

2010

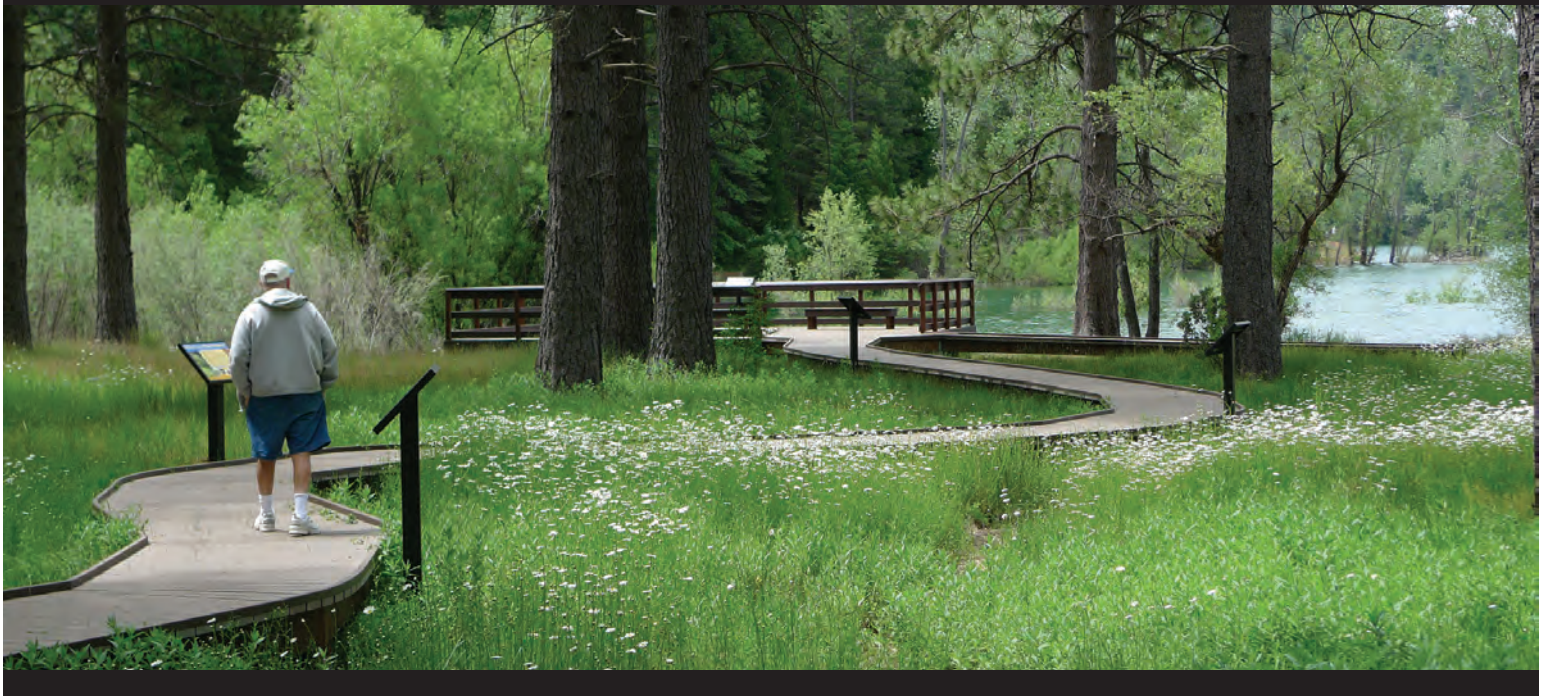
COMPREHENSIVE

ANNUAL

FINANCIAL

REPORT

for the year ended December 31, 2010



El Dorado Irrigation District
Placerville, California

Mission Statement

The El Dorado Irrigation District is a public agency dedicated to providing high quality water, wastewater treatment, recycled water, hydropower and recreation services in an environmentally and fiscally responsible manner.

2010 Comprehensive Annual Financial Report

For the Year Ended December 31, 2010



El Dorado Irrigation District

El Dorado Irrigation District
Placerville, California
www.eid.org

Prepared by the Finance Department

Cover photo: A visitor enjoys a stroll through the recently restored Hazel Meadow at Sly Park's Jenkinson Lake.

Why is a healthy meadow important? A fully functioning Hazel Meadow is a huge asset to the larger ecosystem at Jenkinson Lake. The meadow and the area around it provide a great spot for picnics and relaxation in a spectacular outdoor setting. But it also serves another important purpose. The meadow prevents flooding by slowing and spreading flood waters. And meadow plants and grasses naturally filter out sediment, trapping any pollutants that might otherwise flow from the nearby road and campground into the lake.

Jenkinson Lake is a major source of drinking water for EID customers, and a healthy, functioning meadow provides many long-term benefits for customers and outdoor enthusiasts alike.

Table of Contents

2010 Comprehensive Annual Financial Report

Introductory Section

| | |
|---|----|
| Letter of Transmittal | 1 |
| Map of Major District Water and Wastewater Facilities | 7 |
| Government Finance Officers Association Award | 9 |
| Organization Chart | 10 |
| Directors and District Officials and Acknowledgements..... | 11 |

Financial Section

| | |
|---|-------|
| Independent Auditor's Report..... | 15 |
| Management's Discussion and Analysis..... | 16 |
| Basic Financial Statements | 27-31 |
| Balance Sheets | 27 |
| Statements of Revenues, Expenses and Changes in Net Assets | 29 |
| Statements of Cash Flows..... | 30 |
| Notes to the Basic Financial Statements (an essential part of the financial statements) | 32 |

Supplemental Schedules

| | |
|--|----|
| Combining Balance Sheets | 55 |
| Combining Schedule of Revenues, Expenses, and Changes in Net Assets..... | 56 |
| Schedule of Revenues, Expenses, and Changes in Net Assets Budget and Actual..... | 57 |

Statistical Section

Financial Trends Data

| | |
|---|----|
| Net Assets by Component, last ten fiscal years: Table 1 | 60 |
| Change in Net Assets, last ten fiscal years: Table 2 | 61 |
| Operating Revenues by Source, last ten fiscal years: Table 3, Chart 1 | 62 |
| Non-Operating Revenues by Source, last ten fiscal years: Table 4, Chart 2 | 63 |
| Operating Expenses by Function, last ten fiscal years: Table 5, Chart 3..... | 64 |
| Non-Operating Expenses by Function, last ten fiscal years: Table 6, Chart 4 | 65 |

Revenue Capacity Data

| | |
|--|----|
| Assessed Value and Actual Value of Taxable Property, last ten fiscal years: Table 7..... | 66 |
| Direct and Overlapping Property Tax Rates, last ten fiscal years: Table 8 | 67 |
| Principal Property Tax Payers, current fiscal year and seven years ago: Table 9 | 68 |
| Property Tax Levies and Collections, last ten fiscal years: Table 10, Chart 5 | 69 |
| Equivalent Dwelling Unit (EDU) Sales, last ten fiscal years: Table 11, Chart 6 | 70 |
| Water and Recycled Water Sales by Type of Customer, last ten fiscal years: Table 12, Chart 7 | 71 |

Table of Contents

2010 Comprehensive Annual Financial Report

Statistical Section (continued)

Revenue Capacity Data (*continued*)

| | |
|---|----|
| Largest Water Customers, current year and nine years ago: Table 13 | 72 |
| Largest Wastewater Customers, current year and nine years ago: Table 14 | 73 |
| Water Rates, last ten fiscal years: Table 15 | 74 |
| Wastewater Rates, last ten fiscal years: Table 16 | 77 |
| Recycled Water Rates, last ten fiscal years: Table 17 | 77 |
| Water and Wastewater Rate Surcharges, last ten fiscal years: Table 18 | 78 |
| Facility Capacity Charges, last six fiscal years: Table 19 | 79 |
| Wastewater Facility Capacity Charges, last six fiscal years: Table 20..... | 80 |
| Installation and Inspection Fees, last six fiscal years: Table 21 | 81 |

Debt Capacity Data

| | |
|---|----|
| Ratios of Outstanding Debt by Type, last ten fiscal years: Table 22..... | 82 |
| Debt Service Coverage Revenue Certificates of Participation Series 2003A, 2003B, 2004A, and 2004B Water and Wastewater, last eight fiscal years: Table 23..... | 83 |

Demographic and Economic Information

| | |
|--|----|
| Building Permit and Valuation Demographics for EID Service Area, last ten fiscal years: Table 24 | 84 |
| Principal Employers of El Dorado County, current and nine years ago: Table 25..... | 85 |
| El Dorado County Demographic and Economic Statistics, last ten fiscal years: Table 26, Chart 8 | 86 |

Operating Information

| | |
|--|----|
| Water System Demographics and Statistical Summary, last ten fiscal years: Table 27 | 87 |
| Water Supply and Demand Data, last ten fiscal years: Table 28, Chart 9 | 88 |
| Recycled Water System Demographics and Statistical Summary, last ten fiscal years: Table 29 | 89 |
| Wastewater System Demographics and Statistical Summary, last ten fiscal years: Table 30, Chart 10..... | 90 |
| Recreation Demographics and Statistical Summary, last ten fiscal years: Table 31, Chart 11 | 91 |
| Full-time Equivalent Employees by Function/Program, last seven fiscal years: Table 32..... | 92 |
| Rate History, last ten fiscal years: Table 33 | 93 |



Due to the extreme terrain, a helicopter is used to place concrete sections on the Flume 9 project.



June 1, 2011

Honorable President and Members of the Board of Directors,
Customers and Interested Parties of the El Dorado Irrigation District:

We are pleased to submit to you El Dorado Irrigation District's (EID or District) Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 2010. This is the ninth year the District's CAFR has been prepared using the financial reporting requirements of Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis (MD&A) – for State and Local Governments*. And it is also the fifth year the District's CAFR has been prepared using the statistical reporting requirements of GASB Statement No. 44, *Economic Condition Reporting: The Statistical Section—an amendment of NCGA Statement 1*. This letter of transmittal is designed to complement the Management Discussion and Analysis (MD&A) and should be read in conjunction with it.

The Government Code requires an annual independent audit of the District's financial records by a certified public accountant. Through a competitive bid process, the District selected Maze & Associates as its independent auditor. The auditor's report on the District's financial statements and supplemental schedules is included in the financial section of this report.

While the independent auditors have expressed their opinion that the District's financial statements are presented in conformity with Generally Accepted Accounting Principles (GAAP), EID assumes full responsibility for the completeness and reliability of the information contained in this report based on a comprehensive internal control structure. The District's internal control structure is designed to ensure that the District's assets are protected from loss, theft, or misuse, and to ensure that adequate accounting data are compiled for the preparation of financial statements in conformity with GAAP. Since the cost of control should not exceed the projected benefits, the objective is to provide reasonable assurance. We believe the data are accurate and complete in all material respects for the annual period ending December 31, 2010. Based on the findings and results of the audit, the auditors have identified the District as fiscally sound and a low-risk auditee.

PROFILE OF THE DISTRICT

El Dorado Irrigation District was organized in 1925 under the Irrigation District Act (Water Code §§20500, et seq.). The District provides water to a population of more than 100,000 people within its service area for municipal, industrial, and irrigation uses, as well as wastewater treatment and recycled water services to meet the growing needs of our customers. As such, EID is one of the few California districts that provide a full complement of water-related services.

The District is located in El Dorado County on the western slope of the Sierra Nevada Mountains. The service area is bounded by Sacramento County to the west and the town of Strawberry to the east. The area north of Coloma and Lotus establishes the northern-most part of the service area, while the communities of Pleasant

Valley and South Shingle Springs establish the southern boundary. The City of Placerville, located in the central part of the District, receives water from the District on a wholesale basis.

