



Measure Z Citizens Bond Oversight Committee (CBOC)

Meeting Agenda

Measure Z CBOC Meeting
 Tuesday, April 7, 2026, · 5:30 – 6:30 pm
 Location: 1100 Clarendon St., West Sacramento, CA, 95691

COMMITTEE MEMBERS		WUSD STAFF AND CONSULTANTS	
John Lindley		Monique Stovall, Chief Business Officer	
Cindy Kazanis		Daniel Gandara, Director II of Facilities, Construction, and Planning	
Ari Neumann		Michael Gandara, Facilities Project Analyst	
Jose Garcia		Yvette Hernandez, Administrative Secretary II	
Jen Grexton		Patty Paulsen, Key Analytics	
Shannon Smith			
Paul Charkiewicz			

(X=Full Time, P= Part Time, A=Absent)

AGENDA

A. Open Session (5:30 pm)

B. Roll Call

C. Pledge of Allegiance

D. Public Comments

E. Committee Administration

a. Audit Review, James Marta

b. Annual Report Due May 28, 2026 BOE

F. Adjournment



James Marta & Company LLP
Certified Public Accountants

Accounting, Auditing, Tax, and Consulting

**COMMUNICATION WITH THOSE CHARGED
WITH GOVERNANCE**

Citizen's Oversight Committee
and Governing Board Measure Z
General Obligation Bonds Building Fund
Washington Unified School District
West Sacramento, California

We have audited the financial statements of the Washington Unified School District Measure Z General Obligation Bonds Building Fund as of and for the year ended June 30, 2025, and have issued our report thereon dated December 12, 2025. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated May 23, 2025, our responsibility, as described by professional standards, is to form and express an opinion(s) about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the Washington Unified School District Measure Z General Obligation Bonds Building Fund solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our comments regarding internal control over financial reporting and on compliance, and other matters noted during our audit in a separate letter to you dated December 12, 2025.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, and our firm, have complied with all relevant ethical requirements regarding independence.

We follow the AICPA Ethics Standard Rule 201C, in conjunction with this, we annually review with all engagement staff potential conflicts and obtain a conflict certification. In addition, we inquire on each engagement about potential conflicts with staff. We have not identified any relationships or other matters that in the auditor's judgment may be reasonably thought to bear on independence.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by of Washington Unified School District Measure Z General Obligation Bonds Building Fund is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during 2024-2025 fiscal year. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are estimates of accounts payable for the period presented.

Management's estimate of the accounts payable is based on a review of invoices and related goods and services received through year end but not yet paid. We evaluated the key factors and assumptions used to develop the accounts payable and determined that it is reasonable in relation to the basic financial statements taken as a whole.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. We did not identify any disclosures that involve significant sensitive discretion.

Significant Unusual Transactions

For purposes of this communication, professional standards require us to communicate to you significant unusual transactions identified during our audit. The following significant unusual transactions identified as a result of our audit procedures were brought to the attention of management:

None.

Identified or Suspected Fraud

We have not identified or obtained information that indicates that fraud may have occurred.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole. We did not identify any uncorrected or corrected misstatements in the course of our audit.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. There were no misstatements identified by us as a result of our audit procedures. None of the misstatements identified by us as a result of our audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole or applicable opinion units

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to Washington Unified School District Measure Z General Obligation Bonds Building Fund's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Circumstances that Affect the Form and Content of the Auditor's Report

For purposes of this letter, professional standards require that we communicate any circumstances that affect the form and content of our auditor's report. There were no circumstances that affected the form and content of our auditor's report.

Representations Requested from Management

We have requested certain written representations from management, which are included in the attached letter dated December 12, 2025. (See Attachment I)

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with Washington Unified School District Measure Z General Obligation Bonds Building Fund, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as Washington Unified School District Measure Z General Obligation Bonds Building Fund's auditors.

Other Information in Documents Containing Audited Financial Statements

Pursuant to professional standards, our responsibility as auditors for other information in documents containing Washington Unified School District Measure Z General Obligation Bonds Building Fund's audited financial statements does not extend beyond the financial information identified in the audit report, and we are not required to perform any procedures to corroborate such other information.

However, in accordance with such standards, we have:

Reviewed the Measure Z text and related budget versus actual for the projects and considered whether such information and requirements, or the manner of its presentation, was materially inconsistent with its presentation in the financial statements.

Our responsibility also includes communicating to you any information which we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements.

Other Services

We have assisted management in preparing the financial statements of the Washington Unified School District Measure Z General Obligation Bonds Building Fund in conformity with U.S. generally accepted accounting principles based on information provided by management.

Management's responsibilities for other services included designating qualified individuals with the skill, knowledge, and experience to be responsible and accountable for overseeing financial statement preparation and any other nonattest services we performed as part of this engagement. Management has represented that they have evaluated the adequacy and results of those services and is accepting responsibility for them.

James Marta & Company LLP
Certified Public Accountants

This report is intended solely for the information and use of the Citizen's Oversight Committee and Governing Board and members of management of the Washington Unified School District and is not intended to be and should not be used by anyone other than these specified parties.

