73
Demographic and Economic Statistics - Contra Costa County -	
Last Ten Fiscal Years.....	74
Full-time Equivalent Positions Filled by Department -	
Last Ten Fiscal Years.....	75
Number of Retirees and Surviving Spouses –	
Last Ten Fiscal Years.....	75
Capital Asset and Operating Statistics –	
Last Ten Calendar or Fiscal Years.....	76
Miscellaneous Statistics.....	76

# INTRODUCTION

ANNUAL COMPREHENSIVE FINANCIAL REPORT





November 19, 2024

Central Contra Costa Sanitary District Customers and  
The Honorable Board of Directors,  
Martinez, California:

*California Government Code* section 26909 requires an audit to be completed and filed with the California State Controller’s Office within twelve months after the close of the fiscal year. This report is published to fulfill that requirement for the fiscal year ended June 30, 2024 (FY 2023-24).

Management of Central Contra Costa Sanitary District (the District) assumes full responsibility for the completeness and reliability of the information in these financial statements, based upon a comprehensive system of internal controls that is established for this purpose. The cost of internal control should not exceed anticipated benefits, and therefore the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The District’s independent auditors, Maze & Associates, has issued an unmodified (“clean”) opinion on the District’s financial statements for the year ended June 30, 2024. The independent auditors’ report is located at the front of the financial section of this report.

Management’s Discussion and Analysis report (MD&A) immediately follows the independent auditors’ report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

## **PROFILE OF THE GOVERNMENT**

### History and Services Provided

The District was established in 1946 under the Sanitary District Act of 1923 and is located approximately 30 miles east of San Francisco. The District builds, operates and maintains the facilities required to collect and clean wastewater for approximately 351,000 residents of Danville, Lafayette, Martinez, Moraga, Orinda, Pleasant Hill, San Ramon, Walnut Creek and some of the unincorporated communities within its District boundaries. The District also treats wastewater for approximately 132,000 residents of the Cities of Concord and Clayton under a 1974 (and as subsequently amended) contract with the City of Concord.

The District is committed to protecting public health and preserving the environment at responsible rates, through diligent long-range financial planning and managing costs responsibly. The District has approximately 1,500 miles of sewer pipeline, ranging in size from 4 inches to 102 inches in diameter, and 18 sewage-pumping stations (three of which are privately owned) in the

District's sewage collection system. The District is the sole provider of wastewater collection and treatment service within the District limits (see map of service area). The residential segment makes up the largest segment of the District's customer base generating over eighty percent of total Sewer Service Charges operating revenues. The District's treatment capacity has grown significantly from a modest 4.5 million gallons per day (mgd) in 1948 to 53.8 mgd currently. Bonds, certificates of participation, state/federal grants, and pay-as-you-go local revenue sources of the District have traditionally financed capital expenditures and capacity expansions. While pay-as-you go local revenue sources have been the primary financing mechanism for the District's capital program over the past decade, debt financing is expected to gradually increase, with the need for enhanced capital expenditures to replacing aging infrastructure and meet regulatory requirements for enhanced nutrient removal. This is demonstrated by the issuance of \$50.6 million in certificates of participation in June 2021 and up to an anticipated \$173.1 million in California Water Board State Revolving Fund loan proceeds to finance a large solids handling facility improvements project. In addition to these approved debt issuances, the District's long-range financial plan also anticipates the use of additional debt financing for UV disinfection upgrades, solids handling, and nutrient removal infrastructure needs.

The District also operates a Recycled Water Program, in collaboration with Contra Costa Water District, that provides high-quality recycled water for landscape irrigation at schools, parks, playgrounds, median strips and playing fields, as well as dust control and industrial process uses. Due to strong customer demand, the District maintained operation of its Residential Recycled Water Fill Station, which allows residential customers to obtain a maximum of 300 gallons of recycled water per trip for use in hand watering lawns, landscaping, and gardens. The District also actively pursues new recycled water expansion opportunities to take advantage of the potential water supply that highly-treated wastewater represents, particularly given California's limited water supply. The District has been collaborating with public water agency partners to jointly invest in a project that will enable the District to comply with future nutrient discharge regulations while producing a new water supply to help ease the region's water shortage. The District recently executed a Memorandum of Understanding with East Bay Municipal Utility District (EBMUD) that will evaluate several potential recycled water projects together, including an option for potable reuse – introducing highly-treated recycled water into EBMUD's drinking water supply. The District continues to actively promote water recycling, given the role this would have in addressing the statewide water shortage and the developing effects of climate change.

In addition to its responsibility to collect and treat wastewater, the District also undertakes pollution prevention initiatives through the operation and maintenance of a permanent Household Hazardous Waste (HHW) Collection Facility in partnership with Mt. View Sanitary District and other local governments. The HHW Collection Facility is located adjacent to the District's wastewater treatment plant and seeks to keep pollutants out of the sewer system, making this facility a vital part of our overall Pollution Prevention Program. Having completed its 27th year of operation, the HHW Facility served over 32,000 residential and small business customers in 2023-24. On average, over two million pounds of hazardous waste is collected and properly disposed of annually, collecting over 1.8 million pounds of waste in FY 2023-24. In conjunction with its HHW program, the District's Pharmaceutical Collection Program further encourages pollution prevention having approximately 1,900 pounds of expired or unwanted medications between its four collection sites in FY 2023-24.

#### Organization, Accounting and Budgetary Controls

A five-member Board of Directors governs the District. The Board sets policies, appoints officers, and hires and oversees the District's General Manager, Secretary of the District, and District Counsel. The Board positions are non-partisan and serve staggered four-year terms. The District began a transition from an "at-large" election system to an area-based "by-division" election system

under the California Voting Rights Act in 2020. Two Board members were elected in November 2022 and were the first to represent their respective division as part of the by-district election system (Divisions 2 and 3). Thereafter, the remaining Board members were elected on a by-division basis in November 2024 (Divisions 1, 4 and 5) completing Central San's transition to a by-district election system. The Board appoints the General Manager, who in accordance with policies established by the Board, manages District affairs. The District employed 279 permanent regular full-time employees at fiscal year-end out of 298 authorized permanent regular full-time positions for that fiscal year. These employees are organized into three departments steered by an Executive Governance unit. Two Deputy General Managers direct Central San's management team, which is responsible for the budgets and expenses of all divisions and programs that comprise Central San's three operational departments. The three departments are: Administration, Engineering and Technical Services, and Operations.

The District charges fees to its customers for providing sewer collection and treatment services, which are the primary operational revenue source. Accordingly, pursuant to generally accepted accounting principles issued by the *Governmental Accounting Standards Board* (GASB), the District uses full accrual enterprise fund accounting to account for its operations, which is similar, though not identical, to private industry. The District currently has one enterprise fund for financial reporting purposes, which is comprised of the following four internal sub-funds for internal accounting purposes:

- **Running Expense** - accounts for the general operations of the District. Substantially all operating revenues and expenses are accounted for in this fund (also referred to as the Operations & Maintenance or "O&M" Fund).
- **Sewer Construction** - accounts for non-operating revenues that are to be used for acquisition or construction of plant, property, and equipment (also referred to as the "Capital Fund").
- **Self-Insurance** - accounts for interest earnings on cash balances in this sub-fund and cash allocations from other funds, as well as costs of insurance premiums and claims not covered by the District's insurance policies.
- **Debt Service** - accounts for activity associated with the payment of the District's long-term bonds and loans.

Each year, the Board adopts the following four budgets: Operations and Maintenance, Capital Improvement (i.e. Sewer Construction), Self-Insurance, and Debt-Service. The Board and Finance Committee review interim financial reports on a quarterly basis for fiduciary purposes, with management receiving more detailed monthly budget-to-actual results for budget monitoring purposes. District management is accountable for monitoring variances and adhering to overall budget constraints. The Board has delegated various contracting and spending authority to the General Manager, as specified by an adopted Board policy. Additional limited contracting and spending authority is further delegated to certain staff classifications as specified by internal signature limits. The District also has several documented financial policies (i.e., debt management, investments, fiscal reserves, pension and OPEB funding, etc.) that are periodically reviewed and updated to ensure their consistency with best practices as well as changes in laws and regulations.

## **ASSESSING THE DISTRICT'S ECONOMIC CONDITION**

### Economy and Outlook

According to the State of California's Legislative Analyst's Office (LAO), despite the strong rebound from the global pandemic observed in the prior year, significant rate hikes by the Federal Reserve to curb growing inflation in calendar year 2022 and 2023 have led to weaknesses in certain parts of the State's economy, particularly housing and financial markets. Many economists expect this weakness to continue over the next year and have downgraded their outlook for the economy. State tax collections in recent months have been weaker than estimated by the State's FY 2022-23 budget. Estimated income tax payments for 2022 were notably weaker than 2021, likely due to falling stock prices, and reduced capital gains taxes. The LAO's FY 2023-24 fiscal outlook anticipates a \$25 billion budget deficit mainly attributable to lower revenue estimates from FY 2021-22 through FY 2023-24 by \$41 billion, offset by



reductions in spending. Their outlook projects annual deficits declining from \$17 billion to \$8 billion over the next several years. These estimates incorporate a risk of recession but do not reflect a recession scenario, which if it does occur, could lead to revenues coming in \$30 to \$50 billion below the outlook projections. The State currently has roughly enough in reserves (\$23 million) to cover the budget deficit, but not if a recession occurs. The LAO is recommending a pause in budget allocations to one-time and temporary programs to reduce spending. A key assumption in the multiyear outlook is that estimated revenues are expected to decline in the short-term, then stabilize and remain largely flat between FY 2023-2024 and FY 2024-25, and then grow again in FY 2025-26 through 2026-27 after the effects of inflation and corresponding Federal Reserve rate hikes subside.

According to the California Employment Development Department (EDD), the Contra Costa County unemployment increased from 4.1% in September 2023 to 4.8% in September 2024. This combination of high interest rates and increasing unemployment could lead to slower than normal economic growth in the local economy, which may slightly adversely impact permit and capacity fee revenues related to development, as well as consumption based commercial sewer service charges.

### Long-Term Financial Planning

The District strives to maintain an excellent reputation in providing public service, which includes transparent and accessible governance, financial reporting and management, sewage collection and treatment, workforce safety, capital improvements and replacements, innovative use of technology, and customer service. The Board of Directors approved a four-year sewer service charge rate adjustment schedule in April 2019 spanning July 2019 through June 2023. The four-year sewer service charge rate increases ranged from 4.75% to 5.25% annually, subject to a Board review for continued necessity prior to the start of each fiscal year. The planned increases are a critical component of implementing the treatment plant and collection system capital improvement projects specified in the District's 20-year Master Plan adopted in 2017. In the spring of 2023, two years of rate adjustments were adopted for the upcoming two fiscal years 2023-24 and 2024-25, with overall Sewer Service Charge rates increasing by 1% and 4%, respectively, for single family residential customers. Other customer classes faced differing rate adjustments in the first year, and the same 4% increase for the second year, as a result of a cost of service study.

As noted previously, in conjunction with the approved sewer service charge rates, the District's latest 10-year financial plan anticipates the expanded use of debt financing to address major capital spending projects including upgrades to the UV disinfection system, solids handling, and nutrient removal infrastructure needs. While the District's FY 2024-25 capital budget is only increasing by approximately \$9.5 million (13.4%) over the prior year's adopted budget to \$80.7 million, the long-term financial plan forecasts capital spending in excess of \$100 million in each of the following five fiscal years consecutively thereafter. The long-term financial plan strives to carefully balance capital financing with modest customer rate increases to achieve long-term rate stability and inter-generational equity while responding to a growing list of long-term challenges (i.e., ageing infrastructure, growing capacity needs, and new regulations).

District management analyzes and updates a strategic plan every two years, with the seven goals in effect during FY 2023-24 being:

1. **Customer and Community** - Provide exceptional customer service,
2. **Environmental Stewardship** - Meet regulatory requirements, promote sustainability, and identify and reduce contributions to climate change and mitigate its impacts,
3. **Workforce Diversity & Development** - Recruit, educate, empower, and retain a workforce from diverse backgrounds,
4. **Governance & Fiscal Responsibility** – Uphold integrity, transparency, and wise financial management in an effective governing model,
5. **Safety & Security** – Provide a safe, secure, and healthful workplace that foresees and addresses threats,
6. **Infrastructure Reliability** – Maintain facilities and equipment to be dependable resilient, and long lasting, and
7. **Innovation & Agility** – Optimize operations for continuous improvement and remain flexible and adaptable.

Strategies to achieve each of these seven goals are developed, as well as metrics to evaluate success. Performance on achievement of the goals in the plan is reported quarterly to the Board. The District updates a 10-year financial plan each year prior to the completion, presentation, and adoption of the annual budget. The main economic factors considered in this long-term forecasting exercise are: the impact of state legislation and mandates, regulatory compliance, GASB reporting requirements, negotiated labor contract terms (including projected changes in retirement and health care costs), energy costs and interpreting the energy market, interest rates, housing growth, and infrastructure renewal and replacement needs. The unfunded actuarial accrued liabilities (UAAL) for the District's pension and other post-employment benefit (OPEB) plans are also considered in the financial planning process. Pursuant to the most recently issued independent actuarial reports, the District had a strong funded net position as a percentage of total pension liability in both its pension and OPEB plans of approximately 92.9% (as of the December 31, 2023 measurement date) and 107.8% (as of the June 30, 2024 measurement date) respectively. These plan funded statuses are carefully monitored as the District's pension and OPEB funding policies set targets of proactively achieving fully funded status, which is considered in each long-term financial plan update.

The District anticipates it will continue to meet its mission and goals, continue to provide excellent customer service at responsible rates to its customers, and meet compliance requirements and other goals as specified in its strategic plan for the foreseeable future.

#### Relevant Financial Policies

Investment policies for the District's assets, the OPEB trust, and the pension prefunding trust are reviewed and approved at least biennially by the Board. During FY 2023-24, utilizing budgetary savings from the prior year, the District Board directed an additional \$1 million be contributed to the pension pre-funding trust as a mechanism to hedge against recent actuarial results showing a slight growth in the pension plan UAAL following losses realized in calendar year 2022. Section 53646 of the *California Government Code* governs the District's investment practices, with changes in legislation being considered in the Board's annual review of District investment policies. Additionally, the Board receives quarterly financial reports that include budgetary highlights as well as investment portfolio reports. The OPEB trust and the Section 115 pension prefunding trusts are governed by separate investment policies. Since 2008, the OPEB trust fund have been invested using a "moderate" investment strategy, reflecting the relatively long-term horizon for use of the funds. In contrast, the pension prefunding trust funds are invested using a "moderately" conservative strategy,

reflecting its relatively shorter-term outlook as a secondary trust to the primary plan administered by the pension administrator. These two irrevocable trusts are managed by an outside investment advisor subject to investment policies adopted by the Board. The Board Finance Committee reviews the OPEB trust and pension pre-funding trust performance on a quarterly basis.

### Major Initiatives

The District's vision statement in effect during FY 2023-24 was *to be an innovative industry leader in environmental stewardship and sustainability, while delivering exceptional service at responsible rates*. As noted previously, the Board and its appointed management team strives to achieve this vision through the establishment of a strategic plan that establishes seven overarching goals, each with their own specific underlying strategies, initiatives, and key success measures.

The District has received the Platinum award from the National Association of Clean Water Agencies (NACWA) for 26 straight years in recognition of 100% compliance with our National Pollutant Discharge Elimination System (NPDES) permit. It has also reduced the number of sanitary sewer overflows by more than 90% in the past 20 years by improved sewer cleaning and a robust sewer rehabilitation program.

As described previously, the District reviews and adopts a Strategic Plan every two years. In FY 2021-22, the District Board and Management developed a new Strategic Plan for FY 2022-23 and FY 2023-24, which was completed and adopted by the Board in the Spring of 2022, immediately prior to the adoption of the FY 2022-23 budget. The District continues to analyze current and future rates, costs, and cash flows to ensure consistency with its cost of service studies, with the most recent study having been completed in the Spring of 2023.

To effectively manage assets to meet future state and federal regulatory requirements, the District initiated an Asset Management Program and the preparation of a Comprehensive Wastewater Management Plan to evaluate options for addressing future regulatory requirements. The latest Management Plan was completed in FY 2016-17 and is intended to be used as a roadmap for capital improvements over the next two decades. Individual projects are proposed in an annual capital improvement budget and brought to the Board for approval prior to the start of the year. Additionally, to facilitate more streamlined contracting and approval process for smaller capital projects, the Board adopted the Uniform Construction Cost Accounting Act (UPCCA) in May 2018.

The District will be focusing on meeting the nutrient management requirements adopted by the State of California Regional Water Control Board for the San Francisco region in July 2024. The newly adopted regulation requires a substantial 40% reduction in nutrient discharges by the publicly owned treatment works, including Central San, discharging effluent into the Bay by 2034, with interim caps and limits until that date. The District intends to develop a plan to meet these requirements in the next one to two years, indicating the technologies to be relied up to achieve these requirements.

### **AWARDS AND ACKNOWLEDGEMENTS**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a *Certificate of Achievement for Excellence in Financial Reporting* to the District for its annual comprehensive financial report (ACFR) for the fiscal year ended June 30, 2023. This was the 24<sup>th</sup> consecutive year that the District has achieved this prestigious award. Recipients of the award must publish an easily readable and efficiently organized ACFR satisfying both generally accepted accounting principles and applicable legal requirements. The *Certificate of Achievement for Excellence in Financial Reporting* is valid for a period of one year only. Management is confident the current

ACFR continues to meet the program's requirements and intends to submit it to the GFOA to determine its eligibility for another certificate.

This report could not have been accomplished without the dedication and commitment provided by District staff. Management would like to express sincere appreciation to the following employees who assisted in its preparation:

- The Finance Division who compiled the information contained in this document with a special thanks to: Brennan Rogers, Accounting Supervisor; Tricia Cruz, Accountant; Diana Diaz, Accountant; and Amal Lyon, Management Analyst.
- The Communications & Intergovernmental Affairs Division who creatively and professionally edited this the ACFR for publication.
- Dedicated staff in the Financial Planning, Household Hazardous Waste and Plant Operations workgroups who provided much of the statistical information included in this document.
- The District's Board of Directors and Management team for their support in preparing this document as well as their day-to-day support in overseeing the financial operations of the District in a prudent and responsible manner.

Respectfully submitted,

*Philip Leiber*

Philip Leiber, CPA  
Deputy General Manager of Administration

*T. Kevin Mizuno*

T. Kevin Mizuno, CPA  
Finance Manager

**CENTRAL CONTRA COSTA SANITARY DISTRICT BOARD OF DIRECTORS**  
**June 30, 2024**

Mariah N. Lauritzen..... President  
Michael R. McGill ..... President Pro-Tem  
Barbara D. Hockett ..... Member  
Tad J. Pilecki ..... Member  
Florence T. Wedington ..... Member

# MISSION, VISION, & VALUES

## OUR MISSION

To protect public health and the environment

## OUR VISION

To be an innovative industry leader in environmental stewardship and sustainability, while delivering exceptional service at responsible rates

## OUR VALUES

Our core values guide our daily decisions and how we fulfill our mission, vision, and goals

### ● CUSTOMER SERVICE

We are responsive to our customers, and we deliver on our commitment to provide safe, reliable, and cost-efficient services.

### ● EMPLOYEES

We empower our employees to do their best work.

### ● INTEGRITY

We hold ourselves accountable to a high standard of honesty, reliability, and transparency.

### ● INNOVATION

We continuously improve and optimize our operations.

### ● ENVIRONMENTAL SUSTAINABILITY

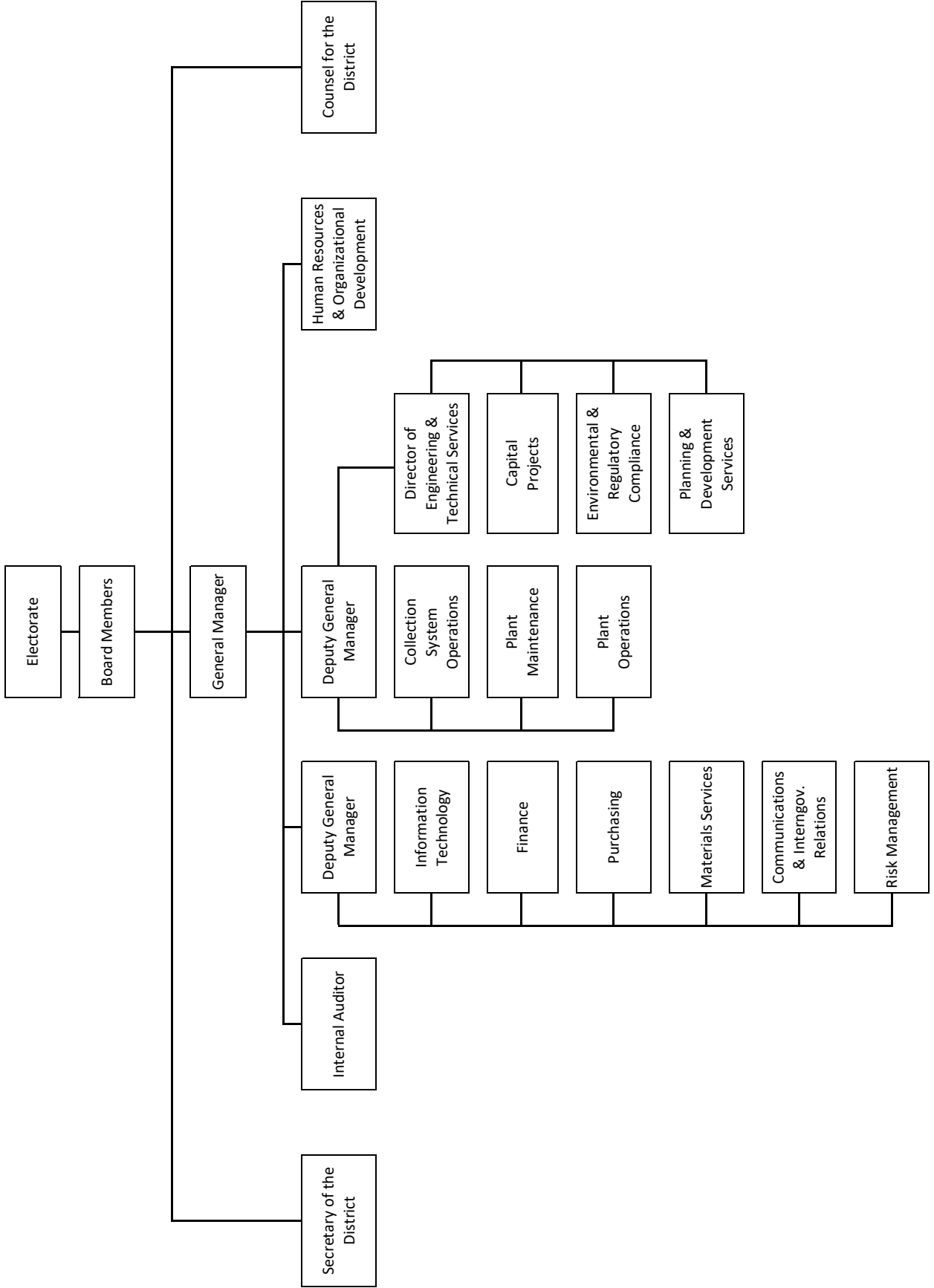
We conduct our business to safeguard and improve our planet.

### ● DIVERSITY, EQUITY, AND INCLUSION

We value people of all backgrounds, cultures, and perspectives, and we are committed to the principles of equity and inclusion.