The District owns and operates a 21-megawatt hydroelectric power generation system—known as the El Dorado Project 184—that is licensed by the Federal Energy Regulatory Commission (FERC). The system consists of 5 reservoirs, including Echo Lake, Lake Aloha, Caples Lake, Silver Lake, and El Dorado Forebay; several dams; 22.3 miles of flumes, canals, siphons, and tunnels; and a variety of associated recreational facilities. Project facilities are located east of Placerville in El Dorado, Alpine, and Amador counties.

The District also owns and operates Sly Park Recreation Area at its main reservoir, Jenkinson Lake. Popular for both day visits and overnight camping, the park includes 600 surface acres of water, 10 picnic areas; 9 miles of shoreline, hiking, and equestrian trails; 2 boat ramps; 166 individual campsites; and 9 group camping areas.

Reporting Entity

The District has created the El Dorado Public Agency Financing Authority unit to assist the District in the issuance of debt. Although legally separate from the District, the Authority is reported as if it were part of the primary government because it shares a common Board of Directors with the District and because its sole purpose is to provide financing to the District under the debt issuance documents of the District. Debt issued by the Authority is reflected as debt of the District in these financial statements. The Authority has no other transactions and does not issue separate financial statements.

System Description

The District's contiguous service area spans 220 square miles and ranges from 500 feet in elevation at the Sacramento County line to more than 4,000 feet in elevation in the eastern part of the District. Two hundred pressure-regulating zones are required for reliable operation. The water system contains more than 1,245 miles of pipe, 27 miles of ditches, 5 treatment plants, 36 storage reservoirs, and 37 pumping stations. The wastewater systems operate 64 lift stations, more than 560 miles of pipe and force mains, and 4 treatment facilities. The El Dorado Hills and Deer Creek wastewater treatment facilities produce Title 22 recycled water, which is used at golf courses and other commercial entities and for landscape irrigation at residences in areas where the service is available. The recycled water system operates more than 49 miles of pipe, 5 storage reservoirs/tanks, and 5 pump stations. EID's recycled water program is entering its third decade and is considered a leader in the recycled water industry in California. the program has won state and regional awards over the past 8 years.

Source of Water Supply

The American River Act of October 14, 1949, signed into law by President Harry Truman, authorized the construction of the Sly Park Unit by the Bureau of Reclamation (Reclamation). Sly Park was designed to augment the District's existing water system. Originally, the District had a ditch conveyance system. The Sly Park Unit included the construction of Sly Park Dam and Reservoir, Camp Creek Diversion Dam and Tunnel, and conduits used to convey, treat, and store water delivered from Sly Park's Jenkinson Lake. The project was completed in 1955 as a detached unit of the Central Valley Project. Sly Park was operated by EID under contract from 1955 until the District purchased it from the United States on December 23, 2003. The average yield of this project is 23,000 acre-feet annually.

The El Dorado Project 184's Forebay Reservoir, located in Pollock Pines, is another primary source of water, using pre-1914 water rights that now provide the District up to 15,080 acre-feet annually. The District's other sources of water supply are at Folsom Reservoir, where the District currently has a Reclamation water service contract totaling 7,550 acre-feet to serve the El Dorado Hills community and three historic pre-1914 ditch water rights and Weber Reservoir supplies totaling 4,560 acre-feet.

Future water supply sources include the a water right of 17,000 acre-feet awarded by the State Water Resources Control Board and 7,500 acre-feet in a new Reclamation water service contract. The District obtained a long-term

contract to use Folsom reservoir to access its historic pre-1914 ditch water rights and Weber Reservoir supplies totaling 4,560 acre-feet in 2010. A similar contract for the water right of 17,000 acre-feet is projected for 2011, with the new Reclamation water service contract of 7,500 acre feet to follow. All of these supplies are or would be taken at Folsom Reservoir.

Governance

The District's Board of Directors is comprised of five members elected by the citizens in five geographical divisions within the District's service area. The directors serve staggered four-year terms and must be a resident of the division that he or she represents. Every year, the Board members choose a President and Vice President. The District operates under a Board-Manager form of government. The General Manager is appointed by the Board, administers the daily affairs of the District, and carries out policies of the Board of Directors.

The District has a wide range of powers to finance, construct, and operate facilities for the transportation, treatment, and distribution of raw and treated water, wastewater, recycled water, and hydroelectric power, as well as for recreation purposes. It has full authority to set rates for services without review of any other governmental unit and is accountable only to its constituents.

Budget Process

The two-year operating budget and the five-year capital improvement plan serve as the foundation for the District's financial planning and control. Budgets are adopted on a basis consistent with GAAP. Budgetary controls are set at the department level and maintained to ensure compliance with the budget approved by the Board of Directors. Department directors have the discretion to transfer appropriations between activities within their departments. Two consenting departments can transfer appropriations between their departments. The General Manager has the authority to approve capital improvement plan (CIP) budgets and overall appropriations and transfers up to \$50,000 per transaction and can approve construction change orders up to \$100,000. Budget transfers and overall budget appropriations greater than \$50,000 require Board approval through the budget amendment process.

ECONOMIC CONDITION OF THE DISTRICT

Economic Growth

While long-term regional forecasts, including the El Dorado County General Plan, show a rising demand for housing in El Dorado County, the regional and local housing market slowed during the second half of 2005, a trend that continue through 2010. With the slowdown in the housing market, the District has proactively scaled down — and is now phasing — its capital improvement projects that center on expansion and future growth. The objective is to avoid over-building for the current housing market while, at the same time, maintaining the ability to serve customers with a reliable water supply and ample wastewater treatment facilities. The District also reduced its 2008, 2009, and 2010 operating budgets, again with the intent of maintaining current service levels.

The District is affected by the slowdown in new home construction and has reduced costs accordingly.

Population and Employment

In the last decade, the Sacramento region has seen a steady increase in population growth that has spilled into the neighboring western El Dorado County area served by the District. From 2009 to 2010, El Dorado County's population increased by 18.8% to 182,019 residents, with a projected population of 225,439 by 2020, according to the El Dorado County 2010-11 Economic and Demographic Profile.

El Dorado County residents employed within the District's service area work in a variety of industries, including government, health care, retail trade, education, construction, manufacturing, agriculture, professional businesses,

and hospitality services. The largest employers in El Dorado County are in the public service, health care, data processing, and trade sectors.

Most El Dorado County residents are within commuting distance of the greater Sacramento region, which offers employment in the defense and state government sectors and more diversified employment opportunities such as computer technology, financial services, health care, and biotechnology. The largest percentage of the county's employed civilian labor force works within El Dorado County.

The 2010 El Dorado County unemployment rate was 12.6%, a slight increase from 12.5% in 2009.

El Dorado County General Plan and Measure Y Traffic Control Initiative

The current General Plan for land use in El Dorado County went into effect in September 2005. The General Plan includes policies to interpret and implement a 1998 local initiative, Measure Y, which was intended to control growth-related traffic congestion in the county. Implementation of Measure Y changed the planning for new subdivision growth in the county and the District's service area and substantially increased the traffic impact fees paid as a condition of new development. A modified version of Measure Y came before county voters for extension in 2008 and was approved.

The General Plan and Measure Y have not necessitated any changes in existing plans to develop District infrastructure.

Property Tax Revenue

The total secured assessed valuation of the properties within the District's 220 square-mile service area decreased 8% to \$4.9 billion in 2010. The Districts property tax revenues decreased from \$10.1 million in 2009 to \$9.5 million in 2010.

Long-term Financial Planning

In 2003, the District developed and began to implement a multi-faceted, comprehensive financing plan that incorporated a water and wastewater rate analysis, a study of hook-up fees—called facility capacity charges (FCCs)—and a financing plan to fund the District's rolling five-year CIP. The Board adopted a schedule of water and wastewater rate increases over six years and a recommended FCC increase on October 6, 2003. These rates became effective on January 1, 2004 and continued on January 1 of successive years through 2009. In anticipation of the loss of 40% of the District's property tax revenues due to the Educational Revenue Augmentation Fund (ERAF) shift, the District held a special board meeting on August 24, 2004, at which time the District adopted a modified rate schedule that became effective September 1, 2004 through 2008 then returned to the previously approved rate schedule for the final year.

A task force was formed in September 2004 to review FCC charges. The recommendations from the task force led the Board, on April 18, 2005, to adopt the revised FCC schedules effective immediately and directed staff to adjust the FCC annually on April 1st using the *Engineering News Record Construction Cost Index*. In August 2007, the District contracted with Bartle Wells Associates to conduct a new study of FCCs. The study process included interaction with a community-based task force and District staff and resulted in Board action that approved an updated FCC fee schedule in early 2008.

In 2004, the District issued refunding debt in the form of both auction rate and fixed rate Certificates of Participation (COPs) to refinance the 1996 revenue bonds, 1999 revenue bonds, and the LaSalle bank bridge loan. Favorable interest rates enabled the District to save approximately \$3 million on these refunding issues. On February 15, 2006, the status of the District's Revenue COP issue 2004B was converted from taxable to tax-exempt, and the 1996 revenue bonds were redeemed in full. On February 15, 2007, the 1999 revenue bonds were redeemed in full.

On April 30, 2008, the District issued COPs in the form of Variable Rate Demand Obligations (VRDOs) of \$110.7 million to refund the 2003B and 2004B issues, which were Auction Rate Securities (ARS). The ARS 2003B and 2004B issues were called May 5, 2008. Although in past years the interest incurred on the ARS issues was far below that of fixed rate debt, problems developed in late 2007 and 2008 in connection with the ARS market. It was in the District's economic interest to replace that debt with VRDOs. Interest rates on the new VRDO issue are expected to be much lower than the ARS rates prior to the refunding. Standard & Poor's (S&P) increased the District's rating to A from A- for the 2008 debt issuance.

On February 4, 2009 the District issued fixed rate COPs totaling \$132.3 million to finance capital improvements. Interest rates range from 3.50% to 6.25% with an average true cost of 5.96%. The District's S&P rating was increased to A+ from A for the 2009 issue.

On February 17, 2010 the District issued \$14.8 million of fixed rate debt to refund the 2003A debt issue for 2010, 2011, and 2012 principal payments. Interest rates range from 4.25% to 5.75% with an average interest cost of 5.27%. Additional information on the District's long-term debt can be found in Note 4 of the financial statements.

Because of the approximately \$10 million decline in FCC revenues in 2009 resulting from slowed construction in the District's service area, the calculated debt service ratio of net revenues to debt service payments for 2009 was 0.82 rather than the 1.25 required under its bond covenants. Therefore, the District took several steps to restore the debt service ratios to the covenanted levels in fiscal year 2010. The District raised rates, refinanced three years of debt payments into the future, cut operating expenses, deferred capital improvement projects, and entered into a new, more favorable hydroelectric power marketing agreement. The debt service ratio for 2010 is 1.38.

Cash Management

The District's cash is invested in securities as allowed under the California State Government Code and in compliance with the District's Investment Policy. The policy focuses on the goals of safety, liquidity, and yield and seeks to minimize credit and market risks while maintaining a competitive market yield. Interest rates declined in 2010, reducing the District's overall portfolio yield to 0.43%, a decrease from the 1.04% yield in 2009.

Debt Management

The District manages its debt to ensure high-quality credit, access to credit markets, financial flexibility, and the lowest overall long-term cost of debt—all in compliance with the District's Debt Management Policy. EID's general philosophy on debt is to use pay-as-you-go funds for minor construction projects and debt issuances for major, long-term construction projects. This enables future users to share in the costs without overburdening existing ratepayers.

Risk Management

As part of a continuing effort to reduce costs and provide optimal protection and coverage, the District's risk management strategy combines self-insurance and commercial insurance in excess of the deductibles. The deductible for general liability is \$25,000 per occurrence with a \$1 million per occurrence coverage limit and a \$3 million aggregate. In addition, the District has a \$10 million excess insurance policy, bringing the total per occurrence coverage to \$11 million with a \$13 million aggregate. For property damage, the deductible is \$25,000 per occurrence. The District is also self-insured for employee dental and vision claims, damage to District vehicles and mobile equipment, except for those of high value. The District's property insurance program requires the insurer to cover the El Dorado Irrigation District's Project 184 flume and conveyance system. The District continually evaluates its insurance programs for cost effectiveness and sufficient coverage.

