CONTRA COSTA COUNTY

DEBT REPORT
FISCAL YEAR 2024-25

DEBT AFFORDABILITY ADVISORY COMMITTEE: APRIL 22, 2026 (DRAFT)

PREPARED BY
KNN PUBLIC FINANCE, LLC

County Administrator

County Administration Building
1025 Escobar Street, 4th Floor
Martinez, CA 94553
925-655-2075

Monica Nino
County Administrator

Date: April 22, 2026 (DRAFT)

To: Monica Nino
County Administrator

FR: Debt Affordability Advisory Committee

RE: **Debt Report for Fiscal Year 2024-25**

We present to you the annual report of the County of Contra Costa's ("the County") outstanding debt and rating agency metrics for Fiscal Year 2024-25 (the "Debt Report"), as required pursuant to Section II.C of the County's Debt Management Policy. Key points from the Report are summarized below:

Debt Program Activity in FY 2024-25. The County did not issue any additional debt in FY 2024-25 and there were no changes in the County's very high ratings of 'AAA' from S&P Global Ratings ("S&P") and 'Aa1' from Moody's Investors Service ("Moody's").

The County's General Fund backed debt consists exclusively of Lease Revenue Bonds ("LRBs") currently. During the reporting period, the County fully paid the outstanding balances of its 2015 Series A LRBs, 2015 Series B LRBs, and 2017 Series B LRBs, approximately $71.1 million in total. The County used General Fund balance to pay off all three series of LRBs. As a result, the County's annual LRB debt service will now be lower by amounts ranging from $12.5 million in FY 2025-26 to approximately $1 million lower per year in Fiscal Years 2033-2035.

Following the end of the fiscal year, the County has indicated that progress is expected to be made on capital plans related to the East County Government Center. At this point in time, the expectation is that cash will be utilized to fund the Government Center and other capital needs.

County Credit Metrics and Debt Ratios in FY 2024-25. This Debt Report examines various County credit metrics (from S&P and Moody's) and compares the County's results relative: (a) to median metrics for a group of cohort California counties ("Cohort Counties") (**Section IV(D)**), and (b) to the County's own historical past metrics (**Section IV(E)**). Also, as discussed in the Report, S&P released new methodology in September 2024, requiring us to drop certain "old" metrics in the analysis and to include certain "new" S&P metrics.

The new S&P criteria provide equal 20% weightings to each of: (1) Economy, (2) Management, (3) Financial Performance, (4) Reserves and Liquidity, and (5) Debt and Liabilities. For the Debt and Liabilities category, S&P now scores the County on three key metrics: (i) Net Direct Debt per Capita, (ii) Current Cost for Debt Service and Liabilities (inclusive of current cost for annual pension and OPEB liabilities) and (iii) Net Pension Liabilities per Capita. The inclusion of pension and OPEB liabilities is a significant departure from S&P's prior methodology, which focused primarily on just debt service.

Based on our analysis of the County's credit metrics, we conclude that:

- **Comparison to Cohort Counties:** When compared to cohort counties across twelve S&P and Moody's credit metrics, the County performed better than the cohort median in six of the metrics in total and strongly in all but one of the other metrics.

  - The County scored above the Cohort Median for only two of the Moody's metrics. However, for two of the remaining Moody's metrics - Available Fund Balance and Liquidity - the County still scored well above levels needed to score in the 'Aaa' range. We note however that the County's Economic Growth ratio of -2.90% scores in the 'Baa' category, which is a significant decline and could put downward pressure on the County's rating, especially if it develops into a consistent trend.

  - In relation to the S&P metrics, the County scored above the Cohort Median in four of the S&P metrics. For the remaining metrics, including County per capita Gross County Product ("GCP") as % of US per capita GDP, Net Direct Debt per Capita and Net Pension Liability per Capita, the County scored below the Median but achieves scores of '1' and '2,' which represents a strong result.

- **Comparison to County Historical Performance:** Relative to the County's own average credit metrics over the last three fiscal years, the County's outcomes based on its Fiscal Year 2024-25 results have improved in three of the five Moody's credit metrics. While the County underperformed in the Liquidity Ratio, the County has scored in the highest category for Liquidity Ratio in the past three years and the County experienced only a minor decrease in this ratio during the reporting period.

  We note however that the County's *Economic Growth* ratio of -2.90% scored in the 'Baa' category, which is a significant decline and could put downward pressure on the County's rating, especially if it develops into a consistent trend.

  Since new S&P rating metrics have been introduced and are scored for the first time based on Fiscal Year 2024-25 results, there are no historic comparisons for S&P credit metrics this year in the Debt Report.

Recommendations. Though the County does not have plans for additional debt in fiscal year 2025-26, we encourage the County to continue the prudent debt and financial management efforts that have contributed to improved financial performance in recent years as those efforts are the basis of maintaining the County's current strong ratings.

Also, as highlighted above, the County should try to understand better why it's Economic Growth ratio dropped as much as it did and focus renewed energy on activities to increase economic growth within the County, to the extent possible. We note also the heightened importance of pension and OPEB liabilities in the new S&P metrics and recommend continued efforts to manage these costs.

We continue to recommend that the County build on the Capital Facilities Master Plan by taking steps to establish a formal Capital Improvement Plan ("CIP") since a five-year CIP, updated annually, is one of the strengthening elements of financial management recognized by the rating agencies

We hope that the information in this Debt Report can be used to support the development of sound capital and financial plans and continued adherence to County policies. Together with sound financial planning and adherence to the County's debt and finance policies, this Committee's recommendations will lead to greater fiscal strength in the years ahead.

If you have any questions or comments regarding this Debt Report, please contact Timothy Ewell at (925) 655-2043. Your input is important to us and would be greatly appreciated.

Sincerely,

Members of the Debt Affordability Advisory Committee:

Dan M. Mierzwa, County Treasurer-Tax Collector
Joanne M. Bohren, Assistant Auditor-Controller
Adam Nguyen, County Finance Director
John Kopchik, Department of Conservation and Development Director

TABLE OF CONTENTS

LISTING OF CHARTS AND TABLES

The following list identifies the information included and its location in the Debt Report:

SECTION I: OVERVIEW AND OBJECTIVES

A. Debt Report Overview

In accordance with the requirement of the County's Debt Management Policy, the County's Debt Affordability Advisory Committee must submit a Debt Report to the County Administrator annually.

This Debt Report provides an overview and update of the County's outstanding "bonded indebtedness"[1] and key factors that influence the County's credit ratings. It reports on County obligations secured by the County's General Fund, now only consisting of Lease Revenue Bonds ("LRBs"), as well as County obligations not secured by General Fund, consisting of Tax Allocation Bonds ("TABs") issued by the Successor Agency to the Contra Costa County Redevelopment Agency and Special Tax Bonds issued by the County of Contra Costa Community Facilities District No. 2001-1. Because the rating agencies also consider debt issued by the County's special districts in their debt ratio calculations, we also summarize the outstanding debt of the West Contra Costa Healthcare District in this Report.

Liabilities (i.e. non-bonded), primarily pension and OPEB, are accounted for as part of the credit review of the County. As a result, this Report examines the County's pension and OPEB liabilities as well as annual contributions, in addition to bonded indebtedness. Pension and OPEB metrics will be evaluated in the context of rating agency metrics.

The Debt Management Policy identifies debt burden, annual debt service, fund balance, cash/liquidity, and pension and OPEB as important reporting metrics. This Debt Report provides a discussion of the County's metrics in the context of certain rating agency ratios and relative to: (i) cohort counties in California (**Section IV(D)**); and (ii) relative to the County's historical performance (**Section IV(E)**).

The counties that comprise the Cohort Counties have been identified to align as best with the County's underlying credit factors, including size, budget, and tax base. The current Cohort Counties consist of the Counties of Alameda, Fresno, Sacramento, San Joaquin, San Mateo, Santa Clara, and Ventura.

B. Debt Issuance and Debt Management Achievements in FY 2024-25

The County did not issue any additional obligations in FY 2024-25.

C. Capital Planning and Future Debt Issuance

In September 2022, the County completed a multi-year effort to establish a Capital Facilities Master Plan ("Plan") that will provide a roadmap for two strategic objectives: improving customer service delivery and improving utilization of real estate and facilities assets.

The Plan provides guidance for decision-making on capital improvements for the next 20 years. The 20-Year implementation overview recommends all Service Centers to be constructed in the

[1] This Debt Report frequently uses the words "bonds" and "debt" interchangeably, even when the underlying obligation does not technically constitute "debt" under California's constitution. This conforms with market convention for the general use of the term "debt" and "debt service" as applied to a broad variety of instruments in the municipal market, regardless of their precise legal status. The rating agencies and the investor community evaluate the County's debt position based on all of its outstanding debt regardless of the term of the debt and whether or not such debt is repaid from taxpayer-approved tax levies, the General Fund, or other sources.

next 15 years to meet service needs and eliminate facilities no longer needed before incurring major renovations. Major improvements for facilities that will be maintained in the portfolio are distributed across the 20-year span. Health Services, Fire, Sheriff, Detention Facilities, and EHSD Head Start Facilities were excluded.

The more immediate 5-Year implementation has the following key actions:
» Construct the East County Service Center
» Construct the storage facility at the Central County Planning, Development, and Storage Center
» Initiate FCI-related improvements to facilities with FCI scores of 0.5+
» Begin tenant improvements to existing facilities that will be maintained in the portfolio for 20+ years, since most facilities haven't undergone recent improvements
» Refresh existing facilities that will be disposed in 6-20 years

Currently, the County is in the planning stages to construct the East County service center in Brentwood, CA. The County currently has no specific plans to issue additional debt for this project or any other projects in the near future.

D. Debt Management Policies and Tools

Policy Update

In FY 2023-24, the County approved some minor modifications to the Debt Management Policy regarding the guidelines for the debt affordability measures and the potential issuance of bonds designated as ESG Bonds. The Debt Management Policy changes are summarized below:

1. **Debt Affordability Measures:** The rating agency metrics identified in the Debt Management Policy were updated to reflect changes in rating agency methodology and provide flexibility for future changes to metrics. The County's Municipal Advisor will advise the Debt Affordability Advisory Committee (DAAC) about future changes and incorporate such changes into future Debt Reports.
2. **Use of Labeled Bonds:** The "Use of Labeled Bonds" is a new addition to the "Debt Feature" section of the Debt Management Policy. ESG has increased in relevance as a topic and the County would like to begin evaluating such labels for bond issuances. ESG stands for "Environmental, Social, and Governance", representing a framework for evaluating the sustainability and ethical practices of an entity. The ESG framework serves as a decision-making tool for stakeholders, including investors. In advance of future debt issuances, the County will confer with its Municipal Advisor to determine the relative costs and benefits, if any, of using such labels for future bond sales before committing to using Labeled Bonds.

The proposed changes above were drafted on August 30, 2023. Changes were approved by the Board of Supervisors at the September 12, 2023 Board meeting. No additional changes to the Debt Policy were made in FY 2024-25.