CENTRAL CONTRA COSTA SANITARY DISTRICT  
**Organizational Chart - Composite**

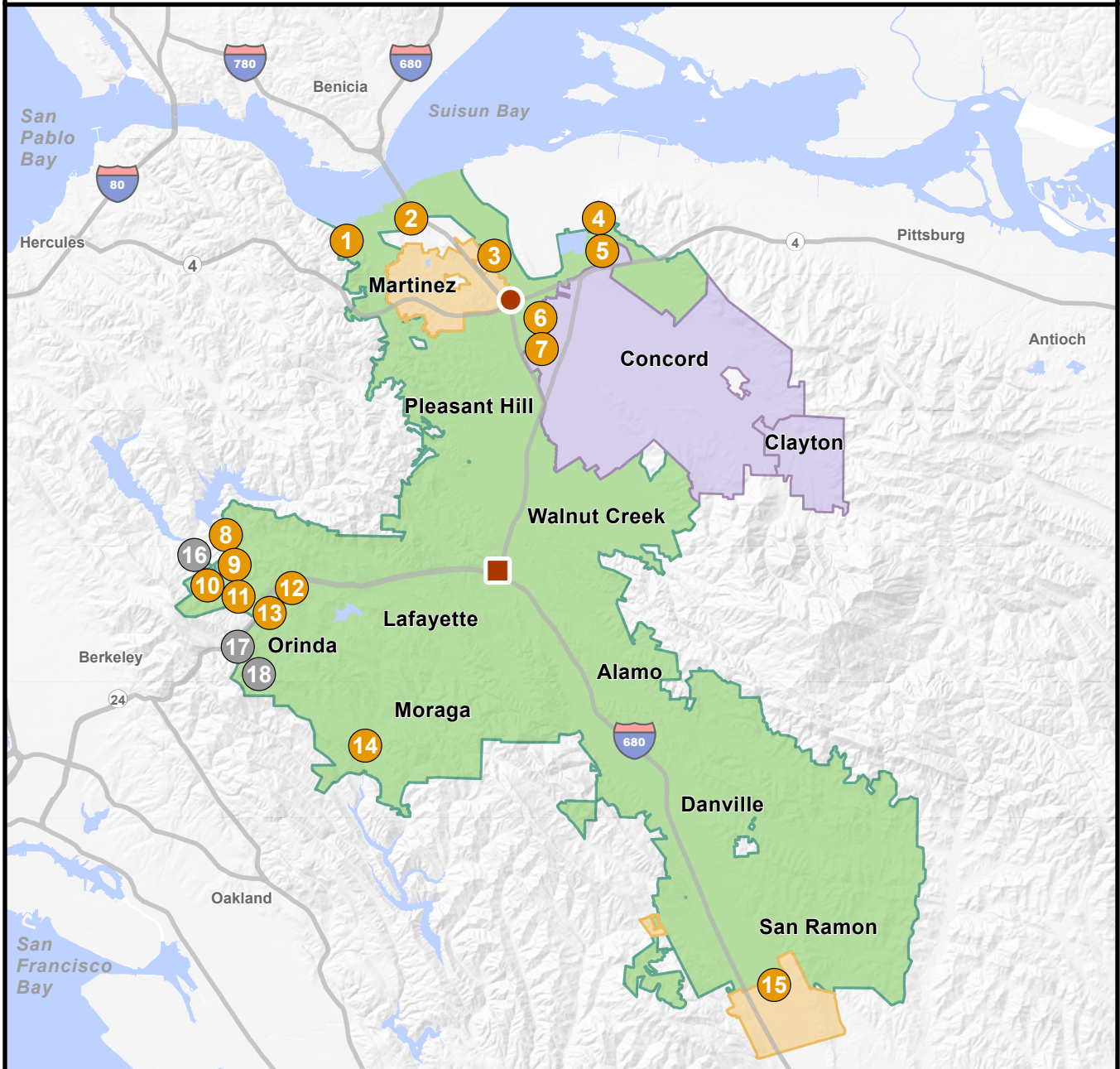




# Central Contra Costa Sanitary District Service Area

## June 30, 2024

Date: 10/25/2023



### Legend

- Central San's Headquarter, Treatment Plant, and HHW Collection Facility
- Central San's Collection System Operations Department (sewer maintenance) Building
- Wastewater collection and treatment and HHW collection for 351,379 people
- Wastewater treatment and HHW collection for 132,196 residents in Concord and Clayton by contract
- HHW disposal services only

### Pump and Lift Stations

- |                         |                          |
|-------------------------|--------------------------|
| 1. Martinez             | 10. Flush Kleen          |
| 2. Fairview             | 11. Lower Orinda         |
| 3. Maltby               | 12. Bates Blvd. - Orinda |
| 4. Clyde                | 13. Orinda Crossroads    |
| 5. Concord Industrial   | 14. Moraga               |
| 6. Buchanan Field North | 15. San Ramon            |
| 7. Buchanan Field South | 16. Wagner Ranch         |
| 8. Sleepy Hollow        | 17. Lower Wilder         |
| 9. Acacia               | 18. Upper Wilder         |

- Pump or Lift Station
- Privately Owned Pump Station







Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Central Contra Costa Sanitary District  
California**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2023

*Christopher P. Morill*

Executive Director/CEO

# FINANCIALS

ANNUAL COMPREHENSIVE FINANCIAL REPORT



## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
Central Contra Costa Sanitary District  
Martinez, California

### ***Opinions***

We have audited the accompanying financial statements of the business-type activities of the Central Contra Costa Sanitary District (District), California, as of and for the years ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the Table of Contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the District as of June 30, 2024, and the change in financial positions and, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirement relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Responsibilities of Management for the Financial Statements***

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

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

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

#### ***Report on Summarized Comparative Information***

We have previously audited the District's June 30, 2023 financial statements, and we expressed an unmodified audit opinions on those audited financial statements in our report dated November 29, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2023 is consistent, in all material respects, with the audited financial statements from which it has been derived.

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis and other Required Supplementary Information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in 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 basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying Supplementary Information, as listed in the Table of Contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Supplementary Information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the Introductory Section and Statistical Section listed in the Table of Contents, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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



Pleasant Hill, California  
November 19, 2024

This page left intentionally blank



## MANAGEMENT'S DISCUSSION AND ANALYSIS

---

This section of the Central Contra Costa Sanitary District's (District) annual financial report presents an analysis of the District's financial performance during the fiscal year ended June 30, 2024 (2023-24). This information is presented in conjunction with the audited financial statements, which follow this report.

### FINANCIAL HIGHLIGHTS

The District's 2023-24 financial highlights are listed below. These results are discussed in more detail later in the report.

- The District's total ending net position increased by \$72.4 million or 7.5% in 2023-24. The increase in net position is largely reflected in the increase in net investment in capital assets of \$77.5 million. Total changes in deferred inflows, outflows, assets and liabilities related to post retirement and pension benefits resulted in a decrease in net position of \$6.0 million. Changes in these balances are highly sensitive to portfolio performance and actuarial assumptions regarding future investment returns.
- Total operating revenue, excluding capital contributions, increased by \$17.8 million or 25.5% in 2023-24. This increase is directly attributable to a higher apportionment of sewer service charges to operating revenues; 56.0% allocated to operating revenues in 2023-2024 compared to 41.1% in 2022-2023. The change in allocation was directed by the Board in contemplation with the reappropriation of reserves for the sewer construction fund budget for 2023-2024.
- Total 2023-24 operating expenses, excluding depreciation and amortization, increased by \$5.8 million or 6.7%. The overall increase in operating expenses is mainly driven by an increase in salaries and benefits expenses of \$2.7 million in addition to an increase in contracted services expenses of \$1.4 million.
- Capital Contributions decreased in 2023-24 by \$17.0 million or 19.8%. The decrease is mainly due to a reduced allocation of sewer service charges to finance the capital program, as noted previously. To a lesser extent, the decrease was also driven by reduced capacity fees and partially offset with an increase in contributions from the City of Concord for its share of capital project costs eligible for cost sharing.

## OVERVIEW OF THE FINANCIAL STATEMENTS

The District operates as a utility enterprise and presents its financial statements using the economic resources measurement focus and the full accrual basis of accounting. As an enterprise fund, the District's basic financial statements are comprised of two components: financial statements and the accompanying footnotes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

In accordance with the GASB Codification of Governmental Accounting and Financial Reporting Standards, the District's annual financial balances and transactions are summarized and reported in the following financial statements:

- **Statement of Net Position** – reports the District's current financial resources (short-term spendable resources) with capital assets, deferred outflows of resources, long-term obligations, and deferred inflows of resources.
- **Statement of Revenues, Expenses and Changes in Net Position** – reports the District's operating and non-operating revenues by major source along with operating and non-operating expenses and capital contributions.
- **Statement of Cash Flows** – reports the District's cash flows from operating activities, non-capital financing activities, capital and related financing activities, investing activities, and non-cash activities.



## STATEMENT OF NET POSITION

The following table shows the condensed statement of net position of the District for the past three fiscal years:

**Table 1 – Condensed Statement of Net Position**

	Year Ending June 30			2024 vs. 2023		2024 vs. 2022	
	2024	2023	2022	\$ Increase (Decrease)	% Increase (Decrease)	\$ Increase (Decrease)	% Increase (Decrease)
<b>Assets</b>							
Current assets	\$ 232,403,524	\$ 219,378,496	\$ 174,679,739	\$ 13,025,028	5.9%	\$ 57,723,785	33.0%
Capital assets, net	920,070,698	849,413,151	812,744,909	70,657,547	8.3%	107,325,789	13.2%
Other non-current assets	11,087,504	5,412,595	59,093,444	5,674,909	104.8%	(48,005,940)	-81.2%
<b>Total assets</b>	<u>1,163,561,726</u>	<u>1,074,204,242</u>	<u>1,046,518,092</u>	<u>89,357,484</u>	<u>8.3%</u>	<u>117,043,634</u>	<u>11.2%</u>
<b>Deferred outflows</b>							
Pension related	54,258,588	78,754,514	122,427,550	(24,495,926)	-31.1%	(68,168,962)	-55.7%
OPEB related	743,072	5,100,448	8,302,309	(4,357,376)	-85.4%	(7,559,237)	-91.0%
<b>Total deferred outflows</b>	<u>55,001,660</u>	<u>83,854,962</u>	<u>130,729,859</u>	<u>(28,853,302)</u>	<u>-34.4%</u>	<u>(75,728,199)</u>	<u>-57.9%</u>
<b>Liabilities</b>							
Current liabilities	37,280,350	25,281,001	27,956,046	11,999,349	47.5%	9,324,304	33.4%
Long-term liabilities	95,855,515	104,306,325	72,665,537	(8,450,810)	-8.1%	23,189,978	31.9%
<b>Total liabilities</b>	<u>133,135,865</u>	<u>129,587,326</u>	<u>100,621,583</u>	<u>3,548,539</u>	<u>2.7%</u>	<u>32,514,282</u>	<u>32.3%</u>
<b>Deferred inflows</b>							
Pension related	39,519,504	52,931,043	179,778,943	(13,411,539)	-25.3%	(140,259,439)	-78.0%
OPEB related	7,172,709	8,555,091	2,087,946	(1,382,382)	-16.2%	5,084,763	243.5%
Lease related	3,364,942	3,970,164	4,514,638	(605,222)	100.0%	(1,149,696)	100.0%
<b>Total deferred inflows</b>	<u>50,057,155</u>	<u>65,456,298</u>	<u>186,381,527</u>	<u>(15,399,143)</u>	<u>-23.5%</u>	<u>(136,324,372)</u>	<u>-73.1%</u>
<b>Net position</b>							
Net investment in capital assets	857,800,710	780,344,143	747,646,783	76,163,573	9.7%	110,153,927	14.7%
Restricted	7,570,428	197,102	53,543,803	7,373,327	3740.9%	7,570,414	
Unrestricted	169,999,228	182,474,335	89,054,255	(11,182,114)	-6.2%	27,401,184	19.2%
<b>Total net position</b>	<u>\$ 1,035,370,366</u>	<u>\$ 963,015,580</u>	<u>\$ 890,244,841</u>	<u>\$ 72,354,786</u>	<u>7.5%</u>	<u>\$ 145,125,525</u>	<u>16.3%</u>

Total net position of the District increased from \$963.0 million in 2022-23 to \$1,035.4 million in 2023-24, an increase of 7.5%. This represents an increase of \$145.1 million, or 16.3% when compared to 2021-22. Total assets increased \$89.4 million or 8.3% compared to 2022-23 and increased \$117.0 million or 11.2% compared to 2021-22. Total liabilities increased \$3.5 million or 2.7% compared to 2022-23 and increased \$32.5 million or 32.3% compared to 2021-22.

The increase in net position over the two-year period totaling \$145.1 million is a result of pension-related actuarially determined deferred inflows decreasing from \$179.8 million in 2021-22 to \$39.5 million in 2023-24; a decrease in deferred inflows increases net position. Additionally, over the same timeframe, the District received \$154.6 million in capital contributions, mostly through the allocation of sewer service charges to the capital improvement program, which largely drove the increase in current and capital assets reported previously. Conversely, over the same timeframe, the District reported a reduction in deferred pension related outflows of \$68.2 million and a \$90.1 million reclassification of its net pension asset to a net liability.

As a public utility relying heavily on a complex infrastructure network, the largest portion of the District's net position by far (82.8%) reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, intangible assets, and sewer line infrastructure), less any related debt used to acquire and/or construct those assets that is still outstanding. The District uses these capital assets to provide wastewater treatment, collection, and other services to its customers, and consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, the funds needed to repay this debt must be provided from other sources, since the capital assets themselves

are not available to discharge these liabilities. The balance of \$170.0 million in unrestricted net position reflects a decrease of \$11.2 million from 2022-23 and an increase of \$80.9 million from 2021-22. As noted previously, this increase was primarily attributable to a decrease in pension related deferred inflows offset by an increase in the net pension liability.

## REVENUES, EXPENSES, AND CHANGES IN NET POSITION

The table below shows the condensed statement of revenues, expenses, and changes in net position for the District for the past three fiscal years:

**Table 2 – Condensed Statement of Revenues, Expenses, and Changes in Net Position**

	Year Ending June 30			2024 vs. 2023		2024 vs. 2022	
	2024	2023	2022	\$ Increase (Decrease)	% Increase (Decrease)	\$ Increase (Decrease)	% Increase (Decrease)
<b>Revenues</b>							
Operating revenues							
Sewer service charges	\$ 85,630,995	\$ 67,758,217	\$ 116,767,447	\$ 17,872,778	26.4%	\$ (31,136,452)	-26.7%
Other	2,199,774	2,233,077	2,164,237	(33,303)	-1.5%	35,537	1.6%
Total operating revenue	87,830,769	69,991,294	118,931,684	17,839,475	25.5%	(31,100,915)	-26.2%
Non-operating revenues							
Property taxes	24,085,643	22,933,224	21,239,420	1,152,419	5.0%	2,846,223	13.4%
Permit and inspection fees	2,114,590	2,042,467	2,308,395	72,123	3.5%	(193,805)	-8.4%
Investment earnings	7,840,231	4,125,473	772,909	3,714,758	90.0%	7,067,322	914.4%
Other	1,648,273	1,203,563	2,053,331	444,710	36.9%	(405,058)	-19.7%
Total non-operating revenue	35,688,737	30,304,727	26,374,055	5,384,010	17.8%	9,314,682	35.3%
<b>Total revenues</b>	123,519,506	100,296,021	145,305,739	23,223,485	23.2%	(21,786,233)	-15.0%
<b>Expenses</b>							
Operating expenses, excluding depreciation and amortization	92,947,514	87,150,184	79,894,599	5,797,330	6.7%	13,052,915	16.3%
Depreciation and amortization	26,096,869	25,003,263	22,853,140	1,093,606	4.4%	3,243,729	14.2%
Non-operating expenses	938,783	1,177,471	1,950,841	(238,688)	-20.3%	(1,012,058)	-51.9%
<b>Total expenses</b>	119,983,166	113,330,918	104,698,580	6,652,248	5.9%	15,284,586	14.6%
<b>Income before capital contributions</b>	3,536,340	(13,034,897)	40,607,159	16,571,237	-127.1%	(37,070,819)	-91.3%
<b>Capital contributions</b>	68,818,446	85,805,636	24,148,455	(16,987,190)	-19.8%	44,669,991	185.0%
<b>Increase in net position</b>	72,354,786	72,770,739	64,755,614	(415,953)	-0.6%	7,599,172	11.7%
<b>Beginning net position</b>	963,015,580	890,244,841	825,489,227	72,770,739	8.2%	137,526,353	16.7%
<b>Ending net position</b>	\$1,035,370,366	\$ 963,015,580	\$ 890,244,841	\$ 72,354,786	7.5%	\$ 145,125,525	16.3%

### Revenue

Total operating revenues increased from \$70.0 million in 2022-23 to \$87.8 million in 2023-24, an increase of \$17.8 million or 25.5%. This represents a decrease of \$31.1 million or 26.2% when compared to 2021-22. Increases and decreases in operating revenue compared to prior years is mostly attributed to the allocation of sewer service charges between operations and the capital program as determined by the Board through the annual budget adoption process. Total sewer service charges, whether designated as operating revenue or capital contributions, have remained relatively stable in comparison. Total sewer service charges were \$118.0 million in 2023-24, \$117.3 million in 2022-23, and \$111.0 million in 2021-2022, representing an annualized 3.1% cumulative growth rate from 2023-24 to 2021-2022. This increase is predominantly driven by modest increases to customer rates and changing rate structures resulting from the District's study of cost analysis.

Total non-operating revenue increased from \$30.3 million in 2022-23 to \$35.7 million in 2023-24, an increase of \$5.4 million or 17.8%. This represents an increase of \$9.3 million or 35.3% when compared to 2021-22. Investment earnings were the largest driver of the increase over both time periods, with a \$3.7

million increase compared to 2022-23 and \$7.1 million increase compared to 2021-22. The increase in investment earnings is attributable to a higher than normal interest rate environment persisting through the year paired an increase in working capital reserves with capital spending falling short of the budget over the past few years. The impact of high interest rates is clearly visible when assessing District's investment yields which have averaged 5.06%, 4.14%, and 1.06% in 2023-24, 2022-23, and 2021-22 respectively. Secured ad valorem property taxes levied through the annual county tax roll have also contributed to the increase in non-operating revenues attributable to an increase in property valuations and development within the District, generating revenue growth of \$1.2 million or 5.0% from 2022-23, and \$2.8 million or 13.4% from 2021-22.

### Expenses

Total expenses increased from \$113.3 million in 2022-23 to \$120.0 million in 2023-24, an increase of \$6.7 million or 5.9%. This is an increase of \$15.3 million or 14.6% when compared to 2021-22. The District recognized total pension and deferred compensation expenses of \$17.5 million in 2023-24 compared to \$16.0 million in 2022-23, an increase of \$1.5 million or 9.4%, largely due to increases in the actuarially-determined pension expense. Salaries, wages, and compensated absences expenses increased by \$2.8 million or 4.5% from 2022-23, largely due to scheduled pay increases previously negotiated cost of living adjustments with District employee unions and a decreased use of in-service compensated absence pay-outs by District employees. These increases were partially offset by a decrease in other post employment benefit (OPEB) expenses of \$0.3 million, as determined by an outside actuary, when compared to 2022-23. Additionally, contracted services increased by \$1.4 million or 13.5% as compared to 2022-23, largely driven by consulting and information technology support costs to support ongoing enterprise planning resource enhancements and other strategic initiatives.

Income before capital contributions totaled \$3.5 million in 2023-24, an increase of \$16.6 million compared to 2022-23 and a decrease of \$37.1 million as compared to 2021-22. These changes are largely attributable to the Board-approved split of sewer service charges between operations and capital purposes as mentioned previously, and changes in actuarially determined pension and OPEB expenses.

Total capital contributions in 2023-24 decreased to \$68.8 million from \$85.8 million in 2022-23 but increased from \$24.1 million in 2021-22. As noted previously, these changes are largely attributable to a change in the allocation of sewer service charges between operating and capital purposes as specified in the Board-adopted 2023-24 budget. The District has also seen steady increases in other capital contributions derived from its agreement with the City of Concord for its share of eligible capital project expenses, generating \$11.5 million, \$10.0 million, and \$7.8 million in 2023-24, 2022-23, and 2021-22, respectively. With the City of Concord's proportionate share of influent waste remaining stable, these increases in capital contributions reflect the increased capital spending undertaken by the District.

### CAPITAL ASSETS

Net capital assets for fiscal years 2023-24, 2022-23 and 2021-22 totaled \$920.1 million, \$849.4 million, \$812.7 million, respectively, representing an increase of \$70.7 million or 8.3% from 2022-23, and a \$107.3 million or 13.2% increase from 2021-22. Net capital assets are mostly comprised of the District's capital infrastructure including wastewater treatment facilities, sewer pipes, land, buildings, pumping stations, vehicles, intangible assets, furniture, and equipment, less accumulated depreciation. A comparison of the District's capital assets, net of accumulated depreciation, over the past three fiscal years is presented below:

**Table 3 – Net Capital Assets**

	Year Ending June 30			2024 vs. 2023		2024 vs. 2022	
	2024	2023	2022	\$ Increase (Decrease)	% Increase (Decrease)	\$ Increase (Decrease)	% Increase (Decrease)
Structures, buildings, and equipment	\$ 714,895,881	\$ 700,065,619	\$ 694,343,750	\$ 14,830,262	2.1%	\$ 20,552,131	3.0%
Land and rights of way	22,596,053	22,585,007	22,582,507	11,046	0.0%	13,546	0.1%
Construction in progress	182,578,764	126,762,525	95,818,652	55,816,239	44.0%	86,760,112	90.5%
Total	\$ 920,070,698	\$ 849,413,151	\$ 812,744,909	\$ 70,657,547	8.3%	\$ 107,325,789	13.2%

These increases are a result of an expanding capital improvement program to replace aging treatment plant and collection system infrastructure, address regulatory requirements, and improve the sustainability of operations and technology. In this timeframe, spending has exceeded depreciation with capital outlays largely financed through pay-as-you-go resources (i.e., new revenue and reserves) supplemented with loan proceeds from the Clean Water State Revolving Fund.

The construction in progress balance increases by ongoing capital outlays for existing projects, which have yet to reach substantial completion. Conversely, this balance decreases by transfers to an appropriate asset category upon completion. No depreciation expense is recorded for capital assets in the construction in progress category. Increases to construction in progress shown previously indicate an excess of spending on capital projects over project completions, reflecting the multi-year nature of the bulk of the District’s capital projects. Major additions to construction in progress for 2023-24 include the following:

Project Number	Project Description	Capital Outlay
7348	Solids Handling Facility Improvements Ph. 1A	\$ 26,842,272
8457	Pump Station Upgrades - Ph. 2	10,969,930
5991	Pleasant Hill Sewer Renovation Phase 2	7,102,315
100019	Aeration Basins Diffuser Replacement & Seismic Upgrades	5,888,640
100049	Downtown Walnut Creek Sewer Renovation-Locust	5,293,729
7361	Filter Plant & Clearwell Improvements Ph. 1A	3,669,152
100015	Electric Blower Improvements	2,618,322
7369	Piping Renovation - Ph. 10	2,413,621
100042	Pump Station Upgrades, Phase 2B	1,836,224
7370	Annual Infrastructure Replacement FY 2019-25	1,773,551
	Total	\$ 68,407,756

Refer to Note 5 in the audited financial statements for additional details on the District’s capital assets.

#### DEBT ADMINISTRATION

Total long-term debt inclusive of unamortized premiums, excluding liabilities related to pension, OPEB and compensated absences liabilities, for fiscal years 2023-24, 2022-23 and 2021-22 totaled \$60.1 million, \$67.8 million, and \$64.1 million, respectively. As of June 30, 2024, the District’s outstanding debt totaled \$60.1 million, a decrease of \$7.7 million or 11.3% compared to the debt balance of \$67.8 million on June 30, 2023. In 2023-24, the District retired \$7.1 million of principal and increased loan borrowings from the Clean Water State Revolving Fund (SRF) by \$0.6 million. The District increased its borrowings from the Clean Water State Revolving Fund in the current year to reimburse eligible costs for the Solids Handling Facility Improvements capital project which will be repaid after completion of the project, currently estimated to occur in 2027. The total amount of approved project costs eligible for reimbursement through the Clean Water State Revolving Fund are \$173.1 million. As of June 30, 2024, the District has received inception-to-date SRF loan proceeds totaling \$16.2 million and expects a significant increase in borrowings in the near term on this relatively low

interest (0.9% annual) debt. The primary source of funds pledged to and securing the repayment of debt issuances for the capital improvement program is ad valorem secured property taxes.

The District's ability to obtain flexible, low-cost debt remains paramount to its ability to execute on its long term plan and deliver reliable services at low costs to its customers. The District continues to maintain high debt service coverage ratios and other key indicators of financial health after receiving Aa1 and AAA from Moody's and S&P Global respectively in its most recent bond issuance, which it believes is critical in allowing the District to access affordable debt to meet its strategic initiatives. Refer to Note 6 for additional information on the District's outstanding debt obligations.

#### ECONOMIC FACTORS, NEXT YEAR'S BUDGET, AND RATES

The District operates as an enterprise fund primarily financed by fees charged to external customers for services. The District charges rates and fees to customers to cover the costs of operation and maintenance of the sewage collection and treatment system as well as costs associated with its capital replacement and improvement program. External factors that may affect the District's financial position include, but are not limited to the following:

- Regulatory requirements becoming more stringent, causing the District to spend more on compliance, both for operations and maintenance costs as well as capital improvement and replacement projects.
- The economic cycle, creating volatility with capacity/connection fee revenues as new development projects are highly sensitive to the economic cycle.
- Interest rate and/or investment return, which directly impacts investment earnings, borrowing costs, and employer pension and OPEB contribution requirements.
- Inflation, as measured using the consumer price index (CPI). The CPI for the San Francisco-Oakland-Hayward area directly impacts the cost-of-living adjustments provided in the employee labor agreements. Higher than anticipated inflation may also adversely impact spending for contracted services, energy, chemicals, fuel, and other materials/supplies necessary for wastewater collection and treatment services.
- Fluctuations in assessed property values and development activity, which affect the District's non-operating ad valorem secured property tax revenue. When the housing market grows, overall assessed property values increase, thereby increasing the District's property tax revenues. Conversely, any decline in the housing market could decrease property values and correspondingly decrease ad valorem property tax receipts for the District.