MAJOR INITIATIVES

El Dorado Hills Service Area

To meet anticipated population growth in the county while taking the current housing market conditions into consideration, the District is phasing in expansions of the El Dorado Hills wastewater and water treatment plants. Substantial construction at the wastewater plant was required to provide adequate average dry weather flow capacity of 4.0 million gallons a day (mgd) and to fully comply with current discharge permit requirements. Construction was completed in mid-2010.

The El Dorado Hills water treatment plant (EDHWTP) and Folsom Lake raw water pump station were expanded in two phases. Phase 1, which was completed in 2010, will increase the capacity of the EDHWTP to 26 mgd. Phase 2, to be constructed in later years depending on the rate of housing development, will increase the plant's capacity to 31.5 mgd using a combination of conventional and membrane technology. Later, the raw water pump station will also be replaced with a new intake and pump station that is designed to selectively withdraw water at different elevations in Folsom Lake. This will allow warmer water to be extracted to preserve the cooler water in the lake for downstream fisheries and permit the District to exercise its full water right. The new raw water pump station will be expanded in phases to match the phased expansions at the EDHWTP. The District is also in the process of developing an integrated water and wastewater master plan that will, in part, determine ultimate build-out capacity required for the El Dorado Hills service area.

Locations of the District's major water and wastewater facilities are shown on page 8.

Energy Savings

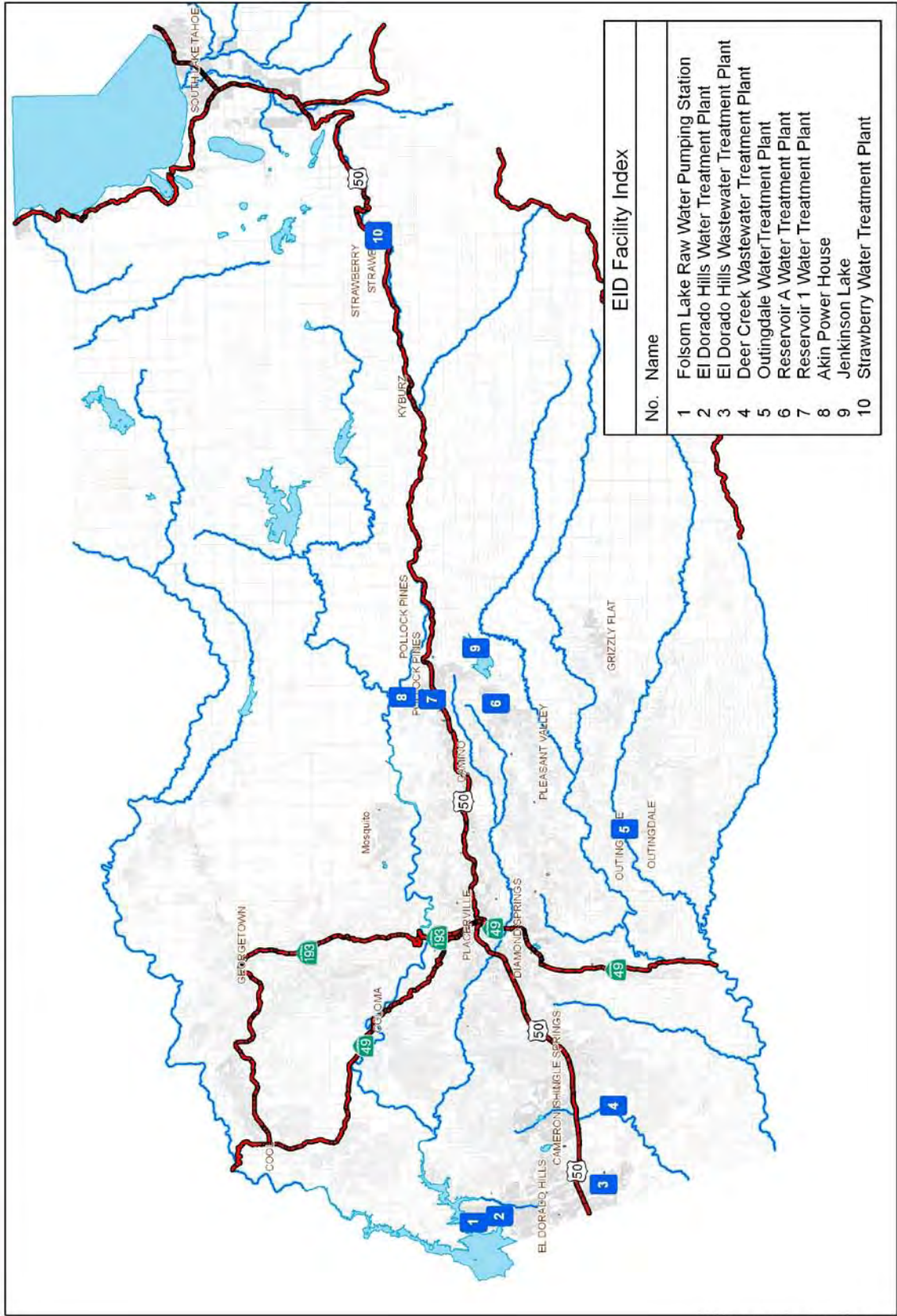
The District took advantage of a prime opportunity to reduce energy costs and improve energy efficiencies through construction of a solar photovoltaic (PV) system at the El Dorado Hills wastewater treatment plant. Installation of approximately 81,000 square feet of monocrystalline PV panels was completed in 2006 to generate approximately 900 kilowatts of electricity to operate the plant. A rebate from Pacific Gas and Electric for \$2.8 million paid approximately 50% of the capital cost of the project, which began operation in May 2006. From that date through 2009, the District has saved an estimated \$756,000 on its electric bill for the plant, and the project is expected to pay for itself by 2014.

El Dorado Canal Flume Replacement Program

The El Dorado Canal, the water conveyance system for the El Dorado Project 184 and drinking water delivered to Forebay Reservoir, was originally built in the late 1800s. The system is more than 22 miles long and includes a series of in-ground canals, tunnels, and above ground flume sections. To reduce the risk of failures in this complex system, the District, in 2001 and again in 2007, formally evaluated the condition of the flume structures. The comprehensive assessments prioritized all flumes for repair and replacement.

Each flume is unique because of factors such as location, access, landslide risks, construction methods, geological and geotechnical conditions, and environmental considerations resulting in different levels of effort for design and construction. Common complexities among each flume include the need for helicopters for some portion of the work, limited staging areas, limited vehicular access, off-road travel, landslides, unstable geological conditions, tree hazards, intense labor needs, and locations on U.S. Forest Service lands. For example, Flume 41 is located entirely on a historic rock wall with moderate access limitations, while Flume 51 is accessible by nearby roads and is situated in severely unstable geologic conditions. In 2010, Flume 9, a 142 foot long wooden flume structure, was replaced with fourteen pre-cast concrete flume sections. Because Flume 9 is located in an area that has been subject to landslides, unstable material above the flume was removed and stabilized with wire mesh and vegetation.

El Dorado Irrigation District Major Water and Wastewater Facilities



AWARDS AND ACKNOWLEDGMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the El Dorado Irrigation District for the quality of its Comprehensive Annual Financial Report for the year ended December 31, 2009. That marked fourteen consecutive years that the District has received this national award. To receive a Certificate of Achievement, the District must publish an easily readable and efficiently organized comprehensive annual financial report. The report must satisfy both generally accepted accounting principles and accepted legal requirements. The Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

In 2010, the District received other significant awards that recognize excellent performance in operational efficiency and industry practices. They include the following.

- Sacramento Area Section of the California Water Environment Association.
 - Collection System of the Year Award
 - Collection Person of the Year (Jayzack Leonard)
- The Association of California Water Agencies: H.R. LaBounty Safety Award: Casey Steel, Buddy Tanner, Jim Sadler, and Jason Lawrence.
- Electrical and Instrumentation Person of the Year: Sarah Lowrey.
- American Society of Civil Engineers Outstanding Small Water Project: Flume 51.
- Sacramento Chapter of the American Public Works Association: 2010 Project of the Year (Large agency projects costing \$50--\$100 million): Phase IIIA El Dorado Hills wastewater treatment plant expansion.
- Pacific Gas & Electric Company: Golden Orb Award (for demand/response program).
- Mountain Democrat Newspaper: 2010 Reader's Choice Award for "Best Recreational Facility" for EID's Sly Park recreation facility.

The preparation of this report required the exceptional services and dedicated efforts of the entire Finance Department. We would like to express our appreciation to all District staff members who contributed to the preparation of this report, including the Communications/Community Relations, Engineering, Operations, and Recreation departments along with the Office of the General Manager and the Office of the General Counsel.

We thank each member of the Board of Directors for their leadership and support that ultimately made the preparation of this report possible.

Respectfully submitted,



Jim Abercrombie
General Manager



Mark Price
Director of Finance

Certificate of Achievement for Excellence in Financial Reporting

Presented to

El Dorado Irrigation District
California

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2009

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



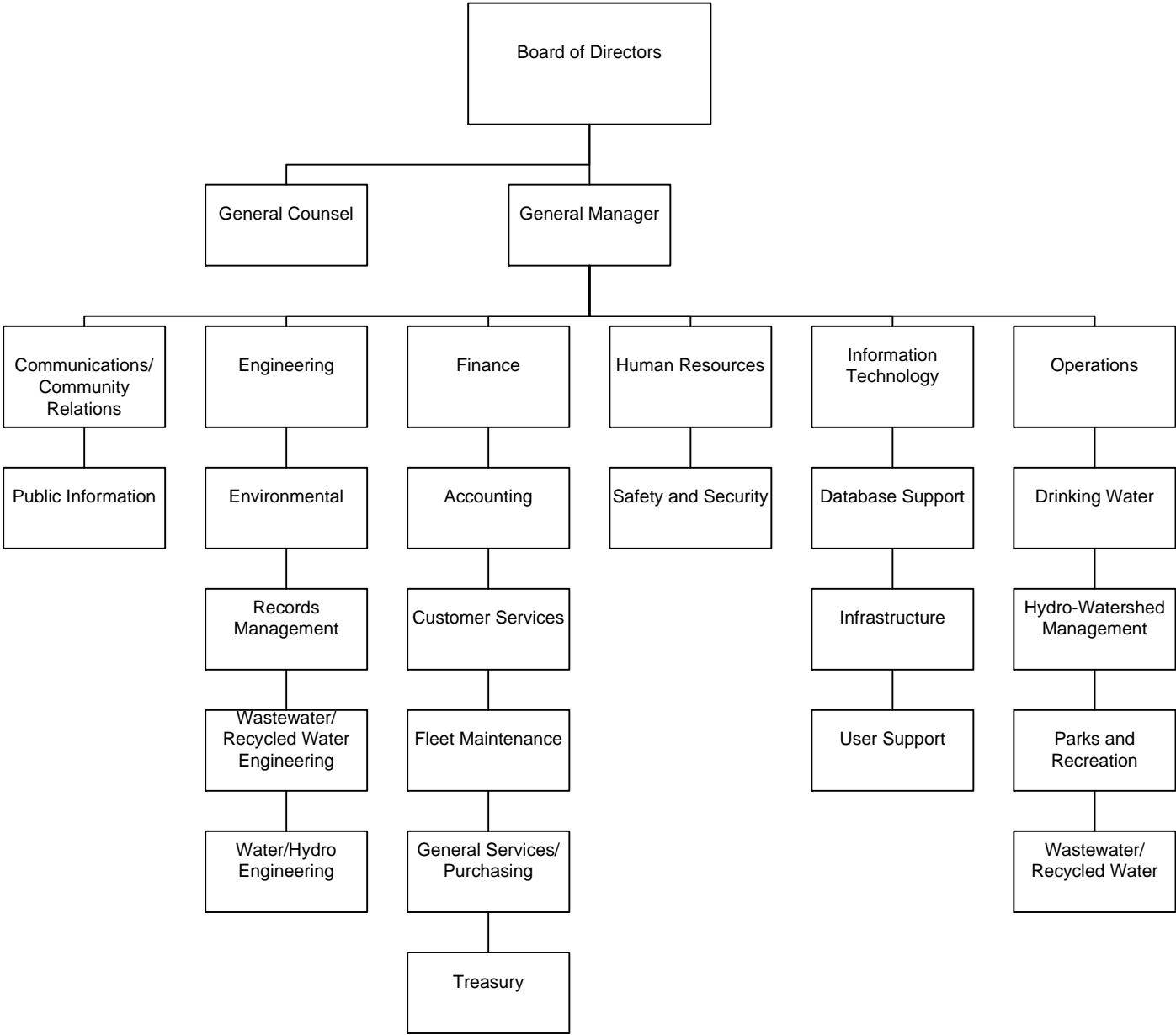
A stylized, handwritten signature in black ink.