Debt Affordability Model

The County's Municipal Advisor, KNN Public Finance, has continued the practice of updating a County Debt Affordability Model ("DAM") on an annual basis to actively monitor and evaluate key financial and debt metrics. The metrics presented in the DAM and this Debt Report are utilized by the rating agencies for credit ratings and by the County to provide perspective on the affordability of its outstanding debt portfolio relative to the County's revenue and expenditure framework.

KNN will also assist the County in updating the DAM as may be appropriate in the context of future debt issuance planning. When the County identifies future capital projects that may require bonding, the DAM will be used to project the impact of additional debt on current rating agency metrics and to provide a capital markets perspective on the "affordability" of additional debt.

See **Appendix E: County Debt Affordability Model** for a current version of the County's DAM.

SECTION II: COUNTY DEBT OBLIGATIONS

A. County Debt Issuance Objectives

The County's Debt Management Policy sets forth the parameters for issuing debt and managing outstanding debt and provides guidance to decision makers regarding the timing and purposes for which debt may be issued. Subject to the guidelines and procedures detailed in the Debt Management Policy, there are two primary purposes for which the County may proceed with a debt issuance: i) to finance capital projects of the County and ii) to refinance (or "refund") outstanding obligations to achieve interest cost savings or achieve other desired financing flexibility.

Issue New Money Obligations to Finance Capital Projects

The County shall plan long-term and short-term debt issuances to finance its capital program based on its cash flow needs, sources of revenue, capital construction periods, available financing instruments, and market conditions. Generally, the County expects to issue long-term LRBs (or Certificates of Participation ("COPs")) periodically for new money purposes. While the County has previously utilized short-term financings in the form of Tax and Revenue Anticipation Notes ("TRANs") to address cash flow needs within a fiscal year, the County has not issued TRANs since FY 2006-07.

Refund Outstanding Obligations to Achieve Interest Cost Savings

The County may also issue refunding bonds from time to time if significant savings can be achieved. The County Finance Director, in tandem with the County's Municipal Advisor, monitors market conditions for refunding opportunities that, pursuant to the Debt Management Policy, will produce at least 2% net present value savings for each maturity of bonds refunded and a minimum of 4% overall net present value savings.

Over the last ten years, the County has been diligent in capturing market opportunities to achieve debt service saving on its outstanding obligations. **Table 1** below sets forth the amount of savings achieved on refundings undertaken since 2002.

Table 1: Refunding Transactions and Savings Since 2002

Refunding Issuance	Refunded Series	Par Refunded ($mil)	Net Present Value Savings ($mil)	Net Present Value Savings (%)	Average Annual Budgetary Savings
Lease Revenue Bonds					
2002 Series B	1992 COPs	$25.870	$0.85	3.29%	$49,906
2007 Series A (Advance Refunding)	1999A, 2001A, 2001B, 2002A, and 2003A LRBs	$61.220	$3.83	6.26%	$182,380
2007 Series A (Current Refunding)	1997 COPs	$26.815	$0.90	3.36%	$64,286
2007 Series B	1997 COPs	$112.845	$2.93	2.60%	$195,333
2010 Series B	1998A LRBs	$17.400	$1.10	6.32%	$73,330
2015 Series B	1999A, 2002A, 2002B, 2003A, and 2007A LRBs	$55.995	$4.58	8.18%	$416,893
2017 Series A	2007A, 2007B, and 2009A LRBs	$117.030	$9.10	7.78%	$1,105,113
2021 Series B	2010A-2, 2010A-3, 2010 Series B, and 2012 Series A	$48.411	$7.34	15.17%	$774,480
Total		**$465.586**	**$30.63**	**6.58%**	**$2,861,721**

B. Outstanding Obligations: General Fund Supported

The County's debt portfolio now consists entirely of fixed-rate LRBs.

Lease Revenue Bonds

The County has issued LRBs to fund a variety of capital projects including the construction of the new County Administration building and Emergency Operations Center and Public Safety Building, construction of the County hospital and regional health clinics, improvements to County social service and employment centers and the acquisition of furnishings and equipment, among others. Debt service on LRBs is paid either from the County General Fund or Enterprise Funds, depending upon which department is financing the improvements. The County's LRBs are issued by the County of Contra Costa Public Financing Authority (the "Authority").

A detailed listing of the County's LRB's by series is shown in **Table 2** below. Also presented in **Table 2** is the true interest cost ("TIC") for each outstanding bond issue for which such information is available. The TIC varies from issue to issue depending upon the term to maturity and the prevailing interest rate environment when each respective issue was sold.

Table 2: Outstanding Obligations – General Fund Supported (as of June 30, 2025)

Series	Date of Issue	Final Maturity	Original Par	Outstanding Par	True Interest Cost (%)
Lease Revenue Bonds					
2021 Series A (Capital Projects)	3/18/2021	6/1/2041	$63,540,000	$55,190,000	2.26%
2021 Series B (Refunding)	3/18/2021	6/1/2038	$33,880,000	$21,165,000	1.80%
2017 Series A (Refunding and Capital Projects)	3/3/2017	6/1/2027	$99,810,000	$7,625,000	2.33%
Total			**$368,630,000**	**$83,980,000**	

General Fund Debt Service Requirements

Shown in **Chart 1** is the amortization of principal by issue and by fiscal year for all outstanding LRBs as of June 30, 2025. Scheduled principal amortization for FY 2024-25 was approximately \$20.6 million. Looking ahead to FY 2025-26, principal amortization falls to \$8.5 million then decreases noticeably as the scheduled payments related to the 2017 Series B LRBs are made. As discussed previously, the County utilized cash to pay off three outstanding series of LRBs during FY 2024-25 paying down approximately \$71.1 million in principal. As a result, the County's annual LRB debt service will now be lower by amounts ranging from \$12.5 million in FY 2025-26 declining to approximately \$1 million lower per year in Fiscal Years 2033-2035.

Chart 1: General Fund Principal by Issuance – LRBs

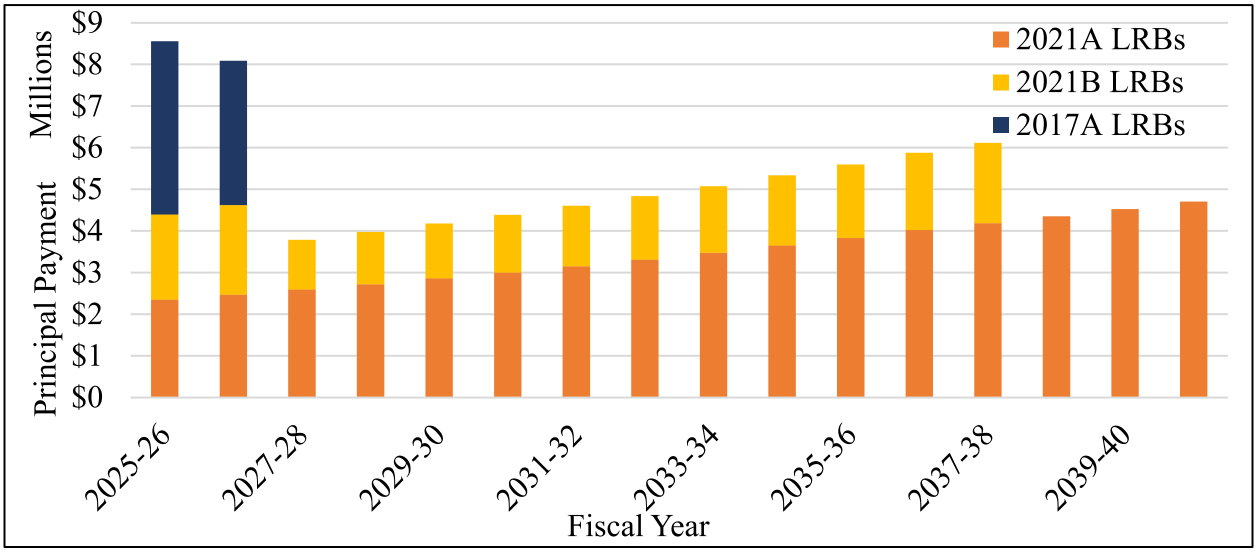
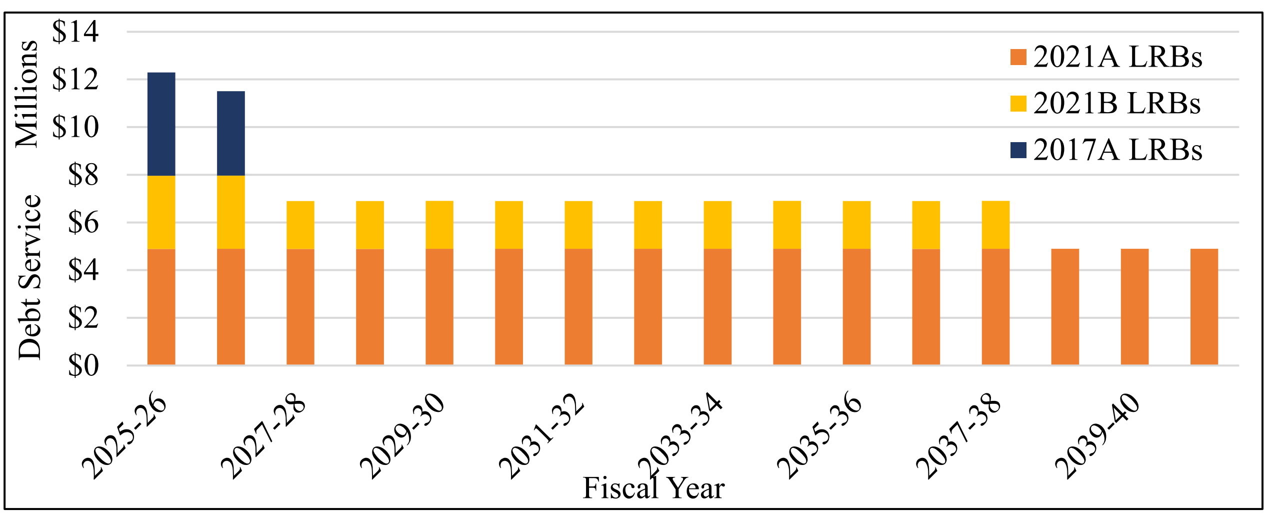


Chart 2 presents the annual debt service for outstanding LRBs by fiscal year. Notably, over the next 10 years, approximately 70% of the County's LRB debt service will be paid. The 2017 Series A LRBs will have fully matured in that time frame. Over the next 5 years, approximately 40% of the County's outstanding General Fund bond debt service will be repaid.

Chart 2: General Fund Annual Debt Service by Issuance – LRBs



See **Appendix A** for the County's cumulative annual debt service for its outstanding LRBs.

C. Outstanding Obligations: Non-General Fund Supported

The County's debt management activities also consist of outstanding obligations which neither have a direct impact nor are secured by the County's General Fund. As of June 30, 2025, the Successor Agency to the Contra Costa County Redevelopment Agency had two outstanding Tax Allocation Bond ("TABs") issues secured by property tax increment revenue. The County of Contra Costa Community Facilities District No. 2001-1 (Norris Canyon) had one outstanding series of special assessment bonds secured by special taxes of the Community Facilities District ("CFD").