These factors, to the extent known, were considered in preparing the District's budget. In June 2024, the District's Board of Directors adopted an operating and maintenance budget of \$96.0 million and sewer construction capital improvement budget of \$80.7 million for the fiscal year ending June 30, 2025. Following a cost of service study, customer outreach, public noticing, and a public hearing stipulated by Proposition 218, on June 30, 2023 the District's Board of Directors approved new sewer service charges for the two-year timeframe spanning July 1, 2023 to June 30, 2025. The new sewer service charge rates incorporate an overall modest rate increase of 1% for the year ending June 30, 2024 and 4% for the year ending June 30, 2025.

As designed in the District's long-term financial plan, steady but controlled sewer service charge rate increases help prevent spikes in revenue needs from customers in future years when annual capital spending is expected to significantly, but temporarily, outpace annual revenues. This pay-as-you-go approach, paired with necessary and responsible debt financing, is designed with the intent of achieving rate stability and avoid volatility in the long-run, benefiting both the District and its customers. Primary drivers for the

expansion of the capital improvement program include the need to enhance and modernize the District's ageing infrastructure to meet new regulatory requirements and ensure the sustainability of its infrastructure as the region's population grows driving growing demand for service capacity.

#### FINANCIAL CONTACT

This financial report is designed to provide the District's customers, creditors, and other stakeholders with a general overview of the District's finances and to demonstrate accountability and transparency for user fee and taxpayer revenues it receives. If you have questions about this report or need additional financial information, contact: Kevin Mizuno, Finance Manager, Central Contra Costa Sanitary District, 5019 Imhoff Place, Martinez, CA 94553.

Central Contra Costa Sanitary District  
Statements of Net Position  
June 30, 2024 and 2023

ASSETS	<u>2024</u>	<u>2023</u>
<b>CURRENT ASSETS</b>		
Cash and cash equivalents (Note 2)	\$22,537,285	\$23,058,319
Restricted cash and investments (Note 2)	3,622	1,527
Unrestricted investments (Note 2)	166,440,000	158,640,000
Restricted investments (Note 2)	1,076,737	43,662
Accounts receivable, net (Note 3)	33,394,216	29,525,698
Current portion of lease receivable (Note 12)	645,044	605,747
Interest receivable	465,145	429,894
Prepaid assets	1,297,345	1,273,175
Supplies and material inventory	6,544,130	5,800,474
Total current assets	<u>232,403,524</u>	<u>219,378,496</u>
<b>NON-CURRENT ASSETS</b>		
Non-current portion of lease receivable (Note 12)	3,053,631	3,618,647
Assessment Districts receivable (Note 4)	1,543,804	1,642,035
Net OPEB asset (Note 10)	6,490,069	151,913
Capital assets:		
Nondepreciable (Note5)	205,174,817	149,347,532
Depreciable, net of accumulated depreciation (Note5)	714,895,881	700,065,619
Total non-current assets	<u>931,158,202</u>	<u>854,825,746</u>
<b>TOTAL ASSETS</b>	<u>1,163,561,726</u>	<u>1,074,204,242</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Pension related (Note 9)	54,258,588	78,754,514
OPEB related (Note 10)	743,072	5,100,448
Total deferred outflows of resources	<u>55,001,660</u>	<u>83,854,962</u>

See accompanying notes to financial statements

Central Contra Costa Sanitary District  
Statements of Net Position  
June 30, 2024 and 2023

LIABILITIES	<u>2024</u>	<u>2023</u>
<b>CURRENT LIABILITIES</b>		
Accounts payable	23,338,475	11,872,513
Salaries and benefits payable	1,459,156	1,464,669
Interest payable	1,721,703	1,618,035
Provision for uninsured claims (Note 7)	1,775,711	1,719,986
Deposits payable	242,308	268,404
Compensated absences payable, current (Note 6F)	577,172	580,239
Current portion of long-term obligations (Note 6)	7,095,000	7,090,000
Current portion of lease payable (Note 12)	72,805	182,246
Current portion of SBITAs payable (Note 12)	998,020	484,909
Total current liabilities	<u>37,280,350</u>	<u>25,281,001</u>
<b>NON-CURRENT LIABILITIES</b>		
Net pension liability (Note 9)	36,556,805	37,772,326
Non-current portion of long term obligations (Note 6)	52,998,594	60,686,014
Accrued compensated absences - non-current (Note 6F)	5,194,547	5,222,146
Non-current portion of lease payable (Note 12)	553,033	625,839
Non-current portion of SBITAs payable (Note 12)	552,536	-
Total non-current liabilities	<u>95,855,515</u>	<u>104,306,325</u>
<b>TOTAL LIABILITIES</b>	<u>133,135,865</u>	<u>129,587,326</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Pension related (Note 9)	39,519,504	52,931,043
OPEB related (Note 10)	7,172,709	8,555,091
Lease receivable (Note 12)	3,364,942	3,970,164
Total deferred inflows of resources	<u>50,057,155</u>	<u>65,456,298</u>
<b>NET POSITION (NOTE 11)</b>		
Net investment in capital assets	857,800,710	780,344,143
Restricted for pension-related benefits	1,076,737	43,662
Restricted for OPEB benefits	6,490,069	151,913
Restricted for debt service	3,622	1,527
Unrestricted net position	169,999,228	182,474,335
<b>TOTAL NET POSITION</b>	<u>\$1,035,370,366</u>	<u>963,015,580</u>

See accompanying notes to financial statements



Central Contra Costa Sanitary District  
Statements of Revenues, Expenses and Changes in Net Position  
For the Fiscal Years Ended June 30, 2024 and 2023

	2024	2023
OPERATING REVENUES		
Sewer service charge (SSC)	\$67,802,650	\$50,109,215
Sewage treatment cost sharing (Note 8)	17,828,345	17,649,002
Miscellaneous service charges	2,199,774	2,233,077
Total operating revenues	87,830,769	69,991,294
OPERATING EXPENSES		
Salaries and benefits	63,571,346	60,809,719
Contracted services	12,018,682	10,585,951
Utilities and fuel	8,863,283	8,174,185
Chemicals	2,724,827	2,175,040
General supplies	2,805,949	2,675,384
Other operating expenses	2,963,427	2,729,905
Depreciation and amortization expense	26,096,869	25,003,263
Total operating expenses	119,044,383	112,153,447
OPERATING INCOME (LOSS)	(31,213,614)	(42,162,153)
NON-OPERATING REVENUES (EXPENSES)		
Taxes	24,085,643	22,933,224
Permit and inspection fees	2,114,590	2,042,467
Investment income	7,840,231	4,125,473
Interest expense	(798,576)	(1,177,471)
Gain (loss) on sale of asset	(140,207)	129,918
Other non-operating income	1,648,273	1,073,645
Total non-operating revenues (expenses), net	34,749,954	29,127,256
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	3,536,340	(13,034,897)
CAPITAL CONTRIBUTIONS		
Other government revenue - Concord	11,581,690	9,956,648
Customer contributions to capital	50,274,268	67,227,158
Non-exchange capital contributions/donations	2,154,742	1,456,478
Capacity fees	4,807,746	7,165,352
Total capital contributions	68,818,446	85,805,636
CHANGE IN NET POSITION	72,354,786	72,770,739
NET POSITION, BEGINNING OF YEAR	963,015,580	890,244,841
NET POSITION, END OF YEAR	\$1,035,370,366	\$963,015,580

See accompanying notes to financial statements

Central Contra Costa Sanitary District  
Statements of Cash Flows  
For the Fiscal Years Ended June 30, 2024 and 2023

CASH FLOWS FROM OPERATING ACTIVITIES	2024	2023
Receipts from customers	\$83,920,275	\$66,517,474
Payments to suppliers	(18,452,767)	(27,699,052)
Payments to employees and related benefits	(57,040,583)	(56,257,900)
Net cash provided (used) by operating activities	8,426,924	(17,439,478)
 CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Receipt of taxes	24,085,642	22,933,224
Inspection/permit fees and other non-operating income	3,762,863	3,116,112
Net cash provided by noncapital financing activities	27,848,505	26,049,336
 CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Capital contributions	61,855,958	78,640,284
Capacity fees	4,807,746	7,165,352
Acquisition and construction of capital assets	(94,631,854)	(61,720,324)
Interest paid on long-term debt	(2,064,142)	(2,305,124)
Proceeds from direct borrowing	581,591	15,588,706
Principal payments on long-term debt	(7,090,000)	(10,750,000)
Net cash provided (used) for capital and related financing activities	(36,540,701)	26,618,894
 CASH FLOWS FROM INVESTING ACTIVITIES		
Redemption of investments	521,700,000	191,500,000
Acquisition of investments	(529,500,000)	(227,600,000)
Interest received	8,579,408	4,564,109
Net cash provided (used) by investing activities	779,408	(31,535,891)
 NET INCREASE (DECREASE) IN CASH	 514,136	 3,692,860
Cash, beginning of year	23,103,508	19,410,648
Cash, end of year	23,617,644	\$23,103,508

See accompanying notes to financial statements

Central Contra Costa Sanitary District  
Statements of Cash Flows  
For the Fiscal Years Ended June 30, 2024 and 2023

	2024	2023
Reconciliation of operating (loss) to net cash provided by operating activities:		
Operating income (losses)	(\$31,213,614)	(\$42,162,153)
Adjustments to reconcile operating losses to cash flows from operating activities:		
Depreciation and amortization	26,096,869	25,003,263
Loss on disposal of asset	(140,207)	129,918
Changes in assets and liabilities:		
Receivables, net	(3,770,287)	(3,603,738)
Parts and supplies	(743,656)	(1,672,950)
Prepaid expenses	(24,170)	(610,976)
Accounts payable and accrued expenses	11,465,962	919,553
Accrued payroll and related expenses	(30,666)	(470,490)
Deposits payable	(26,096)	(166,322)
Provision for uninsured claims	55,725	215,510
Net pension asset/liability	9,868,866	8,141,251
Net OPEB asset/liability	(3,363,162)	(3,334,452)
Lease/SBITA related	251,360	172,107
Net cash provided (used) by operating activities	\$8,426,924	(\$17,439,478)
 SCHEDULE OF NON CASH ACTIVITY		
Change in fair value of investments	8,579,408	\$4,564,109
Capital contributions	68,818,446	85,805,636
Total non cash activity	\$77,397,854	\$90,369,745
 CASH AND CASH EQUIVALENTS, AS PRESENTED ON STATEMENT OF NET POSITION:		
Unrestricted cash and cash equivalents	\$22,537,285	\$23,058,319
Restricted cash and cash equivalents	1,080,359	45,189
Total cash and cash equivalents at end of year	\$23,617,644	\$23,103,508

See accompanying notes to financial statements

This page left intentionally blank

**CENTRAL CONTRA COSTA SANITARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
For the Years Ended June 30, 2024 and 2023**

**NOTE 1 – DESCRIPTION OF DISTRICT AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A.     *Reporting Entity***

The Central Contra Costa Sanitary District (District), a special district and a public entity established under the Sanitary District Act of 1923, provides sewer service for the incorporated and unincorporated areas under its jurisdiction. A Board of Directors comprised of five elected members governs the District.

As required by accounting principles generally accepted in the United States of America, these basic financial statements present the financial statements of Central Contra Costa Sanitary District and its component unit. The component unit discussed in the following paragraph is blended in the District's reporting entity because of the significance of its operational and financial relationship with the District.

*Blended Component Unit* - Component units are legally separate organizations for which the District is financially accountable. Component units may also include organizations that are fiscally dependent on the District, in that the District approves their budget, the issuance of their debt or the levying of their taxes. In addition, component units are other legally separate organizations for which the District is not financially accountable but the nature and significance of the organization's relationship with the District is such that exclusion would cause the District's financial statements to be misleading or incomplete. For financial reporting purposes, the component unit discussed below is reported in the District's financial statements because of the significance of its relationship with the District. The component unit, although a legally separate entity, is reported in the financial statements using the blended presentation method as if it were part of the District's operations because the Governing Board of the component unit is the same as of Governing Board of the District and because its purpose is to finance facilities to be used for the direct benefit of the District. The *Central Contra Costa Sanitary District Facilities Financing Authority (Authority)* was organized solely for the purpose of providing financial assistance to the District. The Authority does this by acquiring, constructing, improving and financing various facilities, land and equipment purchases, and by leasing or selling certain facilities, land and equipment for the use, benefit and enjoyment of the public served by the District. The Authority has no employees, and the Board of Directors of the Authority consists of the same people who are serving as the Board of Directors of the District. There are no separate basic financial statements prepared for the Authority.

**B.     *Basis of Accounting***

The District's financial statements are prepared on the accrual basis of accounting. The District applies all applicable Governmental Accounting Standards Board (GASB) pronouncements for accounting and financial reporting guidance.

**CENTRAL CONTRA COSTA SANITARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
For the Years Ended June 30, 2024 and 2023**

**NOTE 1 – DESCRIPTION OF DISTRICT AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(Continued)**

The District is a proprietary entity; it uses an enterprise fund format to report its activities for financial statement purposes. Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the cost and expenses, including depreciation and amortization, of providing goods or services to its customers, be financed or recovered primarily through user charges; or where the governing body has decided that periodic determination of revenues earned, expense incurred, and net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Enterprise funds are used to account for activities similar to those in the private sector, where the proper matching of revenues and costs is important and the full accrual basis of accounting is required. With this measurement focus, all assets and liabilities of the enterprise are recorded on its statement of net position, all revenues are recognized when earned and all expenses, including depreciation and amortization, are recognized when incurred.

Enterprise funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with an enterprise fund's principal ongoing operations. The principal operating revenues of the District are charges to customers for services. Operating expenses for the District include the costs of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

For internal operating purposes, the District's Board of Directors has established four separate sub-funds, each of which includes a separate self-balancing set of accounts and a separate Board approved budget for revenues and expenses. These sub-funds are combined into the single enterprise fund presented in the accompanying financial statements. The nature and purpose of these sub-funds are as follows:

*Running Expense* – Running Expense accounts for the general operations of the District. Substantially all operating revenues and expenses are accounted for in this sub-fund.

*Sewer Construction* – Sewer Construction accounts for non-operating revenues, which are to be used for acquisition or construction of plant, property and equipment.

*Self-Insurance* – Self-Insurance accounts for interest earnings on cash balances in this sub-fund and cash allocations from other sub-funds, as well as for costs of insurance premiums and claims not covered by the District's insurance coverage.

*Debt Service* – Debt Service accounts for activity associated with the payment of the District's long term bonds and loans.

Rate Stabilization Accounts (RSA) have been established by the Board and consist of book accounts in the Running Expense and Sewer Construction Funds. Deposits and withdrawals to/from RSA require Board approval.

**CENTRAL CONTRA COSTA SANITARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
For the Years Ended June 30, 2024 and 2023**

**NOTE 1 – DESCRIPTION OF DISTRICT AND SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES (Continued)**

**C. *Investments***

Investments held at June 30, 2024 and 2023, with original maturities greater than one year, are stated at fair value. Fair value is estimated using matrix pricing techniques, a market approach, which estimates the value of securities based on their relationship to quoted benchmark prices. All investments not required to be reported at fair value are stated at cost or amortized cost.

**D. *Fair Value Measurements***

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels based on the extent to which inputs used in measuring fair value are observable in the market.

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 inputs are inputs – other than quoted prices included within level 1 – that are observable for an asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for an asset or liability.

If the fair value of an asset or liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

**E. *Prepaid Expenses***

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the financial statements.

**F. *Parts and Supplies***

Parts and supplies are valued at average cost and are used primarily for internal purposes.

**CENTRAL CONTRA COSTA SANITARY DISTRICT  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 For the Years Ended June 30, 2024 and 2023**

**NOTE 1 – DESCRIPTION OF DISTRICT AND SUMMARY OF SIGNIFICANT ACCOUNTING  
 POLICIES (Continued)**

**G. *Property, Plant, and Equipment***

Purchased capital assets are stated at historical cost. Capital assets contributed to the District are reported at acquisition value. The capitalization threshold for capital assets is \$5,000. Expenditures which materially increase the value or life of capital assets are capitalized and depreciated over the remaining useful life of the asset.

Depreciation of exhaustible capital assets has been calculated using the straight-line method over the asset’s useful life as follows:

	<u>Years</u>
Sewage Collection Facilities	75
Intangible Assets	75
Sewage Treatment Plant and Pumping Plants	40
Buildings	50
Furniture and Equipment	5 – 15
Motor Vehicles	7 – 15

**H. *Property Taxes***

Property tax revenue is recognized in the fiscal year for which the tax is levied. The County of Contra Costa levies, bills and collects property taxes for the District; all material amounts are collected by June 30.

Property tax revenue recognized equals the amount levied as the County participates in California’s alternative method of apportionment called the Teeter Plan. The Teeter Plan, as provided in Section 4701 at seq. of the State of Revenue and Taxation Code, establishes a mechanism for the County to advance the full amount of property tax and other levies to taxing agencies based on the tax levy, rather than actual tax collections. Under this arrangement, the County assumes the risk of delinquencies but retains all rights to receive the penalties and accrued interest thereon.

Secured property tax bills are mailed once a year, during the month of October on the current secured tax roll, to the owner of the property as of the lien date (January 1). Payments can be made in two installments and are due on November 1 and February 1. Delinquent accounts are assessed a penalty of 10 percent. Accounts which remain unpaid on June 30 are charged an additional 1½ percent per month. Unsecured property tax is due on July 1 and becomes delinquent on August 31. The penalty percentage rates are the same as secured property tax.



**CENTRAL CONTRA COSTA SANITARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
For the Years Ended June 30, 2024 and 2023**

**NOTE 1 – DESCRIPTION OF DISTRICT AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(Continued)**

***I. Statement of Cash Flows***

For purposes of the statement of cash flows, all highly liquid investments, including restricted assets, with maturities of three months or less when purchased, are considered cash equivalents. Included therein are petty cash, bank accounts, and the State of California Local Agency Investment Fund (LAIF). Restricted assets are debt service amounts maintained by fiduciaries and not available for general expenses.

***J. Use of Estimates***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

***K. Leases***

A lease is defined as a contract that conveys control of the right to use another entity's nonfinancial asset (the underlying asset) as specified in a contract for a period of time in an exchange or exchange-like transaction. All such contracts with noncancelable periods greater than twelve months, which do not also transfer ownership at contract termination, are accounted for as leases.

***L. Prior Year Summarized Comparative Information***

The basic financial statements include certain prior-year summarized comparative information in total but not at the level of detail required for a presentation in accordance with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the District's financial statements for the year ended June 30, 2023, from which the summarized information was derived.

***M. New Governmental Accounting Standards Board (GASB) Pronouncements - Adopted***

**GASB Statement No. 100** – In June 2022, GASB Statement No. 100, *Accounting Changes and Error Corrections*, was issued. GASB Statement No. 100 (GASB 100) intends to improve the clarity of the accounting and financial reporting requirements for accounting changes and error corrections, which will result in greater consistency in application in practice. In turn, more understandable, reliable, relevant, consistent, and comparable information will be provided to financial statement users for making decisions or assessing accountability. In addition, the display and note disclosure requirements will result in more consistent, decision useful, understandable, and comprehensive information for users about accounting changes and error corrections.

**CENTRAL CONTRA COSTA SANITARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
For the Years Ended June 30, 2024 and 2023**

**NOTE 1 – DESCRIPTION OF DISTRICT AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(Continued)**

**Implementation Guide No. 2023-01** – In June 2023, Implementation Guide No. 2023-1 was issued by the GASB to clarify and elaborate on GASB Statement No. 87 *Leases* and GASB Statement No. 96, *Subscription Based Information Technology Arrangements*. The guide provides clarity on the determination of the lease term across a variety of contracts with varying termination and extension clauses held by lessees and lessors.

**N. *New Governmental Accounting Standards Board (GASB) Pronouncements – Not Yet Adopted***

**GASB Statement No. 101** – In June 2022, the GASB issued GASB Statement No. 101, *Compensated Absences*. The unified recognition and measurement model in this Statement will result in a liability for compensated absences that more appropriately reflects when a government incurs an obligation. In addition, the model can be applied consistently to any type of compensated absence and will eliminate potential comparability issues between governments that offer different types of leave. The model also will result in a more robust estimate of the amount of compensated absences that a government will pay or settle, which will enhance the relevance and reliability of information about the liability for compensated absences. This Statement is effective for the fiscal year ending June 30, 2025. The District does not expect this Statement to have a material impact on its financial statements.

**GASB Statement No. 102** – In December 2023, the GASB issued GASB Statement No. 102, *Certain Risk Disclosures*. The requirements of this Statement will improve financial reporting by providing users of financial statements with essential information that currently is not often provided. The disclosures will provide users with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact. As a result, users will have better information with which to understand and anticipate certain risks to a government’s financial condition. This Statement is effective for the fiscal year ending June 30, 2025. The District is currently evaluating the impact this Statement will have on its financial statements.

**GASB Statement No. 103** – In April 2024, the GASB issued GASB Statement No. 103, *Financial Reporting Model Improvements*. The requirements of this Statement include changes to the presentation of the following items reported in the financial statements: Management’s Discussion and Analysis, Unusual or Infrequent Items, the Statement of Revenues, Expenses, and Changes in Net Position, Major Component Information, and Budgetary Comparison Information. This Statement is effective for the fiscal year ending June 30, 2026. The District is currently evaluating the impact this Statement will have on its financial statements.

**CENTRAL CONTRA COSTA SANITARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
For the Years Ended June 30, 2024 and 2023**

**NOTE 2 – CASH AND INVESTMENTS**

**A. *Summary of Cash and Investments***

Cash and investments as of June 30, are classified in the accompanying financial statements as follows:

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$22,537,285	\$23,058,319
Unrestricted investments, current	166,440,000	158,640,000
Restricted cash and investments	<u>3,622</u>	<u>1,527</u>
Total District Cash and Investments	188,980,907	181,699,846
Restricted prefunding pension trust assets	<u>1,076,737</u>	<u>43,662</u>
Total Cash and Investments	<u>\$190,057,644</u>	<u>\$181,743,508</u>

**B. *Policies and Practices***

The District is authorized under California Government Code to make direct investments in local agency bonds, notes, or warrants within the State: U.S. Treasury instruments, registered State warrants or treasury notes, securities of the U.S. Governments, or its agencies, commercial paper, certificates of deposit placed with commercial banks and/or savings with loan companies, and certificates of participation. State code and the District’s investment policy prohibit the District from investing in investments with a rating of less than A or equivalent.

Investment purchases and sales are coordinated by the District’s Treasurer, Contra Costa County, at the request of the District.

**CENTRAL CONTRA COSTA SANITARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
For the Years Ended June 30, 2024 and 2023**

**NOTE 2 – CASH AND INVESTMENTS (Continued)**

**C. General Authorizations**

Limitations as they relate to interest rate risk, credit risk, and concentration of credit risk are indicated in the schedules below:

<u>Authorized Investment Type</u>	<u>Maximum Remaining Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Percentage of Portfolio (Per Issuer)</u>	<u>Minimum Credit Quality</u>
U.S. Treasury Obligations	5 years	None	None	N/A
U.S. Government Agency Issues	5 years	None	None	N/A
Money Market Funds	N/A	20%	10%	A
Negotiable Certificates of Deposit	5 years	30%	5%	AA <sup>2</sup>
Bankers Acceptances	180 days	40%	5%	N/A
Commercial Paper <sup>1</sup>	270 days	25%	10%	A-1
Medium Term Notes	5 years	30%	10%	AA
Collateralized Certificates of Deposit	5 years	20%	None	AAA
Supranationals	5 years	30%	5%	AA
County Pooled Investment Funds	N/A	None	None	N/A
Local Agency Investment Fund (LAIF)	N/A	None	\$75 million	N/A
Government Investment Pools (CAMP, CalTrust, etc)	N/A	None	None	N/A
Municipal Investments	5 years	None	5%	AA

<sup>1</sup> Prime quality; limited to corporations with assets over \$500,000,000

<sup>2</sup> Credit rating requirement not applicable for issuer if under FDIC insurance coverage, currently \$250,000

**CENTRAL CONTRA COSTA SANITARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
For the Years Ended June 30, 2024 and 2023**

**NOTE 2 – CASH AND INVESTMENTS (Continued)**

**D. Fair Value Hierarchy**

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the assets. Level 1 inputs are quoted prices in an active market for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The following is a summary of the fair value hierarchy of the fair value of investments of the District as of June 30, 2024:

Investment Type	2024	
	Level 2	Total
<b>Investments Reported at Fair Value:</b>		
U.S. Treasury Obligations	\$123,500,000	\$123,500,000
Total	<u>\$123,500,000</u>	<u>123,500,000</u>
<b>External Investment Pool (Exempt):</b>		
California Local Agency Investment Fund		53,600,000
<b>Investments Exempt from Fair Value Hierarchy:</b>		
Restricted Cash and Investments		3,622
Cash and mutual funds held with Pension Trust		1,076,737
Cash in bank and On Hand		11,877,285
<b>Total Cash and Investments</b>		<u>\$190,057,644</u>

U.S. Treasury Obligations totaling \$123.5 million classified in Level 2 of the fair value hierarchy are valued using matrix pricing techniques maintained by various pricing vendors. Matrix pricing estimates a security's fair value based on the security's relationship to benchmark quoted prices.