President

A handwritten signature in black ink that reads "Jeffrey R. Erwin".

Executive Director

EL DORADO IRRIGATION DISTRICT
 ORGANIZATION CHART
 DECEMBER 31, 2010



El Dorado Irrigation District



2010 Comprehensive Annual Financial Report For the Year Ended December 31, 2010

Board of Directors

District 1 – George W. Osborne
District 2 – John P. Fraser, President
District 3 – William (Bill) L. George
District 4 – George A. Wheeldon
District 5 – Harry J. Norris, Vice President

District Officials

Jim Abercrombie, General Manager
Thomas D. Cumpston, General Counsel
Mary Lynn Carlton, Director of Communications/Community Relations
Mark T. Price, CPA, Director of Finance
Brian Mueller, Director of Engineering
Victoria Hoffman, M.Ed., Director of Human Resources
Tim Ranstrom, Director of Information Technology
Tom McKinney, Director of Operations

Acknowledgments

Prepared by the EID Finance Department

Mark T. Price, CPA, Director of Finance
Gary Buzby, Deputy Treasurer
Tony Pasquarello, Deputy Financial Services
John Frankhouser, Accounting Manager
Jason Ide, Administrative Analyst II

Special thanks to Jesse Saich and Mary Lynn Carlton for cover design and photos



Weather presents challenges during winter to the flume and canal system.

**EL DORADO IRRIGATION DISTRICT
BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED
DECEMBER 31, 2010 AND 2009**

**PREPARED BY THE
FINANCE DEPARTMENT**

**EL DORADO IRRIGATION DISTRICT
 BASIC FINANCIAL STATEMENTS
 For the Years Ended December 31, 2010 and 2009**

Index

| FINANCIAL SECTION | <u>Page</u> |
|--|--------------------|
| <i>Independent Auditor's Report</i> | 15 |
| <i>Management's Discussion and Analysis</i> | 16 |
| <i>Basic Financial Statements</i> | |
| Balance Sheets | 27 |
| Statements of Revenues, Expenses and Changes in Net Assets | 29 |
| Statements of Cash Flows | 30 |
| Notes to Basic Financial Statements | 32 |
| <i>Supplemental Schedules</i> | |
| Combining Balance Sheets | 55 |
| Combining Schedule of Revenues, Expenses, and Changes in Net Assets | 56 |
| Schedule of Revenues, Expenses, and Changes in Net Assets, Budget and Actual | 57 |

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
the El Dorado Irrigation District
Placerville, California

We have audited the financial statements of the business-type activities and the major fund of the El Dorado Irrigation District as of and for the year ended December 31, 2010, which collectively comprise the District's basic financial statements as listed in the Table of Contents. These basic financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year comparative totals have been derived from the District's 2009 financial statements and in which our report dated April 29, 2010, we expressed an unqualified opinion.

We conducted our audit in accordance with generally accepted auditing standards in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining on a test basis evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly in all material respects, the respective financial position of the business-type activities and the major fund of the El Dorado Irrigation District at December 31, 2010 and the respective changes in the financial position and cash flows, where applicable, thereof for the year then ended, in conformity with generally accepted accounting principles in the United States of America.

Management's Discussion and Analysis is required by the Governmental Accounting Standards Board, but is not part of the basic financial statements. We have applied certain limited procedures to this information, principally inquiries of management regarding the methods of measurement and presentation of this information, but we did not audit this information and we express no opinion on it.

The supplemental schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplemental schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly presented in all material respects in relation to the basic financial statements taken as a whole.

The statistical section listed in the Table of Contents was not audited by us, and we do not express an opinion on this information.



April, 28, 2011

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following discussion and analysis of the El Dorado Irrigation District's financial performance provides an overview of the District's financial activities for the fiscal year ended December 31, 2010. This information is presented in conjunction with the audited financial statements and their accompanying notes.

FINANCIAL HIGHLIGHTS

The District's total net assets decreased \$11.5 million. In the prior year, net assets decreased \$11.0 million. Operating revenues increased by \$8.1 million to \$46.3 million while operating expenses decreased by \$3.9 million to \$40.4 million, excluding depreciation. Operating expenses includes a non-cash charge to expenses of \$1.8 million for the current year cost of retiree health benefits. Beginning in 2008, the District is required to begin annual reporting for these costs. In 2009, the operating revenues decreased \$3.4 million from the prior year. Non-operating revenues were \$0.8 million less than non-operating expenses in 2010, \$1.7 million more than non-operating expenses in 2009, and \$6.6 million more than non-operating expenses in 2008. The decrease in non-operating revenues in 2010 and 2009 is due to declines in property tax receipts, interest income and interest expense on the Certificates of Deposit. In April 2008, the District converted its variable rate debt from Auction Rate Securities to Variable Rate Demand Obligations to escape rising interest rates resulting from problems with bond insurer ratings. Since that time, variable interest rates have stabilized. Interest expense for 2010 of \$15.4 million is \$1.4 million higher than the 2009 interest expense of \$14.0 million. The increase in 2010 interest expense was due to new bond debt and a full year's interest expense on the 2009 debt issuance. Facility capacity charges for 2010 were \$0.5 million less than 2009 due to the decline in new construction resulting from the continued downturn in the new housing market. In 2009, they were \$10.4 million less than the prior year again due to slowing home construction. Developer contributions for 2010 were \$6.9 million less than in 2009.

On February 17, 2010, the District issued fixed rate COPs of \$14.8 million to refinance principal payments on the 2003 debt issue for the three years 2010, 2011, and 2012. Interest rates on the new issue range from 4.25% to 5.75% for an average interest cost of 5.27%. S&P and Moody's have assigned the Certificates a rating of "A" and "A3", respectfully. The District issued new debt of \$132.3 million in 2009, \$5.8 million in 2008 and \$10.9 million in 2006 for State Revolving Fund loans in connection with the District's reservoir line and cover program. In 2004, the District issued both fixed rate and adjustable rate Revenue Certificates of Participation (COPs) to refund the 1996 and 1999 Revenue Bonds and the LaSalle Bank bridge loan. Lower interest rates on the new debt made this 2004 refinancing economically attractive. In 2003, the District issued fixed rate and adjustable rate Revenue Certificates of Participation totaling \$165.8 million to finance the capital improvement program. By the end of 2007, all of the proceeds from the 2003 issuances had been spent. The District's hydroelectric Project 184 went online in late 2003, generating revenues of \$3.8 million in 2006, \$4.3 million in 2007, \$4.8 million in 2008, \$2.9 million in 2009, and \$7.8 million in 2010.

On February 15, 2006, the 2004B variable debt issue was converted from taxable to tax-exempt and the 1996 Revenue Bonds were called and redeemed in full. The 1999 Revenue Bonds were redeemed in full on February 15, 2007.

On April 30, 2008, the District issued COPs in the form of Variable Rate Demand Obligations (VRDOs) of \$110.7 million to refund the 2003B and 2004B issues, which were Auction Rate Securities (ARS). The ARS 2003B and 2004B issues were called May 5, 2008. Although in past years, the interest incurred on the ARS issues was far below that of fixed rate debt, problems developed in late 2007 and 2008 in

connection with the ARS market. It was in the District's economic interest to replace that debt with VRDOs. Interest rates on the new VRDO issue are expected to be much lower than the ARS rates prior to the refunding. Standard & Poor's (S&P) increased the District's rating to A from A- for the 2008 debt issuance.

Because of the approximately \$10 million decline in connection fees in 2009 resulting from slowed construction in the District's service area, the calculated debt service ratio for 2009 of net revenues to debt service payments was 0.82 rather than the 1.25 required under our bond covenants. In 2010 the District took steps to restore the debt service ratios to covenanted levels by raising rates, refinancing three annual debt service payments into the future, cutting operating expenses, deferring capital improvement projects, and entering into a new, more favorable hydroelectric power marketing agreement.

The rate increases were 18% for 2010, 15% for 2011, and 5% for 2012, 2013, and 2014. The District, as previously mentioned, refinanced principal payments on its 2003A COPs at an average fixed rate of 5.27%. Principal payments begin in 2022 on the refinanced debt and continue through 2024. Mainly due to the downturn in the economy and the subsequent significant decline in Facility Capacity Charge (FCCs) revenue, the S&P rating dropped from A+ to A and the Moody's rating dropped from A2 to A3 on the 2010A COP issuance. The District reduced its operating expenses projected in the 2010 budget by \$2 million, primarily through reductions in personnel expenses, without compromising safe, reliable service. The District's capital improvement program was cut by almost one-half through the deferral of a number of CIP projects. The new power marketing agreement is expected to double the amount of revenue from power sales over estimates in the initial 2010 budget ranging from \$6 to \$10 million annually.

OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

This annual financial report consists of three parts: Management's Discussion and Analysis, the Basic Financial Statements, and optional Supplementary Information.

The required financial statements are the Balance Sheets at December 31, 2010 and 2009, the Statements of Revenues, Expenses and Changes in Net Assets for the year ended December 31, 2010 with comparative amounts for the year ended December 31, 2009, and the Statements of Cash Flows for the year ended December 31, 2010 with comparative amounts for the year ended December 31, 2009.

The financial statements, except for the cash flow statements, are prepared using the accrual basis of accounting, which means that revenues are recorded when earned and expenses are recorded when incurred regardless of the timing of cash receipts or payments. The cash flow statements are an exception because those statements show the receipt and payment of cash for operating, non-capital, capital and related financing, and investing activities.

REQUIRED FINANCIAL STATEMENTS

The Financial Statements of the District report information about the District using accounting methods similar to those used by companies in the private sector. These statements offer short and long-term financial information about its activities. The *Balance Sheet* includes all of the District's assets and liabilities and provides information about the nature and amounts of investments in assets and obligations to District creditors as liabilities. It also provides the basis for computing rate of return, evaluating the capital structure of the District and assessing the liquidity and financial flexibility of the District.

All of the current year's revenues and expenses are accounted for in the *Statements of Revenues, Expenses, and Changes in Net Assets*. These statements measure the District's operations over the past

year and can be used to determine whether the District has successfully recovered all its costs through its rates, fees, capacity and other charges. The District's profitability and credit worthiness can also be determined from these statements. They are prepared using the accrual basis of accounting by recognizing revenues in the period they are earned and expenses in the period they are incurred without regard to the period of cash receipt or payment.

The final required financial statement is the *Statements of Cash Flows*. The primary purpose of this statement is to provide information about the District's cash receipts and cash payments during the reporting period as well as net changes in cash resulting from operations, investing, and financing activities. The statements explain where cash came from and where cash was used and the change in the cash balance during the reporting period.