James Marta & Company LLP

James Marta & Company LLP
Certified Public Accountants
Sacramento, California
December 12, 2025

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Virginia Coffey, Vice-President, Area 1
Vannessa Castro, Clerk, Area 2
Jackie Thu-Huong Wong, Trustee, Area 4
Jannette Hunt, Trustee, Area 3

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DISTRICT OFFICE
930 Westacre Road
West Sacramento, CA 95691

TEL (916) 375-7600
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MANAGEMENT REPRESENTATION LETTER

December 12, 2025

James Marta & Company, LLP
Certified Public Accountants
701 Howe Avenue, Suite E3
Sacramento, California

This representation letter is provided in connection with your audit of the Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance of the Measure Z General Obligation Bonds Building Fund (the "Fund") of Washington Unified School District (the "District") as of June 30, 2025 and for the fiscal year then ended, and the related notes to the financial statements, for the purpose of expressing an opinion on whether the fund financial statements present fairly, in all material respects, the financial position, results of operations, and cash flows, where applicable, of the various opinion units of the Fund in conformity with accounting principles generally accepted for governments in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of December 12, 2025:

Financial Statements

- We have fulfilled our responsibilities, as set out in the terms of the audit engagement dated May 23, 2025, for the preparation and fair presentation of the financial statements of the various opinion units referred to above in accordance with U.S. GAAP.
- We acknowledge our responsibility 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.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- We acknowledge our responsibility for compliance with the laws, regulations, and provisions of contracts and grant agreements.
- We acknowledge that we are responsible for distributing the issued report as well as the communication with governance letter and internal control letter to all governing board members and the Citizens Oversight Committee.
- We have reviewed, approved, and taken responsibility for the financial statements and related notes and acknowledge the auditor's role in the preparation of this information.

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- We have a process to track the status of audit findings and recommendations.
- We have identified and communicated to you all previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
- Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
- All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
- The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.
- All component units, as well as joint ventures with an equity interest, are included and other joint ventures and related organizations are properly disclosed.
- All funds and activities are properly classified.
- All funds that meet the quantitative criteria in GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, GASB Statement No. 37, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments: Omnibus* as amended, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, for presentation as major are identified and presented as such and all other funds that are presented as major are considered important to financial statement users.
- All components of net position, nonspendable fund balance, and restricted, committed, assigned, and unassigned fund balance are properly classified and, if applicable, approved.
- Our policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position/fund balance are available is appropriately disclosed and net position/fund balance is properly recognized under the policy.
- All revenues within the statement of activities have been properly classified as program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- All expenses have been properly classified in or allocated to functions and programs in the statement of activities, and allocations, if any, have been made on a reasonable basis.
- All interfund and intra-entity transactions and balances have been properly classified and reported.
- Special items and extraordinary items have been properly classified and reported.
- Deposit and investment risks have been properly and fully disclosed.
- Capital assets, including infrastructure assets, are properly capitalized, reported, and if applicable, depreciated.
- All required supplementary information is measured and presented within the prescribed guidelines.
- With regard to investments and other instruments reported at fair value:
 - The underlying assumptions are reasonable and they appropriately reflect management's intent and ability to carry out its stated courses of action.
 - The measurement methods and related assumptions used in determining fair value are appropriate in the circumstances and have been consistently applied.
 - The disclosures related to fair values are complete, adequate, and in conformity with U.S. GAAP.

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- There are no subsequent events that require adjustments to the fair value measurements and disclosures included in the financial statements.
- With respect to Measure Z General Obligation Bonds Building Fund of the Washington Unified School District, we have performed the following:
 - Made all management decisions and performed all management functions;
 - Assigned a competent individual to oversee the services;
 - Evaluated the adequacy of the services performed;
 - Evaluated and accepted responsibility for the result of the service performed; and
 - Established and maintained controls, including a process to monitor the system of internal control.

Supplementary Information in Relation to the Financial Statements as a Whole

With respect to the supplementary information accompanying the financial statements:

- a. We acknowledge our responsibility for the presentation of the supplementary information in accordance with *accounting principles generally accepted in the United States of America, GASB-34 fund statement reporting*.
- b. We believe the supplementary information, including its form and content, is fairly presented in accordance with *GASB-34 fund statement reporting*.
- c. The methods of measurement or presentation have not changed from those used in the prior period
- d. When the supplementary information is not presented with the audited financial statements, management will make the audited financial statements readily available to the intended users of the supplementary information no later than the date of issuance by the entity of the supplementary information and the auditor's report thereon.
- e. We acknowledge our responsibility to include the auditor's report on the supplementary information in any document containing the supplementary information and that indicates the auditor reported on such supplementary information.
- f. We acknowledge our responsibility to present the supplementary information with the audited financial statements or, if the supplementary information will not be presented with the audited financial statements, to make the audited financial statements readily available to the intended users of the supplementary information no later than the date of issuance by the entity of the supplementary information and the auditor's report thereon.

Information Provided

- We have provided you with:
 - Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statements of the various opinion units referred to above, such as records, documentation, meeting minutes, and other matters;
 - Additional information that you have requested from us for the purpose of the audit; and
 - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
- All transactions have been recorded in the accounting records and are reflected in the financial statements.

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- We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
 - Management;
 - Employees who have significant roles in internal control; or
 - Others where the fraud could have a material effect on the financial statements.
- We have no knowledge of any allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, vendors, regulators, or others.
- We are not aware of any pending or threatened litigation and claims whose effects should be considered when preparing the financial statements and we have not consulted legal counsel concerning litigation or claims.
- We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.
- There have been *no* communications from regulatory agencies concerning noncompliance with or deficiencies in accounting, internal control, or financial reporting practices.
- The Measure Z General Obligation Bonds Building Fund of the Washington Unified School District has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
- We have disclosed to you all guarantees, whether written or oral, under which Measure Z General Obligation Bonds Building Fund of the Washington Unified School District is contingently liable.
- We have disclosed to you all nonexchange financial guarantees, under which we are obligated and have declared liabilities and disclosed properly in accordance with GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*, for those guarantees where it is more likely than not that the entity will make a payment on any guarantee.
- For nonexchange financial guarantees where we have declared liabilities, the amount of the liability recognized is the discounted present value of the best estimate of the future outflows expected to be incurred as a result of the guarantee. Where there was no best estimate but a range of estimated future outflows has been established, we have recognized the minimum amount within the range.
- We have disclosed to you all significant estimates and material concentrations known to management that are required to be disclosed in accordance with GASB Statement No. 62 (GASB-62), *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. Significant estimates are estimates at the balance sheet date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets or geographic areas for which events could occur that would significantly disrupt normal finances within the next year.
- We have identified and disclosed to you the laws, regulations, and provisions of contracts and grant agreements that could have a direct and material effect on financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.
- There are no:
 - Violations or possible violations of laws or regulations, or provisions of contracts or grant agreements whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, including applicable budget laws and regulations.
 - Unasserted claims or assessments that must be disclosed in accordance with GASB-62.
 - Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by GASB-62

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- The Measure Z General Obligation Bonds Building Fund of the Washington Unified School District has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset or future revenue been pledged as collateral, except as disclosed to you.
- We have complied with all aspects of grant agreements and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.