**CENTRAL CONTRA COSTA SANITARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
For the Years Ended June 30, 2024 and 2023**

**NOTE 2 – CASH AND INVESTMENTS (Continued)**

The following is a summary of the fair value hierarchy of the fair value of investments of the District as of June 30, 2023:

Investment Type	2023	
	Level 2	Total
<b>Investments Reported at Fair Value:</b>		
U.S. Treasury Obligations	\$107,000,000	\$107,000,000
U.S. Federal Agency Securities - FHLB	13,500,000	13,500,000
Total	<u>\$120,500,000</u>	<u>120,500,000</u>
<b>External Investment Pool (Exempt):</b>		
California Local Agency Investment Fund		45,600,000
<b>Investments Exempt from Fair Value Hierarchy:</b>		
Restricted Cash and Investments		1,527
Cash and mutual funds held with Pension Trust		43,662
Cash in bank and On Hand		15,598,319
<b>Total Cash and Investments</b>		<u>\$181,743,508</u>

U.S. Treasury Obligations totaling \$107.0 million as well as U.S. Federal Agency Securities totaling \$13.5 million are classified in Level 2 of the fair value hierarchy, are valued using matrix pricing techniques maintained by various pricing vendors. Matrix pricing estimates a security's fair value based on the security's relationship to benchmark quoted prices.

**E. Interest Rate Risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment; generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. It is the District's policy to manage exposure to interest rate risk by purchasing a combination of shorter term and longer-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations. District policy precludes investment in securities with maturities in excess of five years, with the exception of investments in Treasury Notes or Local Agency Investment Funds; however, investments can be held longer with Board approval.

Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuation is provided by the following schedule that shows the distribution of the District's investments by maturity, as of June 30:

**CENTRAL CONTRA COSTA SANITARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
For the Years Ended June 30, 2024 and 2023**

**NOTE 2 – CASH AND INVESTMENTS (Continued)**

Investment Type	2024		
	12 Months or Less		Total
U.S. Treasury Obligations	\$123,500,000		\$123,500,000
California Local Agency Investment Fund	53,600,000		53,600,000
Total	<u>\$ 177,100,000</u>		177,100,000
Restricted Cash and Investments			3,622
Restricted Cash and mutual funds held with Pension Trust			1,076,737
Cash in bank			11,877,285
Total Cash and Investments			<u>\$190,057,644</u>

Investment Type	2023		
	12 Months or Less	13 to 24 Months	Total
U.S. Treasury Obligations	\$104,500,000	\$2,500,000	\$107,000,000
U.S. Federal Agency Securities - FHLB	13,500,000	-	13,500,000
California Local Agency Investment Fund	45,600,000	-	45,600,000
Total	<u>\$ 163,600,000</u>	<u>\$ 2,500,000</u>	166,100,000
Restricted Cash and Investments			1,527
Restricted Cash and mutual funds held with Pension Trust			43,662
Cash in bank			15,598,319
Total Cash and Investments			<u>\$181,743,508</u>

*Investment in LAIF* – The District is a voluntary participant in LAIF which is regulated by the California Government Code under the oversight of the Treasurer of the State of California. LAIF is not registered with the Securities and Exchange Commission. The fair value of the District’s investment in this pool is reported in the accompanying financial statements at amounts 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 balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. At June 30, 2024 and 2023, these investments had weighted average maturities of 217 and 260 days, respectively.

*Investments in County Treasury* – The District is considered to be a voluntary participant in an external investment pool. The fair value of the District’s investment in the pool is reported in the financial statements in cash and cash equivalents at amounts based upon the District’s pro-rata share of the fair value provided by the County Treasurer for the entire portfolio (in relation to amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the County Treasurer, which is recorded on an amortized cost basis.

**CENTRAL CONTRA COSTA SANITARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
For the Years Ended June 30, 2024 and 2023**

**NOTE 2 – CASH AND INVESTMENTS (Continued)**

**F. Credit Risk**

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the actual rating as of June 30, of each investment type as provided by Moody's investment rating system, of which a P -1 rating is the top rating for short term investments.

Investment Type	Totals	
	2024	2023
<i>Rated P-1:</i>		
U.S. Federal Agency Securities - FHLB		\$13,500,000
<i>AAA Rated:</i>		
U.S. Treasury Obligations	\$123,500,000	107,000,000
Total Rated Investments	123,500,000	120,500,000
<i>Not Rated:</i>		
California Local Agency Investment Fund	53,600,000	45,600,000
Restricted Cash and Investments	3,622	1,527
Cash and mutual funds held with Pension Trust	1,076,737	43,662
Cash in Bank	11,877,285	15,598,319
Total Cash and Investments	\$190,057,644	\$181,743,508

**G. Concentration of Credit Risk**

The investment policies of the District contain no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. As of June 30, 2024, the District does not have investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5 percent or more of total investments.

**H. Custodial Credit Risk – Investments**

Custodial risk for investments is the risk that, in the event of the failure of the counterparty (e.g. the broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code does not contain legal or policy requirements that would limit the exposure to custodial credit risk. As a voluntary pool participant, the County Treasurer's office transacts the District's investment decisions in compliance with the requirements of the District's policy. The County Treasurer's Office will execute the District's investments through such broker-dealers and financial institutions as are approved by the County Treasurer, and through the State Treasurer's Office for investment in the Local Agency Investment Fund.



**CENTRAL CONTRA COSTA SANITARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
For the Years Ended June 30, 2024 and 2023**

**NOTE 3 – ACCOUNTS RECEIVABLE**

Accounts receivable for the years ended June 30, are comprised of the following:

	<u>2024</u>	<u>2023</u>
City of Concord (see Note 8)	\$29,464,546	\$27,657,109
Household Hazardous Waste Partners	989,068	948,222
All Other	<u>2,940,602</u>	<u>920,367</u>
Total Accounts Receivable	<u>\$33,394,216</u>	<u>\$29,525,698</u>

**Employee Computer Loans Receivable**

The District provides loans to its employees for the purchase of personal computers. These loans are payable through payroll deductions of \$100 per month until the loan is paid off. The interest rate associated with the loan is based on the most current Local Agency Investment Fund (LAIF) rate in effect at the time of loan execution. The maximum amount each employee may borrow is \$2,000. The loans receivable balance, which is included in “All Other Accounts Receivable” above, are as follows as of June 30:

	<u>2024</u>	<u>2023</u>
Employee Computer Loans	\$7,724	\$10,212
Additions	11,213	9,901
Payments	<u>(11,334)</u>	<u>(12,389)</u>
Total Loan Receivable	<u>\$7,603</u>	<u>\$7,724</u>

**Bank Escrow Deposit**

An escrow agreement was formed between the District and the National Park Service for the right-of-way through the John Muir National Historic Site, in lieu of issuing a performance bond. The current right-of-way permit is 10 years, but is renewable and must remain in effect so long as there is sewage running through the area; therefore, it is unlikely that the escrow funds will ever be released to the District. These funds with a balance of \$103,648 at year-end, are listed as “All Other Accounts Receivable” in table above.

**CENTRAL CONTRA COSTA SANITARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
For the Years Ended June 30, 2024 and 2023**

**NOTE 4 – ASSESSMENT DISTRICTS RECEIVABLE**

The District established the Contractual Assessment District (CAD) program to help homeowners finance the cost of connecting to the District. The construction costs associated with the project within the program are capitalized and depreciated. Individual homeowners are assessed at an amount equal to their share of the construction costs and connection fee. The assessments, plus interest, are generally payable over 10 years. The CAD receivable balances at June 30, 2024 and 2023 were \$621,248 and \$720,859, respectively.

The District also established the Alhambra Valley Assessment District (AVAD) to provide services to residents in the Alhambra Valley in Martinez. Residents have the choice to pay cash or finance the construction costs and connection fees. The AVAD receivable balances at June 30, 2024 and 2023 were \$96,627 and \$265,204, respectively.

The District also established Septic to Sewer Financing (S2S) to provide low-cost financing to help homeowners connect to the public sewer system and properly abandon their septic tank. The program is open to residential property owners with private septic systems located near existing sewer mains within the District's service area. The S2S receivable balances at June 30, 2024 and 2023, were \$825,929 and \$655,972, respectively.

The total receivable balances at June 30, 2024 and 2023, for CAD, AVAD and S2S were \$1,543,804 and \$1,642,035, respectively and are shown as a non-current asset on the Statement of Net Position.

**CENTRAL CONTRA COSTA SANITARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
For the Years Ended June 30, 2024 and 2023**

**NOTE 5 – CAPITAL ASSETS**

Property, plant and equipment, and construction in progress are summarized below for the year ended June 30, 2024:

	Balance at July 1, 2023	Additions	Retirements	Transfers & Adjustments	Balance at June 30, 2024
<b>Capital assets not being depreciated:</b>					
Land	\$17,320,570	-	-	-	\$17,320,570
Easements (intangible)	5,264,437	-	-	\$11,046	5,275,483
Construction in Progress	126,762,525	\$92,430,226	-	(36,613,987)	182,578,764
<b>Total nondepreciated assets</b>	<b>149,347,532</b>	<b>92,430,226</b>	<b>-</b>	<b>(36,602,941)</b>	<b>205,174,817</b>
<b>Capital assets being depreciated</b>					
Sewage collection system	457,728,014	-	(\$26,350)	13,891,818	471,593,482
Contributed sewer lines	168,968,603	2,154,742	(47,338)	216,648	171,292,655
Outfall sewers	18,009,248	-	-	-	18,009,248
Sewage treatment plant	401,357,807	-	-	12,397,281	413,755,088
Recycled water infrastructure	29,389,233	-	-	2,546	29,391,779
Pumping station	89,286,964	-	-	175,308	89,462,272
Buildings	44,827,511	-	(30,000)	2,455,739	47,253,250
Furniture and equipment	18,089,892	-	(236,214)	1,799,041	19,652,719
Motor vehicles	9,687,395	-	(132,151)	840,006	10,395,250
Enterprise software	3,683,905	-	-	4,824,554	8,508,459
Lease right of use assets, equipment	337,849	-	(337,849)	-	-
Lease right of use assets, land	827,341	-	-	-	827,341
Subscription right of use assets	1,310,998	2,201,628	(5,432)	-	3,507,194
<b>Total depreciated assets</b>	<b>1,243,504,759</b>	<b>4,356,370</b>	<b>(815,334)</b>	<b>36,602,941</b>	<b>1,283,648,737</b>
<b>Less accumulated depreciation:</b>					
Sewage collection system	100,972,046	6,268,273	(9,522)	-	107,230,797
Contributed sewer lines	72,267,828	2,239,356	(32,786)	-	74,474,398
Outfall sewers	4,640,423	239,055	-	-	4,879,478
Sewage treatment plant	262,919,410	9,164,936	-	-	272,084,346
Recycled water infrastructure	15,895,987	833,073	-	-	16,729,060
Pumping station	43,407,502	2,882,587	-	-	46,290,089
Buildings	20,576,800	1,327,756	(30,000)	-	21,874,556
Furniture and equipment	14,110,554	928,885	(235,413)	-	14,804,026
Motor vehicles	6,056,740	505,654	(132,151)	-	6,430,243
Enterprise software	1,562,174	609,618	-	-	2,171,792
Lease right of use assets, equipment	225,669	112,190	(337,859)	-	-
Lease right of use assets, land	157,588	78,793	-	-	236,381
Subscription right of use assets	646,419	906,693	(5,421)	-	1,547,690
<b>Total accumulated depreciation</b>	<b>543,439,140</b>	<b>26,096,869</b>	<b>(783,152)</b>	<b>-</b>	<b>568,752,856</b>
<b>Total capital assets being depreciated, net</b>	<b>700,065,619</b>	<b>(21,740,499)</b>	<b>(32,182)</b>	<b>36,602,941</b>	<b>714,895,881</b>
<b>Capital assets, net</b>	<b>\$849,413,151</b>	<b>\$70,689,727</b>	<b>(\$32,182)</b>	<b>-</b>	<b>\$920,070,698</b>

**CENTRAL CONTRA COSTA SANITARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
For the Years Ended June 30, 2024 and 2023**

**NOTE 5 – CAPITAL ASSETS (Continued)**

Property, plant and equipment, and construction in progress are summarized below for the year ended June 30, 2023:

	Balance at July 1, 2022	Additions	Retirements	Transfers & Adjustments	Balance at June 30, 2023
<b>Capital assets not being depreciated:</b>					
Land	\$17,320,570	-	-	-	\$17,320,570
Easements (intangible)	5,261,937	-	-	\$2,500	5,264,437
Construction in Progress	95,818,652	\$59,097,479	-	(28,153,606)	126,762,525
<b>Total nondepreciated assets</b>	<b>118,401,159</b>	<b>59,097,479</b>	<b>-</b>	<b>(28,151,106)</b>	<b>149,347,532</b>
<b>Capital assets being depreciated</b>					
Sewage collection system	443,262,940	-	(\$26,000)	14,491,074	457,728,014
Contributed sewer lines	167,746,429	1,311,857	(89,683)	-	168,968,603
Outfall sewers	16,872,714	-	-	1,136,534	18,009,248
Sewage treatment plant	392,167,194	-	-	9,190,613	401,357,807
Recycled water infrastructure	29,183,873	-	-	205,360	29,389,233
Pumping station	87,809,502	-	-	1,477,462	89,286,964
Buildings	44,819,817	-	-	7,694	44,827,511
Furniture and equipment	16,604,181	-	(5,105)	1,490,816	18,089,892
Motor vehicles	9,536,945	-	-	150,450	9,687,395
Enterprise software	3,682,802	-	-	1,103	3,683,905
Lease right of use assets, equipment	337,858	-	-	-	337,858
Lease right of use assets, land	827,341	-	-	-	827,341
Subscription right of use assets	-	1,310,988	-	-	1,310,988
<b>Total depreciated assets</b>	<b>1,212,851,596</b>	<b>2,622,845</b>	<b>(120,788)</b>	<b>28,151,106</b>	<b>1,243,504,759</b>
<b>Less accumulated depreciation:</b>					
Sewage collection system	94,898,440	6,079,504	(5,898)	-	100,972,046
Contributed sewer lines	70,113,115	2,215,679	(60,966)	-	72,267,828
Outfall sewers	4,408,945	231,478	-	-	4,640,423
Sewage treatment plant	254,124,018	8,795,392	-	-	262,919,410
Recycled water infrastructure	15,065,826	830,161	-	-	15,895,987
Pumping station	40,404,352	3,003,150	-	-	43,407,502
Buildings	19,282,241	1,294,559	-	-	20,576,800
Furniture and equipment	13,294,323	821,336	(5,105)	-	14,110,554
Motor vehicles	5,531,119	525,621	-	-	6,056,740
Enterprise software	1,193,838	368,336	-	-	1,562,174
Lease right of use assets, equipment	112,835	112,834	-	-	225,669
Lease right of use assets, land	78,794	78,794	-	-	157,588
Subscription right of use assets	-	646,419	-	-	646,419
<b>Total accumulated depreciation</b>	<b>518,507,846</b>	<b>25,003,263</b>	<b>(71,969)</b>	<b>-</b>	<b>543,439,140</b>
<b>Total capital assets being depreciated, net</b>	<b>694,343,750</b>	<b>(22,380,418)</b>	<b>(48,819)</b>	<b>28,151,106</b>	<b>700,065,619</b>
<b>Capital assets, net</b>	<b>\$812,744,909</b>	<b>\$36,717,061</b>	<b>(\$48,819)</b>	<b>-</b>	<b>\$849,413,151</b>

**CENTRAL CONTRA COSTA SANITARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
For the Years Ended June 30, 2024 and 2023**

**NOTE 6 – LONG-TERM DEBT**

**A. Summary of Activity**

The changes in the District’s long-term obligations during the year ended June 30, 2024 consisted of the following:

	Original Issue Amount	Balance July 1, 2023	Additions	Retirements	Balance June 30, 2024	Amount due within one year
<b>Bonds</b>						
2018 Series A Wastewater Revenue Refunding Bonds 1.39%-2.34% due 9/1/2029	\$15,135,000	\$11,305,000	\$ -	\$1,395,000	\$9,910,000	\$1,465,000
2018 Series B Wastewater Revenue Refunding Bonds 2.62%-3.12% due 9/1/2023	4,315,000	570,000	-	570,000	-	-
2021 Wastewater Revenue Certificates of Participation 0.05%-0.62% due 9/1/2028	50,570,000	33,060,000	-	5,125,000	27,935,000	5,630,000
<b>Direct Borrowing</b>						
Clean Water State Revolving Fund Loan 0.9% due 7/31/2055	173,105,000	15,588,706	580,591	-	16,169,297	-
<b>Total long-term debt</b>		<u>60,523,706</u>	<u>580,591</u>	<u>7,090,000</u>	<u>54,014,297</u>	<u>7,095,000</u>
<b>Add: Unamortized Premiums</b> Revenue Bonds/Certificates		<u>7,252,308</u>	<u>-</u>	<u>1,173,011</u>	<u>6,079,297</u>	<u>\$1,173,011</u>
<b>Total long-term debt</b>		67,776,014	<u>\$580,591</u>	<u>\$8,263,011</u>	60,093,594	
Less Current Portion of Principal		<u>(7,090,000)</u>			<u>(7,095,000)</u>	
Long Term Portion		<u>\$60,686,014</u>			<u>\$52,998,594</u>	

**CENTRAL CONTRA COSTA SANITARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
For the Years Ended June 30, 2024 and 2023**

The changes in the District's long-term obligations during the year ended June 30, 2023 consisted of the following:

	Original Issue Amount	Balance July 1, 2022	Additions	Retirements	Balance June 30, 2023	Amount due within one year
<b><i>Bonds</i></b>						
2018 Series A Wastewater Revenue Refunding Bonds 1.39%-2.34% due 9/1/2029	\$15,135,000	\$12,640,000	\$ -	\$1,335,000	\$11,305,000	\$1,395,000
2018 Series B Wastewater Revenue Refunding Bonds 2.62%-3.12% due 9/1/2023	4,315,000	1,120,000	-	550,000	570,000	570,000
2021 Wastewater Revenue Certificates of Participation 0.05%-0.62% due 9/1/2028	50,570,000	41,925,000	-	8,865,000	33,060,000	5,125,000
<b><i>Direct Borrowing</i></b>						
Clean Water State Revolving Fund Loan 0.9% due 7/31/2055	173,105,000	-	15,588,706	-	15,588,706	-
<b>Total long-term debt</b>		<u>55,685,000</u>	<u>15,588,706</u>	<u>10,750,000</u>	<u>60,523,706</u>	<u>7,090,000</u>
<b>Add: Unamortized Premiums</b>						
Revenue Bonds/Certificates, short term		8,425,320	-	1,173,012	7,252,308	<u>\$1,173,011</u>
<b>Total long-term debt</b>		64,110,320	<u>\$15,588,706</u>	<u>\$11,923,012</u>	67,776,014	
Less Current Portion of Principal		<u>(10,750,000)</u>			<u>(7,090,000)</u>	
Long Term Portion		<u>\$53,360,320</u>			<u>\$60,686,014</u>	

**CENTRAL CONTRA COSTA SANITARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
For the Years Ended June 30, 2024 and 2023**

**NOTE 6 – LONG-TERM DEBT (Continued)**

**B. Debt Service Requirements**

The scheduled and estimated debt service requirements for the next ten years are as follows:

Fiscal Year Ending June 30	2018 Wastewater Revenue Refunding Bonds Series A & B		2021 Wastewater Revenue Certificates of Participation		Clean Water State Revolving Fund Loan	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$1,465,000	\$458,875	\$5,630,000	\$1,256,000	\$ -	\$ -
2026	1,535,000	383,875	6,165,000	961,125	-	-
2027	1,610,000	305,250	6,740,000	638,500	471,892	521,402
2028	1,685,000	222,875	6,905,000	297,375	476,139	141,277
2029	1,765,000	136,625	2,495,000	62,375	480,425	136,991
2030-2034	1,850,000	46,250	-	-	2,467,763	619,316
2035-2039	-	-	-	-	2,580,830	506,250
2040-2044	-	-	-	-	2,699,076	388,003
2045-2049	-	-	-	-	2,822,741	264,339
2050-2054	-	-	-	-	2,952,071	135,008
2055-2056	-	-	-	-	1,218,359	16,472
Total	<u>\$9,910,000</u>	<u>\$1,553,750</u>	<u>\$27,935,000</u>	<u>\$3,215,375</u>	<u>\$16,169,297</u>	<u>\$2,729,059</u>

Debt service payments for the Clean Water State Revolving Fund Loan reflect payments estimated only for proceeds received through June 30, 2024. Actual proceeds anticipated from this loan are \$173,105,000. The District's debt service requirements are expected to increase as the District continues to receive proceeds from the loan.

**C. 2018 Series A and B Wastewater Revenue Refunding Bonds**

On September 13, 2018, the District issued two Wastewater Revenue Refunding Bonds (Bonds). The 2018 Wastewater Revenue Refunding Bonds, Series A (tax-exempt) and B (federally taxable) were issued for \$15,135,000 and \$4,315,000, respectively. The Bonds were issued to defease and refund all the District's outstanding obligations with respect to the \$19,635,000 original principal amount of 2009 Wastewater Revenue Certificates of Participation, Series A and all of the District's outstanding obligations with respect to the \$34,490,000 original principal amount of 2009 Wastewater Revenue Certificates of Participation, Series B, and pay costs issuing the Bonds. The refunding resulted in an overall debt service savings of \$7,455,312. The net present value of the debt service savings is called an economic gain and amounted to \$2,603,897.

The two bonds total \$19,450,000 and are secured by a pledge of tax and net revenues of the wastewater system. The outstanding bonds from direct borrowings related to business-type activities of \$19,450,000 contain a provision that in an event of default, the U.S. Bank National Association (Trustee) has the right to accelerate the total unpaid principal amounts of the bonds. The official statement contains an event of default clause that changes the timing of the repayments of outstanding amounts to become immediately due if the District is unable to make payment. Principal payments began annually on September 1, 2020 and 2021 for the Series B and A Bonds, respectively, with semi-annual interest payments due on September 1 and March 1 of each year. Yields range from 1.39% to 2.34% and 2.62% to 3.12% for the Series A and Series B Bonds, respectively. During fiscal year ending June 30, 2024, the Series B Bonds were fully repaid. The outstanding balance of the Series A Bonds at June 30, 2024 amounted to \$9,910,000.

**CENTRAL CONTRA COSTA SANITARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
For the Years Ended June 30, 2024 and 2023**

**NOTE 6 – LONG-TERM DEBT (Continued)**

***D. 2021 Wastewater Revenue Certificates of Participation***

On June 1, 2021, the District issued new Wastewater Revenue Certificates of Participation. The 2021 Wastewater Revenue Certificates of Participation was issued for \$50,570,000. The Certificates were issued to finance certain improvements to the Wastewater System which is owned and operated by the District. The repayment of the Certificates will come from the revenues derived from operation of the Wastewater System, tax revenues, consisting of the ad valorem property taxes received by the District. The first principal payment was due on March 1, 2022 and then September 1 of each year thereafter. Yield ranges from 0.05% to 0.62% for the Certificates. The outstanding balance at June 30, 2024 amounted to \$27,935,000.

***E. Clean Water State Revolving Fund Loan***

The District entered into a contract in December 2021 to borrow funds from the State Water Resources Control Board. The funds are being used for the Solids Handling Improvement Project to rehabilitate and replace the sludge dewatering centrifuges, cake pumps, and furnace air pollution control equipment. The maximum loan amount is \$173,105,000, of which the District has drawn \$16,169,297. The loan bears interest at 0.9 percent per year and will accrue beginning with each disbursement. Repayments are scheduled to commence in July 2027 following the completion of the project for a term of 30 years. As of June 30, 2024, the District owed \$16,169,297 on the loan.

***F. Compensated Absences***

The liability for vested vacation, compensatory time, and sick pay is recorded as an expense when earned. Depending on hire date and length of employment with the District, employees retain a vested interest between 25 and 40 percent of their sick time. Unused sick time may be applied towards pension service time and/or cashed out upon retirement.