FINANCIAL ANALYSIS OF THE DISTRICT

Has the financial condition of the District improved or deteriorated as a result of last year's operations? The Balance Sheets and the Statements of Revenues, Expenses and Changes in Net Assets are used to attempt to answer this question. These two statements report the net assets and the changes in them. Net assets may be a useful indicator over time as to the District's financial position. But, there may be other non-economic factors that could cause a change in the District's financial situation.

NET ASSETS

Net assets decreased \$11.5 million in 2010 and decreased \$11.0 million in 2009. The decrease in net assets in 2010 indicates that the District's financial condition continues to reflect the downturn in the economy during 2010. Net assets invested in capital assets, net of related debt, increased by \$48.3 million in 2010, but decreased by \$76.0 million in 2009 and increased by \$46.6 million in the prior year due to capital expenditures. New debt issuance, net of custodial funds amounted to \$14.8 million which increased long term debt and decreased net assets in Capital Assets, Net of Related debt. Restricted net assets decreased by \$55.3 million in 2010 to \$29.5 million and decreased by \$47.3 million in 2009. This was due to the financing of the 2009 debt that was still restricted at the end of the fiscal year. Unrestricted net assets decreased by \$4.4 million in 2010 to \$28.9 million, increased by \$27.7 million in 2009 to \$33.3 million, but declined by \$15.0 million in 2008. This increase represents the difference between the increase in restricted net assets and the decrease in investment in capital assets.

Capital assets, net of accumulated depreciation, increased by \$11.3 million in 2010 to \$718.0 million as a result of the capital improvement program. In the prior year, the increase in capital assets was \$42.7 million to \$706.7 million. In 2008, FERC license costs were classified for the first time as capital assets. They had previously been shown as non-current assets. Noncurrent assets declined by amortization of \$0.5 million for 2010 and \$0.2 million for 2009. In 2008, investments of \$7.0 million were shown as cash and cash equivalents in current assets on the balance sheet, since the investments were all due within one year. They had previously been shown as noncurrent assets. As investments matured or were called in 2009 and 2008, the proceeds were used to fund capital expenditures rather than reinvested in short-term holdings. Deferred credits related to the FERC license are included in noncurrent liabilities of \$33.0 million for 2010 and \$26.2 million for 2009. Current assets decreased by \$21.7 million in 2010 but increased by \$67.4 million in the prior year. Current assets declined due to debt service payments and capital expenditures and increased in the prior year because remaining bond proceeds from the 2009 issue were included in cash. Current assets declined by \$12.1 million in 2008. A summary of the District's Balance Sheets is presented in Table A-1.

Table A-1
Condensed Balance Sheets
(in millions)

| | December 31, | | |
|---|---------------------|--------------------|--------------------|
| | <u>2010</u> | <u>2009</u> | <u>2008</u> |
| Current assets | \$115.3 | \$137.0 | \$69.6 |
| Noncurrent assets | 6.1 | 6.5 | 6.8 |
| Capital assets | 718.0 | 706.7 | 664.1 |
| Total Assets | <u>839.4</u> | <u>850.2</u> | <u>740.5</u> |
| Current Liabilities | 22.9 | 29.5 | 28.6 |
| Noncurrent Liabilities | 421.5 | 414.2 | 294.4 |
| Total Liabilities | <u>444.4</u> | <u>443.7</u> | <u>323.0</u> |
| Invested in Capital Assets, Net of Related Debt | 336.6 | 371.9 | 364.4 |
| Restricted Net Assets | 29.5 | 84.8 | 47.5 |
| Unrestricted Net Assets | 28.9 | (50.2) | 5.6 |
| Total Net Assets | <u>\$395.0</u> | <u>\$406.5</u> | <u>\$417.5</u> |

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS

The Balance Sheet shows assets, liabilities, and net assets at a specific point in time whereas the Statements of Revenues, Expenses, and Changes in Net Assets show the results of operations for the year. Total revenues increased by \$6.8 million to \$61.4 million in 2010 due to increase in power generation revenue and a 18% increase in water and wastewater rates. In 2009, total revenue decreased by \$4.9 million to \$54.6 million, a loss due to decreases in property tax revenues and interest income. In 2008, total revenues decreased by \$7.0 million to \$59.5 million due to decreases in property tax revenues and interest income. Total expenses decreased by \$0.1 million to \$74.4 million in 2010 and decreased by \$0.9 million in 2009 due to budget cuts to personnel costs. In 2008, total expenses increased by \$7.0 million to \$75.4 million due to higher operating costs, interest cost, and depreciation expense. The net loss before capital contributions decreased by \$6.9 million to \$13.0 million in 2010, increased by \$4.0 million to \$19.9 million in 2009, and increased by \$14.6 million to \$15.8 million in 2008. Operating expenses decreased in 2010 by \$3.8 million due to continued budget cuts, decreased by \$2.1 million in 2009, and increase by \$6.4 million in 2008. In early 2008, the District reorganized its structure by eliminating some positions and consolidating others. Late in 2008, the District laid off 31 employees in a further move to reduce operating costs given the economic slowdown. In 2009, there were more layoffs and consolidation of operating departments. Operating expenses for 2010, 2009 and 2008 include a charge for \$1.8 million for post-retirement benefits. Capital contributions declined by \$7.4 million in 2010 as a result of a decline in facility capacity charges and developer contributions. Capital contributions declined by \$9.5 million in 2009 and by \$1.2 million in 2008 due to decreases in facility capacity charges. Ending net assets for 2010 totaled \$395.0 million, a decrease of \$11.5 million from the prior year. The decrease in the prior year was \$11.0 million.

On the Statement of Revenues, Expenses and Changes in Net Assets, the non-operating revenues and expenses are listed together. On the condensed statement below, operating and non-operating revenues and expenses are shown together, as follows:

Table A-2
Condensed Statements of Revenues, Expenses, and Changes in Net Assets
For the Years Ended
(in millions)

| | December 31, | | |
|---------------------------------------|---------------------|--------------------|--------------------|
| | <u>2010</u> | <u>2009</u> | <u>2008</u> |
| Operating Revenues | \$46.3 | \$38.2 | \$40.9 |
| Non-operating Revenues | 15.1 | 16.4 | 18.6 |
| Total Revenues | <u>\$61.4</u> | <u>\$54.6</u> | <u>\$59.5</u> |
| Operating Expenses | \$40.4 | \$44.2 | \$46.3 |
| Depreciation | 18.1 | 15.6 | 17.1 |
| Non-operating Expenses | 15.9 | 14.7 | 12.0 |
| Total Expenses | <u>\$74.4</u> | <u>\$74.5</u> | <u>\$75.4</u> |
| Net Loss Before Capital Contributions | (\$13.0) | (\$19.9) | (\$15.9) |
| Capital Contributions | 1.5 | 8.9 | 18.4 |
| Change in Net Assets | (\$11.5) | (\$11.0) | \$2.5 |
| Beginning Net Assets | 406.5 | 417.5 | 415.0 |
| Total Net Assets | <u>\$395.0</u> | <u>\$406.5</u> | <u>\$417.5</u> |

Significant items of operating revenues and expenses are as follows:

Table A-3
Operating Revenues
For the Years Ended
(in millions)

| | December 31, | | |
|----------------------------|---------------------|--------------------|--------------------|
| | <u>2010</u> | <u>2009</u> | <u>2008</u> |
| Water Sales & Service | \$19.3 | \$18.1 | \$19.0 |
| Wastewater Sales & Service | 18.0 | 16.2 | 16.2 |
| Recreational Revenues | 1.1 | 1.0 | 0.9 |
| Hydroelectric Revenues | 7.9 | 2.9 | 4.8 |
| Total Operating Revenues | <u>\$46.3</u> | <u>\$38.2</u> | <u>\$40.9</u> |

In 2010, the operating expense category was restructured to show expenses by category. The following is the list of operating expenses for 2010, 2009 and 2008 under the new structure.

Table A-4
Operating Expenses Excluding Depreciation
For the Years Ended
(in millions)

| | <u>December 31,</u> | | |
|---|---------------------|---------------|---------------|
| | <u>2010</u> | <u>2009</u> | <u>2008</u> |
| Departmental Expenses | | | |
| Personnel Expense | \$26.1 | \$28.5 | 30.1 |
| Operating Supplies | 3.0 | 3.8 | 4.2 |
| Chemicals | 1.1 | 1.3 | 1.2 |
| Administration | 2.5 | 2.7 | 2.6 |
| Utilities | 3.9 | 3.6 | 3.6 |
| Professional Services | 2.3 | 2.4 | 2.9 |
| Repair Services | 0.6 | 1.2 | 0.7 |
| Insurance | 0.9 | 0.5 | 0.7 |
| Bad Debt | 0.0 | 0.2 | 0.3 |
| Total Operating Expenses Excluding Depreciation | <u>\$40.4</u> | <u>\$44.2</u> | <u>\$46.3</u> |

Operating expenses, excluding depreciation, decreased by \$3.8 million to \$40.4 million in 2010, decreased by \$2.1 million to \$44.2 million in 2009 and increased by \$2.4 million to \$46.3 million in 2008. The increase in 2008 was primarily because of increased salaries resulting from newly added positions, increased pay scales, and other employee benefits related to expanded service reliability. The decrease in operating expenses for 2010 and 2009 was primarily due to a reduction in force through layoffs, retirements and the elimination of most unfilled positions. Operating expenses for 2010, 2009 and 2008 include a non-cash charge for the cost of retirement health benefits of \$1.8 million. This item was added to the District's expense list for the first time in 2008 in accordance with governmental accounting pronouncements.

Operating revenues compared to operating expenses, excluding depreciation, are as follows:

Table A-5
Operating Revenues vs Operating Expenses Excluding Depreciation
For the Years Ended
(in millions)

| | December 31, | | |
|---|---------------------|--------------------|--------------------|
| | <u>2010</u> | <u>2009</u> | <u>2008</u> |
| Operating Revenues | \$46.3 | \$38.2 | \$40.9 |
| Operating Expenses | 40.4 | 44.2 | 46.3 |
| Net Operating Loss Excluding Depreciation | \$5.9 | (\$6.0) | (\$5.4) |

Significant items of non-operating revenues and expenses are as follows:

Table A-6
Non-operating Revenues
For the Years Ended
(in millions)

| | December 31, | | |
|------------------------------|---------------------|--------------------|--------------------|
| | <u>2010</u> | <u>2009</u> | <u>2008</u> |
| Surcharges | \$2.2 | \$2.5 | \$2.5 |
| Voter-approved taxes | 0.4 | 0.5 | 0.6 |
| Property Taxes | 9.5 | 10.1 | 10.8 |
| Interest Income | .9 | 1.9 | 1.9 |
| Other Income | 1.4 | 1.6 | 2.6 |
| Flood Damage Reimbursements | 0.7 | (0.2) | 0.4 |
| Total Non-operating Revenues | \$15.1 | \$16.4 | \$18.8 |

Total non-operating revenues decreased in 2010 by \$1.3 million, by \$2.2 million in 2009, and by \$8.5 in 2008. The decreases were primarily due to decline in property tax revenues and interest income. Interest income declined sharply in 2010 by \$1.0 million, but unchanged for 2009 and 2008. The sharp change in 2010 was due to a declining rate environment. Property taxes declined in 2010 and 2009 and in 2008 both property taxes and interest income declined.

Table A-7
Non-operating Expenses
For the Years Ended
(in millions)

| | December 31, | | |
|------------------------------|---------------------|--------------------|--------------------|
| | <u>2010</u> | <u>2009</u> | <u>2008</u> |
| Interest Expense | 15.4 | 14.0 | 12.0 |
| Debt related fees | 0.5 | 0.7 | 0.0 |
| Total Non-operating Expenses | <u>\$15.9</u> | <u>\$14.7</u> | <u>\$12.0</u> |

Interest expense for 2010 was \$1.2 million higher than 2009, which was \$2.7 million higher than 2008. Interest expense for 2008 was \$1.0 million higher than 2007. Interest expense for 2010 was higher due to a full year of interest on the 2009A debt issuance and for the interest on the 2010A debt issue.