Table 3: Outstanding Obligations – Non-General Fund Supported (as of June 30, 2025)

Series	Date of Issue	Final Maturity	Original Par	Outstanding Par
Tax Allocation Bonds				
2017 Series A (Tax-Exempt)	8/16/2017	8/1/2036	$49,530,000	$49,530,000
2017 Series B (Taxable)	8/16/2017	8/1/2025	$23,095,000	$1,820,000
Subtotal			**$72,625,000**	**$51,350,000**
Special Assessment Bonds				
Series 2013A	1/24/2013	9/1/2031	$5,605,000	$2,395,000
Total			**$78,230,000**	**$53,745,000**

See **Appendix B** for the County's annual debt service requirements for the outstanding TABs and Community Facilities District ("CFD") Bonds.

Tax Allocation Bonds

In August 2017, the Successor Agency issued the Tax-Exempt Series 2017A and Taxable Series 2017B Refunding TABs. The Series 2017A and 2017B TABs refunded all $75 million of the then outstanding TABs which had been issued by the Contra Costa County Public Financing Authority. The refunding achieved $17.8 million in net present value savings and average annual savings of $1.38 million. The Series 2017 Bonds are limited obligations of the Successor Agency payable solely from and secured by a pledge and lien on tax revenues. The 2017B TABs started amortizing in 2018 and mature in 2025 while the 2017A TABs start amortizing in 2025 and mature in 2036. Principal payments occur in August therefore, the 2017B TABs have fully matured given the timing of this report.

Special Assessment Bonds

In January 2013, the County of Contra Costa Community Facilities District No. 2001-1 (Norris Canyon) issued its 2013 Special Tax Refunding Bonds to currently refund and legally defease all of the $5,720,000 outstanding principal amount of County of Contra Costa Community Facilities District No. 2001-1 (Norris Canyon) 2001 Special Tax Bonds. The Series 2013 Special Tax Bonds are limited obligations of the County on behalf of the CFD payable solely from the Special Tax (including any prepayments thereof and certain proceeds collected from the sale of property pursuant to foreclosure provisions as set forth in the Fiscal Agent Agreement for delinquency in payment of the Special Tax).

Non-General Fund Debt Service Requirements

Shown in **Chart 3** is the amortization of principal by issue and by fiscal year for the outstanding TABs & CFD Bonds as of June 30, 2025. The outstanding principal is primarily attributed to the TABs, which peak at $5.5 million in FY 2035-36. The scheduled CFD Bonds principal amortization through FY 2031-32 ranges from $315,000 - $355,000.

Chart 3: Non-General Fund Principal by Issuance – TABs & CFDs

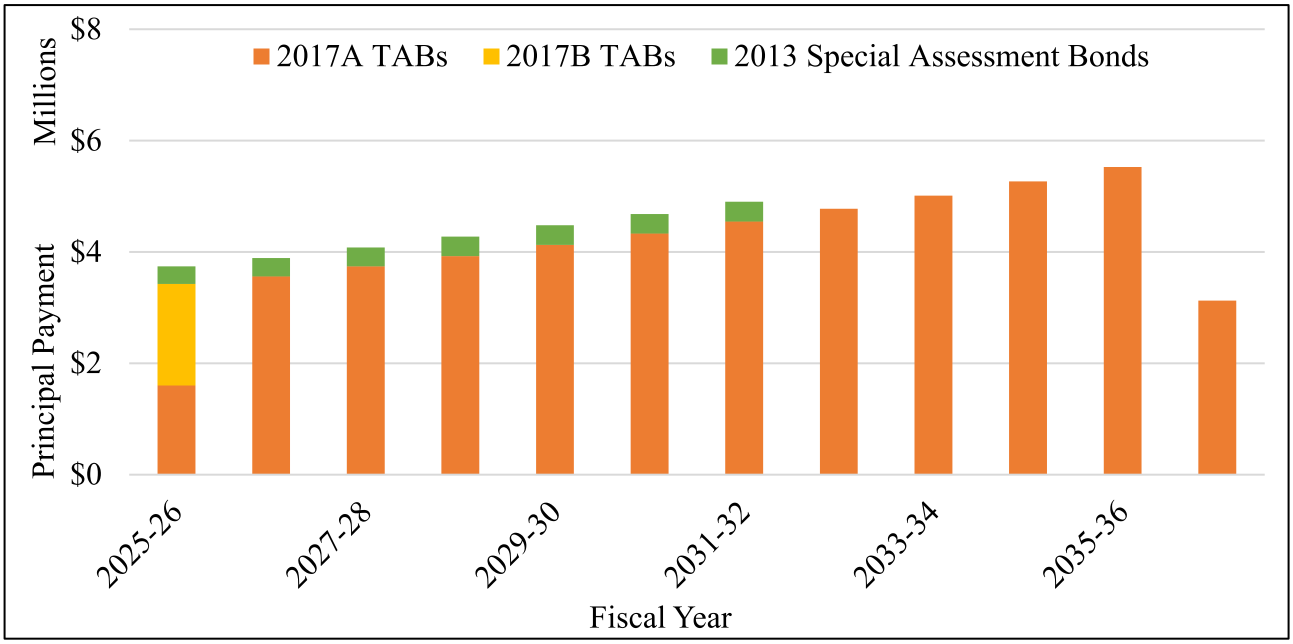
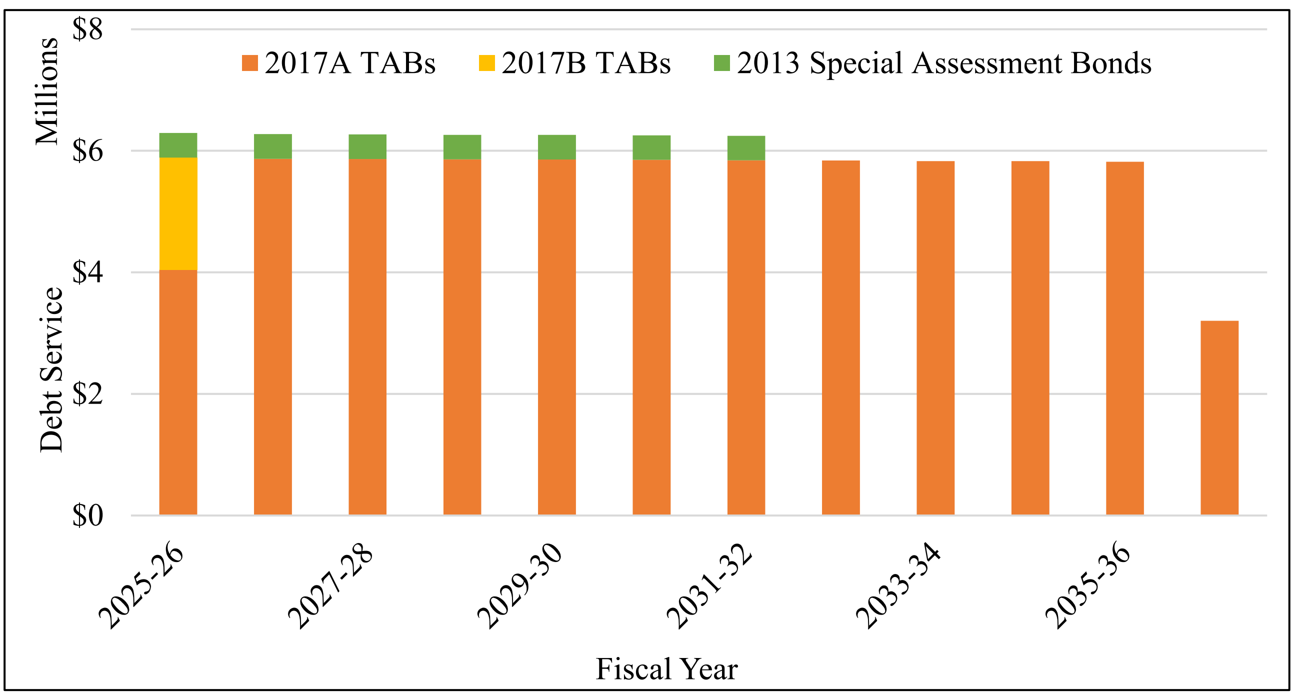


Chart 4 presents the debt service for the outstanding TABs and CFD Bonds by fiscal year. Annual payments made by the Successor Agency are approximately $5.9 million; annual payments made by the CFD are approximately $405,000.

Chart 4: Non-General Fund Annual Debt Service by Issuance – TABs & CFD



D. Outstanding Obligations: Special District Debt

The County's debt management and continuing disclosure activities consist of the General Fund and Non-General Fund obligations as reviewed in the prior **Section II (B)** and **Section II (C)**. However, within its Annual Comprehensive Financial Report ("ACFR"), the reporting of the County's long-term obligations associated with Governmental Activities also includes outstanding obligations of the County's healthcare and fire protection special districts. While not under the direct purview of the County, we note these obligations in the County's financial reporting and, will discuss this in **Section IV (B) and Section IV (C)**, since this debt is considered by Moody's and S&P in evaluating the County's debt ratios.

Table 4: Outstanding Obligations – Special District Debt (as of June 30, 2025)

Series	Date of Issue	Final Maturity	Original Par	Outstanding Par
West Contra Costa Healthcare District				
2021 Refunding Revenue Bonds	12/15/2021	7/1/2042	$44,580,000	$40,155,000
Total			**$174,480,000**	**$40,155,000**

Refunding Revenue Bonds

The West Contra Costa Healthcare District (the "District") is a public agency formed under the State of California Local Healthcare District Law. In 2004, the District passed a super-majority parcel tax measure, known as Measure D. The parcel tax revenues serve as security for the Revenue Bonds issued by the District. The West Contra Costa Healthcare District issued $44,580,000 Refunding Revenue Bonds in December 2021. The bonds were issued to refund the District's outstanding 2018 and 2019 Revenue Bonds on a "current" basis.

SECTION III: CREDIT RATINGS

Long-term credit ratings provided by a rating agency are an independent assessment of the relative credit risk associated with purchasing and holding a particular bond through its scheduled term of repayment. Long-term credit ratings are one of the most important indicators of creditworthiness readily available to the investment community and have a direct impact on the borrowing rates paid by the County. The following discussion focuses on the County's credit ratings and key credit metrics.

A. County Credit Ratings

As of June 30, 2025, Moody's and S&P maintain an implied GO Bond rating (or "Issuer Rating") of Aa1 and AAA, respectively, as shown in **Table 5**.

Table 5: Summary of County Credit Ratings

	Long Term Ratings	
	Moody's	S&P
Investment Grade	Aaa	**AAA**
	Aa1	**AA+**
	Aa2	AA
	Aa3	AA-
	A1	A+
	A2	A
	A3	A-
	Baa1	BBB+
	Baa2	BBB
	Baa3	BBB-
Speculative Grade	Ba	BB
	B	B
	Caa	CCC
	Ca	CC
	C	C
	D	D

LRB Rating | Issuer Rating

GO Bond ratings are typically one to two notches higher than those of LRBs, owing to the superior credit strength of the ad valorem property taxes pledged to repay GO Bonds versus the General Fund pledge that supports repayment of LRBs and related abatement risk.

The County's implied GO Bond ratings are "high quality investment grade" (Moody's) and "best quality" (S&P) ratings.