The changes in compensated absences were as follows for fiscal years ended June 30:

	2024	2023
Beginning Balance	\$5,802,385	\$6,272,875
Adjustments	291,922	(184,948)
Payments	(322,588)	(285,542)
Ending Balance	\$5,771,719	\$5,802,385
Current Portion	\$577,172	\$580,239

The current portion of the liability to be used within the next year is estimated by management to be approximately 10% of the ending balance.



**CENTRAL CONTRA COSTA SANITARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
For the Years Ended June 30, 2024 and 2023**

**NOTE 7 – RISK MANAGEMENT**

The District is exposed to various risks of loss including torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. To manage these risks, the District joined with other entities to form the California Sanitation Risk Management Authority (CSRMA), a public entity risk pool currently operating as a common risk management and insurance program for the member entities. The purpose of CSRMA is to spread the adverse effects of losses among the member entities and to purchase excess insurance as a group, thereby reducing its cost. Through CSRMA, the District purchases workers' compensation insurance.

**A. Insurance Coverage**

The District's insurance coverage is as follows:

Type of Coverage	Insurer	Limits	Self Insured Deductible Per Occurrence
<b>All-Risk Property:</b>			
Special Form Property	Alliant Property Insurance Program	\$747,081,798	\$250,000
Crime	National Union Fire Ins. Company	1,000,000	2,500
<b>Liability:</b>			
Fiduciary Liability Insurance	Hudson Insurance Company	1,000,000	25,000
Pollution - General Liability	Aspen Specialty Ins. Company	5,000,000	5,000
Commercial Environment Excess	Aspen Specialty Ins. Company	9,000,000	50,000
Excess Liability	Great American E & S Insurance Company	10,000,000	500,000
Excess Following Form Liability Policy	Evanston Insurance Company	5,000,000	-
Employment Practice Liability	Indian Harbor	500,000	35,000
<b>Worker's Compensation:</b>			
Excess Workers' Compensation	CSRMA/Safety National Casualty Company	Statutory	-

**B. Provision for Uninsured Claims**

The Governmental Accounting Standard Board (GASB) requires state and local governments to record their liability for uninsured claims in their financial statements. The District's policy is to maintain a reserve for claims of \$1,500,000 which is equivalent to three claims at \$500,000 per occurrence. The District's independent actuary has calculated its potential liability as of June 30, 2024 to be \$1,775,711.

The District's uninsured claims activity and exposure relates primarily to its general and automobile liability program. The District records its estimated liability for uninsured claims in this area based on the results of periodic actuarial evaluations. The actuarial evaluations are typically performed every two years. The latest report was dated December 23, 2022. For intervening years, the liability for uninsured claims is reviewed for adequacy based on claims activity during the intervening period.

**CENTRAL CONTRA COSTA SANITARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
For the Years Ended June 30, 2024 and 2023**

**NOTE 7 – RISK MANAGEMENT (Continued)**

For fiscal years ended June 30, 2024, 2023, and 2022, settlements have not exceeded insurance coverage. Changes in the District’s estimated liability for retained losses are summarized as follows as of June 30:

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Beginning Balance	\$1,719,986	\$1,504,476	\$1,455,065
Provisions for claims incurred in the current and changes in the liability for retained-losses incurred in prior years	303,202	516,226	202,162
Claims paid and/or adjustments	<u>(247,477)</u>	<u>(300,716)</u>	<u>(152,751)</u>
Ending Balance	<u>\$1,775,711</u>	<u>\$1,719,986</u>	<u>\$1,504,476</u>

The District’s Self Insurance program also maintains a reserve of \$7.5 million for catastrophic losses.

**NOTE 8 – AGREEMENT WITH THE CITY OF CONCORD**

In 1974, the District and the City of Concord (the City) entered into a cost-sharing agreement under which the District became responsible for providing sewage treatment facilities and services to the City. Under this agreement, the City pays a service charge for its share of operating, maintenance and administrative costs and makes a contribution for its share of facilities capital costs expended. Service charges and contributions to capital costs from the City totaled \$17,882,586 and \$11,581,690 respectively, for the year ended June 30, 2024, for a total of \$29,464,276. Service charges and contributions to capital costs from the City totaled \$17,700,461 and \$9,956,648 respectively, for the year ended June 30, 2023, for a total of \$27,657,109.

**CENTRAL CONTRA COSTA SANITARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
For the Years Ended June 30, 2024 and 2023**

**NOTE 9 – PENSION PLANS**

**A. Contra Costa County Employees’ Retirement Association Pension Plan**

**Plan Descriptions** – Substantially all District permanent employees are required to participate in the Contra Costa County Employees’ Retirement Association (CCCERA), a cost-sharing multiple employer public defined benefit retirement plan (Plan), governed by the County Employee’s Retirement Law of 1937, as amended, and the California Public Employees’ Pension Reform Act of 2013 (PEPRA). The latest available actuarial and financial information for the Plan is for the year ended December 31, 2023 providing the plan funded status as of that date and contribution rates for the fiscal year ended June 30, 2024. CCCERA issues a publicly available financial report that includes financial statements and supplemental information of the Plan. That report is available by writing to Contra Costa County Employees’ Retirement Association, 1200 Concord Ave., Suite 300, Concord, CA 94523 or on their website at [www.cccera.org](http://www.cccera.org).

**Benefits Provided** – The Plan provides for retirement, disability, and death and survivor benefits. Annual cost of living (COL) adjustments to retirement allowances can be granted by the Retirement Board as provided by State statutes. Retirement benefits are based on age, length of service, date of membership and final average salary.

Subject to vested status, employees can withdraw contributions plus interests credited, or leave them as a deferred retirement when they terminate, or transfer to a reciprocal retirement system.

The Plans’ provisions and benefits in effect at June 30, 2024, are summarized as follows:

	Miscellaneous	
	Prior to January 1, 2013	On or after January 1, 2013
Membership date		
Benefit vesting schedule	10 years service	5 years service
Benefit payments	monthly for life	monthly for life
Leave cash out pensionable?	Yes	No
Benefit % per year of service	2%	2%
Final pensionable salary formula	Highest 12 consecutive months	Annual average of highest 36 consecutive months
Annual benefit cap	Hired before 1/1/1996 - None Hired 1/1/1996 - 12/31/2012 - \$345,000	\$181,734
Minimum retirement age (with benefit reductions)	50	52
Normal retirement age (unreduced benefits)	55	62
Required employee contribution rates	8.47%-15.98%	11.52%
Required employer contribution rates	17.51%	11.67%

**CENTRAL CONTRA COSTA SANITARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
For the Years Ended June 30, 2024 and 2023**

**NOTE 9 – PENSION PLANS (Continued)**

**Contributions** – The Plan requires employees to pay a portion of the basic retirement benefit and a portion of future COL costs. For the year ended June 30, 2024, the District’s contributions to the Plan were \$6,477,175.

**Net Pension Liability, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions** - The District reported net pension liability for its proportionate share of the net liability of the Plan in the amount of \$36,556,805 for the year ended June 30, 2024. The District reported net pension liability for its proportionate share of the net pension liability of the Plan in the amount of \$37,772,326 for the year ended June 30, 2023.

The District’s net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of December 31, 2023, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022 rolled forward to December 31, 2023 using standard update procedures. The District’s proportion of the net pension liability was based on a projection of the District’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

The District’s proportionate share of the net pension liability for the Plan as of December 31, 2022, 2023, and 2024 were as follows:

Reporting Date for Employer under GASB 68 as of June 30	Proportion of the Net Pension Liability (Asset)	Proportionate Share of Net Pension Liability (Asset)	Covered Payroll	Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Pension as a Percentage of the Total Pension Liability
2022	22.039%	(\$53,543,789)	\$37,667,972	-142.15%	111.27%
2023	2.224%	37,772,326	40,424,238	93.44%	92.35%
2024	2.292%	36,556,805	41,133,132	88.87%	92.93%

**CENTRAL CONTRA COSTA SANITARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
For the Years Ended June 30, 2024 and 2023**

**NOTE 9 – PENSION PLANS (Continued)**

For the year ended June 30, 2024, the District recognized a pension expense of \$15,971,322. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to measurement date	\$3,388,575	-
Differences between expected and actual experience	4,699,537	(\$24,376)
Changes of assumptions or other inputs	1,700,231	(42,821)
Change in proportion and differences between employer contributions and proportionate share of contributions	27,304,731	(39,452,307)
Net difference between projected and actual earnings on pension plan investments	17,165,514	-
Total	<u>\$54,258,588</u>	<u>(\$39,519,504)</u>

The \$3,388,575 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2025.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Year Ended June 30</u>	<u>Annual Amortization</u>
2025	\$9,862,201
2026	(189,485)
2027	2,407,807
2028	(730,014)
Total	<u>\$11,350,509</u>

**CENTRAL CONTRA COSTA SANITARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
For the Years Ended June 30, 2024 and 2023**

**NOTE 9 – PENSION PLANS (Continued)**

**Actuarial Assumptions** – The total pension liability in the December 31, 2023 actuarial valuations were determined using the following actuarial assumptions:

	Method/Assumption	
Valuation Date		December 31, 2022
Measurement Date		December 31, 2023
Actuarial Cost Method		Entry Age Actuarial Cost Method
Amortization Method		Level percent of payroll
Actuarial Assumptions:		
Discount Rate		6.75%
Inflation Rate		2.50%
Payroll Growth		2.50% (1)
Projected Salary Increase		3.50%-14.00%
Cost of Living Adjustments		2.75%
Investment Rate of Return		6.75% (2)
Administrative Expense		1.17%
Post-Retirement Mortality - Healthy Members and Beneficiaries not in pay status	Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Table, projected generationally with the two-dimensional mortality improvement scale MP-2021	
Post-Retirement Mortality - Disabled Members	Pub-2010 Non-Safety Disabled Retiree Amount-Weighted Mortality Table increased by 5% for males and unadjusted for females, projected generationally with the two-dimensional mortality improvement scale MP-2021	
Post-Retirement Mortality - Beneficiaries in pay status	Pub-2010 Contingent Survivor Amount-Weighted Above-Median Mortality Table increased by 5% for males and females, projected generationally with the two-dimensional mortality improvement scale MP-2021	
Pre-Retirement Mortality	Pub-2010 General Employee Amount-Weighted Above-Median Mortality Table, projected generationally with the two-dimensional mortality improvement scale MP-2021	

(1) Plus "across the board" real salary increases of 0.5% per year plus merit & promotion increases that vary by service

(2) Net of pension plan investment expense, including inflation

**Discount Rate** – The discount rate used to measure the Total Pension Liability (TPL) was 6.75% as of December 31, 2023. The projection of cash flows used to determine the discount rate assumed employer and employee contributions will be made at rates equal to the actuarially determined contribution rates. For this purpose, only employer and employee contributions that are intended to fund benefits for current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the Plan Fiduciary Net Position was projected to be available to make all projected future benefit payments for current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL as of December 31, 2023.

**CENTRAL CONTRA COSTA SANITARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
For the Years Ended June 30, 2024 and 2023**

**NOTE 9 – PENSION PLANS (Continued)**

The long-term expected rate of return on pension plan investments was determined in 2023 using a building-block method in which expected future real rates of return (expected returns, net of inflation) are developed for each major asset class. These returns are combined to produce the long-term expected arithmetic rate of return for the portfolio by weighting the expected arithmetic real rates of return by the target asset allocation percentage, adding expected inflation and subtracting expected investment expenses and a risk margin. The target allocation and projected arithmetic real rates of return for each major asset class, after deducting inflation, but before investment expenses, used in the derivation of the long-term expected investment rate of return assumption are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Arithmetic Real Rate of Return
Large Cap U.S. Equity	10%	5.40%
Small Cap U.S. Equity	3%	6.17%
Developed International Equity	10%	6.13%
Emerging Markets Equity	9%	8.17%
Core Fixed	4%	0.39%
Short-Term Credit	14%	-0.14%
Cash and Equivalents	3%	-0.73%
Private Equity	15%	10.83%
Private Credit	13%	5.93%
Infrastructure	3%	6.30%
Value Add Real Estate	5%	7.20%
Opportunistic Real Estate	5%	8.50%
Risk Parity	3%	3.80%
Hedge Funds	3%	2.40%
Total	<u>100%</u>	<u>5.6%</u>

Changes in the assumed discount rate can have large effects on the measurement of the Total Pension Liability (TPL). Lower discount rates result in a higher TPL and higher discount rates result in a lower TPL. Because the discount rate does not affect the measurement of plan assets, small changes in the assumed discount rate can have significant changes in the Net Pension Liability (NPL). The table below illustrates the sensitivity of the NPL to changes in the actuarially assumed discount rate by one percent in either direction as reported at June 30, 2024:

	<u>Miscellaneous</u>
1% Decrease	5.75%
Net Pension Liability (Asset)	\$105,880,485
Assumed Discount Rate	6.75%
Net Pension Liability (Asset)	\$36,556,805
1% Increase	7.75%
Net Pension Liability (Asset)	(\$20,263,520)

**CENTRAL CONTRA COSTA SANITARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
For the Years Ended June 30, 2024 and 2023**

**NOTE 9 – PENSION PLANS (Continued)**

**B. 457 (b) Deferred Compensation Plan**

District employees may defer a portion of their compensation under a District sponsored Deferred Compensation Plan created in accordance with Internal Revenue Code Section 457 (b). The plan was established by the District's Board of Directors and any amendments to the plan must be authorized by the Board of Directors. Under this plan, participants are not taxed on the deferred portion of their compensation until it is distributed to them; distributions may be made only at termination, retirement, death, or in an emergency as defined by the plan. The District does not make contributions to the plan.

The plan's 457 (b) assets are held in trust with Mission Square Retirement (formerly ICMA-RC) for the exclusive benefit of the participants and are not included in the District's financial statements.

**C. 401 (a) Money Purchase Plan**

The District also contributes to a money purchase plan created in accordance with Internal Revenue Code section 401(a). The plan was established by the District's Board of Directors and any amendments to the plan must be authorized by the Board. Contributions to the plan are made in accordance with a memorandum of understanding stating that in lieu of making payments to Social Security, the District contributes to the 401(a) Plan an amount equal to that which would have been contributed to Social Security on behalf of its employees as long as the District is not required to participate in Social Security. The District contributed \$2,965,851 and \$2,776,729 to the Plan during the years ended June 30, 2024 and 2023, respectively. In addition to contributions made by the District as described previously, unrepresented employees may elect to make irrevocable contributions to the plan.

The 401(a) money purchase plan assets are held in trust with Mission Square Retirement (formerly ICMA-RC) for the exclusive benefit of the participants and are not included in the District's financial statements.

**NOTE 10 – OTHER POST EMPLOYMENT BENEFITS (OPEB) PLAN**

**A. General Information about the District's OPEB Plan**

**Plan Description** – The District's defined benefit post-employment healthcare plan (DPHP) provides medical benefits to eligible retired District employees and beneficiaries. DPHP is part of the Public Agency portion of the Public Agency Retirement System (PARS), an agent multiple-employer plan through PARS, which acts as a common investment agent for participating public employees within the State of California. The District is the plan administrator. A menu of benefit provisions as well as other requirements is established by the State statute with the Public Employees' Retirement Law. DPHP selects optional benefit provisions from the benefit menu by contract with PARS and adopts those benefits through District resolution. PARS issues a separate Annual Comprehensive Financial Report. Copies of the PARS annual financial report may be obtained from PARS, 4350 Von Karman Ave., Suite 100, Newport Beach, CA 92660, by calling 1(800) 540-6369, or by emailing info@pars.org.



**CENTRAL CONTRA COSTA SANITARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
For the Years Ended June 30, 2024 and 2023**

**NOTE 10 – OTHER POST EMPLOYMENT BENEFITS (OPEB) PLAN  
(Continued)**

**Benefit Terms** – Post-employment healthcare and similar benefit allowances are provided to eligible employees who retire from the District or to their surviving spouses.

**Employees Covered by Benefit Terms** – Membership in the plan consisted of the following at the measurement date of June 30, 2024:

Active employees	274
Inactive employees or beneficiaries currently receiving benefit payments	270
Inactive employees entitled to but not yet receiving benefit payments	-
Total	544

**B. Net OPEB Liability**

**Actuarial Methods and Assumptions** – The District’s net OPEB liability was measured as of June 30, 2024 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated July 1, 2022 that was rolled forward using standard update procedures to determine the \$83,627,113 total OPEB liability as of June 30, 2024, based on the following actuarial methods and assumptions:

	Method/Assumption
Valuation Date	July 1, 2022
Measurement Date	June 30, 2024
Actuarial Cost Method	Entry Age Normal, Level Percent of Pay
Actuarial Assumptions:	
Contribution and Funding Policy	District contributes full ADC
Discount Rate and Long-Term Expected Rate of Return on Assets	5.25% at June 30, 2024 5.25% at June 30, 2023
General Inflation	2.50% Annually
Mortality, Disability, Termination, Retirement	CCCERA 2018-20 Experience Study
Mortality Improvement	Mortality projected fully generational with Scale MP-2021
Medical Trend	Non-Medicare - 8.50% for 2025, decreasing to an ultimate rate of 3.45% in 2076 Medicare (Non-Kaiser) - 7.50% for 2025, decreasing to an ultimate rate of 3.45% in 2076 Medicare (Kaiser) - 6.25% for 2025, decreasing to an ultimate rate of 3.45% in 2076
Dental and Vision Trend	3.50% annually
Healthcare Participation for Future Retirees	Currently Covered and CCCERA Eligible: 100% Currently Waived Coverage and CCCERA Eligible: 95% Not CCCERA Eligible: 60% Self-Pay Board Members: 50%
Changes of assumptions	None

**CENTRAL CONTRA COSTA SANITARY DISTRICT  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 For the Years Ended June 30, 2024 and 2023**

**NOTE 10 – OTHER POST EMPLOYMENT BENEFITS (OPEB) PLAN  
 (Continued)**

The underlying mortality assumptions were based on the mortality improvement projected generationally with Scale MP-21 and all other actuarial assumptions used in the July 1, 2022 valuation were based on the results of a July 1, 2022 actuarial experience study for the period of July 1, 2023 to June 30, 2024.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class Component	Target Allocation	Expected Real Rate of Return
Global Equity	50.0%	4.56%
Fixed Income	45.0%	0.78%
Cash	5.0%	-0.50%
Total	100%	
Assumed Long-Term Rate of Inflation		2.50%
Expected Long-Term Net Rate of Return, Rounded		5.25%

**Discount Rate** – The discount rate used to measure the total OPEB liability was 5.25%. The projection of cash flows used to determine the discount rate assumed that District contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan’s fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

**CENTRAL CONTRA COSTA SANITARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
For the Years Ended June 30, 2024 and 2023**

**NOTE 10 – OTHER POST EMPLOYMENT BENEFITS (OPEB) PLAN  
(Continued)**

**C. Changes in Net OPEB Liability**

The changes in the net OPEB liability are as follows:

	<b>Increase (Decrease)</b>		
	<b>Total OPEB Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net OPEB Liability/(Asset) (a) - (b)</b>
Balance at July 1, 2023	\$81,190,218	\$81,342,131	(\$151,913)
Changes Recognized for the Measurement Period:			
Service Cost	1,892,040	-	1,892,040
Interest on the total OPEB liability	4,264,186	-	4,264,186
Changes in benefit terms	-	-	-
Differences between expected and actual experience	-	-	-
Changes of assumptions	-	-	-
Contributions from the employer	-	3,647,801	(3,647,801)
Contributions from the employee	-	-	-
Net investment income	-	9,076,240	(9,076,240)
Benefit payments	(3,719,331)	(3,719,331)	-
Administrative expenses	-	(229,659)	229,659
Net Changes	<u>2,436,895</u>	<u>8,775,051</u>	<u>(6,338,156)</u>
Balance at June 30, 2024	<u>\$83,627,113</u>	<u>\$90,117,182</u>	<u>(\$6,490,069)</u>

**D. Sensitivity of the Net OPEB Liability to Changes in the Discount Rate and Healthcare Cost Trend Rates**

The following presents the net OPEB asset of the District at June 30, 2024, as well as what the District's net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (4.25%) or 1-percentage-point higher (6.25%) than the assumed discount rate of 5.25%:

<b>Net OPEB Liability (Asset)</b>		
Discount Rate -1%	Discount Rate	Discount Rate +1%
(4.25%)	(5.25%)	(6.25%)
\$3,686,326	(\$6,490,069)	(\$14,943,576)

The following presents the net OPEB asset of the District, as well as what the District's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

<b>Net OPEB Liability (Asset)</b>		
Current Healthcare Cost		
1% Decrease	Trend Rates	1% Increase
(\$15,507,443)	(\$6,490,069)	\$5,971,224

**CENTRAL CONTRA COSTA SANITARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
For the Years Ended June 30, 2024 and 2023**

**NOTE 10 – OTHER POST EMPLOYMENT BENEFITS (OPEB) PLAN  
(Continued)**

***E. OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB***

For the year ended June 30, 2024, the District recognized an OPEB expense of \$284,639. At June 30, 2024, the District reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$743,072	(\$3,436,473)
Changes of assumptions	-	(2,766,281)
earnings		
on pension plan investments	-	(969,955)
Total	\$743,072	(\$7,172,709)

Amounts reported as deferred outflows and (inflows) of resources related to OPEB will be recognized as part of OPEB expense as follows:

Year Ended June 30	Annual Amortization
2025	(\$1,784,519)
2026	(18,907)
2027	(3,109,197)
2028	(1,517,014)
Total	(\$6,429,637)

***OPEB Liabilities, OPEB Expenses and Deferred Outflows/Inflows of Resources Related to OPEB***

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the District's OPEB Plan and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by the District's defined benefit post-employment healthcare plan (DPHP). For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

**CENTRAL CONTRA COSTA SANITARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
For the Years Ended June 30, 2024 and 2023**

**NOTE 11 – NET POSITION**

***Net Position***

Net Position represents the excess of all the District’s assets and deferred outflows of resources over all its liabilities and deferred inflows of resources, regardless of fund. Net Position is divided into three categories:

Net Investment in Capital Assets describes the portion of Net Position which is represented by the current net book value of the District’s capital assets, less the outstanding balance of any debt issued or liabilities assumed to finance these assets.

Restricted describes the portion of Net Position which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions which the District cannot unilaterally alter.

Unrestricted describes the portion of Net Position which is not restricted as to use.

**NOTE 12 – LEASES AND SUBSCRIPTION-BASED INFORMATION TECHNOLOGY AGREEMENTS**

**A. *Lease Receivable***

The District has entered into 11 multi-year leases agreements as the lessor for various parcels of land. The terms of these leases are between one and ten years and the District will receive monthly payments from each lessee. The District recognized \$730,970 in lease revenue and \$216,706 in interest revenue during the current fiscal year related to these leases. As of June 30, 2024 and 2023, the District receivable for these leasing agreements totaled \$3,698,675 and \$4,224,394, respectively. The District has also recorded a deferred inflow of resources associated with this leases that will be recognized as revenue over the lease terms. As of June 30, 2024 and 2023, the balance of the deferred inflow of resources was \$3,364,942 and \$3,970,164, respectively.

	Balance July 1, 2023	Additions	Retirements	Balance June 30, 2024
<u>Leases Receivable</u>				
Land	\$4,224,394	-	\$525,719	\$3,698,675
Less current portion	(605,747)			(645,044)
Non-current portion	<u>\$3,618,647</u>			<u>\$3,053,631</u>

	Balance July 1, 2022	Additions	Retirements	Balance June 30, 2023
<u>Leases Receivable</u>				
Land	4,635,788	-	\$411,394	\$4,224,394
Less current portion	(411,394)			(605,747)
Non-current portion	<u>\$4,224,394</u>			<u>\$3,618,647</u>

**CENTRAL CONTRA COSTA SANITARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
For the Years Ended June 30, 2024 and 2023**

**NOTE 12 – LEASES AND SUBSCRIPTION-BASED INFORMATION TECHNOLOGY AGREEMENTS  
(Continued)**

**B. Lease Payable**

A summary of lease transactions for the fiscal years ended June 30, 2024 and 2023, are as follows:

Leases Payable	Balance July 1, 2023	Additions	Retirements	Balance June 30, 2024
Land	\$695,648	-	\$69,809	\$625,839
Equipment	112,437	-	112,437	-
Total	<u>808,085</u>	<u>-</u>	<u>182,246</u>	<u>625,839</u>
Less current portion	<u>(182,246)</u>			<u>(72,805)</u>
Non-current portion	<u>\$625,839</u>			<u>\$553,034</u>

Leases Payable	Balance July 1, 2022	Additions	Retirements	Balance June 30, 2023
Land	\$762,557	-	\$66,909	\$695,648
Equipment	225,249	-	112,812	112,437
Total	<u>987,806</u>	<u>-</u>	<u>179,721</u>	<u>808,085</u>
Less current portion	<u>(179,721)</u>			<u>(182,246)</u>
Non-current portion	<u>\$808,085</u>			<u>\$625,839</u>

The District has entered into three multi-year lease agreements as lessee for the use of land and office equipment. As of June 30, 2024 and 2023, the value of the lease liabilities were \$625,839 and \$808,085, respectively. The District is required to make monthly principal and interest payments ranging from \$15,680 to \$15,895. The leases have a weighted average interest rate of 0.99%. The value of the right-to-use asset as of the end of the current fiscal year was \$827,341 and had accumulated amortization of \$236,382.