Table A-8
Non-operating Revenues vs Expenses
For the Years Ended
(in millions)

| | December 31, | | |
|----------------------------|---------------------|--------------------|--------------------|
| | <u>2010</u> | <u>2009</u> | <u>2008</u> |
| Non-operating Revenues | \$15.1 | \$16.4 | \$18.6 |
| Non-operating Expenses | (15.9) | (14.7) | (12.0) |
| Net Non-operating Revenues | <u>(\$0.8)</u> | <u>\$1.7</u> | <u>\$6.6</u> |

In 2010 non-operating expense exceeded non-operating revenue by \$0.8 million, whereas in 2009, non-operating revenues exceeded non-operating expenses by \$1.7 million.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The District's capital assets, net of accumulated depreciation, increased by \$11.3 million to \$718.1 million in 2010, by \$43.0 million to \$706.8 million in 2009, and \$52.1 million to \$663.8 million in 2008. These increases encompass a broad range of infrastructure, including water and wastewater plants in service, recycled water facilities, construction in progress, and other assets such as vehicles, equipment, office equipment, and furniture. The increase in net capital assets for 2010 was mainly due to improvements to the District's water and wastewater plants in service to cover current and future growth resulting from private development in El Dorado Hills and major repairs to flumes related to Project 184. Details of the District's capital assets follow.

Table A-9
Capital Assets, Net
(in millions)

| | December 31, | | |
|---|---------------------|--------------------|--------------------|
| | <u>2010</u> | <u>2009</u> | <u>2008</u> |
| Capital assets not being depreciated | | | |
| Land | \$8.2 | \$8.2 | \$8.2 |
| Water rights | \$1.6 | \$1.4 | \$0.0 |
| Construction in progress | 27.3 | 154.9 | 193.0 |
| FERC license | 41.1 | 33.6 | 33.1 |
| Total Capital Assets Not Being Depreciated | \$78.2 | \$198.1 | \$234.3 |
| Capital Assets Being Depreciated | | | |
| Water plant in service | \$477.4 | \$439.1 | \$361.2 |
| Wastewater plant in service | 307.5 | 208.0 | 195.6 |
| General plant | 37.4 | 27.2 | 23.7 |
| Recycled water facility | 24.1 | 23.8 | 22.4 |
| FERC license | 7.9 | 7.9 | 7.9 |
| Total capital assets being depreciated | \$854.3 | \$706.0 | \$610.7 |
| Less Accumulated Depreciation | 214.4 | 197.3 | 181.2 |
| Net Capital Assets | \$718.1 | \$706.8 | \$663.8 |

The District had outstanding capital project commitments of \$4.7 million at December 31, 2010, and \$23.9 million at December 31, 2009. Additional information about the capital assets is found in Note 3 to the financial statements.

LONG-TERM DEBT

At the end of 2010, the District had \$379.9 million in noncurrent debt. In 2010 the District issued \$14.8 million of fixed rate debt to refund the 2003A debt issue for 2010, 2011, and 2012 principle payments. In 2009 the District issued \$132.3 million of fixed rate debt with an average true interest cost of 5.96% to finance capital improvements. In 2008, \$5.8 million of State Revolving Fund loans were obtained as well as the 2008A issuance of \$110.7 million of Variable Rate Demand Obligations were issued to refund the 2003B and 2004B issues. There was no new borrowing in 2007. The District obtained new State Revolving Fund loans of \$10.9 million in 2006 and \$2.9 million in 2005 to finance the reservoir line and cover program. In 2004, the District refinanced the 1996 Revenue Bonds, the 1999 Revenue Bonds, and the LaSalle Bank Bridge loan via the issuance of Revenue Certificates of Participation. In 2003, the District issued \$165.8 million of Revenue Certificates of Participation to fund the District's five-year capital improvement program. Also in 2003, the District issued \$6.1 million of General Obligation bonds to finance the remainder of the Sly Park purchase. The payments on the 2003 General Obligation bonds are reimbursed via voter-approved property taxes.

On April 30, 2008 the District issued COPs in the form of Variable Rate Demand Obligations (VRDOs) of \$110.7 million to refund the 2003B and 2004B issues, which were Auction Rate Securities (ARS). The

ARS 2003B and 2004B issues were called May 5, 2008. Although in past years, the interest incurred on the ARS issues was far below that of fixed rate debt, problems developed in late 2007 and 2008 in connection with the ARS market. It was in the District's economic interest to replace that debt with VRDOs. The interest rates paid on the VRDO issue in 2010 and 2009 are much lower than current fixed rates of interest. The District's S&P rating was lowered to A from A+ for the new 2008 debt issue.

An analysis of the activity in the District's outstanding debt for the year is as follows:

Table A-10
Debt Analysis
For the year ended December 31, 2009
(in millions)

| | <u>Balance</u> <u>1/1/2010</u> | <u>Additions</u> | <u>Reductions</u> | <u>Balance</u> <u>12/31/2010</u> |
|--|-----------------------------------|------------------|-------------------|-------------------------------------|
| State of California loans | \$20.4 | | \$1.0 | \$19.4 |
| Revenue Certificates of Participation | | | | |
| : 2003A | 67.2 | | 13.2 | 54.0 |
| 2004A | 57.7 | | 4.5 | 53.2 |
| 2008A | 110.7 | | | 110.7 |
| 2009A | 132.3 | | | 132.3 |
| 2010A | 0 | 14.8 | | 14.8 |
| 2003 General Obligation bonds | 3.9 | | 0.4 | 3.5 |
| Totals | \$392.2 | \$14.8 | \$19.1 | \$387.9 |
| Deferred amount on refunding net of bond premium | (1.8) | | | (1.8) |
| Less current portion | (10.2) | | | (6.3) |
| Long-term debt | <u>\$380.2</u> | | | <u>\$379.8</u> |

On February 4, 2009 the District issued fixed rate COPs totaling \$132.3 million to finance capital improvements. Interest rates range from 3.50% to 6.25% with an average true cost of 5.96%. The District's S&P rating was increased to A+ from A for the 2009 issue.

On February 17, 2010 the District issued \$14.8 million of fixed rate debt to refund the 2003A debt issue for 2010, 2011, and 2012 principle payments. Interest rates range from 4.25% to 5.75% with an average interest cost of 5.27%. Additional information on the District's long-term debt can be found in Note 4 of the financial statements.

Table A-11
Cost of Capital
(in millions)

| | <u>Debt balance</u> | <u>Average coupon rate</u> |
|---------------------------|-------------------------|--------------------------------|
| State of California loans | \$19.4 | 2.32% to 2.60% |
| 2003A Revenue COPs | 54.0 | 3% to 5.25% |
| 2004A Revenue COPs | 53.2 | 3% to 5.0% |
| 2008A Revenue COPs | 110.7 | varies * |
| 2009A Revenue COPs | 132.3 | 3.5% to 6.25% |
| 2010A Revenue COPs | 14.8 | 4.25% to 5.75% |

* The effective rate for the 2008A issue for 2010 was 0.94%, including the letter of credit fee. The effective rate for the life of the loan since its inception in April 2008 through 2010 has been 1.24%. The effective rate for 2009 for this issue was 1.15%. The 2008A issue refunded the 2003B Revenue COPs issue and the 2004B Revenue COPs issue. The effective rates for those two issues for the four months of 2008 was 5.46% and 6.45%, respectively. For 2008, the effective rate for the remainder of the year for the new 2008A issue was 3.21%. For prior years, the effective interest rate for the 2003B Revenue COPs was 3.82% at December 31, 2007 and 3.38% for December 31, 2006. The 2004B Revenue COPs issue became subject to auction rates on February 15, 2006 and the rate was 3.45% at the end of 2006 and 3.72% at the end of 2007.

ECONOMIC FACTORS AND RATES

In 2009, the District continued the work on the many projects that comprise the capital improvement program. This program includes water treatment plant upgrades and storage in El Dorado Hills, wastewater projects, and Project 184 flume repairs. During the year, the District through the Proposition 218 process, increased both water and wastewater rates. The series of rate increases included an 18% increase in 2010, 15% increase in 2011, and 5% increases for years 2012, 2013, and 2014. The 5% increases for 2013 and 2014 are optional based on the needs of the District. In 2009, the District completed a study of its facility capacity charges, which resulted in higher charges in some areas. In 2008, the District's conducted a rate study that adjusted rate tier levels to promote conservation while trying to remain revenue neutral in terms of revenue generation. Recently the District has completed a new cost of service study and will be bringing the results of it to the Board of Directors and the public in early summer 2011 to discuss in public workshops. The District is affected by the slowdown in new home construction and has reduced costs accordingly.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the finances for the El Dorado Irrigation District. Questions concerning any information provided in this report or requests for additional financial information should be addressed to the Director of Finance, 2890 Mosquito Road, Placerville CA 95667.

EL DORADO IRRIGATION DISTRICT
BALANCE SHEETS
DECEMBER 31, 2010 AND 2009

| ASSETS | <u>2010</u> | <u>2009</u> |
|--|----------------------|----------------------|
| CURRENT ASSETS | | |
| Cash and Cash Equivalents (Note 2) | \$89,697,941 | \$92,479,255 |
| Restricted Cash and Cash Equivalents (Note 2) | 12,792,796 | 30,002,812 |
| Accounts Receivable, Net | 5,422,052 | 4,661,200 |
| Due From Other Government Agencies | 1,232,491 | 150,084 |
| Interest Receivable | 119,909 | 120,112 |
| Taxes Receivable | 5,075,828 | 8,425,623 |
| Inventory | 411,915 | 368,587 |
| Prepaid Expenses and Other Current Assets | <u>589,095</u> | <u>767,079</u> |
| Total Current Assets | <u>115,342,027</u> | <u>136,974,752</u> |
| CAPITAL ASSETS, Non Depreciable (Note 3) | <u>78,253,137</u> | <u>198,096,681</u> |
| CAPITAL ASSETS, net of Accumulated Depreciation (Note 3) | <u>639,834,295</u> | <u>508,659,055</u> |
| NONCURRENT ASSETS | | |
| Deferred Bond Costs | <u>6,018,658</u> | <u>6,555,680</u> |
| Total Noncurrent Assets | <u>6,018,658</u> | <u>6,555,680</u> |
| TOTAL ASSETS | <u>\$839,448,117</u> | <u>\$850,286,168</u> |

(Continued)

See accompanying notes to financial statements

EL DORADO IRRIGATION DISTRICT
BALANCE SHEETS
DECEMBER 31, 2010 AND 2009

| | 2010 | 2009 |
|--|----------------------|----------------------|
| LIABILITIES | | |
| CURRENT LIABILITIES | | |
| Accounts Payable | \$2,169,364 | \$5,990,697 |
| Deposits | 1,451,087 | 1,393,410 |
| Accrued Compensated Absences (Note 1. L.) | 1,084,576 | 14,277 |
| Accrued Payroll and Benefits Payable | 683,009 | 639,330 |
| Unearned Revenue | 3,697,470 | 4,102,524 |
| Deferred Credit - FERC License (Note 3. B.) | 2,267,672 | 1,819,732 |
| Current Contracts, Bonds and Leases Payable (Note 4) | 6,260,953 | 10,217,497 |
| Accrued Interest Payable | 5,285,707 | 5,357,174 |
| Total Current Liabilities | 22,899,838 | 29,534,641 |
| NONCURRENT LIABILITIES | | |
| Accrued Compensated Absences (Note 1. L.) | | 852,373 |
| Long-term Debt (Note 4) | 379,763,455 | 380,164,436 |
| Texas Hill Property Liability (Note 10. C.) | 1,533,000 | 1,533,000 |
| Reserve for Claims and Claims Expense (Note 8) | 833,000 | 833,000 |
| Other Post Employment Benefits Obligation (Note 7. B.) | 5,526,118 | 3,681,017 |
| Deferred Credit - FERC License (Note 3. B.) | 32,959,814 | 26,221,533 |
| Other Liabilities | 930,000 | 930,000 |
| Total Noncurrent Liabilities | 421,545,387 | 414,215,359 |
| TOTAL LIABILITIES | 444,445,225 | 443,750,000 |
| NET ASSETS (Note 5) | | |
| Invested in Capital Assets, Net of Related Debt | 296,835,538 | 288,332,538 |
| Restricted for New Facilities | 9,800,219 | 29,413,607 |
| Restricted for Debt Service | 12,792,796 | 11,119,734 |
| Unrestricted | 75,574,339 | 77,670,289 |
| TOTAL NET ASSETS | 395,002,892 | 406,536,168 |
| TOTAL LIABILITIES AND NET ASSETS | \$839,448,117 | \$850,286,168 |