A history of the County's implied GO Bond or Issuer Rating, Pension Obligation Bond and Lease Revenue Bond ratings is presented in **Table 6** below.

There were no changes to any of the County's ratings during the period covered by this Debt Report.

Table 6: History of County's Credit Ratings Over Past 10 Years

	Issuer Rating		Pension Obligation Bond		Lease Revenue Bond / Certificates of Participation	
Fiscal Year	Moody's	S&P	Moody's	S&P	Moody's	S&P
2015-16	Aa2	AAA	A1	AA+	A1	AA+
2016-17	Aa2	AAA	A1	AA+	**Aa3**	AA+
2017-18	Aa2	AAA	A1	**AAA**	Aa3	AA+
2018-19	Aa2	AAA	A1	AAA	Aa3	AA+
2019-20	Aa2	AAA	A1	AAA	Aa3	AA+
2020-21	**Aa1**	AAA	**Aa3**	AAA	**Aa2**	AA+
2021-22	Aa1	AAA	Aa3	AAA	Aa2	AA+
2022-23	Aa1	AAA	WD	WD	Aa2	AA+
2023-24	Aa1	AAA	WD	WD	Aa2	AA+
2024-25	Aa1	AAA	WD	WD	Aa2	AA+

Rating changes from the prior year are bolded and outlined in gold
POBs matured in 2022; WD = Withdrawn

Note: A **bolded and gold-boxed** entry indicates a rating change from the prior year.

B. Cohort County Comparable Credits

Table 7 below lists the California cohort counties (Cohort Counties) utilized for the FY 2024-25 Debt Report. The counties are compared by their population, General Fund Revenues, Total Governmental Fund Revenues, and Net Taxable Assessed Value.

Table 7: Cohort County Comparison

	County Information As Reported in Fiscal Year 2024-25 ACFRs				Current Issuer Rating	
County	**Population[1]**	**General Fund Revenues ($000s)**	**Total Governmental Fund Revenues ($000s)**	**Net Taxable Assessed Value ($000s)**	**Moody's**	**S&P**
Contra Costa	1,158,225	$2,518,603	$3,646,322	$283,771,485	Aa1	AAA
Cohort Median	1,037,053	$2,321,035	$2,522,367	$235,413,988	Aa1	AAA
Alameda	1,649,060	$4,006,929	$4,753,100	$425,718,020	Aaa	AAA
Fresno	1,037,053	$1,648,592	$2,424,045	$116,480,149	Not Rated	AA
Sacramento	1,593,000	$3,612,714	$4,265,197	$235,413,988	A1	AA
San Joaquin	782,811	$1,302,983	$1,958,634	$116,457,349	Aa2	AA
San Mateo	748,337	$2,321,035	$2,522,367	$328,936,713	Aaa	AAA
Santa Clara	1,922,259	$5,014,222	$5,957,038	$693,796,589	Aa1	AAA
Ventura	829,005	$1,544,668	$2,167,947	$186,274,436	Aaa	AAA

[1]Shows most recent population total included by each County in their respective ACFR.

The County continues to rank fourth amongst the Cohort Counties across all four metrics reported above; this places the County just above the Cohort Median.

The County’s Aa1 (Moody’s) and AAA (S&P) credit ratings are equal to the Cohort Median rating for the respective credit rating agencies.

SECTION IV: CREDIT METRICS AND RATIOS

Pursuant to the County's Debt Management Policy, the DAAC must calculate certain credit metrics that are relevant to debt and financial credit factors and compare them to benchmarks and report the results in this Debt Report. Measuring the County's financial and debt performance using credit metrics and ratios provides a convenient way to compare the County's credit profile to other borrowers as well as to the County's own historical performance.

A. Overview of Credit Metrics and Ratios

Moody's Investor Service[1] (Moody's) and S&P Global Ratings[2,3] (S&P) each have published rating criteria for U.S. local governments. Within the context of such published rating criteria, each agency utilizes a scorecard approach designed to enhance the transparency of the rating methodology by identifying critical factors (based on credit metrics and ratios) as a starting point for analysis, along with additional considerations that may affect the final rating assignment.

In the following **Section IV(B)** and **Section IV(C)** we summarize certain of the County's credit metrics and ratios and generate a hypothetical "score" of the County's calculated results based on our understanding of the Moody's and S&P respective frameworks. All the calculations summarized below can be found in **Appendix D**. Following the summaries of the County's credit metrics and ratio outcomes, we then compare such outcomes to those of the Cohort Counties in **Section IV(D)**. Finally, in **Section IV(E)**, we measure the County's outcomes in the past fiscal year against the County's own outcomes over the last three fiscal years.

The calculations and metrics presented in this Debt Report were made based on best efforts to apply rating agency metrics and calculations for these specific ratios utilizing publicly available information for the County and the selected Cohort Counties. However, it should be noted that the rating agencies typically apply certain issuer-specific, internal adjustments to their calculations, which are not incorporated into this Debt Report. Further, there are variations in the ways in which individual Cohort Counties present information in their ACFRs that can make comparisons challenging.

The calculations and scoring of rating metrics are intended to be informative to the County's ongoing evaluation of its credit profile but are not intended to represent or predict actual rating agency scoring nor meant to be prescriptive to the County's overall financial management practices.

[1] Moody's Investor Service: US Cities and Counties Methodology; November 2, 2022.

[2] S&P Global Ratings: U.S. Local Governments General Obligation Ratings: Methodology and Assumptions; September 12, 2013.

[3] S&P Global Ratings (Updated rating criteria): Methodology For Rating U.S. Governments, September 9, 2024.

B. Moody's Key Metrics, Ratios, and Outcomes

For the County's most recently reported credit rating, Moody's utilized the principal methodology "U.S. Cities and Counties" that was published in November 2022. This Moody's methodology, effective November 2022, is used for the purpose of this Debt Report. The reporting period of this Debt Report marks the third reporting period for which the "new" methodology has been actively in-use.

The Moody's scorecard framework included in the November 2022 methodology consists of a variety of different factor areas, which are weighted for a combined total score of 100%. Each factor area is comprised of sub-factors of various ratios all of which are used to arrive at an indicative rating. For each sub-factor, Moody's provides a range of values which are representative of a rating of "Aaa" at best to "B & Below" at worst.

Table 8 provides an overview of each factor and sub-factor along with the weights they carry.

Table 8: Overview of Moody's Scorecard Framework of Factor Areas and Sub-Factors

Moody's Criteria Category (November 2022)		% of Rating
Economy		**30%**
Resident Income	10%	
Full Value per Capita	10%	
Economic Growth	10%	
Financial Performance		**30%**
Available Fund Balance Ratio	20%	
Liquidity Ratio	10%	
Institutional Framework		**10%**
Leverage		**30%**
Long-term Liabilities Ratio	20%	
Fixed-Costs Ratio	10%	
	TOTAL:	**100%**

Highlighted sub-factors are evaluated with cohort Counties (Table 10).

We use the Moody's methodology to calculate key credit ratios in the following factor areas: i) Economy; and ii) Financial Performance. We also have included the key credit ratios for the "Leverage" factor using information provided directly by Moody's, as various of the inputs to those calculations are not otherwise publicly available.

Below is a **summary** of our scoring of certain of the Moody's metrics for the County and the associated indicative rating for each calculated ratio. The County scores 'Aaa' in five of the seven ratios along with 'Aa' and 'Baa' in the remaining two ratios. We note that the County's Economic Growth of -2.90% scores in the 'Baa' category, which could put downward pressure on the County's rating, especially if it develops into a consistent trend.

Moody's Rating Criteria Summary	
Economy - Resident Income	
Resident Income	136.31%
Ratio Score (≥ 120%)	**Aaa**
Economy - Full Value per Capita	
Full Value Per Capita ($000s)	$245,005
Ratio Score (≥ $180,000)	**Aaa**
Economy - Economic Growth	
Economic Growth	-2.90%
Ratio Score (-4.5% to -2.5%)	**Baa**
Financial Performance - Available Fund Balance Ratio	
Available Fund Balance Ratio	37.62%
Ratio Score (≥ 35%)	**Aaa**
Financial Performance - Liquidity Ratio	
Liquidity Ratio	50.77%
Ratio Score (≥ 40%)	**Aaa**
Leverage - Long-Term Liabilities Ratio	
Long-Term Liabilities Ratio	64.22%
Ratio Score (100% - 200%)	**Aa**
Leverage - Fixed-Costs Ratio	
Fixed-Costs Ratio	5.12%
Ratio Score (≤ 10%)	**Aaa**

Appendix D provides a brief discussion of each of the above credit ratios and the associated calculations for each ratio. We note that we do not replicate Moody's metrics for Net Pension Liability or Net OPEB as the calculations of such ratios are specific to Moody's internal actuarial analysis. We have therefore requested and obtained the two ratios in the Leverage factor area directly from Moody's, which contain the County's Adjusted Net Pension Liability, Adjusted Net OPEB, and Pension Tread Water values.

C. Standard & Poor’s Key Metrics, Ratios, and Outcomes

S&P currently utilizes the “Methodology For Rating U.S. Governments” which was published and effective as of September 9, 2024. This update was the first major update to their prior rating criteria, the “U.S. Local Governments General Obligation Ratings: Methodology and Assumptions” which was originally published in September 12, 2013. Scoring under the current methodology will be shown for the first time in this Debt Report.

S&P’s scorecard framework generally consists of the same factors with a shift in the weighting for certain factors. Each factor is comprised of subfactors in the form of various measures, all of which are used to arrive at an initial assessment score. Each calculated measure corresponds with a numerical initial assessment score of “1” at best to “6” at worst. After establishing the initial assessment score, qualitative adjustments are made by rating analyst to establish a credit rating.

Table 9 compares the “old” and “new” methodologies side-by-side to provide an overview of the changes. Following Table 9 we briefly discuss each factor area and its subfactors along with the weights they carry.

Table 9: Overview of Standard & Poor’s Scorecard Framework of Rating Criteria and Ratios

S&P Criteria Category (Old Methodology)	% of Rating
Institutional Framework	**10%**
Management	**20%**
Economy	**30%**
Total Market Value Per Capita	
Per Capita Effective Buying Income as a % of US	
Budgetary Performance	**10%**
Total Governmental Funds Net Result	
General Fund Net Result	
Budgetary Flexibility	**10%**
Available Fund Balance as a % of Expenditures	
Liquidity	**10%**
Total Government Available Cash as a % of Debt Service	
Total Government Available Cash as a % of Expenditures	
Budgetary Flexibility	**10%**
Available Fund Balance as a % of Expenditures	
Debt & Contingent Liabilities	**10%**
Net Direct Debt as a % of Revenue	
Debt Service as a % of Expenditures	
Total:	**100%**

S&P Criteria Category (New September 2024)		% of Rating
Institutional Framework		**N/A**
Management		**20%**
Economy		**20%**
GCP per Capita as a % of U.S. GDP per Capita	10%	
County PCPI as a % of U.S.	10%	
Financial Performance		**20%**
Three-year Average Operating Result		
Reserves and Liquidity		**20%**
Available Reserves as a % of Revenues		
Reserves and Liquidity		**20%**
Available Reserves as a % of Revenues		
Debt & Liabilities		**20%**
Net Direct Debt per Capita	5%	
Current Cost for Debt Service and Liabilities	10%	
Net Pension Liabilities per Capita	5%	
Total:		**100%**

Highlighted sub-factors under the ‘new’ criteria are evaluated with the Cohort Counties (Table 11).