The future principal and interest lease payments as of June 30, 2024, are as follows:

For the Year Ended June 30	Principal	Interest	Total
2025	\$72,805	\$5,869	\$78,674
2026	75,900	5,134	81,034
2027	79,097	4,368	83,465
2028	82,399	3,570	85,969
2029	85,809	2,739	88,548
2030-2032	<u>229,829</u>	<u>2,985</u>	<u>232,814</u>
	<u>\$625,839</u>	<u>\$24,665</u>	<u>\$650,504</u>

**CENTRAL CONTRA COSTA SANITARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
For the Years Ended June 30, 2024 and 2023**

**NOTE 12 – LEASES AND SUBSCRIPTION-BASED INFORMATION TECHNOLOGY AGREEMENTS  
(Continued)**

**C. Subscription-Based Information Technology Arrangements (SBITAs)**

A summary of changes in the SBITA payable account for the fiscal years ended June 30, 2024 and 2023, are as follows:

SBITAs Payable	2024	2023
Beginning Balance	\$484,909	-
Additions	2,677,724	\$1,310,988
Retirements	<u>(1,612,077)</u>	<u>(826,079)</u>
Ending Balance	<u>1,550,556</u>	<u>484,909</u>
Less current portion	<u>(998,020)</u>	<u>484,909</u>
Non-current portion	<u>\$552,536</u>	<u>\$ -</u>

The District has entered into twelve multi-year SBITAs for the use of information technology software. As of June 30, 2024, the value of the SBITA liability was \$1,550,556. The value of the right-to-use asset as of the end of the current fiscal year was \$3,507,196 and had accumulated amortization of \$1,549,690. As of June 30, 2023, the value of the SBITA current liability was \$484,909. The value of the right-to-use asset as of the end of fiscal year 2023 was \$1,310,988 and had accumulated amortization of \$646,419.

The future principal and interest TA payments as of June 30, 2024, are as follows:

For the Year Ended June 30	Principal	Interest	Total
2025	\$998,020	\$39,733	\$1,037,753
2026	498,131	21,402	519,533
2027	25,986	2,149	28,135
2028	<u>28,418</u>	<u>1,123</u>	<u>29,541</u>
	<u>\$1,550,555</u>	<u>\$64,407</u>	<u>\$1,614,962</u>

**NOTE 13 – COMMITMENTS AND CONTINGENCIES**

Commitments and contingencies, undeterminable in amount, include normal recurring pending claims and litigation. In the opinion of management, based upon discussion with legal counsel, there is no pending litigation which is likely to have a material adverse effect on the financial position of the District.

Claims and losses are recorded when they are reasonably probable of being incurred and the amount is estimable. Insurance proceeds and settlements are recorded when received.

The District has several purchase commitments for ongoing capital projects that involve multi-year contracts. Purchase commitments related to these multi-year contracts are approximately \$174,330,567 and \$73,906,397 as of June 30, 2024 and 2023, respectively.

**CENTRAL CONTRA COSTA SANITARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
For the Years Ended June 30, 2024 and 2023**

**NOTE 14 - JOINTLY GOVERNED ORGANIZATIONS**

On October 24, 2023 the District joined the Northern California Sanitation Agencies Financing Authority (the "JPA"), a joint powers authority, replacing a previous member of the JPA through an amended and restated agreement originally dated October 1, 1993. Sacramento Regional County Sanitation District absorbed one of the JPA's original members, County Sanitation District No.1, and serves as the other member of the JPA. The Agreement remains effective until June 30, 2062, unless extended or earlier terminated by a supplemental written agreement of the members. The JPA is governed by a four member Board consisting of two Board members from the Sacramento Regional County Sanitation District, and two members of the Board of Directors of Central Contra Costa Sanitary District.

The Joint Exercise of Powers Act (California Government Code §6500) authorizes local municipalities to collaborate through a joint powers authority for the purpose of issuing revenue bonds. The JPA was formed for the purpose of assisting the financing and refinancing of the acquisition and construction of real and personal property in and for any member. The agreement grants the JPA powers to achieve this purpose through a number of means including, but not limited to: the acquisition and construction of real and personal property for any member, the sale, purchase, or lease of real and personal property to any member, the refinancing of existing member's debt, and the issuance of new debt on behalf of any member. Under the provisions of the agreement, members of the JPA are individually responsible only for debt and obligations enacted by the JPA on their behalf, and no member is responsible for the debt or obligations of other members whether enacted individually as a separate agency, or through the powers granted to the JPA.

The District has not utilized the JPA to issue new debt or enter into obligations of any kind since its inclusion in the JPA in FY 2023-24, and therefore has no debt outstanding as of June 30, 2024 related to this arrangement. Separate financial statements for the JPA are available from SacSewer at 10060 Goethe Road, Sacramento CA, 95827, upon request.



**REQUIRED SUPPLEMENTARY INFORMATION**

**CENTRAL CONTRA COSTA SANITARY DISTRICT**  
**Cost-Sharing Multiple Employer Defined Benefit Retirement Plan**  
**As of Fiscal Year Ending June 30, 2024**  
**PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET)**  
**Last 10 Fiscal Years**

Measurement date	December 31,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Proportion of the net pension liability	2.29%	2.22%	22.04%	10.59%	7.42%	6.33%	7.86%	6.27%	6.09%	7.49%
Proportionate share of the net pension liability (asset)	\$36,556,805	\$37,772,326	(\$53,543,789)	\$48,886,895	\$64,117,450	\$90,430,104	\$63,806,000	\$87,847,116	\$91,746,888	\$89,535,510
Covered payroll <sup>1</sup>	\$41,133,132	\$40,424,238	\$37,667,972	\$37,131,965	\$36,087,019	\$33,793,159	\$33,306,738	\$31,584,169	\$29,061,743	\$29,647,993
Proportionate share of the net pension liability as a percentage of covered payroll	88.87%	93.44%	-142.15%	131.66%	177.67%	267.60%	191.57%	278.14%	315.70%	302.00%
Fiduciary net position as a percentage of the total pension liability	92.93%	92.35%	111.27%	89.10%	85.05%	77.86%	83.58%	76.44%	74.14%	73.86%

<sup>1</sup> Covered payroll represents compensation earnable and pensionable compensation for the measurement period ended December 31st. Only compensation earnable and pensionable compensation that would possibly go into the determination of retirement benefits are included.

**CENTRAL CONTRA COSTA SANITARY DISTRICT**  
**Cost-Sharing Multiple Employer Defined Benefit Retirement Plan**  
**As of Fiscal Year Ending June 30, 2024**  
**SCHEDULE OF CONTRIBUTIONS**  
**Last 10 Years**

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribuion	\$6,477,175	\$6,812,146	\$7,001,200	\$70,944,418	\$18,046,778	\$17,520,615	\$17,880,152	\$18,043,391	\$22,752,611	\$24,451,234
Contributions in relation to the actuarially determined contributions	<u>6,477,175</u>	<u>6,812,146</u>	<u>7,001,200</u>	<u>70,944,418</u>	<u>18,046,778</u>	<u>17,520,615</u>	<u>17,880,152</u>	<u>18,043,391</u>	<u>22,752,611</u>	<u>24,451,234</u>
Contributions deficiency (excess)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Covered payroll	\$46,617,607	\$44,642,742	\$40,961,867	\$41,625,151	\$40,356,579	\$38,479,260	\$36,638,935	\$35,178,106	\$32,675,243	\$30,093,339
Contributions as a percentage of covered payroll	13.89%	15.26%	17.09%	170.44%**	44.72%	45.53%	48.80%	51.29%	69.63%	81.25%

Notes to Schedule  
Measurement Date:

12/31/23

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age
Amortization method	Level percentage of payroll, closed
Remaining amortization period	*
Asset valuation method	5-year semi-annually
Inflation	2.50%
Salary increases	3.50% - 14.00%
Investment rate of return	6.75%, net of pension plan investment expense, including inflation
Retirement age	50 years Classic, 52 years PEPRA
Mortality	Pre-Retirement, Post Retirement Healthy and Beneficiaries not in pay status: Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Table Post Retirement Disabled: Pub-2010 Non-Safety Disabled Retiree Amount-Weighted Mortality Table increased by 5% for males and unadjusted for females Post Retirement Beneficiaries in pay status: Pub-2010 Contingent Survivor Amount-Weighted Above-Median Mortality Table increased by 5% for males and females

\* Remaining balance of December 31, 2007 UAAL is amortized over a fixed (decreasing or closed) period with 1 year remaining as of December 31, 2021. Any changes in UAAL after December 31, 2007 will be separately amortized over a fixed 18-year period effective with that valuation. Effective December 31, 2013, any changes in UAAL due to plan amendments (with the exception of a change due to retirement incentives) will be amortized over a 10-year fixed period effective with that valuation. The entire increase in UAAL resulting from a temporary retirement incentive will be funded in full upon adoption of the incentive.

\*\*Includes one-time payment of \$70.8 million to CCCERA to pay down the pension UAAL.

**CENTRAL CONTRA COSTA SANITARY DISTRICT  
POST-RETIREMENT HEALTH CARE DEFINED BENEFIT PLAN  
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS**

Single Employer  
Last 10 fiscal years\*

Measurement Date	<i>Period ending June 30</i>							
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<b>Total OPEB Liability</b>								
Service Cost	\$1,892,040	\$2,215,263	\$2,150,741	\$2,249,861	\$2,184,331	\$2,447,310	\$2,370,276	\$2,295,667
Interest	4,264,186	4,849,272	4,696,247	4,616,239	4,482,146	6,596,612	6,396,063	6,203,230
Changes in benefit terms						(27,603,524)		
Differences between expected and actual experience		(5,519,185)		3,219,980		(7,346,935)		
Changes of assumptions		(4,270,646)		(464,535)		3,495,645		
Benefit payments	(3,719,331)	(4,075,640)	(4,182,821)	(4,654,246)	(4,145,654)	(5,697,440)	(5,571,750)	(5,404,627)
<b>Net change in total OPEB liability</b>	<u>2,436,895</u>	<u>(6,800,936)</u>	<u>2,664,167</u>	<u>4,967,299</u>	<u>2,520,823</u>	<u>(28,108,332)</u>	<u>3,194,589</u>	<u>3,094,270</u>
<b>Total OPEB liability - beginning</b>	<u>81,190,218</u>	<u>87,991,154</u>	<u>85,326,987</u>	<u>80,359,688</u>	<u>77,838,865</u>	<u>105,947,197</u>	<u>102,752,608</u>	<u>99,658,338</u>
<b>Total OPEB liability - ending (a)</b>	<u>\$83,627,113</u>	<u>\$81,190,218</u>	<u>\$87,991,154</u>	<u>\$85,326,987</u>	<u>\$80,359,688</u>	<u>\$77,838,865</u>	<u>\$105,947,197</u>	<u>\$102,752,608</u>
<b>Plan fiduciary net position</b>								
Contributions - employer	\$3,647,801	\$4,862,308	\$5,168,000	\$4,654,246	\$5,395,654	\$7,280,240	\$9,649,750	\$10,433,327
Contributions - employee								
Adjustment to Beginning Balance				(138,800)				
Net investment income	9,076,240	5,632,562	(10,230,951)	14,958,207	2,994,909	4,920,923	3,354,822	4,735,576
Administrative expense	(229,659)	(216,708)	(221,902)	(200,304)	(182,833)	(174,362)	(164,446)	(5,404,627)
Benefit payments	(3,719,331)	(4,075,640)	(4,182,821)	(4,654,246)	(4,145,654)	(5,697,440)	(5,571,750)	(139,063)
<b>Net change in plan fiduciary net position</b>	<u>8,775,051</u>	<u>6,202,522</u>	<u>(9,467,674)</u>	<u>14,619,103</u>	<u>4,062,076</u>	<u>6,329,361</u>	<u>7,268,376</u>	<u>9,625,213</u>
<b>Plan fiduciary net position - beginning</b>	<u>81,342,131</u>	<u>75,139,609</u>	<u>84,607,283</u>	<u>69,988,180</u>	<u>65,926,104</u>	<u>59,596,743</u>	<u>52,328,367</u>	<u>42,703,154</u>
<b>Plan fiduciary net position - ending (b)</b>	<u>\$90,117,182</u>	<u>\$81,342,131</u>	<u>\$75,139,609</u>	<u>\$84,607,283</u>	<u>\$69,988,180</u>	<u>\$65,926,104</u>	<u>\$59,596,743</u>	<u>\$52,328,367</u>
Net OPEB liability/(asset) - ending (a)-(b)	<u>(\$6,490,069)</u>	<u>(\$151,913)</u>	<u>\$12,851,545</u>	<u>\$719,704</u>	<u>\$10,371,508</u>	<u>\$11,912,761</u>	<u>\$46,350,454</u>	<u>\$50,424,241</u>
Plan fiduciary net position as a percentage of the total OPEB liability	107.76%	100.19%	85.39%	99.16%	87.09%	84.70%	56.25%	50.93%
Covered payroll	<u>\$46,617,607</u>	<u>\$44,642,742</u>	<u>\$40,961,867</u>	<u>\$41,625,151</u>	<u>\$40,356,579</u>	<u>\$38,479,260</u>	<u>\$36,638,935</u>	<u>\$35,178,106</u>
Net OPEB liability as a percentage of covered payroll	<u>-13.92%</u>	<u>-0.34%</u>	<u>31.37%</u>	<u>1.73%</u>	<u>25.70%</u>	<u>30.96%</u>	<u>126.51%</u>	<u>143.34%</u>

**Notes to schedule:**

\* Fiscal year 2017 was the first year of implementation

**CENTRAL CONTRA COSTA SANITARY DISTRICT  
POST-RETIREMENT HEALTH CARE DEFINED BENEFIT PLAN  
SCHEDULE OF CONTRIBUTIONS  
Single Employer  
Last 10 fiscal years\***

<b>Fiscal Year Ended June 30,</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Actuarially determined contribution	\$2,021,000	\$3,331,000	\$3,324,000	\$3,917,000	\$3,906,000	\$7,524,000	\$7,866,000	\$7,866,000
Contributions in relation to the actuarially determined contribution	3,647,801	4,862,308	5,168,000	4,654,246	5,395,654	7,280,240	10,433,327	10,433,327
Contribution deficiency (excess)	<u>(\$1,626,801)</u>	<u>(\$1,531,308)</u>	<u>(\$1,844,000)</u>	<u>(\$737,246)</u>	<u>(\$1,489,654)</u>	<u>\$243,760</u>	<u>(\$2,567,327)</u>	<u>(\$2,567,327)</u>
Covered payroll	<u>\$46,617,607</u>	<u>\$44,642,742</u>	<u>\$40,961,867</u>	<u>\$41,625,151</u>	<u>\$40,356,579</u>	<u>\$38,479,260</u>	<u>\$36,638,935</u>	<u>\$35,178,106</u>
Contributions as a percentage of covered payroll	7.82%	10.89%	12.62%	11.18%	13.37%	18.92%	28.48%	29.66%

**Notes to Schedule**

Methods and assumptions used to determine contribution rates:

Valuation Date	July 1, 2022
Actuarial Cost Method	Entry Age Normal, Level Percent of Pay
Amortization Method	Level dollar
Amortization Period	12-year fixed period for 2023/24
Asset Valuation Method	Investment gains and losses spread over 5-year rolling period
Actuarial Assumptions:	
Discount Rate	5.25% at June 30, 2024
General Inflation	2.50% annually
Medical Trend	Non-Medicare - 8.50% for 2025, decreasing to an ultimate rate of 3.45% in 2076 Medicare (Non-Kaiser) - 7.50% for 2025, decreasing to an ultimate rate of 3.45% in 2076 Medicare (Kaiser) - 6.25% for 2025, decreasing to an ultimate rate of 3.45% in 2076
Dental Trend	3.50% annually
Mortality Rate	CCCERA 2018-2020 Experience Study
Mortality Improvement	Mortality projected fully generationally with Scale MP-2021

\* Fiscal year 2017 was the first year of implementation

**SUPPLEMENTARY INFORMATION**

Central Contra Costa Sanitary District  
Combining Schedule of Net Position  
Enterprise Sub-Funds  
June 30, 2024

	Running Expense	Sewer Construction	Self Insurance	Debt Service	Totals
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
Cash and cash equivalents	\$13,980,304	\$7,899,469	\$657,512	-	\$22,537,285
Restricted cash and investments	-	-	-	\$3,622	3,622
Unrestricted investments	20,340,000	136,000,000	10,100,000	-	166,440,000
Restricted investments	1,076,737	-	-	-	1,076,737
Accounts receivable	21,276,987	12,117,229	-	-	33,394,216
Current portion of lease receivable	645,044	-	-	-	645,044
Interest receivable	296,906	58,467	109,772	-	465,145
Prepaid assets	1,211,063	-	86,282	-	1,297,345
Supplies & material inventory	6,544,130	-	-	-	6,544,130
Total current assets	<u>65,371,171</u>	<u>156,075,165</u>	<u>10,953,566</u>	<u>3,622</u>	<u>232,403,524</u>
<b>NON-CURRENT ASSETS</b>					
Non-current portion of lease receivable	3,053,631	-	-	-	3,053,631
Assessment Districts receivable	-	1,543,804	-	-	1,543,804
Net OPEB asset	6,490,069	-	-	-	6,490,069
<b>CAPITAL ASSETS</b>					
Nondepreciable	205,174,817	-	-	-	205,174,817
Depreciable, net of accumulated depreciation	714,895,881	-	-	-	714,895,881
Total non-current assets	<u>929,614,398</u>	<u>1,543,804</u>	<u>-</u>	<u>-</u>	<u>931,158,202</u>
<b>TOTAL ASSETS</b>	<u>994,985,569</u>	<u>157,618,969</u>	<u>10,953,566</u>	<u>3,622</u>	<u>1,163,561,726</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Pension related	54,258,588	-	-	-	54,258,588
OPEB related	743,072	-	-	-	743,072
Total deferred outflows of resources	<u>55,001,660</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>55,001,660</u>
<b>LIABILITIES</b>					
<b>CURRENT LIABILITIES</b>					
Accounts payable	3,848,217	19,480,222	10,036	-	23,338,475
Salaries and benefits payable	1,459,156	-	-	-	1,459,156
Interest payable	34,744	1,056,209	-	630,750	1,721,703
Provision for uninsured claims	-	-	1,775,711	-	1,775,711
Deposits payable	242,308	-	-	-	242,308
Compensated absences payable, current	577,172	-	-	-	577,172
Current portion of long-term obligations	-	-	-	7,095,000	7,095,000
Current portion of lease payable	72,805	-	-	-	72,805
Current portion of SBITAs	998,020	-	-	-	998,020
Total current liabilities	<u>7,232,422</u>	<u>20,536,431</u>	<u>1,785,747</u>	<u>7,725,750</u>	<u>37,280,350</u>
<b>NON-CURRENT LIABILITIES</b>					
Net pension liability	36,556,805	-	-	-	36,556,805
Non-current portion of long term obligations	-	-	-	52,998,594	52,998,594
Accrued compensated absences - non-current	5,194,547	-	-	-	5,194,547
Non-current portion of lease payable	553,033	-	-	-	553,033
Non-current portion of SBITAs payable	552,536	-	-	-	552,536
Total non-current liabilities	<u>42,856,921</u>	<u>-</u>	<u>-</u>	<u>52,998,594</u>	<u>95,855,515</u>
<b>TOTAL LIABILITIES</b>	<u>50,089,343</u>	<u>20,536,431</u>	<u>1,785,747</u>	<u>60,724,344</u>	<u>133,135,865</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Pension related	39,519,504	-	-	-	39,519,504
OPEB related	7,172,709	-	-	-	7,172,709
Lease related	3,364,942	-	-	-	3,364,942
Total deferred inflows of resources	<u>50,057,155</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,057,155</u>
<b>NET POSITION</b>					
Net investment in capital assets	857,800,710	-	-	-	857,800,710
Restricted for pension-related benefits	1,076,737	-	-	-	1,076,737
Restricted for OPEB benefits	6,490,069	-	-	-	6,490,069
Restricted for debt service	-	-	-	3,622	3,622
Unrestricted net position	84,473,215	137,082,538	9,167,819	(60,724,344)	169,999,228
<b>TOTAL NET POSITION</b>	<u>\$949,840,731</u>	<u>\$137,082,538</u>	<u>\$9,167,819</u>	<u>(\$60,720,722)</u>	<u>\$1,035,370,366</u>

Central Contra Costa Sanitary District  
Combining Schedule of Revenues, Expenses and Changes in Net Position  
Enterprise Sub-Funds  
For the Fiscal Year Ended June 30, 2024

	<u>Running Expense</u>	<u>Sewer Construction</u>	<u>Self Insurance</u>	<u>Debt Service</u>	<u>Totals</u>
<b>OPERATING REVENUES</b>					
Sewer service charge (SSC)	\$66,125,898	\$ -	\$1,676,752	\$ -	\$67,802,650
Sewage treatment cost sharing	17,828,345	-	-	-	17,828,345
Miscellaneous service charges	2,199,774	-	-	-	2,199,774
Total operating revenues	<u>86,154,017</u>	<u>-</u>	<u>1,676,752</u>	<u>-</u>	<u>87,830,769</u>
<b>OPERATING EXPENSES</b>					
Salaries and benefits	63,571,346	-	-	-	63,571,346
Contracted services	11,226,022	-	786,860	5,800	12,018,682
Utilities and fuel	8,863,283	-	-	-	8,863,283
Chemicals	2,724,827	-	-	-	2,724,827
General supplies	2,805,949	-	-	-	2,805,949
Other operating expenses	1,237,218	-	1,726,209	-	2,963,427
Asset purchases	-	-	-	-	-
Gain (loss) on sale of asset	-	-	-	-	-
Depreciation and amortization expense	26,096,869	-	-	-	26,096,869
Contra-expense capital outlays	-	-	-	-	-
Total operating expenses	<u>116,525,514</u>	<u>-</u>	<u>2,513,069</u>	<u>5,800</u>	<u>119,044,383</u>
OPERATING INCOME (LOSS)	<u>(30,371,497)</u>	<u>-</u>	<u>(836,317)</u>	<u>(5,800)</u>	<u>(31,213,614)</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>					
Taxes	-	16,211,143	-	7,874,500	24,085,643
Permit and inspection fees	1,952,699	161,891	-	-	2,114,590
Grants	-	-	-	-	-
Investment income	1,158,579	6,290,414	391,238	-	7,840,231
Interest expense	(25,676)	-	-	(772,900)	(798,576)
Gain (loss) on sale of asset	(32,180)	(108,027)	-	-	(140,207)
Other non-operating income	1,092,355	537,815	18,103	-	1,648,273
Total non-operating revenues (expenses), net	<u>4,145,777</u>	<u>23,093,236</u>	<u>409,341</u>	<u>7,101,600</u>	<u>34,749,954</u>
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	<u>(26,225,720)</u>	<u>23,093,236</u>	<u>(426,976)</u>	<u>7,095,800</u>	<u>3,536,340</u>
<b>CAPITAL CONTRIBUTIONS AND TRANSFERS</b>					
Other government revenue - Concord	-	11,581,690	-	-	11,581,690
Customer contributions to capital	-	50,274,268	-	-	50,274,268
Non-exchange capital contributions/donations	2,154,742	-	-	-	2,154,742
Capacity fees	-	4,807,746	-	-	4,807,746
Total capital contributions	<u>2,154,742</u>	<u>66,663,704</u>	<u>-</u>	<u>-</u>	<u>68,818,446</u>
Interfund transfers in/out	<u>91,930,226</u>	<u>(93,133,536)</u>	<u>500,000</u>	<u>703,310</u>	<u>-</u>
CHANGE IN NET POSITION	67,859,248	(3,376,596)	73,024	7,799,110	72,354,786
NET POSITION, BEGINNING OF YEAR	881,981,483	140,459,134	9,094,795	(68,519,832)	963,015,580
NET POTISION, END OF YEAR	<u>949,840,731</u>	<u>\$137,082,538</u>	<u>\$9,167,819</u>	<u>(\$60,720,722)</u>	<u>\$1,035,370,366</u>



# STATISTICS

ANNUAL COMPREHENSIVE FINANCIAL REPORT



**CENTRAL CONTRA COSTA SANITARY DISTRICT  
STATISTICAL SECTION**

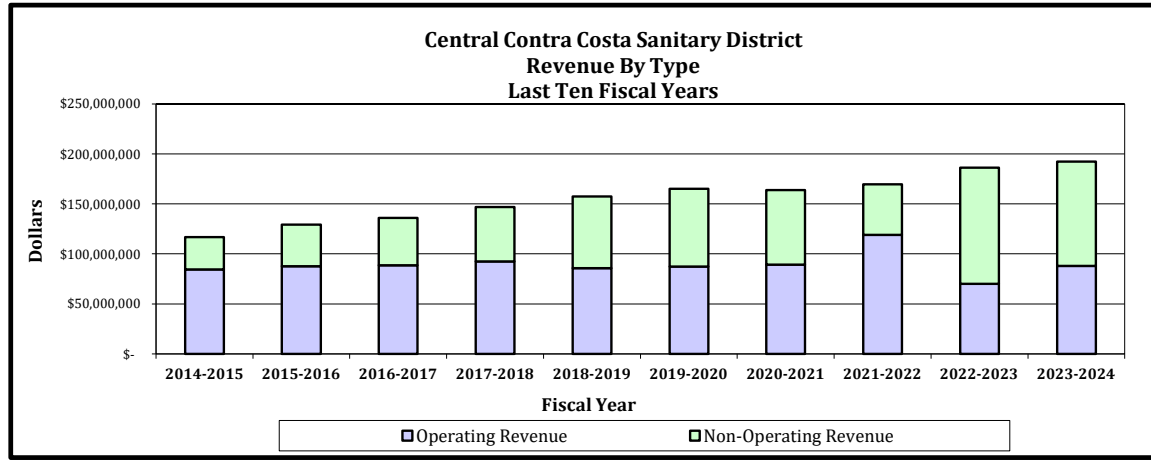
This part of the District’s Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District’s overall financial health.