See accompanying notes to financial statements

EL DORADO IRRIGATION DISTRICT
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

| | <u>2010</u> | <u>2009</u> |
|---|-----------------------------|-----------------------------|
| OPERATING REVENUES | | |
| Water sales | \$17,553,889 | \$17,403,450 |
| Water services | 1,741,830 | 755,971 |
| Reclaimed water reimbursement/sales | 733,798 | 799,298 |
| Wastewater sales | 17,271,272 | 15,329,043 |
| Wastewater services | 53,574 | 47,466 |
| Recreation fees | 1,062,062 | 954,321 |
| Hydroelectric sales | <u>7,872,825</u> | <u>2,918,005</u> |
| Total Operating Revenues | <u>46,289,250</u> | <u>38,207,554</u> |
| OPERATING EXPENSES | | |
| Personnel Expense | 26,140,768 | 28,550,985 |
| Operating Supplies | 3,028,722 | 3,813,664 |
| Chemicals | 1,075,182 | 1,301,302 |
| Administration | 2,490,239 | 2,741,167 |
| Utilities | 3,918,221 | 3,564,522 |
| Professional Services | 2,301,952 | 2,406,305 |
| Repair Services | 595,264 | 1,154,423 |
| Insurance | 889,566 | 489,918 |
| Bad Debt | 13,033 | 183,057 |
| Depreciation and Amortization | <u>18,106,183</u> | <u>15,640,614</u> |
| Total Operating Expenses | <u>58,559,130</u> | <u>59,845,957</u> |
| OPERATING LOSS | <u>(12,269,880)</u> | <u>(21,638,403)</u> |
| NONOPERATING REVENUES (EXPENSES) | | |
| Surcharges | 2,175,472 | 2,482,508 |
| Voter - approved taxes | 449,169 | 499,757 |
| Property taxes | 9,537,801 | 10,138,728 |
| Interest income | 865,697 | 1,938,295 |
| Other income | 1,362,001 | 1,616,491 |
| Interest expense | (15,390,421) | (13,988,053) |
| Debt related fees | (491,372) | (725,997) |
| Flood damage reimbursements (expense) | <u>700,477</u> | <u>(242,295)</u> |
| Total Nonoperating Revenues (Expenses), net | <u>(791,176)</u> | <u>1,719,434</u> |
| NET LOSS BEFORE CONTRIBUTIONS | <u>(13,061,056)</u> | <u>(19,918,969)</u> |
| CAPITAL CONTRIBUTIONS | | |
| Facility capacity charges | 577,294 | 1,099,015 |
| Developer contributions | <u>950,486</u> | <u>7,844,538</u> |
| Total Contributions | <u>1,527,780</u> | <u>8,943,553</u> |
| Changes in Net Assets | <u>(11,533,276)</u> | <u>(10,975,416)</u> |
| NET ASSETS, BEGINNING OF YEAR | <u>406,536,168</u> | <u>417,511,584</u> |
| NET ASSETS, END OF YEAR | <u><u>\$395,002,892</u></u> | <u><u>\$406,536,168</u></u> |

See accompanying notes to financial statements

EL DORADO IRRIGATION DISTRICT
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

| | 2010 | 2009 |
|---|---------------|---------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Receipts from customers | \$44,392,417 | \$38,462,795 |
| Payments to suppliers for goods and services | (17,734,148) | (31,516,060) |
| Payments to employees for services and benefits | (25,922,842) | (16,114,184) |
| Payments for claims and judgments | (31,732) | (54,088) |
| Other income | 1,362,001 | 2,167,917 |
| | 2,065,696 | (7,053,620) |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | | |
| Property tax receipts | 13,336,765 | 7,752,700 |
| Surcharges received | 2,175,472 | 2,482,263 |
| Flood damage reimbursements | 700,477 | (242,295) |
| | 16,212,714 | 9,992,668 |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | |
| Purchases of capital assets | (29,409,742) | (51,339,076) |
| Principal payments on long-term debt | (19,077,312) | (9,554,649) |
| Net proceeds and premiums from sale of bonds | 14,755,000 | 120,297,593 |
| Interest payments on long-term debt | (15,461,888) | (11,733,147) |
| Facility capacity charges received | 577,294 | 1,099,015 |
| Proceeds from disposal of capital assets | (1,382,323) | |
| | (49,998,971) | 48,769,736 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Proceeds from maturities and calls of investments | 10,863,331 | 8,000,000 |
| Purchases of investments | | 1,000,000 |
| Interest received on investments | 865,900 | 2,101,111 |
| Payments on notes receivable | | 69,280 |
| | 11,729,231 | 11,170,391 |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | | |
| | (19,991,330) | 65,047,092 |
| Cash and cash equivalents at beginning of year | 122,482,067 | 57,434,975 |
| Cash and cash equivalents at end of year | \$102,490,737 | \$122,482,067 |

(Continued)

EL DORADO IRRIGATION DISTRICT
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

| | 2010 | 2009 |
|---|----------------|----------------|
| Reconciliation of operating income (loss) to net cash provided by operating activities: | | |
| Operating income (loss) | (\$12,269,880) | (\$22,270,741) |
| Adjustments to reconcile operating income (loss) to net cash flows from operating activities: | | |
| Depreciation and amortization | 18,106,183 | 15,640,615 |
| Change in assets and liabilities: | | |
| Accounts receivable | (760,852) | 374,699 |
| Due from other governmental agencies | (1,082,407) | 512,871 |
| Inventory | (43,328) | (22,717) |
| Prepaid expenses and other current assets | 177,984 | (391,884) |
| Accounts payable | (3,821,333) | (2,012,486) |
| Deposits | 57,677 | 78,583 |
| Accrued compensated absences | 217,926 | (355,446) |
| Accrued payroll and benefits payable | 1,888,780 | 1,361,045 |
| Unearned revenue | (405,054) | 31,841 |
| | \$2,065,696 | (\$7,053,620) |
| NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES | | |
| Receipt of contributed assets | \$950,486 | \$7,844,538 |
| Change in fair value of investments | 39,715,668 | 39,414,701 |

See accompanying notes to financial statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. General

The El Dorado Irrigation District (the District) was organized under the Irrigation District Act and authorizing statutes, and is governed by an elected five-member Board of Directors. The District, which was established on October 5, 1925, was created to provide municipal and industrial water (both retail and wholesale), irrigation water, wastewater treatment and reclamation and recreation services in El Dorado County. Hydroelectric services consist of power generated at Akin Powerhouse, which is sold to power brokers at market rates.

B. Financial Reporting Entity

The accompanying basic financial statements of the District include the financial activities of the El Dorado Public Agency Financing Authority (the Authority), a component unit of the District which was created to provide assistance to the District in the issuance of debt (see Note 4), because financial operations are closely related and the Authority is governed by the same Board. Debt issued by the Authority is reflected as debt of the District in these financial statements. However, all debt issued by the Authority was refunded in 2004. The Authority has no other transactions and does not issue separate financial statements.

C. Basis of Presentation

The District's Basic Financial Statements are prepared in conformity with generally accepted accounting principles generally (GAAP) accepted in the United States of America. The Government Accounting Standards Board (GASB) is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the U.S.A.

The accounts of the District are organized and operated on a fund basis. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, net assets, revenues, and expenses.

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

D. Basis of Accounting

The financial statements are reported using the *economic resources measurement focus* and the full *accrual basis* of accounting. Revenues are recorded when *earned* and expenses are recorded at the time liabilities are *incurred*, regardless of when the related cash flows take place.

Non-exchange transactions, in which the District gives or receives value without directly receiving or giving equal value in exchange, including taxes, grants, entitlements, and donations. On the accrual basis, revenue from taxes is recognized in the fiscal year for which the taxes are levied or assessed. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

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|--|
| NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued) |
|--|

The District may fund programs with a combination of cost-reimbursement grants, categorical block grants, and general revenues. Thus, both restricted and unrestricted net assets may be available to finance program expenditures. The District's policy is to first apply restricted grant resources to such programs, followed by unrestricted resources if necessary.

Certain indirect costs are included in program expenses reported for individual functions and activities.

For its proprietary activities, the District does not apply Financial Accounting Standards Board (FASB) statements and interpretations issued after November 30, 1989. The proprietary funds apply all applicable Governmental Accounting Standards Board (GASB) pronouncements as well as statements and interpretations of FASB, Accounting Principles Board Opinions, and Accounting Research Bulletins of the Committee on Accounting Procedure issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements.

E. Measurement Focus

Enterprise funds are accounted for on a cost of services or *economic resources* measurement focus, which means that all assets and all liabilities associated with their activity are included on their balance sheets. Enterprise fund type operating statements present increases (revenues) and decreases (expenses) in total net assets.

F. Cash and Cash Equivalents

For purposes of the statement of cash flows the District defines cash and cash equivalents to include all cash and temporary investments with original maturities of three months or less from the date of acquisition, including restricted assets, and all pooled deposits.

G. Investments

Investments are stated at fair value. Included in investment income (loss) is the net change in the fair value of investments which consists of the realized gains or losses and the unrealized appreciation (depreciation) of those investments. Measurement of the fair value of investments is based upon quoted market prices.

H. Receivables

Accounts receivable arise from billings to customers for water and sewer usage and certain improvements made to customers' property. Uncollectible amounts from individual customers are not significant.

| |
|--|
| NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued) |
|--|

I. Budgets and Budgetary Accounting

The District adopts an annual budget in December each year. The budget is subject to supplemental appropriations throughout its term in order to provide flexibility to meet changing needs and conditions. The department heads can provide transfers within their own departmental operations budget. Budget transfers between two departments require the approval of the respective department heads. The General Manager may approve the transfer of appropriations from one department to another and transfers of \$50,000 or less from the District’s contingency fund. All other transfers must be approved by the Board of Directors. The Board may approve additional appropriations throughout that year as well.

J. Property Taxes

The District receives property taxes from El Dorado County. The District recognizes property taxes as revenue in the fiscal year of levy, based on the assessed value as of September 1 of the preceding fiscal year. They become a lien on the first day of the year they are levied. Secured property tax is levied on September 1 and due in two installments, on November 1 and March 1. They become delinquent on December 10 and April 10, respectively. Unsecured property taxes are due on July 1, and become delinquent on August 31. The District elected to receive the property taxes from the County under the Teeter Bill. Under this program the District receives 100% of the levied property taxes in periodic payments, with the County assuming responsibility for delinquencies.

K. Bond Discount and Issuance Costs

Bond discounts and issuance costs are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond discounts. Issuance costs are reported as deferred charges.

L. Compensated Absences

The District’s policy allows employees to accumulate earned but unused vacation and other forms of leave which will be paid to employees upon separation from the District’s service, subject to a vesting policy. The cost of vacation is recorded in the period it is earned. Unused sick leave at retirement is applied to California Public Employees’ Retirement System service credits for retirement purposes. The District changed its policy in 2010 and 100% of the ending balance is now current.

| | 2010 | 2009 |
|-------------------|--------------------|--------------------|
| Beginning Balance | \$866,650 | \$1,222,096 |
| Additions | 1,084,576 | 935,294 |
| Payments | <u>(866,650)</u> | <u>(1,290,740)</u> |
| Ending Balance | <u>\$1,084,576</u> | <u>\$866,650</u> |
| Current Portion | <u>\$1,084,576</u> | <u>\$14,277</u> |

| |
|--|
| NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued) |
|--|

M. Use of Estimates

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

N. Inventory

Inventories are stated at the lower of average cost or market. Inventories consist of parts and supplies.