We use S&P's new methodology to calculate key credit ratios in the following factors: i) Economy, ii) Financial Performance, iii) Reserves and Liquidity, and iv) Debt and Liabilities. We note that Institutional Framework is no longer a weighted factor in the scorecard framework; it is scored as a '2' for all California local government issuers.

i) **Economy**, previously scored based on assessed value and wealth: The economy factor was previously weighted 30% and is now weighted 20%. In place of assessed value, county production levels are scored in relation to national production levels. The subfactor for wealth is similar with added clarity for wealth data to reflect a certain County or MSA geographies.

ii) **Financial Performance**, previously budgetary performance: The financial performance factor was previously weighted 10% and is now weighted 20%. The prior approach to evaluating performance considered the general fund and total governmental funds. The updated approach only focuses on the general fund.

iii) **Reserves and Liquidity**, previously broken out as a liquidity factor and budgetary flexibility factor: This factor is weighted 20%, which can be viewed as unchanged since the prior factors totaled 20% as well. Cash is no longer considered in this factor. A fund balance ratio, similar to the prior budgetary flexibility ratio bears the full weight of this factor.

iv) **Debt and Liabilities**, previously scored outstanding debt and debt service: The debt and liabilities factor was previously weighted 10% and is now weighted 20%. This factor now accounts for pension and OPEB liabilities under a new subfactor. Current cost for pension and OPEB contributions are also included in the same ratio along with the current cost for debt service (the "carrying charge"). Further, population now serves as the denominator in two of the three debt subfactor calculations.

Below is a **summary** of our scoring of certain S&P metrics for the County and the associated indicative scoring for each calculated ratio. The County scores '1' in four of the seven ratios calculated below and a '2' on the other ratios.

S&P Rating Criteria Summary		Score Range
Economy		
County PCPI as % of US PCPI (50% of Economy Score)	147.89%	
Ratio Score (> 100%)	**1.00**	**(1-6)**
County per Capita GCP as % of US per Capita GDP (50% of Economy Score)	95.61%	
Ratio Score (110 - 95%)	**2.00**	**(1-6)**
Economy (Total Score)	**1.50**	
Financial Performance		
3-year Average Operating Result	5.20%	
Ratio Score (> 3%)	**1.00**	**(1-4)**
Reserves and Liquidity		
Available Reserves as a % of Revenues	47.19%	
Ratio Score (< 15%)	**1.00**	**(1-5)**
Debt and Liabilities		
Current Costs for Debt Service and Liabilities as a % of Revenues (50% of Debt and Liabilities Score)	11.69%	
Ratio Score (< 8-14%)	**2.00**	**(1-6)**
Net Direct Debt per Capita (25% of Debt and Liabilities Score)	$457	
Ratio Score (<$500)	**1.00**	**(1-6)**
Net Pension Liability per Capita (25% of Debt and Liabilities Score)	$1,046	
Ratio Score ($500 - $1,500)	**2.00**	**(1-6)**
Debt and Liabilities (Total Score)	**1.75**	

We provide brief descriptions and detail our calculations for each metric in **Appendix D.**

D. Credit Evaluation: Cohort County Comparison

As stated at the beginning of this Debt Report, an important focus of the County is the comparison of the County's performance on a variety of credit metrics against its Cohort Counties discussed in **Section III(B)**. Below we offer a comparison of the County's performance on the Moody's and S&P metrics and ratios calculated above vis-à-vis each individual Cohort County performance on the same metrics given their respective FY 2024-25 results.

i) Moody's Metrics and Ratios Relative to Cohort Counties

Table 10 below provides a comparison of the County's outcomes in key Moody's credit metrics and ratios relative to the Cohort Counties. The County performed better than the County Cohort Median on two of the five Moody's measures, including Resident Income and Full Value Per Capita. While the County's Available Fund Balance Ratio and Liquidity Ratio are below the Cohort Median, they are well above levels needed to score in the 'Aaa' range, the highest marks for each measure. However, the County's -2.90% Economic Growth metric is the lowest all of the cohort counties and well below the median. If this metric develops into a consistent trend, some downward pressure on the County's rating can be expected.

Table 10: Moody's Credit Metrics – County Comparison to Cohort Counties

	Moody's Metrics (As of June 30, 2025)				
	Economy			Financial Performance	
County	Resident Income	Full Value Per Capita ($000s)	Economic Growth	Available Fund Balance Ratio	Liquidity Ratio
Moody's Highest Scoring = Aaa	**≥ 120%**	**≥ $180k**	**≥ 0%**	**≥ 35%**	**≥ 40%**
Contra Costa	**136.31%**	**$245,005**	**-2.90%**	**37.60%**	**50.77%**
Cohort Median	**123.04%**	**$224,696**	**-0.12%**	**39.71%**	**63.98%**
Alameda	138.60%	$258,158	-1.09%	60.08%	83.00%
Fresno	89.97%	$112,318	-0.36%	16.04%	50.07%
Sacramento	107.03%	$147,780	0.10%	26.05%	49.66%
San Joaquin	108.65%	$148,768	-0.12%	45.25%	76.75%
San Mateo	170.19%	$439,557	3.99%	91.91%	116.03%
Santa Clara	184.28%	$360,928	2.29%	21.54%	38.17%
Ventura	123.04%	$224,696	-1.14%	39.71%	63.98%

ii) S&P Metrics and Ratios Relative to Cohort Counties

Table 11 provides a comparison of the County's key S&P credit metrics and ratios relative to the Cohort Counties. The County performed better than the County Cohort Median in four of the seven S&P metrics:

1. County Per Capita Personal Income ("PCPI") as % of US PCPI
2. 3-year Average Operating Result
3. Available Reserves as a % of Revenues
4. Current Costs for DS and Liabilities as a % of Revenues

While below the Cohort Median, the remainder of the ratios score a '1' and '2' which represents a strong result:

1. County per capita Gross County Product ("GCP") as % of US per capita GDP is intended
2. Net Direct Debt per Capita
3. Net Pension Liability per Capita

Table 11: S&P Credit Metrics – County Comparison to Cohort Counties

	S&P Metrics (As of June 30, 2025)						
	Economy		Financial Performance	Reserves and Liquidity	Debt and Liabilities		
County	County PCPI as % of US PCPI	County per capita GCP as % of US per capita GDP[1]	3-year Average Operating Result	Available Reserves as a % of Revenues	Current Costs for DS and Liabilities as a % of Revenues	Net Direct Debt per Capita	Net Pension Liability per Capita
S&P Highest Scoring = 1	**> 100%**	**> 110%**	**> 3%**	**> 15%**	**< 8%**	**< $500**	**< $500**
Contra Costa	**147.89%**	**95.61%**	**5.20%**	**47.19%**	**11.69%**	**$457**	**$1,046**
Cohort Median	**112.78%**	**97.65%**	**4.67%**	**30.87%**	**14.24%**	**$447**	**$891**
Alameda	152.00%	128.50%	4.67%	43.54%	16.50%	$825	$841
Fresno	78.66%	72.79%	0.34%	11.17%	13.21%	$426	$477
Sacramento	95.20%	97.65%	-1.35%	8.16%	14.24%	$447	$1,038
San Joaquin	86.08%	66.17%	5.05%	38.49%	16.24%	$137	$1,864
San Mateo	245.42%	339.12%	15.91%	108.05%	11.53%	$687	$891
Santa Clara	215.32%	264.24%	-0.57%	16.31%	21.19%	$1,528	$3,708
Ventura	112.78%	96.72%	9.21%	30.87%	9.38%	$123	$623

[1]Nominal GCP and GDP metrics used to calculate ratio.

E. Credit Evaluation: County Trend Comparison

Also important to the review and evaluation of the County's credit metrics and ratios within this Debt Report is the review of the County's performance against its historic performance. This analysis allows for the tracking of trends within key measures and to identify any notable aberrations from past performance, either in the form of improvements or declines in creditworthiness.

Due to the recent change in Moody's methodology, the data in **Table 12** will only show a full three-year history for one of the five Moody's metrics. Over the last three fiscal years Full Value Per Capita has continued to increased and therefore remains above the 3-yr average. The Resident Income and Available Fund Balance ratios experienced slight increases. Liquidity, on the other hand the liquidity ratio has continued to decline. This decline is largely attributed to revenue growth outpacing increases in cash. This does not raise a large concern since this ratio is evaluated well above the 40% threshold for a 'Aaa' scoring. As mentioned previously, the Economic Growth metric experienced a large year over year decline which warrants monitoring. While this metric is only being evaluated for the third time, **Table 12** will serve as an tool for the County continue monitoring this metric.

Moody's:

1. Resident Income – **Improved**
2. Full Value Per Capita – **Improved**
3. Economic Growth – **Declined (significantly)**
4. Available Fund Balance Ratio – **Improved**
5. Liquidity Ratio – **Declined**

Table 12: Moody's Credit Metrics – County Comparison to Prior Fiscal Year Performance

	Moody's Metrics				
	Economy			Financial Performance	
	Resident Income[2]	Full Value Per Capita[1] ($000s)	Economic Growth[2]	Available Fund Balance Ratio[2]	Liquidity Ratio[2]
Moody's Highest Scoring = Aaa	**≥ 120%**	**≥ $180k**	**≥ 0%**	**≥ 35%**	**≥ 40%**
Fiscal Year 2024-25 Results	**136.31%**	**$245,005**	**-2.90%**	**37.62%**	**50.77%**
Prior 3-Year Average[3]	**135.44%**	**$219,980**	**0.40%**	**36.47%**	**52.70%**
Fiscal Year 2021-22	N/A	$199,084	N/A	N/A	N/A
Fiscal Year 2022-23	135.47%	$223,296	-0.86%	36.56%	53.22%
Fiscal Year 2023-24	135.41%	$237,561	1.66%	36.39%	52.17%

[1]Moody's updated their US Cities and Counties Methodology. The Full Value Per Capita ratio was called Market Value Per Capita in previous county debt reports.

[2]New ratios first presented in FY 2022-23 Debt Report.

[3]2-Year average shown for metrics with two years of historic scorings.

The data in **Table 13** will take on a similar framework as **Table 12**. Since the new S&P metrics were just introduced, we do not yet have historic calculations with which to compare to the County's FY 2024-25 metrics.

Standard & Poor's:

1. County PCPI as % of US PCPI – **(New)**
2. County per capita GCP as % of US per capita GDP – **(New)**
3. 3-year Average Operating Result – **(New)**
4. Available Reserves as a % of Revenues – **(New)**
5. Current Costs for DS and Liabilities as a % of Revenues – **(New)**
6. Net Direct Debt per Capita – **(New)**
7. Net Pension Liability per Capita – **(New)**

Table 13: S&P Credit Metrics – County Comparison to Prior Fiscal Year Performance

	S&P Metrics (As of June 30, 2025)						
	Economy		Financial Performance	Reserves and Liquidity	Debt and Liabilities		
County	County PCPI as % of US PCPI	County per capita GCP as % of US per capita GDP[1]	3-year Average Operating Result	Available Reserves as a % of Revenues	Current Costs for DS and Liabilities as a % of Revenues	Net Direct Debt per Capita	Net Pension Liability per Capita
S&P Highest Scoring = 1	**> 100%**	**> 110%**	**> 3%**	**> 15%**	**< 8%**	**< $500**	**< $500**
FY 2024-25	**147.89%**	**95.61%**	**5.20%**	**47.19%**	**11.69%**	**$457**	**$1,046**
Prior Year Averages	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**

[1]Nominal GCP and GDP metrics used to calculate ratio.