A handwritten signature in blue ink, appearing to read "Billy Duba".

Billy Duba, Director of Fiscal Services



WASHINGTON UNIFIED SCHOOL DISTRICT

**MEASURE Z
GENERAL OBLIGATION BONDS
BUILDING FUND**

**COUNTY OF YOLO
WEST SACRAMENTO, CALIFORNIA**

FINANCIAL AND PERFORMANCE AUDIT

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2025**

JAMES MARTA & COMPANY LLP
CERTIFIED PUBLIC ACCOUNTANTS

701 HOWE AVENUE, E3
SACRAMENTO, CA

(916) 993-9494
(916) 993-9489 FAX
WWW.JPMCPCOM

WASHINGTON UNIFIED SCHOOL DISTRICT
MEASURE Z GENERAL OBLIGATION BONDS
BUILDING FUND
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INDEPENDENT AUDITOR'S REPORT

Citizen's Oversight Committee
and Governing Board Measure Z
Washington Unified School District
West Sacramento, California

Report on the Audit of the Financial Statements

Opinions

We have audited the Balance Sheet of Washington Unified School District (the District), Measure Z General Obligation Bonds Building Fund (the Fund), and the related statement of revenues, expenditures, and changes in fund balance as of and for the fiscal year ended June 30, 2025, and the related notes to the financial statements as listed in the table of contents.

In our opinion, the fund financial statements referred to above present fairly, in all material respects, the financial position of the Washington Unified School District Measure Z General Obligation Bonds Building Fund (the Fund) as of June 30, 2025, and the results of its operations the year then ended in conformity 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 (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the 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 requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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.

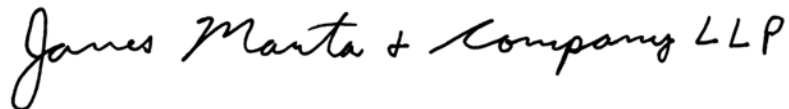
We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Other Matters

As discussed in Note 1, the financial statements referred to above present only the individual Measure Z General Obligation Bond Building Fund and are not intended to present fairly the financial position and results of operations of the District in conformity with generally accepted accounting principles generally accepted in the United States of America.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated December 12, 2025 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the District's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "James Marta & Company LLP". The signature is written in a cursive, flowing style.

James Marta & Company LLP
Certified Public Accountants
Sacramento, California
December 12, 2025

BASIC FINANCIAL STATEMENTS

WASHINGTON UNIFIED SCHOOL DISTRICT
MEASURE Z GENERAL OBLIGATION BONDS
BUILDING FUND
BALANCE SHEET
JUNE 30, 2025

ASSETS

Cash and Cash Equivalents	<u>\$ 74,239,260</u>
Total Assets	<u><u>\$ 74,239,260</u></u>

**LIABILITIES AND
FUND BALANCES**

Liabilities	
Accounts payable	<u>\$ 85,073</u>
Total Liabilities	<u>85,073</u>
Fund balances	
Restricted for Measure Projects	<u>74,154,187</u>
Total Fund Balance	<u>74,154,187</u>
Total liabilities and fund balance	<u><u>\$ 74,239,260</u></u>

WASHINGTON UNIFIED SCHOOL DISTRICT
MEASURE Z GENERAL OBLIGATION BONDS
BUILDING FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

REVENUES

Other local revenues	<u>\$ 3,406,834</u>
Total revenues	<u>3,406,834</u>

EXPENDITURES

Services and other operating expenditures	597,934
Capital outlay	<u>5,399,359</u>
Total expenditures	<u>6,449,198</u>
Net change in fund balances	(3,042,364)
Fund balances, July 1, 2024	<u>77,196,551</u>
Fund balances, June 30, 2025	<u><u>\$ 74,154,187</u></u>

WASHINGTON UNIFIED SCHOOL DISTRICT
MEASURE Z GENERAL OBLIGATION BONDS
BUILDING FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

The accounting policies of the Measure Z General Obligation Bonds Building Fund (the Fund) of Washington Unified School District conform to accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants. The fund accounts for financial transactions in accordance with the policies and procedures of the California School Accounting Manual.

Washington Unified School District (the "District") is a public educational agency operating under the applicable laws and regulations of the State of California. It is governed by a five member Governing Board elected by registered voters of the District, which comprises an area in Yolo County. The District was established in 1957 and operates seven elementary schools, one high school, one charter school and one continuation high school.

The Bonds were authorized at an election within the District held on November 3, 2020 (the "Election") at which at least fifty-five percent of the registered voters voting on the proposition voted to authorize the issuance and sale of \$150,000,000 aggregate principal amount of general obligation bonds of the District (the "Authorization"). Because the Bond required only 55% of the vote in accordance with Proposition 39 (Article XIII of the California State Constitution), the District was required to establish a citizen's bond oversight committee and to conduct a financial and performance audit.