<b>Contents</b>	<b>Pages</b>
Financial Position and Trends These schedules contain current and trend information to help the reader understand the District’s financial position and how the District’s financial performance and well-being have changed over time.	64-66
Revenue Capacity These schedules contain information to help the reader assess the District’s most significant revenue source of sewer service fees.	67-70
Debt Capacity These schedules present information to help the reader assess the affordability of the District’s current levels of outstanding debt and the District’s ability to issue additional debt in the future.	71-72
Demographic and Economic Factors These schedules offer demographic, economic, and District indicators to help the reader understand the environment within which the District’s financial activities take place.	73-74
Operating Information These schedules contain data to help the reader understand how the information in the District’s financial report relates to the services it provides and the activities it performs.	75-76

**Central Contra Costa Sanitary District  
Changes in Net Position and Statement of Net Position  
Last Ten Fiscal Years**

<b>Changes in Net Position</b>	<b>2014-2015</b>	<b>2015-2016</b>	<b>2016-2017</b>	<b>2017-2018</b>	<b>2018-2019</b>	<b>2019-2020</b>	<b>2020-2021</b>	<b>2021-2022</b>	<b>2022-2023</b>	<b>2023-2024</b>
<b>Operating Revenues:</b>										
Sewer Service Charges (SSC)	\$70,023,512	\$72,233,903	\$73,138,235	\$75,824,221	\$68,656,908	\$70,408,903	\$72,325,340	\$100,680,646	\$50,109,215	\$67,802,650
City of Concord	12,892,945	13,913,960	13,851,253	14,973,623	15,205,292	14,923,591	15,002,567	16,086,801	17,649,002	17,828,345
Other Service Charges	1,006,197	963,014	1,029,500	1,078,594	1,126,239	1,176,242	1,171,378	-	-	-
Miscellaneous Charges	593,780	623,659	606,453	619,997	689,727	714,043	743,276	2,164,237	2,233,077	2,199,774
<b>Total Operating Revenue</b>	<b>84,516,434</b>	<b>87,734,536</b>	<b>88,625,441</b>	<b>92,496,435</b>	<b>85,678,166</b>	<b>87,222,779</b>	<b>89,242,561</b>	<b>118,931,684</b>	<b>69,991,294</b>	<b>87,830,769</b>
<b>Operating Expenses:</b>										
Salaries & Benefits	66,104,630	63,988,158	62,342,392	68,862,484	65,071,382	62,672,096	134,187,829	55,538,097	56,002,920	57,065,642
Chemicals, Utilities & Supplies	7,466,490	7,304,619	8,115,004	7,477,602	8,093,144	8,088,750	8,738,404	10,972,308	13,024,609	14,393,347
Professional & Outside Services	3,322,881	4,196,302	3,891,224	2,988,280	3,276,763	2,684,034	4,160,807	5,404,618	4,456,818	4,995,860
Hauling, Disposal, Repairs & Maintenance	4,758,260	5,780,533	5,662,086	5,461,011	5,755,590	5,435,406	5,751,355	3,781,839	5,676,960	6,230,162
Self-Insurance (net of transfers)	496,381	72,486	(300,108)	(332,483)	1,039,444	1,110,798	550,000	1,640,304	1,961,374	2,513,069
Pension/OP&EB Expense	(3,012,757)	(9,778,389)	(4,080,558)	1,104,358	(33,307,168)	(2,386,849)	(70,933,999)	373,099	4,806,799	6,505,704
Depreciation and amortization	22,740,942	22,885,030	22,892,153	21,561,704	20,983,353	21,253,062	21,531,302	23,044,768	25,003,263	26,096,865
All Other	2,473,963	3,343,778	2,942,592	2,558,122	2,366,416	1,858,144	1,459,081	1,992,706	1,220,704	1,243,734
<b>Total Operating Expenses</b>	<b>104,350,790</b>	<b>97,792,517</b>	<b>101,464,785</b>	<b>109,681,078</b>	<b>73,278,924</b>	<b>100,715,441</b>	<b>105,444,779</b>	<b>102,747,739</b>	<b>112,153,447</b>	<b>119,044,383</b>
<b>Operating Loss</b>	<b>(19,834,356)</b>	<b>(10,057,981)</b>	<b>(12,839,344)</b>	<b>(17,184,643)</b>	<b>12,399,242</b>	<b>(13,492,662)</b>	<b>(16,202,218)</b>	<b>16,183,945</b>	<b>(42,162,153)</b>	<b>(31,213,614)</b>
<b>Non-Operating Revenues (Expenses):</b>										
Property Taxes	14,083,331	14,835,167	16,318,874	17,650,741	18,251,794	18,876,886	20,516,826	21,239,420	22,933,224	24,085,643
Connection & Other Fees	1,843,942	2,546,723	2,600,888	2,592,137	2,648,708	2,251,245	2,440,187	2,308,395	2,042,467	2,114,590
Interest Income	318,475	562,308	761,838	1,223,349	2,573,964	2,310,269	1,678,028	772,909	4,125,473	7,840,231
Interest Expense	(1,523,127)	(1,427,641)	(1,313,398)	(1,230,680)	(1,025,006)	(604,851)	(542,226)	(1,950,841)	(1,177,471)	(798,576)
All Other *	1,828,530	1,195,095	966,244	1,075,838	1,424,520	1,219,811	3,193,569	2,053,331	1,203,563	1,508,066
<b>Total Non-Operating</b>	<b>16,551,151</b>	<b>17,711,652</b>	<b>19,334,446</b>	<b>21,311,385</b>	<b>23,873,980</b>	<b>24,053,360</b>	<b>27,286,384</b>	<b>24,423,214</b>	<b>29,127,256</b>	<b>34,749,954</b>
<b>Income Before Contributions and Transfers</b>	<b>(3,283,205)</b>	<b>7,653,671</b>	<b>6,495,102</b>	<b>4,126,742</b>	<b>36,273,222</b>	<b>10,560,698</b>	<b>11,084,166</b>	<b>40,607,159</b>	<b>(13,034,897)</b>	<b>3,536,340</b>
Customer Contributions*	6,769,623	11,991,752	16,628,105	20,425,514	36,562,141	44,222,958	40,220,549	18,067,469	77,183,806	61,855,958
Contributed Sewer Lines	794,218	1,774,168	2,899,042	2,003,614	2,179,641	1,761,808	923,468	1,496,013	1,456,478	2,154,742
Capital Contributions - Connection Fees	6,673,298	8,543,758	7,044,340	9,331,420	8,145,068	7,083,702	5,500,316	4,584,973	7,165,352	4,807,746
<b>CHANGE IN NET POSITION</b>	<b>10,953,934</b>	<b>29,963,349</b>	<b>33,066,589</b>	<b>35,887,290</b>	<b>83,160,072</b>	<b>63,629,166</b>	<b>57,728,499</b>	<b>64,755,614</b>	<b>72,770,739</b>	<b>72,354,586</b>
Total Net Position - Beginning	644,345,666	563,607,078	593,570,427	626,637,016	620,971,490	704,131,562	767,760,728	825,489,227	890,244,841	963,015,580
Prior Period Adjustment - GASB 68 and 71	(91,692,522)	-	-	-	-	-	-	-	-	-
Prior Period Adjustment - GASB 75	-	-	-	(41,552,816)	-	-	-	-	-	-
<b>Total Net Position - Ending</b>	<b>\$563,607,078</b>	<b>\$593,570,427</b>	<b>\$626,637,016</b>	<b>\$620,971,490</b>	<b>\$704,131,562</b>	<b>\$767,760,728</b>	<b>\$825,489,227</b>	<b>\$890,244,841</b>	<b>\$963,015,580</b>	<b>\$1,035,370,366</b>
<b>Statement of Net Position</b>										
Net Investment in Capital Assets	\$573,175,094	\$581,844,903	\$600,770,254	\$623,307,342	\$655,586,304	\$692,117,172	\$684,834,242	\$747,646,783	\$780,344,143	\$857,800,710
Restricted	4,288,008	4,363,251	4,449,437	4,421,504	(271,370)	2,639	34,929,105	53,543,803	197,102	7,570,428
Unrestricted	(13,856,024)	7,362,273	21,417,325	(6,757,356)	48,816,628	75,640,917	105,725,880	89,054,255	182,474,335	169,999,228
<b>Total Net Position</b>	<b>\$563,607,078</b>	<b>\$593,570,427</b>	<b>\$626,637,016</b>	<b>\$620,971,490</b>	<b>\$704,131,562</b>	<b>\$767,760,728</b>	<b>\$825,489,227</b>	<b>\$890,244,841</b>	<b>\$963,015,580</b>	<b>\$1,035,370,366</b>

Source: Central Contra Costa Sanitary District Audited Financial Statements



Fiscal Year	Sewer Service Charges*	City of Concord	Other Service Charges	Miscellaneous Charges	Total Operating
2014-2015	\$70,023,512	\$12,892,945	\$1,006,197	\$593,780	\$84,516,434
2015-2016	72,233,903	13,913,960	963,014	623,659	87,734,536
2016-2017	73,138,235	13,851,253	1,029,500	606,453	88,625,441
2017-2018	75,824,221	14,973,623	1,078,594	619,997	92,496,435
2018-2019	68,656,908	15,205,292	1,126,239	689,727	85,678,166
2019-2020	70,408,903	14,923,591	1,176,242	714,043	87,222,779
2020-2021	72,325,340	15,002,567	1,171,378	743,276	89,242,561
2021-2022	100,680,646	16,086,801	-	2,164,237	118,931,684
2022-2023	50,109,215	17,649,002	-	2,233,077	69,991,294
2023-2024	67,802,650	17,828,345	-	2,199,774	87,830,769

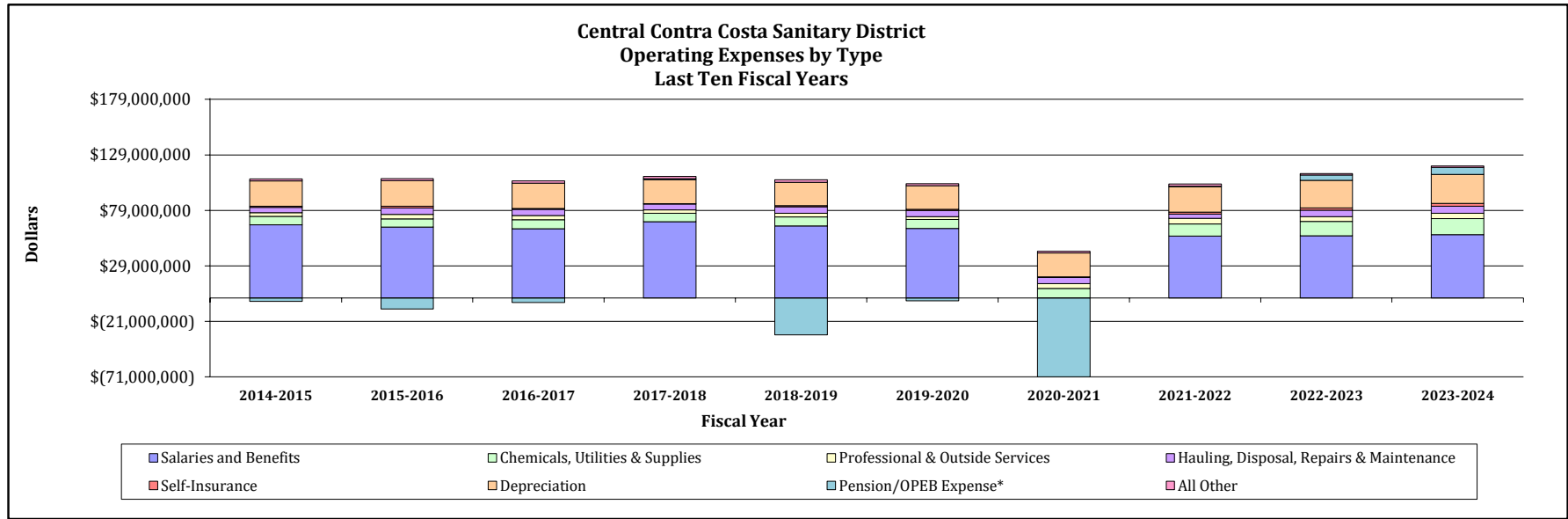
Fiscal Year	Property Taxes	Customer Contributions **	Connections & Other Fees ***	Interest	All Other	Total Non-Operating & Contributions
2014-2015	\$14,083,331	\$7,563,841	\$8,517,240	\$318,475	\$1,828,530	\$32,311,417
2015-2016	14,835,167	13,765,920	11,090,481	562,308	1,195,095	41,448,971
2016-2017	16,318,874	19,527,147	9,645,228	761,838	966,244	47,219,331
2017-2018	17,650,741	22,429,128	11,923,557	1,223,349	1,075,838	54,302,613
2018-2019	18,251,794	38,741,782	10,793,776	2,573,964	1,424,520	71,785,836
2019-2020	18,876,886	45,984,766	9,334,947	2,310,269	1,219,811	77,726,679
2020-2021	20,516,826	41,144,017	7,940,503	1,678,028	3,193,569	74,472,943
2021-2022	21,239,420	19,563,482	6,893,368	772,909	2,053,331	50,522,510
2022-2023	22,933,224	78,640,284	9,207,819	4,125,473	1,203,563	116,110,363
2023-2024	24,085,643	64,010,700	6,922,336	7,840,231	1,508,066	104,366,976

\* Sewer Service Charge (SSC) represents the Running Expense Fund portion of SSC County collections along with District direct billings and counter collections.

\*\* Customer Contributions include the portion of SSC that is allocated to Sewer Construction Fund, City of Concord reimbursement of capital costs, and developer contributed sewer lines beginning in 2000-2001, due to changes in GASB 33 reporting requirements.

\*\*\* Includes connection fees, non-operating permit, inspection, and other fees.

Source: Central Contra Costa Sanitary District Audited Financial Statements



#### OPERATING EXPENSES

Fiscal Year	Salaries and Benefits	Chemicals, Utilities & Supplies	Professional & Outside Services	Hauling, Disposal, Repairs & Maintenance	Self-Insurance	Depreciation	Pension/OPEB Expense*	All Other	Total Operating Expenses	Non-Operating Expenses
2014-2015	\$66,104,630	\$7,466,490	\$3,322,881	\$4,758,260	\$1,146,381	\$22,740,942	(\$3,012,757)	\$1,823,963	\$104,350,790	\$1,523,127
2015-2016	63,988,158	7,304,619	4,196,302	5,780,533	1,572,486	22,885,030	(9,778,389)	1,843,778	97,792,517	1,427,641
2016-2017	62,342,392	8,115,004	3,891,224	5,662,086	619,892	22,892,153	(4,080,558)	2,022,592	101,464,785	1,313,398
2017-2018	68,862,484	7,477,602	2,988,280	5,461,011	252,517	21,561,704	1,104,358	1,973,122	109,681,078	1,230,680
2018-2019	65,071,382	8,093,144	3,276,763	5,755,590	1,039,444	20,983,353	(33,307,168)	2,366,416	73,278,924	1,025,006
2019-2020	62,672,096	8,088,750	2,684,034	5,435,406	1,110,798	21,253,062	(2,386,849)	1,858,144	100,715,441	604,851
2020-2021	134,187,829**	8,738,404	4,160,807	5,751,355	550,000	21,531,302	(70,933,999)	1,459,081	(28,743,050)	542,226
2021-2022	55,911,196	10,972,308	5,031,519	3,781,839	1,640,304	23,044,768	373,099	1,992,706	102,747,739	1,950,841
2022-2023	56,002,920	13,024,609	4,456,818	5,676,960	1,961,374	25,003,263	4,806,799	1,220,704	112,153,447	1,177,471
2023-2024	57,065,642	14,393,347	4,995,860	6,230,162	2,513,069	26,096,865	6,505,704	1,243,734	119,044,383	798,576

*Informational - not graphed*

Source: Central Contra Costa Sanitary District Audited Financial Statements

\*Reflects pension/OPEB adjustment at year-end to comply with the provisions of GASB Statements No. 68 and 75. Budgeted pension/OPEB employer contributions made during the year are reported under "Salaries and Benefits".

\*\*Reflects payment to CCCERA of \$70.6 million for pension liability pay-down

**Central Contra Costa Sanitary District  
Major Revenue Base and Rates  
Historical and Current Fees  
Last Ten Fiscal Years**

Fiscal Year	Single Family Annual Sewer Service Charge (SSC) *1				Facility Capacity Fee *2
	Operations	Capital	Self-Insurance	Total	
2014-2015	\$416	\$23	-	\$439	\$5,995
2015-2016	422	49	-	471	6,005
2016-2017	432	71	-	503	5,948
2017-2018	447	83	-	530	6,300
2018-2019	400	167	-	567	6,700
2019-2020	408	190	-	598	6,589
2020-2021	277	352	-	629	6,803
2021-2022	441	209	\$10	660	6,803
2022-2023	284	396	10	690	7,200
2023-2024	\$390	\$297	\$10	\$697	\$8,182

Fiscal Year	Multi-Family Annual Sewer Service Charge (SSC) *1				Pump Zone Fee *3
	Operations	Capital	Self-Insurance	Total	
2014-2015	\$416	\$23	-	\$439	\$1,585
2015-2016	415	48	-	463	1,650
2016-2017	418	69	-	487	1,608
2017-2018	432	81	-	513	1,639
2018-2019	388	161	-	549	1,636
2019-2020	386	180	-	566	1,586
2020-2021	262	334	-	596	1,585
2021-2022	418	198	\$9	625	1,585
2022-2023	269	375	9	654	2,011
2023-2024	\$348	\$265	\$9	\$622	-

Fiscal Year	Accessory Dwelling Unit (SSC) *4			
	Operations	Capital	Self-Insurance	Total
2023-2024	\$180	\$137	\$5	\$322

\*1 All residential accounts paid a flat annual sewer service charge shown above per household through 2014-2015. In 2015-2016, as a result of a cost of service study, the District changed to a two tier single family and multi family rate structure. The charge for commercial users consists of an annual rate based on a measured volume of water usage per 100 cubic feet (HCF).

\*2 New users who are connected to the Wastewater System are charged Capital Improvement Fees called Facility Capacity Fees. Fee is per connection.

\*3 New customers in areas where wastewater pumping stations are needed to reach the District's gravity fed sewers are charged a Pump Zone Fee. Fee is per connection.

Fee was eliminated starting FY2023/24 based on review of pumped zone assets which indicated that recent investments in those assets have generally been paid for by all Central San Customers.

\*4 New rate class starting FY2023/24 based on review of water consumption data for parcels with and without Accessory Dwelling Units (ADU).

ADU may include in-law units, backyard cottages, and other smaller independent residential units located on the same property. Fee is per connection.

Source: Central Contra Costa Sanitary District Environmental Services Division

**Central Contra Costa Sanitary District  
Assessed and Estimated Actual Valuation of Taxable Property  
Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>Local Secured</u>	<u>Unsecured</u>	<u>Total</u>	<u>% Change</u>
2014-2015	\$80,431,132,956	\$1,739,342,301	\$82,170,475,257	7.9%
2015-2016	86,701,930,276	1,645,712,628	88,347,642,904	7.5%
2016-2017	92,006,863,080	1,704,263,642	93,711,126,722	6.1%
2017-2018	97,298,029,346	1,722,229,970	99,020,259,316	5.7%
2018-2019	102,984,718,407	1,801,374,862	104,786,093,269	5.8%
2019-2020	108,704,671,836	1,863,018,759	110,567,690,595	5.5%
2020-2021	110,795,231,142	1,848,644,910	112,643,876,052	1.9%
2021-2022	115,098,221,080	1,974,850,316	117,073,071,396	3.9%
2022-2023	123,119,257,816	1,855,761,569	124,975,019,385	6.7%
2023-2024	129,993,573,105	1,981,659,567	131,975,232,672	5.6%

**Property Tax and Sewer Service Charge Fees Levied and Collected  
Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>Property Tax* Levied &amp; Collected</u>	<u>Collection Percentage</u>	<u>% Change</u>	<u>Sewer Service Charges* Levied &amp; Collected</u>	<u>Collection Percentage</u>	<u>% Change</u>
2014-2015	\$14,195,300	100%	8.3%	\$72,622,738	100%	9.0%
2015-2016	15,323,818	100%	7.9%	78,930,977	100%	8.7%
2016-2017	16,428,089	100%	7.2%	83,601,971	100%	5.9%
2017-2018	17,300,475	100%	5.3%	87,944,554	100%	5.2%
2018-2019	18,352,620	100%	6.1%	95,298,869	100%	8.4%
2019-2020	19,348,103	100%	5.4%	100,863,356	100%	5.8%
2020-2021	20,233,423	100%	4.6%	100,603,114	100%	-0.3%
2021-2022	22,323,425	100%	10.3%	108,725,443	100%	8.1%
2022-2023	22,947,184	100%	2.8%	114,989,889	100%	5.8%
2023-2024	23,990,185	100%	4.5%	115,623,640	100%	0.6%

\* General County taxes collected are the same as the amount levied since the County participates in California's alternative method of apportionment called the Teeter Plan. The Teeter Plan as provided in Section 4701 et seq. of the State Revenue and Taxation Code, establishes a mechanism for the County to advance the full amount of property tax and other levies to taxing agencies based on the tax levy, rather than on the basis of actual tax collections. Although this system is a simpler method to administer, the County assumes the risk of delinquencies. The County in return retains the penalties and accrued interest thereon.