APPENDIX A: GENERAL FUND DEBT SERVICE

Lease Revenue Bond Debt Service

Fiscal Year	Principal	Interest	Total Debt Service
2025-26	$8,555,000	$3,739,713	$12,294,713
2026-27	$8,085,000	$3,423,035	$11,508,035
2027-28	$3,785,000	$3,111,300	$6,896,300
2028-29	$3,975,000	$2,922,050	$6,897,050
2029-30	$4,180,000	$2,723,300	$6,903,300
2030-31	$4,385,000	$2,514,300	$6,899,300
2031-32	$4,605,000	$2,295,050	$6,900,050
2032-33	$4,835,000	$2,064,800	$6,899,800
2033-34	$5,075,000	$1,823,050	$6,898,050
2034-35	$5,335,000	$1,569,300	$6,904,300
2035-36	$5,595,000	$1,302,550	$6,897,550
2036-37	$5,875,000	$1,022,800	$6,897,800
2037-38	$6,115,000	$787,800	$6,902,800
2038-39	$4,350,000	$543,200	$4,893,200
2039-40	$4,525,000	$369,200	$4,894,200
2040-41	$4,705,000	$188,200	$4,893,200
Total	**$83,980,000**	**$30,399,647**	**$114,379,647**

APPENDIX B: NON- GENERAL FUND DEBT SERVICE

Tax Allocation Bond Debt Service

Fiscal Year	Principal	Interest	Total Debt Service
2025-26	$3,425,000	$2,463,675	$5,888,675
2026-27	$3,560,000	$2,307,250	$5,867,250
2027-28	$3,740,000	$2,124,750	$5,864,750
2028-29	$3,925,000	$1,933,125	$5,858,125
2029-30	$4,125,000	$1,731,875	$5,856,875
2030-31	$4,330,000	$1,520,500	$5,850,500
2031-32	$4,545,000	$1,298,625	$5,843,625
2032-33	$4,775,000	$1,065,625	$5,840,625
2033-34	$5,010,000	$821,000	$5,831,000
2034-35	$5,265,000	$564,125	$5,829,125
2035-36	$5,525,000	$294,375	$5,819,375
2036-37	$3,125,000	$78,125	$3,203,125
Total	**$51,350,000**	**$16,203,050**	**$67,553,050**

Special Assessment Bond Debt Service

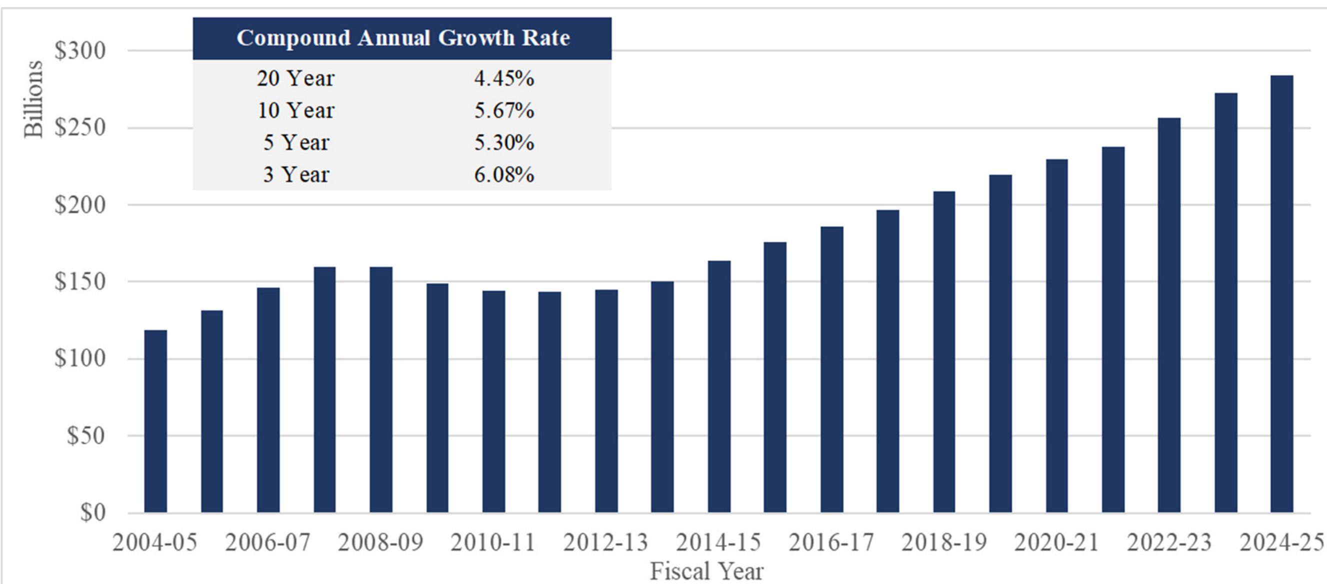
Fiscal Year	Principal	Interest	Total Debt Service
2025-26	$315,000	$85,995	$400,995
2026-27	$330,000	$74,303	$404,303
2027-28	$340,000	$61,990	$401,990
2028-29	$350,000	$49,050	$399,050
2029-30	$355,000	$35,300	$390,300
2030-31	$350,000	$21,200	$371,200
2031-32	$355,000	$7,100	$362,100
Total	**$2,395,000**	**$334,938**	**$2,729,938**

APPENDIX C: COUNTY ASSESSED VALUATION

Given the economy (a factor outside the County's direct control) comprises a large percentage of the Moody's credit scoring in this Report, below we provide initial context of the County's assessed valuation.

For Fiscal Year 2024-25, the County's net assessed value of taxable property was $283.7 billion and the growth rate of total assessed valuation in the County was 4.2%, the thirteenth consecutive fiscal year increase. The local portion of total assessed valuation can grow up to the maximum annual rate of 2% allowed under Proposition 13 for existing property plus additional growth from new construction and the sale and exchange of property. The compound annual growth rate for assessed valuation was 4.5% over the last 20 years, 5.7% over the last 10 years, 5.3% over the last 5 years, and 6.1% over the last 3 years. Chart 5 below summarizes the annual growth in assessed valuation over the past two decades.

Chart 5: Historical Net Taxable Assessed Valuation in the County



APPENDIX D: COUNTY CREDIT METRICS AND RATIOS

Moody's Key Metrics, Ratios, and Outcomes

As discussed below, based on the County's financial results as reported in its FY 2024-25 ACFR, the County's associated indicative rating for five of the seven calculated ratios is "Aaa."

i) Economy

Why It Matters: A county's economy provides important indications of its capacity to generate revenue at the local level.

- **Resident Income:** This ratio is calculated by dividing the median household income for Contra Costa County by the regional price parity divided by 100 and then dividing that number by the median household income for the US.

Economy - Resident Income	
Median Household Income - CC County ($000s)	$127
Median Household Income - US ($000s)	$81
Regional Price Parity	115.61
Resident Income	136.31%
Ratio Score (≥ 120%)	**Aaa**

- **Full Value Per Capita:** This ratio is calculated by dividing the net taxable assessed valuation by the population residing within the County's boundaries. The population for each County is based upon the population listed in the County's most recent ACFR. Please reference **Appendix C: County Assessed Valuation** for a discussion of the historical performance of the County's assessed valuation.

Economy - Full Value per Capita	
Net Taxable AV ($000s)	$283,771,485
Population	1,158
Full Value Per Capita ($000s)	$245,005
Ratio Score (≥ $180,000)	**Aaa**

- **Economic Growth:** This ratio is calculated by the difference between the five-year compound annual growth rate (CAGR) in real GDP of the county's metropolitan statistical area (MSA) and the five-year CAGR of US real GDP.

Economy - Economic Growth	
CAGR of County's real GDP	-0.47%
CAGR of real US GDP	2.43%
Economic Growth	-2.90%
Ratio Score (-4.5% to -2.5%)	**Baa**

ii) Financial Performance

Why It Matters: Operational and financial strength is a significant driver of credit quality. The financial performance of a county, inclusive of its governmental funds and Business-Type activities, greatly influences its ability to meet existing financial obligations and its flexibility to adjust to new obligations or unexpected contingencies, such as unanticipated revenue shortfalls or cost increases.

- **Available Fund Balance Ratio:** The formula for this ratio is the sum of the Available Fund Balance and Net Current Assets divided by Total Revenue.

Financial Performance - Available Fund Balance Ratio	
Available Fund Balance of Governmental Funds ($000s)	$1,412,642
Net Current Assets of Business-Type Activities ($000s)	$925,361
Net Current Assets of Internal Service Funds ($000s)	$239,327
Total Revenue ($000s)	$6,850,162
Available Fund Balance Ratio	37.62%
Ratio Score (≥ 35%)	**Aaa**

- **Liquidity Ratio:** This ratio calculates the sum of unrestricted cash divided by Total Revenue.

Financial Performance - Liquidity Ratio	
Governmental Funds Cash ($000s)	$2,378,049
Business-Type Activities and Internal Service Funds Cash ($000s)	$1,099,614
Total Revenue ($000s)	$6,850,162
Liquidity Ratio	50.77%
Ratio Score (≥ 40%)	**Aaa**

iii) Leverage

Why It Matters: Leverage measures provide important indications of a county's capacity to invest in capital assets and pay annual fixed costs, including debt service, while meeting its core responsibility to provide municipal services.

- **Long-term Liabilities Ratio:** The formula for this ratio is the sum of the Direct Debt Outstanding, Adjusted Net Pension Liability, Adjusted Net OPEB, and Other Long-Term Liabilities divided by Total Revenue. The calculation includes both Governmental and Business-Type Activities (BTA) for each item summed. This calculation and ratio were requested and provided by a Moody's analyst.

Leverage - Long-Term Liabilities Ratio	
Total Revenue ($000s)	$6,850,162
Direct debt outstanding - Governmental ($000s)	$547,437
Direct debt outstanding - BTA ($000s)	$114,975
Adjusted Net Pension Liability - Governmental ($000s)	$2,128,465
Adjusted Net Pension Liability - BTA ($000s)	$766,090
Adjusted Net OPEB - Governmental ($000s)	$362,133
Adjusted Net OPEB - BTA ($000s)	$0
Other Long-Term Liabilities - Governmental ($000s)	$231,997
Other Long-Term Liabilities - BTA ($000s)	$247,873
Long-Term Liabilities Ratio	64.22%
Ratio Score (100% - 200%)	**Aa**

- **Fixed-Costs Ratio:** The formula for this ratio is the sum of the Implied Debt Service, Pension Tread Water, OPEB Contribution, and Other Long-Term Carrying Cost divided by Total Revenue. The calculation includes both Governmental and Business-Type Activities for each item summed. This calculation and ratio were also requested and provided by a Moody's analyst.