In June 2021, the District issued Measure Z Series A General Obligation Bonds (the "Bonds") in the aggregate principal amount of \$60,000,00 for the purpose of financing the school facility improvements and to pay certain costs of issuance associated therewith. The Series A was the first series of bonds issued under the Authorization and are issued on a parity basis with all outstanding general obligation bonds of the District.

In November 2023, the District issued Measure Z Series B General Obligation Bonds (the "Bonds") in the aggregate principal amount of \$50,000,00 for the purpose of financing the school facility improvements and to pay certain costs of issuance associated therewith. The Series B was the second series of bonds issued under the Authorization and are issued on a parity basis with all outstanding general obligation bonds of the District. Subsequent to the Series B issuance, there is \$40,000,000 remaining for future issuances.

The Committee's oversight goals include ensuring expenditures are within the language of the ballot measure. The citizens' oversight committee must include, among others, representation of a bona fide taxpayers association, a business organization and a senior citizens organization. No District employees or vendors are allowed to serve on the citizens' oversight committee.

WASHINGTON UNIFIED SCHOOL DISTRICT
MEASURE Z GENERAL OBLIGATION BONDS
BUILDING FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

B. REPORTING ENTITY (CONTINUED)

The fund financial statements presented are for the Measure Z General Obligation Bonds Building Fund. Since this is just one component of the District, these financial statements are not intended to be a complete presentation of the District's financial position or results of operations. Accordingly, these fund statements do not include a government wide financial statement, management discussion and analysis or related organizational disclosures. The audited financial statements of Washington Unified School District include the Measure Z General Obligation Bonds Building Fund activities, related debt and disclosures as well as management's discussion and analysis.

C. FUND ACCOUNTING

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

The proceeds from the sale of general obligation bonds and the subsequent expenditure of the bond funds are accounted for in the Building fund of the District. Any premium received from the sale of the bonds is deposited in the Bond Interest and Redemption Fund of the District. The Measure Z Bond Building Fund forms part and not all of the net financial position in the District's Building Fund which may contain other sources of funding.

D. ACCOUNTING POLICIES

The District prepares its financial statements in accordance with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants (AICPA) and complies with the policies and procedures of the Department of Education's *California School Accounting Manual*.

E. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

The financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. "Available" means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, "available" means collectible within the current period or within 60 days after year-end.

WASHINGTON UNIFIED SCHOOL DISTRICT
MEASURE Z GENERAL OBLIGATION BONDS
BUILDING FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

E. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (CONTINUED)

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to claims and judgments, are recorded only when payment is due.

F. BUDGETS AND BUDGETARY ACCOUNTING

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

G. ENCUMBRANCES

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

H. DEPOSITS AND INVESTMENTS

The District is considered to be an involuntary participant in an external investment pool as the District is required to deposit all receipts and collections of monies with their County Treasurer (Education Code Section 41001). The County is authorized to deposit cash and invest excess funds by California Government Code Section 53648 et seq.

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

Investments with original maturities greater than one year are stated at fair value. Fair value is estimated based on quoted market prices at year-end. All investments not required to be reported at fair value are stated at cost or amortized cost.

WASHINGTON UNIFIED SCHOOL DISTRICT
MEASURE Z GENERAL OBLIGATION BONDS
BUILDING FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

I. CAPITAL AND LONG-TERM DEBT

The accounting and reporting treatment applied to the capital assets and long-term liabilities associated with the General Obligation Bond Building Fund is accounted for on a spending or “financial flow” measurement focus. This means that only current assets and liabilities are generally included on the balance sheet.

The reported fund balance is considered a measure of “available spendable resources”. Thus, the capital assets and long-term liabilities associated with the Measure Z General Obligation Bond Building Fund are accounted for in the basic financial statements of the District.

J. FUND BALANCE – GOVERNMENTAL FUNDS

As of June 30, 2025, fund balances of the Measure Z General Obligation Bond Building Fund are classified as restricted. Restricted funds can only be spent for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

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 disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

2. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as of June 30, 2025 consist of cash in the county treasury in the amount of \$74,239,260.

A. Cash in County Treasury

The District is considered to be an involuntary participant in an external investment pool as the District is required to deposit all receipts and collections of monies with their County Treasurer (*Education Code* Section 41001). The fair value of the District's investment in the pool is reported in the accounting financial statement 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 the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the County Treasurer, which is recorded on the amortized cost basis.

Cash in County Treasury consists of District cash held by the Yolo County Treasury that is invested in the county investment pool. The Treasury permits negative cash balances so long as the District's total cash in county treasury has a positive balance.

WASHINGTON UNIFIED SCHOOL DISTRICT
MEASURE Z GENERAL OBLIGATION BONDS
BUILDING FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

2. CASH AND CASH EQUIVALENTS (CONTINUED)

The fair value of the District's investment in the pool is reported in the financial statements at amounts that are based upon the District's pro-rata share of the fair value provided by the County Treasurer for the entire portfolio (in relation to the amortized cost of that portfolio).

The weighted average maturity of the pool is 913 days. The pool is rated AAA by Standard and Poor's.

B. Interest Rate Risk

Interest rate risk is the risk that changes in market interest rate will adversely affect the fair value of an investment. Generally, as the length of the maturity of an investment increases, the greater the sensitivity of its fair value to changes in market interest rates. The District manages its exposure to interest rate risk by investing in the County Treasury that purchases 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.

3. MEASURE Z GENERAL OBLIGATION BONDS

Series A

In June 2021, the District issued Measure Z Series A General Obligation Bonds (the "Bonds") in the aggregate principal amount of \$60,000,000. The Series A were the first series of bonds issued under the Authorization and are issued on a parity basis with all outstanding general obligation bonds of the District. See table below of how the proceeds of the bond were applied.