Source: Contra Costa County Auditor-Controller's Office

**Central Contra Costa Sanitary District  
Sewer Service Charge  
Ten Largest Customers  
Last Ten Fiscal Years**

Customer	2014-2015			2015-2016			2016-2017			2017-2018			2018-2019		
	Sewer Service Charges Collected		Percentage of Total Sewer Service Charges	Sewer Service Charges Collected		Percentage of Total Sewer Service Charges	Sewer Service Charges Collected		Percentage of Total Sewer Service Charges	Sewer Service Charges Collected		Percentage of Total Sewer Service Charges	Sewer Service Charges Collected		Percentage of Total Sewer Service Charges
	Rank	Service Charges	Rank	Service Charges	Rank	Service Charges	Rank	Service Charges	Rank	Service Charges	Rank	Service Charges	Rank	Service Charges	Rank
City of Concord 1.	\$ 12,892,945	1	14.38%	\$ 13,913,960	1	14.18%	\$ 13,851,253	1	13.37%	\$ 14,973,623	1	13.46%	\$ 15,205,292	1	12.63%
Contra Costa County General Services	451,567	2	0.50%	638,608	2	0.65%	547,943	2	0.53%	556,782	2	0.50%	-	-	-
First Walnut Creek Mutual	417,050	3	0.47%	439,850	3	0.45%	462,650	3	0.45%	487,350	3	0.44%	521,550	2	0.43%
Park Regency Apartments	391,588	4	0.44%	412,996	4	0.42%	434,404	4	0.42%	457,596	4	0.41%	489,708	3	0.41%
Second Walnut Creek Mutual Apts	329,250	5	0.37%	347,250	5	0.35%	365,250	5	0.35%	387,750	5	0.35%	411,750	6	0.34%
Sun Valley Mall	299,697	6	0.33%	283,613	6	0.29%	298,005	7	0.29%	354,208	6	0.32%	453,512	4	0.38%
Branch Creek Vista Apartments	175,600	7	0.20%	-	-	-	194,800	9	0.19%	205,200	9	0.18%	219,600	10	0.18%
Kaiser Foundation Hospital	158,848	8	0.18%	186,232	10	0.19%	186,281	10	0.18%	-	-	-	244,180	9	0.20%
Bay Landing Apartments	158,040	9	0.18%	-	-	-	-	-	-	-	-	-	-	-	-
Archstone Apartments	153,650	10	0.17%	-	-	-	-	-	-	-	-	-	-	-	-
Muirland @ Windemere Apartments	153,650	10	0.17%	-	-	-	-	-	-	-	-	-	-	-	-
John Muir Health	-	-	-	218,919	7	0.22%	322,601	6	0.31%	278,589	7	0.25%	413,900	5	0.34%
Bishop Ranch City Center	-	-	-	-	-	-	-	-	-	-	-	-	315,106	7	0.26%
Willows Shopping Center	-	-	-	206,210	9	0.21%	-	-	-	188,828	10	0.17%	-	-	-
San Ramon Unified School District	-	-	-	215,044	8	0.22%	225,339	8	0.22%	247,766	8	0.22%	266,550	8	0.22%
<b>Total</b>	<b>\$ 15,581,885</b>		<b>17.37%</b>	<b>\$ 16,862,681</b>		<b>17.18%</b>	<b>\$ 16,888,526</b>		<b>16.30%</b>	<b>\$ 18,137,692</b>		<b>16.31%</b>	<b>\$ 18,541,148</b>		<b>15.40%</b>

Customer	2019-2020			2020-2021			2021-2022			2022-2023			2023-2024		
	Sewer Service Charges Collected		Percentage of Total Sewer Service Charges	Sewer Service Charges Collected		Percentage of Total Sewer Service Charges	Sewer Service Charges Collected		Percentage of Total Sewer Service Charges	Sewer Service Charges Collected		Percentage of Total Sewer Service Charges	Sewer Service Charges Collected		Percentage of Total Sewer Service Charges
	Rank	Service Charges	Rank	Service Charges	Rank	Service Charges	Rank	Service Charges	Rank	Service Charges	Rank	Service Charges	Rank	Service Charges	Rank
City of Concord 1.	\$ 14,923,591	1	11.52%	\$ 15,048,782	1	11.80%	\$ 16,086,801	1	11.93%	\$ 17,700,461	1	12.21%	\$ 17,882,586	1	12.12%
San Ramon Unified School District	283,631	9	0.22%	215,229	10	0.17%	-	-	-	-	-	-	1,856,000	2	1.26%
Contra Costa County General Services	733,416	2	0.57%	740,223	2	0.58%	-	-	-	-	-	-	1,518,877	3	1.03%
John Muir Health	391,245	6	0.30%	362,718	6	0.28%	404,989	5	0.30%	434,624	5	0.30%	621,924	4	0.42%
First Walnut Creek Mutual	537,700	3	0.42%	537,700	3	0.42%	593,750	2	0.44%	621,300	2	0.43%	590,900	5	0.40%
Park Regency Apartments	504,872	4	0.39%	504,872	4	0.40%	557,500	3	0.41%	583,368	3	0.40%	554,824	6	0.38%
Second Walnut Creek Mutual Apts	424,500	5	0.33%	424,500	5	0.33%	468,750	4	0.35%	490,500	4	0.34%	466,500	7	0.32%
Sun Valley Mall	373,171	7	0.29%	339,061	7	0.27%	-	-	-	-	-	-	279,929	8	0.19%
Branch Creek Vista Apartments	226,400	10	0.17%	226,400	9	0.18%	250,000	6	0.19%	261,600	6	0.18%	248,800	9	0.17%
Kaiser Foundation Hospital	-	-	-	-	-	-	222,277	8	0.16%	225,383	10	0.16%	241,655	10	0.16%
Archstone Apartments	-	-	-	-	-	-	198,876	10	0.15%	228,900	8	0.16%	-	-	-
Bay Landing Apartments	-	-	-	-	-	-	225,000	7	0.17%	235,440	7	0.16%	-	-	-
Muirland @ Windemere Apartments	-	-	-	-	-	-	218,750	9	0.16%	228,900	9	0.16%	-	-	-
St. Mary's College	-	-	-	242,777	8	0.19%	-	-	-	-	-	-	-	-	-
Bishop Ranch City Center	335,017	8	0.26%	-	-	-	-	-	-	-	-	-	-	-	-
Willows Shopping Center	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>\$ 18,733,543</b>		<b>14.46%</b>	<b>\$ 18,642,262</b>		<b>14.62%</b>	<b>\$ 19,226,694</b>		<b>14.26%</b>	<b>\$ 21,010,476</b>		<b>14.50%</b>	<b>\$ 24,261,994</b>		<b>16.45%</b>

1. Contract with the City of Concord to treat and dispose of wastewater for the cities of Concord and Clayton. The City of Clayton contracts with the City of Concord for the maintenance, operation, and capital replacement/improvement of its sewage collection system, which runs through the City of Concord.  
Source: Central Contra Costa Sanitary District Environmental Services Division



**Central Contra Costa Sanitary District  
Payments Under the Concord Agreement  
Last 10 Fiscal Years**

<u>Fiscal Year</u>	<u>Discharge Volume (mg)</u>	<u>Service Charges</u>	<u>Capital Contributions</u>	<u>Total</u>
2014-15	3,826	\$12,892,945	\$2,897,491	\$15,790,436
2015-16	3,878	13,913,960	3,671,892	17,585,852
2016-17	4,800	13,851,253	4,476,961	18,328,214
2017-18	4,265	14,973,623	6,364,725	21,338,348
2018-19	4,512	15,205,292	7,973,516	23,178,808
2019-20	4,383	16,134,761	11,393,000	27,527,761
2020-21	3,922	15,048,782	10,064,155	25,112,937
2021-22	3,973	16,086,801	7,799,702	23,886,503
2022-23	4,754	17,700,461	9,965,648	27,666,109
2023-24	4,566	17,882,586	11,581,690	29,464,276

**Central Contra Costa Sanitary District  
Active Service Accounts and Fiscal Year Billings  
Sewer Service Charges  
Fiscal Year 2023-2024**

<u>User Group</u>	<u>No. of Parcels</u>	<u>2023-2024 Sewer Service Charge Billings</u>	<u>Residential Unit Equivalents</u>	<u>Percentage of Total</u>
Residential	116,062	\$97,158,537	139,395	83%
Office	1,075	3,276,215	4,700	3%
Food Service	220	2,568,760	3,685	2%
Mixed Use	217	2,462,705	3,533	2%
Hotel/Motel	24	1,301,696	1,868	1%
Schools	158	1,177,746	1,690	1%
Businesses*	439	1,106,135	1,587	1%
Market/Supermarket	44	1,004,945	1,442	1%
Industrial Permitted	14	976,826	1,401	1%
Recreation/Entertainment	218	911,584	1,308	1%
Automotive/Car Wash	250	893,768	1,282	1%
Skilled Nursing	44	790,830	1,135	1%
All Other User Groups	584	3,913,439	5,615	3%
Subtotal	<u>119,349</u>	<u>\$117,543,187</u>	<u>168,642</u>	<u>100%</u>
Partial Year Charges (Counter)		\$559,068		
Prior Year Adjustments		(25,337)		
Total FY 2023-2024 Sewer Service Charge Revenue		<u>\$118,076,918</u>		

**Summary Of Debt Service  
Last Ten Fiscal Years**



Fiscal Year	Summary By Type of Debt											
	Revenue Bonds (2018 & 2009) & COPs			Water Reclamation Loan			Total Debt Service Annual Expense			TOTAL DEBT SERVICE OUTSTANDING		
	Principal	Interest & Amortization	Total Debt Service	Principal	Interest & Amortization	Total Debt Service	Principal	Interest & Amortization	Total Debt Service	Rev. Bonds & COP's	Water Rec. Loan	Total Debt Outstanding
2014-2015	\$3,865,000	\$1,504,939	\$5,369,939	\$168,860	\$18,258	\$187,118	\$4,033,860	\$1,523,197	\$5,557,057	\$36,010,000	\$533,385	\$36,543,385
2015-2016	2,210,000	1,413,772	3,623,772	173,251	13,868	187,119	2,383,251	1,427,640	3,810,891	33,800,000	360,134	34,160,134
2016-2017	2,300,000	1,304,036	3,604,036	177,757	9,362	187,119	2,477,757	1,313,398	3,791,155	31,500,000	182,377	31,682,377
2017-2018	2,405,000	1,225,938	3,630,938	182,377	4,742	187,119	2,587,377	1,230,680	3,818,057	29,095,000	-	29,095,000
2018-2019	-	1,025,006	1,025,006	-	-	-	-	1,025,006	1,025,006	21,806,631	-	21,806,631
2019-2020	2,145,000	604,851	2,749,851	-	-	-	2,145,000	604,851	2,749,851	19,447,392	-	19,447,392
2020-2021	1,740,000	542,226	2,282,226	-	-	-	1,740,000	542,226	2,282,226	75,733,331	-	75,733,331
2021-2022	10,450,000	1,482,288	11,932,288	-	-	-	10,450,000	1,482,288	11,932,288	64,110,319	-	64,110,319
2022-2023	10,750,000	1,326,410	12,076,410	-	-	-	10,750,000	1,326,410	12,076,410	67,776,015	-	67,776,015
2023-2024	7,090,000	891,130	7,981,130	-	-	-	7,090,000	891,130	7,981,130	60,093,594	-	60,093,594

Fiscal Year	Debt Service Coverage Summary									Debt Ratios		
	Total Debt Service	Operating Revenue	Total Operating Expenses less Depreciation *1	Non-Operating Revenue & Contributions	Net Revenue *2	Debt Service Coverage (Net Revenue) *3	Capital Improvement Fees/Concord	Adjusted Net Revenue *4	Debt Service Coverage (Adj. Net Revenue) *5	Annual Debt Service to Operating Exp.	Annual Debt Service per Customer	Total Debt Outstanding Per Customer
2013-2014	\$5,881,269	\$74,002,008	\$77,615,849	\$36,133,744	\$32,519,903	5.53	\$12,045,375	\$20,474,528	3.48	7.58%	\$35.31	\$243.60
2014-2015	\$5,557,057	\$84,516,434	\$81,609,848	\$32,311,417	\$35,218,003	6.34	\$9,570,789	\$25,647,214	4.62	6.81%	\$33.01	\$217.10
2015-2016	3,810,891	87,734,536	74,907,487	41,448,971	54,276,020	14.24	12,215,650	42,060,370	11.04	5.09%	22.28	199.74
2016-2017	3,791,155	88,625,441	78,572,632	47,219,331	57,272,140	15.11	11,521,301	45,750,839	12.07	4.83%	22.36	186.85
2017-2018	3,818,057	92,496,435	88,119,374	51,841,253	56,218,314	14.72	15,696,145	40,522,169	10.61	4.33%	22.51	171.56
2018-2019	1,025,006	85,678,166	52,295,571	70,760,830	104,143,425	101.60	16,118,584	88,024,841	85.88	1.96%	5.98	127.15
2019-2020	2,749,851	87,222,779	79,462,379	77,121,828	84,882,228	30.87	18,476,702	63,795,526	23.20	3.46%	15.93	112.65
2020-2021	2,282,226	89,242,561	83,913,477	73,930,717	79,259,801	34.73	15,564,471	63,695,330	27.91	2.72%	13.32	441.92
2021-2022	11,932,288	118,931,684	80,231,165	50,522,510	89,223,029	7.48	12,384,675	76,838,354	6.44	14.87%	70.98	381.37
2022-2023	12,076,410	69,991,294	87,150,184	115,980,445	98,821,555	8.18	17,122,000	81,699,555	6.77	13.86%	71.02	398.56
2023-2024	7,981,130	87,830,769	93,946,893	104,507,179	98,391,055	12.33	16,389,436	82,001,619	10.27	8.50%	47.11	354.73

**Note:** Details regarding the District's outstanding debt can be found in the notes to the financial statements.

\*1 2014-2015 includes implementation of pension expense reporting changes for GASB 68 & 71.

\*2 Net Revenue = Operating Revenue, less Total Operating Expenses less Depreciation, plus Non-Operating Revenue & Contributions.

\*3 This ratio must be above 1.00 to meet the Debt Rate Covenant (Net Revenue/Total Debt Service).

\*4 Adjusted Net Revenue = Net Revenue less Capital Improvement Fees (Connection Fees) and City of Concord Capital Charges. In FY 2019-20 the Board, by Resolution, adopted rate stabilization fund reserve accounts for the O&M and Sewer Construction funds, contributing initial seed monies of \$2.61 million.

\*5 This ratio must be above 1.25 to meet the Debt Rate Covenant (Adjusted Net Revenue/Total Debt Service).

**Debt Restrictions:**  
**Revenue Pledge & Covenant:** The District pledges Property Tax Revenue along with its ability to raise Sewer Service Charge (SSC) rates. Debt Coverage requirements are discussed in the footnotes to the left.

**Central Contra Costa Sanitary District  
Ratios of Outstanding Debt  
Last Ten Fiscal Years**

Fiscal Year Ended June 30	Total Outstanding Debt*	Per Capita Personal Income*	Debt as a Percentage of Per Capita Personal Income	Population**	Debt per Capita
2014	\$40,577,245	\$64,056	0.158%	1,110,971	36.52
2015	36,543,385	69,195	0.189%	1,126,027	32.45
2016	34,160,134	72,195	0.211%	1,138,645	30.00
2017	31,682,377	76,527	0.242%	1,147,439	27.61
2018	29,095,000	82,506	0.284%	1,150,215	25.30
2019	21,806,631	85,324	0.391%	1,153,526	18.90
2020	19,447,392	92,264	0.474%	1,152,333	16.88
2021	75,912,452	99,312	0.131%	1,161,413	65.36
2022	65,403,313	95,047	0.145%	1,156,966	56.53
2023	62,269,988	103,218	0.166%	1,155,025	53.91

\* Includes lease and SBITA liabilities payable as reported at June 30. The District began reporting these numbers in FY'22

\*\* U.S. Department of Commerce, Bureau of Economic Analysis. Estimates for 2021-2022 reflect county population estimates available as of November 2023.

**Central Contra Costa Sanitary District  
Demographic and Economic Data  
Population Served  
Last Ten Calendar Years**

<u>As Of January 1</u>	<u>Inside District Boundaries</u>	<u>Concord/ Clayton</u>	<u>Total Served</u>	<u>% Change</u>
2015	339,029	137,357	476,386	1.2%
2016	340,667	140,916	481,583	1.1%
2017	344,591	139,654	484,245	0.6%
2018	348,333	140,590	488,923	1.0%
2019	352,733	141,542	494,275	1.1%
2020	342,149	141,480	483,629	-2.2%
2021	344,254	140,541	484,795	0.2%
2022	352,832	134,497	487,329	0.5%
2023	352,183	133,489	485,672	-0.3%
2024	351,379	132,196	483,575	-0.4%

Source: Central Contra Costa Sanitary District Environmental Services Division

**List of Ten Largest Employers in Contra Costa County  
Last Year and Nine Years Ago\***

<u>Employers</u>	<u>2023*</u>			<u>2014*</u>		
	<u>Estimated Employees</u>	<u>Rank</u>	<u>% of Total County Employment</u>	<u>Estimated Employees</u>	<u>Rank</u>	<u>% of Total County Employment</u>
Chevron Corporation	10,000+	T-1	1.88%	1,500	1	0.30%
Kaiser Permanente	10,000+	T-1	1.88%	-		-
Bio-Rad Laboratories	1,000-4,999	T-2	0.56%	-		-
John Muir Medical Center	1,000-4,999	T-2	0.56%	-		-
La Raza Market	1,000-4,999	T-2	0.56%	-		-
USS-POSCO Industries	1,000-4,999	T-2	0.56%	-		-
Doctors Medical Center	-		-	1,500	2	0.30%
John Muir Health	-		-	1,223	3	0.24%
Texaco Inc.	-		-	1,000	4	0.20%
CKS Employee Benefit Systems, Inc.	-		-	984	5	0.19%
Contra Costa Newspapers, Inc.	-		-	960	6	0.19%
DMC Foundation	-		-	930	7	0.18%
Saint Mary's College of California	-		-	917	8	0.18%
Walmart Stores, Inc.	-		-	759	9	0.15%
All Others	500,100		94.00%	496,327		98.07%
<b>Total</b>	<b>532,100</b>		<b>100.0%</b>	<b>506,100</b>		<b>100.0%</b>

Source: \* County of Contra Costa, California, Annual Comprehensive Financial Report for June 30, 2023, Statistical Section, principal employers excludes government employers.

**Central Contra Costa Sanitary District  
Demographic and Economic Statistics  
Contra Costa County  
Last Ten Fiscal Years**

Fiscal Year Ended June 30	Population*	Personal Income*	Per Capita Personal Income*	Average Annual Unemployment Rate**
2014	1,110,971	\$71,164,468,000	\$64,056	6.2%
2015	1,126,027	77,914,957,000	69,195	5.0%
2016	1,138,645	82,204,425,000	72,195	4.4%
2017	1,147,439	87,810,279,000	76,527	3.8%
2018	1,150,215	94,900,003,000	82,506	2.7%
2019	1,153,526	98,423,318,000	85,324	7.9%
2020	1,152,333	106,318,748,000	92,264	5.3%
2021	1,161,413	115,342,618,000	99,312	6.4%
2022	1,156,966	109,965,993,000	95,047	3.5%
2023	1,155,025	119,219,394,000	103,218	4.1%

\* U.S. Department of Commerce, Bureau of Economic Analysis. Estimates for 2022-2023 reflect county population estimates.

\*\* State of California, Employment Development Department (EDD), annual calendar figure.

**Central Contra Costa Sanitary District  
Full-time Equivalent Positions Filled by Department  
Last Ten Fiscal Years**

**Full-time Equivalent Positions Filled as of June 30**

<b>Department</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
<b>Administration</b>	46	49	43	43	41	44	51	50	52	57
<b>Engineering</b>	72	88	88	89	90	89	90	92	83	85
<b>Operations</b>										
Collection Systems	56	55	55	54	54	53	55	55	54	54
Optimization	-	-	-	-	-	-	-	-	8	9
Plant	88	79	83	81	77	81	75	73	74	68
Pumping Station	8	7	7	7	12	7	7	6	7	6
<b>Operations Total</b>	<u>152</u>	<u>141</u>	<u>145</u>	<u>142</u>	<u>143</u>	<u>141</u>	<u>137</u>	<u>134</u>	<u>143</u>	<u>137</u>
<b>District Total</b>	<u><u>270</u></u>	<u><u>278</u></u>	<u><u>276</u></u>	<u><u>274</u></u>	<u><u>274</u></u>	<u><u>274</u></u>	<u><u>278</u></u>	<u><u>276</u></u>	<u><u>278</u></u>	<u><u>279</u></u>

**Number of Retirees and Surviving Spouses as of June 30  
Last Ten Fiscal Years**

<b>District Total</b>	<u><u>244</u></u>	<u><u>249</u></u>	<u><u>259</u></u>	<u><u>278</u></u>	<u><u>268</u></u>	<u><u>269</u></u>	<u><u>261</u></u>	<u><u>275</u></u>	<u><u>275</u></u>	<u><u>270</u></u>
-----------------------	-------------------	-------------------	-------------------	-------------------	-------------------	-------------------	-------------------	-------------------	-------------------	-------------------

Source: Central Contra Costa Sanitary District Finance and Human Resources Divisions

**Central Contra Costa Sanitary District  
Capital Asset and Operating Statistics  
Last Ten Calendar or Fiscal Years**

Treatment Plant	Year	Millions of Gallons per Day (mgd)									
		2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Treatment Plant Permitted Capacity	Calendar	53.8	53.8	53.8	53.8	53.8	53.8	53.8	53.8	53.8	53.8
Average Dry Weather Flow (ADWF)	Calendar	30.4	29.1	30.8	33.3	31.8	34.1	33.2	29.5	30.9	31.5
Wastewater Treated per day, Influent	Calendar	35.6	31.8	35.4	43.2	36.0	41.2	35.3	34.6	33.9	43.5
		Tons per Year									
Sludge to Furnace (Dry)*1	Fiscal	16,789	16,623	17,031	16,279	16,498	16,056	16,029	15,959	15,879	15,963
Ash to Reuse Site (Wet)*2	Fiscal	3,811	3,651	4,230	3,475	3,582	3,450	3,410	3,744	3,455	3,130

\*1 In the multi-hearth furnace, the wet sludge is converted to dry ash. Water is added to the dry ash as it is loaded into trucks (ratio of 60 percent ash to 40 percent water) to prevent the ash from blowing out of the truck during transport.

\*2 Wet sludge, which at 19 to 27 percent solids, is pumped to the multiple-hearth furnace for incineration. The table above shows the dry tons per year of sludge to the furnace, excluding the 73 to 81 percent water in the wet sludge.

**Collection Systems/Pumping Stations/Outfall Sewers**

	Year	Other Data									
		2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Pipeline Miles	Calendar	1,519	1,519	1,519	1,535	1,535	1,535	1,535	1,535	1,541	1,540
Number of pumping stations (owned)	Calendar	16	16	16	15	15	15	15	15	15	15

**Recycled Water**

Recycled Water Distribution Pipeline (miles)*3	Calendar	14.3	14.6	14.6	14.6	14.6	14.6	14.6	13.5	13.8	13.8
Average Recycled Water Produced (million gallons per day)	Calendar	1.6	1.7	1.5	1.6	1.6	1.6	1.4	1.5	1.7	1.6
Number of Recycled Water Customers Sites	Calendar	29	43	47	47	49	50	58	53	57	61
Commercial Truck Fill Use (million gallons per year)	Calendar	0.3	4.4	0.4	0.6	0.6	4.6	4.8	5.5	0.6	0.8
Commercial Truck Fill Customers	Calendar	11	37	26	14	13	12	6	9	18	11
Estimated Residential Fill Station Use (million gallons per year)	Calendar	N/A	11.8	6.5	2.5	2.3	1.3	1.0	5.1	6.7	2.6
Residential Fill Station Customer Visits	Calendar	N/A	55,552	28,598	11,633	9,780	5,671	4,635	22,208	29,124	10,833

\*3 In 2021, pipeline miles only include active pressurized recycled water mains and laterals.

**Household Hazardous Waste (HHW) - Inception 1997/1998**

Program Participation (Number of cars)	Fiscal	31,779	33,468	33,037	35,640	36,108	27,818	35,634	33,658	30,327	32,304
Percentage of Households in Service Area	Fiscal	16.6%	16.8%	16.7%	18.1%	18.4%	14.0%	17.9%	16.7%	14.9%	15.8%
Operating Cost per Car	Fiscal	\$78	\$72	\$80	\$77	\$78	\$100	\$95	\$88	\$105	\$103
Operating Cost per Household	Fiscal	\$13.25	\$12.43	\$13.64	\$14.21	\$14.59	\$14.29	\$17.24	\$14.99	\$16.00	\$16.68
Operating Cost per Pound	Fiscal	\$1.24	\$1.13	\$1.24	\$1.21	\$1.27	\$1.64	\$1.24	\$1.36	\$1.74	\$1.77
Pounds of HHW per Car	Fiscal	63	64	65	64	61	61	76	65	61	59

**Pharmaceutical Collection Program - Inception 2009**

Number of Collection Sites	Calendar	13	13	13	13	13	12	12	8	7	4
Pounds of Expired or Unwanted medications Collected	Calendar	14,041	15,366	16,485	17,337	17,178	9,918	5,645	5,396	5,662	1,929

**Miscellaneous Statistics**

Governing Body:	5-Member Board of Directors elected at large
Governmental Structure:	Established in 1946 under the Sanitary District Act of 1923
Staff:	279 full-time equivalent employees (298 budgeted/authorized)
Authority:	California Health and Safety Code Section 4700 et. Seq.
Services:	Wastewater collection, treatment, and disposal Household Hazardous Waste (HHW) Facility Recycled Water Residential and Truck Recycled Water Fill Station Pharmaceutical Collection Program (4-Collection Sites) Retail HHW Collection Program
Type Of Treatment:	Discharge - Secondary; Reclamation - Tertiary
Service Area:	146 square miles
Total Population Served:	483,575 (HHW service area 518,835)
Sewer Service Charge:	\$697 for single family homes, \$622 for multi-family homes, and \$322 for accessory dwelling units.

Source: Central Contra Costa Sanitary District records