Fixed-Costs Ratio	
Total Revenue ($000s)	$6,850,162
Implied Debt Service - Governmental ($000s)	$39,675
Implied Debt Service - BTA ($000s)	$8,406
Pension Tread Water - Governmental ($000s)	$158,090
Pension Tread Water - BTA ($000s)	$59,081
OPEB Contribution - Governmental ($000s)	$59,947
OPEB Contribution - BTA ($000s)	$0
Other Long-Term Liability Carrying Cost - Governmental ($000s)	$15,705
Other Long-Term Liability Carrying Cost - BTA ($000s)	$9,921
Fixed-Costs Ratio	5.12%
Ratio Score (≤ 10%)	**Aaa**

Standard & Poor's Key Metrics, Ratios, and Outcomes

i) Economy – Both metrics scored on a 1-6 scale

Why It Matters: The Economy initial assessment score aims to create an economic profile of a local government's jurisdiction. Wealth and production metrics equate to tax revenues which ultimately support debt service payments.

- **County Per Capita Personal Income (PCPI) as % of US PCPI:** This ratio consists of County wealth levels as a percentage of National wealth levels.

Economy - County Per Capita Personal Income (PCPI) as % of US PCPI	
County PCPI	$108,259
US PCPI	$73,204
County PCPI as % of US PCPI	147.89%
Ratio Score (> 100%)	1.00

- **Gross County Product (GCP) per Capita as % of US GDP per Capita:** This ratio consists of County production levels as a percentage of National production levels.

Economy - GCP per Capita as % of US GDP per Capita	
Contra Costa County GCP ($000s)	$96,579,110
Contra Costa County Population	1,172,607
Contra Costa County per capita GCP ($000s)	$82
US GDP ($000s)	$29,298,013,000
US Population	340,110,988
US per capita GDP ($000s)	$86
GCP per Capita as % of US GDP per Capita	95.61%
Ratio Score (110 - 95%)	2.00

ii) Financial Performance – Scored on a 1-4 scale

Why It Matters: The Financial Performance initial assessment score measures a local government's historic ability to match revenues with expenditures. Deficits are captured in this metric which have implications on an entities ability to repay debt.

- **3-year Average Operating Result:** An Operating Result is calculated for each fiscal year. The formula for Operating Result first takes the sum of general fund revenues and transfers-in, then subtracts the sum of general fund expenditures and transfers-out. The difference is divided by general fund revenues. The three most recent fiscal year's Operating Results are averaged to arrive at a final value.

Financial Performance - 3-year Average Operating Result	
Operating result (FY 2022-23)	6.49%
Operating result (FY 2023-24)	7.34%
Operating result (FY 2024-25)	1.77%
3-year Average Operating Result	5.20%
Ratio Score (> 3%)	1.00

iii) Reserves and Liquidity – Scored on a 1-5 scale

Why It Matters: The Reserves and Liquidity initial assessment score measures the degree to which a government can look to additional funds in times of stress to meet fixed obligations.

- **Available Reserves as a Percentage of Revenues:** The formula for this ratio is the sum of the County's assigned and unassigned general fund balances as a percentage of general fund revenues.

Reserves and Liquidity - Available Reserves as a % of Revenues	
Available Reserves	$1,188,575
General Fund Revenues	$2,518,603
Available Reserves as a % of Revenues	47.19%
Ratio Score (> 15%)	**1.00**

iv) Debt and Liabilities – All three metrics scored on a 1-6 scale

Why It Matters: The Debt and Liabilities initial assessment scoring focuses on measures that quantify a local government's indebtedness in relation to their population as well as its financial position. Both outstanding liabilities and annual payments are considered in this factor.

- **Current Cost for Debt Service and Liabilities:** Current Costs is comprised of annual debt service payments made across all governmental funds. This includes but is not limited to, lease revenue bonds, pension obligation bonds, leases liability, and any tax-supported debt. On a case by case basis, payments the County may receive from sources outside of the governmental funds can be viewed as offsetting funds and therefore lower the annual debt service payment accounted for in this ratio. Retirement plan metrics are new to this ratio and are the remaining components of Current Costs. The sum of Current Costs divided by total governmental funds revenues results in the ratio scored for this subfactor. Note that pension contributions make up 66% of total Current Costs while debt service and OPEB contributions account for the remaining 20% and 14% respectively.

Debt and Liabilities - Current Cost for Debt Service and Liabilities	
Total Current Costs:	
Total Governmental Funds Debt Service	$84,750
Pension Contributions ($000s)	$281,541
OPEB Contributions ($000s)	$59,947
Total Current Costs	$426,238
Total Governmental Funds Revenues	$3,646,322
Current Costs for Debt Service and Liabilities as a % of Revenues	11.69%
Ratio Score (8 - 14%)	**2.00**

- **Net Direct Debt per Capita:** The formula for this ratio is the sum of the County's outstanding principal divided by the county's population. This ratio focuses on the same debt the County makes annual debt service payments on as described in the current cost ratio above. Again, while certain types of debt may be paid from the governmental funds of the County, the rating analyst may treat certain of that debt as an obligation of another entity if the County is simply receiving the funds and making the payments from their governmental fund. As alluded to in **Section II (D)**, debt related to the West Contra Costa Healthcare District is reported under governmental activities. Outstanding amounts and associated debt service payments will likely be excluded from the County's debt ratios.

Debt and Liabilities - Net Direct Debt per Capita	
Net Direct Debt (Par) ($000s)	$529,807
Contra Costa County Population	1,158,225
Net Direct Debt per Capita	$457
Ratio Score (<$500)	**1.00**

- **Net Pension Liabilities per Capita:** This ratio sums the net pension and net OPEB liabilities of the County then divides the sum of the liabilities by the County population.

Debt and Liabilities - Net Pension Liabilities per Capita	
Total Net Pension Liability:	
Net Pension Liability ($000s)	$906,772
Net OPEB Liability ($000s)	$304,268
Total Net Pension Liability ($000s)	$1,211,040
Contra Costa County Population	1,158,225
Net Pension Liability per Capita	$1,046
Ratio Score ($500 - $1,500)	**2.00**

APPENDIX E: COUNTY DEBT AFFORDABILITY MODEL

Contra Costa County Debt Affordability Model

General Financial, Pension and OPEB, and Debt Statistics

Projection Assumptions	
	FY 2026-30
Net Assessed Value	2.00%
General Fund Balance	2.00%
General Fund and Total Gov't Fund Revenues	2.00%
General Fund and Total Gov't Fund Expenditures	2.00%
Available Cash	2.00%

	Fiscal Year Ending June 30,	Actual 2023	Actual 2024	Actual 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029	Projected 2030
	General Financial Statistics								
14	Net Taxable Assessed Valuation (000s)[1]	$256,266,023	$272,393,161	$283,771,485	$289,446,915	$295,235,853	$301,140,570	$307,163,381	$313,306,649
15	Growth	7.79%	6.29%	4.18%	2.00%	2.00%	2.00%	2.00%	2.00%
16	County Population[1][2]	1,147,653	1,146,626	1,158,225	1,158,225	1,158,225	1,158,225	1,158,225	1,158,225
17	Growth	-0.77%	-0.09%	1.01%	0.00%	0.00%	0.00%	0.00%	0.00%
18	Total General Fund Balance (000s)[1]	$880,209	$1,100,140	$1,213,784	$1,238,060	$1,262,821	$1,288,077	$1,313,839	$1,340,116
19	Growth	23.94%	24.99%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
20	Nonspendable General Fund Balance (000s)[1]	$16,144	$21,789	$19,785	$24,521	$25,011	$25,511	$26,021	$26,542
21	As a % of Total Fund Balance	1.83%	1.98%	1.98%	1.98%	1.98%	1.98%	1.98%	1.98%
22	Restricted General Fund Balance (000s)[1]	$9,881	$20,117	$4,346	$22,639	$23,092	$23,554	$24,025	$24,505
23	As a % of Total Fund Balance	1.12%	1.83%	1.83%	1.83%	1.83%	1.83%	1.83%	1.83%
24	Committed General Fund Balance (000s)[1]	$1,128	$1,078	$1,078	$1,213	$1,237	$1,262	$1,287	$1,313
25	As a % of Total Fund Balance	0.13%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
26	Assigned General Fund Balance (000s)[1]	$408,716	$329,556	$604,025	$370,871	$378,288	$385,854	$393,571	$401,443
27	As a % of Total Fund Balance	46.43%	29.96%	29.96%	29.96%	29.96%	29.96%	29.96%	29.96%
28	Unassigned General Fund Balance (000s)[1]	$444,340	$727,600	$584,550	$818,816	$835,192	$851,896	$868,934	$886,313
29	As a % of Total Fund Balance	50.48%	66.14%	66.14%	66.14%	66.14%	66.14%	66.14%	66.14%
30	General Fund Revenue (000)[1]	$2,112,115	$2,344,346	$2,518,603	$2,568,975	$2,620,355	$2,672,762	$2,726,217	$2,780,741
31	Growth	8.60%	11.00%	7.43%	2.00%	2.00%	2.00%	2.00%	2.00%
32	General Fund Transfers In (000s)[1]	$160	$2,073	$23	$23	$24	$24	$25	$25
33	Growth	-13.51%	1195.63%	-98.89%	2.00%	2.00%	2.00%	2.00%	2.00%
34	General Fund Expenditures (000s)[1]	$1,841,019	$2,026,238	$2,319,352	$2,365,739	$2,413,054	$2,461,315	$2,510,541	$2,560,752
35	Growth	5.75%	10.06%	14.47%	2.00%	2.00%	2.00%	2.00%	2.00%
36	General Fund Transfers Out (000s)[1]	$134,269	$148,118	$154,582	$157,674	$160,827	$164,044	$167,325	$170,671
37	Growth	-37.53%	10.31%	4.36%	2.00%	2.00%	2.00%	2.00%	2.00%
38	Total Governmental Fund (TGF) Revenue (000)[1]	$3,049,241	$3,370,462	$3,646,322	$3,719,248	$3,793,633	$3,869,506	$3,946,896	$4,025,834
39	Growth	7.13%	10.53%	8.18%	2.00%	2.00%	2.00%	2.00%	2.00%
40	Total Governmental Funds (TGF) Expenditures(000s)[1]	$2,714,236	$3,028,180	$3,408,605	$3,476,777	$3,546,313	$3,617,239	$3,689,584	$3,763,375
41	Growth	1.25%	11.57%	12.56%	2.00%	2.00%	2.00%	2.00%	2.00%
42	Total Government Available Cash (000s)[1]	$2,863,342	$3,259,521	$3,243,548	$3,308,419	$3,374,587	$3,442,079	$3,510,921	$3,581,139
43	Growth	16.78%	13.84%	-0.49%	2.00%	2.00%	2.00%	2.00%	2.00%
44	Governmental Activities Cash and Investments (000s)[1]	$2,042,915	$2,292,671	$2,378,049	$2,425,610	$2,474,122	$2,523,605	$2,574,077	$2,625,558
45	Growth	9.26%	12.23%	3.72%	2.00%	2.00%	2.00%	2.00%	2.00%
46	Business-Type Activities Cash and Investments (000s)[1]	$820,427	$966,850	$865,499	$882,809	$900,465	$918,474	$936,844	$955,581
47	Growth	40.94%	17.85%	-10.48%	2.00%	2.00%	2.00%	2.00%	2.00%
48	**Pension and OPEB Statistics**								
49	Net Pension Liability (000s)[1]	$1,211,942	$1,135,698	$906,772					
50	Pension Funding (%)[1]	85.93%	87.53%	80.46%					
51	Annual Pension Contribution (000s)[1]	$259,124	$275,720	$281,541					
52	Net OPEB Liability (000s)[1]	$378,402	$312,806	$304,268					
53	OPEB Funding (%)[1]	53.75%	60.94%	64.00%					
54	Annual OPEB Contribution (000s)[1]	$62,567	$58,332	$59,947					
55	**Debt Statistics**								
56	General Fund Pension Obligation Bond Principal Outstanding (000s)[1]	$0	$0	$0	$0	$0	$0	$0	$0
57	General Fund Lease Revenue Bond Principal Outstanding (000s)[1][4]	$193,515	$171,495	$83,980	$75,425	$67,340	$63,555	$59,580	$55,400
58	Lease and Subscription Based Information Technology Arrangements (SBITA) Liabilities[1][4]		$454,134	$429,092	$400,293	$373,132	$348,875	$326,720	$307,398
59	Special Assessment Bond Principal Outstanding (000s)[1][4]	$2,995	$2,700	$2,395	$2,080	$1,750	$1,410	$1,060	$705
60	CCC Fire Protection District POB [1]	$0	$0	$0	$0	$0	$0		
61	West Contra Costa Health Certificates of Participation Principal Outstanding (000s)[1][4]	$43,000	$41,605	$40,155	$38,645	$37,075	$35,445	$33,730	$31,930
62	Total Governmental Principal Amount Outstanding (000s)[4][20] (Sum includes Lease and SBITA)	$239,510	$669,934	$555,622	$516,443	$479,297	$449,285	$421,090	$395,433
63	Total Governmental Funds Debt Service (000s)[5][20]	$54,261	$57,025	$58,832	$55,295	$52,295	$44,337	$41,411	$38,041