Sources of Funds

Principal Amount of Bonds	\$ 60,000,000
Net Original Issue Premium	<u>3,879,032</u>
Total Sources	<u><u>\$ 63,879,032</u></u>

Uses of Funds

Deposited to Building Fund	\$ 59,758,400
Deposited to Tax Collection Fund	3,216,601
Deposited to Cost of Issuance Fund	<u>904,031</u>
	<u><u>\$ 63,879,032</u></u>

WASHINGTON UNIFIED SCHOOL DISTRICT
MEASURE Z GENERAL OBLIGATION BONDS
BUILDING FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

3. MEASURE Z GENERAL OBLIGATION BONDS (CONTINUED)

Series B

In November 2023, the District issued Measure Z Series B General Obligation Bonds (the “Bonds”) in the aggregate principal amount of \$50,000,000. The Series B were the second series of bonds issued under the Authorization and are issued on a parity basis with all outstanding general obligation bonds of the District. See table below of how the proceeds of the bond were applied.

Sources of Funds

Principal Amount of Bonds	\$ 50,000,000
Net Original Issue Premium	369,609
Total Sources	\$ 50,369,609

Uses of Funds

Deposited to Building Fund	\$ 49,750,210
Deposited to Tax Collection Fund	369,609
Deposited to Cost of Issuance Fund	198,290
Underwriters Discount	51,500
	\$ 50,369,609

The Bonds are payable solely from ad valorem property taxes levied and collected by the County of Yolo (“County”). The County Board of Supervisors (the “County Board”) is empowered and obligated to annually levy ad valorem taxes for the payment of interest on, and principal of, the Bonds upon all property subject to taxation by the District, without limitation of rate or amount (except certain personal property which is taxable at limited rates).

The Series A bonds consist of serial bonds bearing various fixed interest rates from 2.0% to 5.0% and mature in staggered amounts each year starting in August 1, 2021 up through August 1, 2051.

The Series B bonds consist of serial bonds bearing various fixed interest rates from 4.0% to 8.0% and mature in staggered amounts each year starting in August 1, 2024 up through August 1, 2051.

WASHINGTON UNIFIED SCHOOL DISTRICT
MEASURE Z GENERAL OBLIGATION BONDS
BUILDING FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

4. COMMITMENTS AND CONTINGENCIES

As of June 30, 2025, the Building Fund did not have any commitments with respect to unfinished capital projects.

5. SUBSEQUENT EVENTS

District management evaluated its June 30, 2025 financial statements for subsequent events through December 12, 2025, the date the financial statements were available to be issued. Management is not aware of any subsequent events, other than those discussed below, that would require recognition or disclosure in the financial statements.

SUPPLEMENTARY INFORMATION

WASHINGTON UNIFIED SCHOOL DISTRICT

MEASURE Z GENERAL OBLIGATION BONDS

FULL TEXT OF BOND MEASURE

By approval of this proposition by at least 55% of the registered voters voting on the proposition, the District shall be authorized to issue and sell bonds of up to \$150,000,000 in aggregate principal amount to provide financing for the specific school facilities projects listed in the Bond Project List attached hereto as Exhibit A, subject to all of the accountability safeguards specified below. Bonds will be issued in one or more series.

ACCOUNTABILITY SAFEGUARDS

The provisions in this section are specifically included in this proposition in order that the voters and taxpayers of the District may be assured that their money will be spent wisely to address specific facilities needs of the District, all in compliance with the requirements of Article XIII A, section 1(b)(3) of the State Constitution, and the Strict Accountability in Local School Construction Bonds Act of 2000 (codified at section 15264 *et seq.* of the California Education Code).

Evaluation of Needs. The Board of Education has prepared its Capital Investment Program in order to evaluate and address all of the facilities needs of the District, and to determine which projects to finance from a local bond at this time. The Board of Education hereby certifies that it has evaluated safety, class size reduction and information technology needs in developing the Bond Project List contained in Exhibit A.

Independent Citizens' Oversight Committee. The Board of Education shall establish an independent Citizens' Oversight Committee (section 15278 *et seq.* of the California Education Code), to ensure bond proceeds are expended only for the school facilities projects listed in Exhibit A. The committee shall be established within 60 days of the date when the results of the election appear in the minutes of the Board of Education.

Annual Performance Audits. The Board of Education shall cause to conduct an annual, independent performance audit to ensure that the bond proceeds have been expended only on the school facilities projects listed in Exhibit A.

Annual Financial Audits. The Board of Education shall cause to conduct an annual, independent financial audit of the bond proceeds until all of those proceeds have been spent for the school facilities projects listed in Exhibit A.

Pursuant to Government Code section 53411, the Chief Business Official of the District shall issue an annual report to the Board containing the amount of funds collected and expended as well as the status of the Projects authorized in the Full Text of the Measure. The District's adopted budget or audit report will suffice for this purpose.

Pursuant to the Strict Accountability Act, if a citizens' oversight committee has not already been established for the Bonds, within 60 days of the date the Board enters the election results on its minutes, the Board will appoint a citizens' oversight committee to review and report on the proper expenditure of taxpayers' money for school construction.

WASHINGTON UNIFIED SCHOOL DISTRICT
MEASURE Z GENERAL OBLIGATION BONDS
FULL TEXT OF BOND MEASURE

BOND PROJECT LIST

The Bond Project List attached to this resolution as Exhibit A shall be considered a part of the ballot proposition, and shall be reproduced in any official document required to contain the full statement of the bond proposition. The Bond Project List, which is an integral part of this proposition, lists the specific projects the District proposes to finance with proceeds of the Bonds. Such projects will be completed as needed. Each project is assumed to include its share of costs of the election and bond issuance, architectural, engineering, and similar planning costs, construction management, and a customary contingency for unforeseen design and construction costs. The final cost of each project will be determined as plans are finalized, construction bids are awarded, and projects are completed. In addition, certain construction funds expected from non-bond sources, including State grant funds for eligible projects, have not yet been secured. Therefore the Board of Education cannot guarantee that the bonds will provide sufficient funds to allow completion of all listed projects.

FURTHER SPECIFICATIONS

No Administrator Salaries. Proceeds from the sale of bonds authorized by this proposition shall be used only for the construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease of real property for school facilities, and not for any other purpose, including teacher and administrator salaries and other school operating expenses.

Single Purpose. All of the purposes enumerated in this proposition shall be united and voted upon as one single proposition, pursuant to section 15100 of the California Education Code, and all the enumerated purposes shall constitute the specific single purpose of the bonds, and proceeds of the bonds shall be spent only for such purpose, pursuant to section 53410 of the California Government Code.

Other Terms of the Bonds. When sold, the bonds shall bear interest at an annual rate not exceeding the statutory maximum, and that interest will be made payable at the time or times permitted by law. The bonds may be issued and sold in several series, and no bond shall be made to mature later than shall be permitted by law.

EXHIBIT A

Bond Project List

In order to meet all identified facilities needs, the District intends to complete Projects using a combination of funding sources. These sources may include joint-use funds, development impact fees, state funds, and other available funds. The District will pursue state matching funds if and when they become available, and if received, they will be used for and mainly applied to Projects on this list of authorized Projects or other high priority capital outlay expenditures as permitted in Education Code section 17070.63(c).

WASHINGTON UNIFIED SCHOOL DISTRICT

MEASURE Z GENERAL OBLIGATION BONDS

FULL TEXT OF BOND MEASURE

Specific Projects which may be funded by the Bonds include, without limitation, the following:

Campus Equity

Goal and Purpose: Many sites, particularly K-8 sites, need improvements in order to achieve functional and operational equity across the District. This measure will provide needed improvements to the oldest schools in order to bring them up to the same level as the newer campuses and those that have been previously modernized.

- Modernize aged classrooms and provide up-to-date classroom technology to provide 21st century hands-on instruction in science, technology, engineering, arts and math
- Replace existing aging relocatable classrooms with new permanent facilities
- Modernize multi-purpose room, kitchen, library, and student & staff restrooms
- Provide enhanced school security and safety measures including exterior security cameras, security communications, door security upgrades, fencing and fire alarm upgrades
- Complete deferred maintenance throughout campuses, including repairing or replacing deteriorating roofs, gutters, plumbing and electrical systems
- Modernize/reconfigure or construct media center and administrative spaces
- Construction of additional student and staff restrooms
- Acoustical upgrades in gym, library and other areas
- Construction, renovation and reconfiguration of physical education facilities
- Improve site accessibility including construction of parking and drop-off enhancements
- Site improvements, such as providing shade structures, playgrounds, water bottle filling stations, and resurfacing outdoor play spaces
- ADA improvements to ensure schools meet disabled accessibility standards
- Upgrades to meet current earthquake and fire safety standards
- Upgrade classroom technology at all schools
- Use of no more than 10% of the general obligation bond funds for repayment of tax-exempt lease financings, payable from the General Fund, that refinanced District facilities improvements

Visual and Performing Arts (VAPA)

Goal and Purpose: The District's flourishing Visual and Performing Arts (VAPA) Program has generally made use of standard classrooms and other available ad hoc spaces on the K-8 campuses and the high school that were not designed for the unique facility needs of visual and performing arts instruction and storage of related materials. New educational spaces designed for the VAPA curriculum will facilitate instruction, better support learning, and provide expanded opportunities for VAPA-related instruction. This measure will fund the construction and designation of a dedicated music/band classroom and an art classroom at each of the K-8 campuses, as well as a new performing arts complex at River City High School to serve student and community needs District-wide.

- Construction of a new District-wide performing arts complex
- Construction of dedicated VAPA instructional spaces including new performing arts classrooms, music/band classrooms and art classrooms
- Providing adequate band/art storage
- Reconfiguring existing spaces to accommodate VAPA programming
- Improving acoustics and audio-visual upgrades of performance spaces
- Dedicated performance space for district-wide use

WASHINGTON UNIFIED SCHOOL DISTRICT

MEASURE Z GENERAL OBLIGATION BONDS

FULL TEXT OF BOND MEASURE

- Future-Ready Classrooms
- Goal and Purpose: Changes in educational models and technology are driving changes within the classroom and transforming education for our students. This measure will fund improvements to and the reconfiguration of existing permanent classrooms and the replacement of existing portable classrooms with new, permanent classroom construction.
- Upgrade classrooms and internet access for science, technology, engineering and math instruction
- Upgrade classrooms and labs for the hands-on instruction needed in the 21st century
- Improve technology infrastructure and improve classroom technology
- Improve networks and internet access to support at-home instruction and remote learning
- Reconfiguration and/or modernization of existing classrooms
- Audiovisual systems upgrades including acoustic improvements
- Display spaces in corridors
- Modernization and/or construction Administrative area
- Make energy-efficiency upgrades to reduce utility costs
- Modernize outdated classroom interiors including new paint and new flooring
- Improve outdated heating, cooling, and ventilation systems
- Demolition of existing portables to be replace with permanent classrooms facilities
- Construction of additional student and staff restrooms

Positive Campus Climate and Exterior Enhancements

Goal and Purpose: This measure will provide enhancements to the educational environment outside the classroom.