KNN public finance

Contra Costa County Debt Affordability Model

Rating Agency Metric Ratios and Calculations

	Fiscal Year Ending June 30,	Actual 2023	Actual 2024	Actual 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029	Projected 2030
70	**Moody's Metrics**								
71	**Full Value Per Capita**	**$223,296**	**$237,561**	**$245,005**	**$249,906**	**$254,904**	**$260,002**	**$265,202**	**$270,506**
72	Net Taxable Assessed Valuation (000s)[1][3]	$256,266,023	$272,393,161	$283,771,485	$289,446,915	$295,235,853	$301,140,570	$307,163,381	$313,306,649
73	County Population[1][2]	1,147,653	1,146,626	1,158,225	1,158,225	1,158,225	1,158,225	1,158,225	1,158,225
74	**Resident Income**	**135.7%**	**135.4%**	**136.3%**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**
75	Median Household Income - Contra Costa County (000s)[18]	$120	$126	$127					
76	Median Household Income - US (000s)[18]	$75	$79	$81					
77	Regional Price Parity[18]	$118	$118	$116					
78	**Economic Growth**	**-0.9%**	**1.7%**	**-2.90%**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**
79	CAGR of County's Real GDP (%)[19]	1.30%	4.00%	-0.47%					
80	CAGR of US Real GDP (%)[19]	2.16%	2.34%	2.43%					
81	**Available Fund Balance Ratio**	**36.6%**	**36.4%**	**37.6%**	**37.6%**	**37.6%**	**37.6%**	**37.6%**	**37.6%**
82	Available Fund Balance of Governmental Funds (000s)[1][6][3]	$1,049,186	$1,271,847	$1,411,222	$1,439,446	$1,468,235	$1,497,600	$1,527,552	$1,558,103
83	Net Current Assets of Business-Type Funds (000s)[1][7][3]	$733,568	$797,778	$925,361	$943,868	$962,746	$982,000	$1,001,641	$1,021,673
84	Net Current Assets of Internal Service Funds (000s)[1][7][3]	$184,003	$204,034	$239,327	$244,114	$248,996	$253,976	$259,055	$264,236
85	Total Revenue (000s)[1][8][3]	$5,380,191	$6,247,394	$6,850,162	$6,987,165	$7,126,909	$7,269,447	$7,414,836	$7,563,132
86	**Liquidity Ratio**	**53.2%**	**52.2%**	**50.8%**	**50.8%**	**50.8%**	**50.8%**	**50.8%**	**50.8%**
87	Governmental Funds Cash (000s)[1][9][2]	$1,880,637	$2,105,440	$2,378,049	$2,425,610	$2,474,122	$2,523,605	$2,574,077	$2,625,558
88	Business-Type and Internal Service Funds Cash (000s)[1][9][2]	$982,704	$1,154,081	$1,099,614	$1,121,606	$1,144,038	$1,166,919	$1,190,258	$1,214,063
89	Total Revenue (000s)[1][8][2]	$5,380,191	$6,247,394	$6,850,162	$6,987,165	$7,126,909	$7,269,447	$7,414,836	$7,563,132
90	**Standard & Poor's Metrics**								
91	**Market Value Per Capita**	**$223,296**	**$237,561**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**
92	Net Taxable Assessed Valuation (000s)[1][3]	$256,266,023	$272,393,161						
93	County Population[1][2]	1,147,653	1,146,626						
94	**Total Government Available Cash as a Percentage of TGF Debt Service**	**6632.7%**	**6182.6%**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**
95	Total Government Available Cash (000s)[1][10]	$2,863,342	$3,259,521						
96	Total Governmental Funds Debt Service (000s)[1][11]	$43,170	$52,721						
97	**Available General Fund Balance as a Percentage of Expenditures**	**1968.7%**	**1929.3%**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**
98	Available General Fund Balance(000s)[1][12]	$853,056	$1,057,156						
99	General Fund Expenditures(000s)[1][11][13]	$43,330	$54,794						
100	**Net Direct Debt as a Percentage of TGF Revenues**	**8.1%**	**18.7%**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**
101	Net Direct Debt (000s)[1][14][20]	$245,583	$631,676						
102	Total Governmental Funds Revenues (000s)[1]	$3,049,241	$3,370,462						
103	**TGF Debt Service as a Percentage of TGF Expenditures**	**1.6%**	**1.7%**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**
104	Total Governmental Funds Debt Service (000s)[1][11][20]	$43,170	$52,721						
105	Total Governmental Funds Expenditures(000s)[1]	$2,714,236	$3,028,180						
106	**County PCPI as % of US PCPI**	**n/a**	**n/a**	**147.9%**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**
107	County PCPI[19]			$108,259					
108	US PCPI[19]			$73,204					
109	**GCP per Capita as % of US GDP per Capita**	**n/a**	**n/a**	**95.6%**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**
110	Contra Costa County GCP per capita (000s)[19]			$82					
111	US GDP per capita (000s)[19]			$86					
112	**3-yr Average Operating Result**	**n/a**	**n/a**	**5.2%**	**3.6%**	**1.8%**	**1.8%**	**1.8%**	**1.8%**
113	Operating Result[15]	6.49%	7.34%	1.77%	1.77%	1.77%	1.77%	1.77%	1.77%
114	**Available Reserves as % of Revenues**	**n/a**	**n/a**	**47.2%**	**47.2%**	**48.2%**	**49.1%**	**50.1%**	**51.1%**
115	Available Reserves (000s)[1][16]			$1,188,575	$1,189,687	$1,213,481	$1,237,750	$1,262,505	$1,287,755
116	General Fund Revenues (000s)[1]			$2,518,603	$2,518,603	$2,518,603	$2,518,603	$2,518,603	$2,518,603
117	**Current Costs for Debt Service and Liabilities as a % of Revenues**	**n/a**	**n/a**	**11.0%**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**
118	Total Current Costs[1][5][17][20]			$400,320					
119	Total Governmental Funds Revenues[1]			$3,646,322					
120	**Net Direct Debt per Capita**	**n/a**	**n/a**	**$480**	**$446**	**$414**	**$388**	**$364**	**$341**
121	Net Direct Debt (000s)[1][5][20]			$555,622	$516,443	$479,297	$449,285	$421,090	$395,433
122	County Population[18][2]			1,158,225	1,158,225	1,158,225	1,158,225	1,158,225	1,158,225
123	**Total Net Pension Liability per Capita**	**n/a**	**n/a**	**$1,046**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**
124	Total Net Pension Liability (000s)[1]			$1,211,040					
125	County Population[18]			1,158,225					

KNN public finance

<u>Contra Costa County Debt Affordability Model</u>

Data Sources

[1] - Contra Costa County ACFR FY 2022-23 through FY 2024-25.
[2] - Projected assumes no growth.
[3] - Projected assumes 2% growth.
[4] - Outstanding principal shown for General Fund LRBs, Lease and SBITA Liability, Healthcare District Revenue COPs, Assessment Bonds. Excludes Tax Allocation Bonds.
[5] - Debt Service shown for General Fund LRBs, Lease and SBITA Liability, Healthcare District Revenue COPs, Assessment Bonds. Excludes Tax Allocation Bonds debt service.
[6] - Moody's Available Fund Balance of Governmental Funds includes Assigned and Unassigned Total Governmental Fund Balances.
[7] - Moody's Net Current Assets is current assets less current liabilities adding back current potion of long-term liabilities.
[8] - Moody's Total Revenue includes Total Governmental Activities Revenues, Total Enterprise Funds Revenues, and Non-operating Revenues.
[9] - Moody's Cash Balance includes Cash and Investments.
[10] - Standard & Poor's Cash Balance includes Total Governmental Funds Cash and Investments.
[11] - Standard & Poor's Total Governmental Funds Debt Service includes the Total Governmental Funds Principal & Interest Expenditures. FY 2023-24 **Leases and SBITA payments included.**
[12] - Standard & Poor's General Fund Balance consists of the Assigned and Unassigned fund balances of the General Fund.
[13] - Standard & Poor's General Fund Expenditures includes General Fund Expenditures plus Total Governmental Funds Principal and Interest.
[14] - Standard & Poor's Net Direct Debt includes the Total Governmental Funds principal outstanding. FY 2023-24 **Leases and SBITA payments included.**
[15] - Standard & Poor's Operating Result is calculated as follows: ((General Fund Revenues + General Fund Transfers In) - (General Fund Expenditures + General Fund Transfers Out)) / General Fund Revenues
[16] - Standard & Poor's Available Reserves includes Assigned and Unassigned General Fund Balances
[17] - Standard & Poor's Current Costs include Pension contributions, OPEB contributions, and general fund debt service (see footnote 5).
[18] - Bureau of Economic Analysis.
[19] - U.S. Census Bureau.
[20] - Note: While portions of certain debt are presented as business-type activities in the County ACFR, this model conservatively assumes such obligations are paid from the General Fund. KNN will work on modeling such details in the context of a transaction planning.

KNN public finance