- Creation of outdoor classrooms and learning quad spaces
- Construction or reconfiguration of hardscape playgrounds and play areas
- Construction of outdoor classroom spaces
- Provide drinking fountains including bottle fillers
- Landscaping/campus greening
- Landscaping grading/drainage improvements across campus
- Regrading of play fields for proper drainage and safety
- New shade structures, shade trees and grass
- New shade/rain structures including covered lunch areas and playgrounds
- Display spaces in corridors
- Parking/drop-off upgrades, including functional improvements, ADA upgrades and signage, restriping and resurfacing of parking lots
- Resurfacing and restriping of play area surfaces
- Perimeter gate hardware upgrades
- Improve, replace or install lighting, fencing and security systems to improve student and staff safety
- Replacement of gutters/fascia and downspouts to improve drainage

WASHINGTON UNIFIED SCHOOL DISTRICT

MEASURE Z GENERAL OBLIGATION BONDS

FULL TEXT OF BOND MEASURE

Early Childhood Education

Goal and Purpose: To provide sufficient early childhood education program space at each campus (including preschool, transitional kindergarten, kindergarten and early elementary grades); to make early childhood classrooms future-ready; and replace early childhood education classrooms that are housed in portables with new permanently constructed classrooms. This measure will also provide construction and renovation of facilities to accommodate potential extended day or full day early childhood education options.

- Construction of additional classroom buildings, including restrooms, to accommodate preschool, TK, or early elementary grades space at each campus
- Replacing portables classrooms with permanent facilities
- Reconfiguring existing classrooms for age-appropriate instruction
- Upgrading existing classrooms to add restroom facilities
- Technology and infrastructure upgrades including IT and AV upgrades
- New flooring and new paint

In addition to the Projects listed above, authorized Projects also include the acquisition of land, instructional, maintenance and operational furniture and equipment; preparation of all facilities planning and project implementation studies, feasibility and assessment reviews, master planning, and environmental studies; acquisition of temporary housing for displaced programs or activities caused or necessitated by construction projects, and construction, repairs, and improvements in the event of unforeseen emergencies or other circumstances in order to permit the continuance of existing educational services or to avoid danger to life or property.

Bond Program Management Costs

Project expenditures may also include:

Program Costs: Staffing and other general and administrative costs to manage and execute the Bond Program.

Escalation Reserve: Reserve for unforeseen price inflation costs.

Program Reserve: Reserve for unanticipated scope costs or for unanticipated opportunities to enhance Project scope or schedules.

Further, each Project is assumed to include its share of costs of the election and Bond issuance, architectural, engineering, and similar planning costs, construction management, Bond Project staff, staff training expenses associated with new Bond-funded equipment and systems, and a customary contingency for unforeseen design and construction costs.

For any of the Bond Projects described above with respect to construction at an existing District site, the District is authorized to identify an alternate site and/or acquire land for such purpose and construct the approved Project at such site if the District has determined that the existing site does not satisfy the requirements of the Division of State Architect or other State laws, codes, and regulations, including, but not limited to hazardous substances, applicable to school district properties.

The final cost of each Project will be determined as plans are finalized and Projects are completed. Based on the final costs of each Project, certain of the Projects described above may be delayed or may not be completed. The allocation of Bond proceeds may also be affected by the final costs of each Project.

WASHINGTON UNIFIED SCHOOL DISTRICT

MEASURE Z GENERAL OBLIGATION BONDS

FULL TEXT OF BOND MEASURE

Necessary site preparation/grading/restoration may occur in connection with new construction, reconstruction, modernization, renovation, rehabilitation or replacement, furnishing and equipping, including ingress and egress, removing, replacing or installing irrigation, utility lines, trees and landscaping, relocating fire access roads, and acquiring any necessary easements, leases, licenses, or rights of way to the property.

Additional Specifications

Listed Projects, including repairs, improvements, rehabilitation projects, and upgrades, will be completed only as feasible, and the list of Projects does not imply a particular prioritization among such improvements. Such prioritization remains within the province of the Board of Education by subsequent action. The Projects may be completed at any and all school sites where such Project is determined necessary. Where economically feasible, buildings, fixtures, and equipment may be replaced rather than modernized, renovated, or repaired. Single Purpose. All of the purposes enumerated in this Bond measure shall be united and voted upon as one single measure, pursuant to Section 15100 of the Education Code, and all the enumerated purposes shall constitute the specific single purpose of the Bonds and proceeds of the Bonds shall be spent only for such purpose.

Other Terms of the Bonds. When sold, the Bonds shall bear interest at an annual rate not exceeding the statutory maximum. The Bonds may be issued and sold in several series, and in accordance with a plan of finance determined by the Board pursuant to requirements of law.

Project Requiring State Matching Funds. Approval of Measure Z does not guarantee that the proposed Projects that are the subject of Bonds under Measure Z will be funded beyond the local revenues generated by Measure Z. Some of the District's Projects may assume the receipt of state matching funds, which could be subject to appropriation by the Legislature or approval of a statewide bond measure.

FISCAL ACCOUNTABILITY: IN ACCORDANCE WITH EDUCATION CODE SECTION 15272, THE BOARD OF EDUCATION WILL APPOINT A CITIZENS' OVERSIGHT COMMITTEE AND CONDUCT ANNUAL INDEPENDENT AUDITS TO ASSURE THAT FUNDS ARE SPENT ONLY ON DISTRICT PROJECTS AND FOR NO OTHER PURPOSE. THE EXPENDITURE OF BOND MONEY ON THESE PROJECTS IS SUBJECT TO STRINGENT FINANCIAL ACCOUNTABILITY REQUIREMENTS. BY LAW, PERFORMANCE AND FINANCIAL AUDITS WILL BE PERFORMED ANNUALLY, AND ALL BOND EXPENDITURES WILL BE MONITORED BY AN INDEPENDENT CITIZENS' OVERSIGHT COMMITTEE TO ENSURE THAT FUNDS ARE SPENT AS PROMISED AND SPECIFIED. THE CITIZENS' OVERSIGHT COMMITTEE MUST INCLUDE, AMONG OTHERS, REPRESENTATION OF A BONA FIDE TAXPAYERS ASSOCIATION, A BUSINESS ORGANIZATION AND A SENIOR CITIZENS ORGANIZATION. NO DISTRICT EMPLOYEES OR VENDORS ARE ALLOWED TO SERVE ON THE CITIZENS' OVERSIGHT COMMITTEE.

NO ADMINISTRATOR SALARIES: PROCEEDS FROM THE SALE OF THE BONDS AUTHORIZED BY THIS PROPOSITION SHALL BE USED ONLY FOR THE ACQUISITION, CONSTRUCTION, RECONSTRUCTION, REHABILITATION, OR REPLACEMENT OF SCHOOL FACILITIES, INCLUDING THE FURNISHING AND EQUIPPING OF SCHOOL FACILITIES, AND NOT FOR ANY OTHER PURPOSE, INCLUDING TEACHER AND SCHOOL ADMINISTRATOR SALARIES AND OTHER OPERATING EXPENSES.

OTHER INDEPENDENT AUDITOR'S REPORTS



James Marta & Company LLP

Certified Public Accountants

Accounting, Auditing, Consulting, and Tax

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS***

INDEPENDENT AUDITOR'S REPORT

Citizen's Oversight Committee
and Governing Board Measure Z
Washington Unified School District
West Sacramento, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the fund financial statements of the Measure Z General Obligation Bonds Building Fund of Washington Unified School District (the "District"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Measure Z General Obligation Bonds Building Fund financial statements, and have issued our report thereon dated December 12, 2025.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Measure Z General Obligation Bonds Building Fund's internal control. Accordingly, we do not express an opinion on the effectiveness of Measure Z General Obligation Bonds Building Fund internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

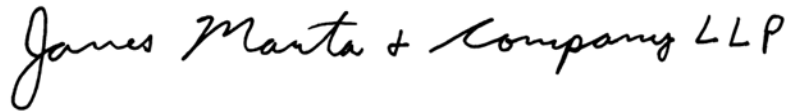
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Measure Z General Obligation Bonds Building Fund financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "James Marta & Company LLP". The signature is written in a cursive, flowing style.

James Marta & Company LLP
Certified Public Accountants
Sacramento, California
December 12, 2025



James Marta & Company
Certified Public Accountants

Accounting, Auditing, Consulting, and Tax

**INDEPENDENT AUDITOR'S REPORT
ON MEASURE Z BOND PERFORMANCE**

Citizen's Oversight Committee
and Governing Board Measure Z
General Obligation Bonds Building Fund
Washington Unified School District
West Sacramento, California

We have audited the financial statements of the Measure Z General Obligation Bond Building Fund of the Washington Unified School District (the "District") as of and for the fiscal year ended June 30, 2025, and have issued our report thereon dated December 12, 2025. Our audit was made in accordance with auditing standards generally accepted in the United States of America and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

Management's Responsibility

The design, implementation and maintenance of internal controls relevant to the financial process and compliance with the requirements of state laws and regulations is the responsibility of management.

Our responsibility is to determine that the District complied with the Measure Z General Obligation Bonds in accordance with Appendix A of the 2024-25 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and Appendix A of the 2024-25 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objects. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

The results of the procedures performed indicate that the District complied with the requirements identified in Appendix A of the K-12 Local Education Agencies and State Compliance Reporting for the Measure Z General Obligation Bond funds for the year ended June 30, 2025.

Objectives

1. The objectives of our performance audit was to determine that the District expended the Measure Z General Obligation Bond funds for the year ended June 30, 2025 only for purposes approved by voters and only for specific projects adopted by the District's Board of Trustees, in accordance with the requirements of Proposition 39, as specified by Section 1(b)(3)C.

Scope of the Audit

The scope of our performance audit covered the fiscal year ended June 30, 2025. The expenditures included all account and project codes associated with the bond projects. Expenditures before July 1, 2024 and after June 30, 2025 were not reviewed as they were not within the scope of our audit.

Methodology

1. We obtained the general ledger for the fiscal year ended June 30, 2025.
2. We selected expenditures to ensure compliance with Proposition 39 and Measure Z General Obligation Bond funding.
3. We verified the mathematical accuracy of the expenditures included in the Measure Z General Obligation Bond Fund detailed general ledger for the fiscal year ended June 30, 2025.
4. We verified that the funds were generally expended for the construction, renovation, furnishing and equipping of school facilities constituting authorized bond projects.
5. Solely to assist us in planning and completing our performance audit, we obtained an understanding of the internal controls of the District.
6. We selected a sample of bond expenditures and performed the following:
 - a. Reviewed the invoices, contracts, warrant copies and other supporting documents to verify the funds were spent in accordance with list of projects defined in the full Measure Z bond text.
 - b. For any expenditures that were subject to the bid process, we reviewed supporting documentation to verify that all applicable bid process requirements were satisfied.
 - c. We verified that any change orders for the selected projects were approved by the Board of Trustees.

Conclusion

Based on the procedures performed, we found that the Washington Unified School District has properly accounted for the expenditures of Measure Z General Obligation Bond Fund. Further, it was noted that the funds were not used for salaries of school administrators or other operating expenditures. Our audit does not provide a legal determination on the District's compliance with specific requirements.

Purpose of this Report

The purpose of this report is solely to describe the scope of our performance audit and the results of that testing. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's compliance. This report is intended solely for the information and use of management and Governing Board of Washington Unified School District, others within the entity, and is not intended to be and should not be used by anyone other than these specified parties.

James Marta & Company LLP

James Marta & Company LLP
Certified Public Accountants
Sacramento, California
December 12, 2025