O. Reserves for Claims and Claims Expense

The District is self-insured for the per-occurrence deductible for personal injury, general liability, property, fire, employee dishonesty, forgery, alteration, theft, disappearance, destruction and computer fraud claims. The District is also self-insured for all dental and vision claims. The District accrues the estimated costs of the self-insured portion of claims in the period in which the amount of the estimated loss is determinable.

P. Classification Changes

For the year ended December 31, 2010, certain classifications have been changed to improve financial statement presentation. For comparative purposes, prior year balances have been reclassified to conform with the fiscal year 2010 presentation.

| |
|--------------------------------------|
| NOTE 2 - CASH AND INVESTMENTS |
|--------------------------------------|

A. Policies

California Law requires banks and savings and loan institutions to pledge government securities with a market value of 110% of the District's cash on deposit, or first trust deed mortgage notes with a market value of 150% of the deposit, as collateral for these deposits. Under California Law this collateral is held in a separate investment pool by another institution in the District's name and places the District ahead of general creditors of the institution.

The District invests in individual investments and in investment pools. Individual investments are evidenced by specific identifiable *securities instruments*, or by an electronic entry registering the owner in the records of the institution issuing the security, called the *book entry* system. In order to increase security, the District employs the Trust Department of a bank as the custodian of certain District managed investments, regardless of their form.

The District's investments are carried at fair value, as required by generally accepted accounting principles. The District adjusts the carrying value of its investments to reflect their fair value at each fiscal year end, and it includes the effects of these adjustments in income for that fiscal year.

The District is in compliance with the Board approved Investment Policy and California Government Code requirements.

| |
|--|
| NOTE 2 - CASH AND INVESTMENTS (Continued) |
|--|

B. Classification

The District's cash and investments consist of the following at December 31:

| | <u>2010</u> | <u>2009</u> |
|--------------------------------------|----------------------|----------------------|
| Cash and cash equivalents | \$89,697,941 | \$92,479,255 |
| Restricted cash and cash equivalents | <u>12,792,796</u> | <u>30,002,812</u> |
| Total cash and investments | <u>\$102,490,737</u> | <u>\$122,482,067</u> |

Cash and investments consisted of the following at December 31:

| | | |
|--|----------------------|----------------------|
| Cash on hand | \$4,465 | \$4,301 |
| Deposits with financial institutions | <u>9,733,318</u> | <u>447,858</u> |
| Total cash | <u>9,737,783</u> | <u>452,159</u> |
| U.S. Agency securities | 1,000,860 | |
| Certificates of deposit | 235,281 | 235,288 |
| Money market mutual funds | 11,791,973 | 5,105,079 |
| Guaranteed investment contract | 6,732,303 | 16,673,000 |
| Investments in Local Agency investment Fund (LAIF) | 54,297,698 | 99,365,448 |
| JPA pool (CAMP) | <u>18,694,839</u> | <u>651,093</u> |
| Total investments | <u>92,752,954</u> | <u>122,029,908</u> |
| Total cash and investments | <u>\$102,490,737</u> | <u>\$122,482,067</u> |

NOTE 2 - CASH AND INVESTMENTS (Continued)

C. Investments by the California Government Code and the District's Investment Policy

The District's Investment Policy and the California Government Code allow the District to invest in the following, provided the credit ratings of the issuers are acceptable to the District and approved percentages and maturities are not exceeded. The table below also identifies certain provisions of the California Government Code, or the District's Investment Policy where the District's Investment Policy is more restrictive.

| Authorized Investment Type | Maximum Maturity | Minimum Credit Quality | Maximum in Portfolio | Maximum Investment In One Issuer |
|---|------------------|------------------------|----------------------|----------------------------------|
| Repurchase Agreements | 90 Days | N/A | N/A | N/A |
| California Local Agency Investment Fund | N/A | N/A | 75% | (A) |
| U. S. Treasury Obligations | 5 Years | N/A | 75% | N/A |
| U.S. Agency Securities | 5 Years | N/A | 80% | 30% |
| Bankers' Acceptances | 180 Days | N/A | 40% | 30% |
| Commercial Paper | 180 Days | A1, P1 | 15% | 10% |
| Collateralized Certificates of Deposit | 5 Years | N/A | N/A | N/A |
| Medium Term Corporate Notes | 5 Years | A,A2 | 30% | 10% |
| California Asset Management Program | N/A | N/A | 75% | N/A |
| Negotiable Certificates of Deposit | 5 Years | N/A | 25% | N/A |
| Money Market Mutual Funds | N/A | A1, P1 | 20% | 10% |
| Collateralized Negotiable investments | N/A | N/A | N/A | N/A |

(A) LAIF limit is \$50,000,000.

D. Investments Authorized by Debt Agreements

Investment of debt proceeds held by bond trustee are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the District's investment policy. The debt agreements contain certain provisions that address interest risk, credit risk and concentration of credit risk. The permitted investments, maximum percentage of the portfolio and maximum investment in one issuer specified in debt agreements are identical to the table above with the exception of debt agreements not allowing investments in repurchase agreements. In addition, the debt agreements require obligations of the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, and money market mutual funds to be rated AAA by the applicable national statistical rating agency.

| |
|--|
| NOTE 2 - CASH AND INVESTMENTS (Continued) |
|--|

E. Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Normally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District generally manages its interest rate risk by holding investments to maturity.

Information about the sensitivity of the fair values of the District's investments (including investments held by bond trustees) to market interest rate fluctuations is provided by the following table that shows the distribution of the District's investments by maturity or earliest call date as of December 31, 2010:

| Investment Type | 12 Months or less | More than 12 Months | Total |
|--|----------------------|------------------------|---------------|
| California Local Agency Investment Fund | \$49,710,001 | | \$49,710,001 |
| California Asset Management Program | 18,694,839 | | 18,694,839 |
| Money Market Funds | 1,304,871 | | 1,304,871 |
| HELD BY TRUSTEE | | | |
| Money Market Funds | 10,487,102 | | 10,487,102 |
| Guaranteed investment contract | | \$6,732,303 | 6,732,303 |
| California Local Agency Investment Fund | 4,587,697 | | 4,587,697 |
| U.S. Agency securities | | 1,000,860 | 1,000,860 |
| Certificates of Deposit | 235,281 | | 235,281 |
| Cash in Banks | 9,737,783 | | 9,737,783 |
| Total Cash and Investments | \$94,757,574 | \$7,733,163 | \$102,490,737 |

The District is a participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The District reports its investment in LAIF at the fair value amount provided by LAIF, which is the same as the value of the pool share. The balance available for withdrawal is based on the accounting records maintained by LAIF, which are maintained on an amortized cost basis. Included in LAIF's investment portfolio are collateralized mortgage obligations, mortgage-backed securities, other asset-backed securities, loans to certain state funds, and floating rate securities issued by federal agencies, government-sponsored enterprises, United States Treasury Notes and Bills, and corporations. At December 31, 2010, these investments matured in an average of 215 days.

| |
|--|
| NOTE 2 - CASH AND INVESTMENTS (Continued) |
|--|

F. Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the actual rating as of December 31, 2010 for each investment type as provided by Standard and Poor's.

| Investment Type | AA | AAM | AAA | Not Rated | Total |
|---|--------------------|---------------------|--------------------|---------------------|----------------------|
| U.S. Agency securities | | | \$1,000,860 | | \$1,000,860 |
| Guaranteed Investment Contract | \$6,732,303 | | | | 6,732,303 |
| Money Market Funds | | \$11,791,973 | | | 11,791,973 |
| Total Investments | \$6,732,303 | \$11,791,973 | \$1,000,860 | | 19,525,136 |
| California Local Agency Investment Fund | | | | \$54,297,698 | 54,297,698 |
| California Asset Management Program | | | | 18,694,839 | 18,694,839 |
| Certificates of Deposit | | | | 235,281 | 235,281 |
| Cash in Banks | | | | 9,737,783 | 9,737,783 |
| Total Cash and Investments | | | | \$82,965,601 | \$102,490,737 |

G. Concentration of Credit Risk

Included in the table at F. above are the following significant investments in the securities of issuers other than U. S. Treasury securities, mutual funds, and external investment pools:

| Issuer | Investment Type | Reported Amount |
|----------------------|--------------------------------|-----------------|
| Royal Bank of Canada | Guaranteed Investment Contract | \$6,732,303 |

NOTE 2 - CASH AND INVESTMENTS (Continued)

H. Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure public agency deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. As of December 31, 2010, the U.S. Agency securities were held by the District's agent in the District's name and District investments in the following investment types were held by the same broker-dealer (counterparty) that was used by the District to buy the securities:

| Investment Type | Reported Amount |
|--------------------------------|--------------------|
| Guaranteed Investment Contract | \$6,732,303 |
| Money Market Funds | 11,791,973 |

NOTE 3 – CAPITAL ASSETS

A. Summary

Property, plant and equipment are stated at cost. The District capitalizes all assets with a historical cost of at least \$5,000 and a useful life of at least three years. The cost of additions to utility plant and major replacements of property are capitalized. Capitalized costs include material, direct labor, transportation and such indirect items as engineering, supervision, employee fringe benefits and interest on net borrowed funds related to plant under construction. Contributed property is recorded at estimated fair market value at the date of donation. Payments received for connection fees are recorded as contributions in aid of construction. Repairs, maintenance and minor replacements of property are expensed.

The purpose of depreciation is to spread the cost of capital assets equitably among all customers over the life of these assets, so that each customer's bill includes a pro rata share of the cost of these assets. The amount charged to depreciation expense each year represents that year's pro rata share of depreciable capital assets.

Depreciation of all capital assets in service, excluding land, is charged as an expense against operations each year and the total amount of depreciation taken over the years, called accumulated depreciation, is reported on the balance sheet as a reduction in the book value of the capital assets.

Capital assets are depreciated using the straight line method of depreciation, which means the cost of the asset is divided by its expected useful life in years and the result is charged to expense each year until the asset is fully depreciated. The District has assigned the useful lives listed below to capital assets:

| <u>Description</u> | <u>Years</u> |
|-----------------------------|--------------|
| Facilities and improvements | 30-50 |
| Buildings and structures | 40-100 |
| Equipment and Furniture | 5-10 |

| |
|--|
| NOTE 3 – CAPITAL ASSETS (Continued) |
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B. FERC License

On October 16, 2006, the Federal Energy Regulatory Commission (FERC) issued an order renewing the license for the El Dorado Hydroelectric Project No. 184, effective October 1, 2006. Expenses of \$7,856,145 incurred for studies, legal counsel and consultants through the date the license was issued were capitalized as an intangible asset during 2006. Pursuant to discussions with GASB, the Districts intangible asset is being amortized over the forty year license term.

The District also agreed to a number of conditions as part of the license agreement that result in the District incurring additional costs, including improving and maintaining a number of campgrounds, constructing a boat launch facility, making modifications to the outlets of dams, improving trailheads and monitoring environmental issues. The present values of these costs, totaling \$41,120,059, were accrued as a deferred credit in fiscal year 2006 and were capitalized as part of the intangible asset. Actual expenses in 2010 of \$775,070 were recorded as a retirement of the asset. Retirements of FERC licensing costs consist of the following:

| | <u>2010</u> | <u>2009</u> |
|-------------------|---------------------|---------------------|
| Beginning Balance | \$28,041,265 | \$29,283,440 |
| Additions | \$7,961,291 | |
| Retirements | <u>(775,070)</u> | <u>(1,242,175)</u> |
| Ending Balance | <u>\$35,227,486</u> | <u>\$28,041,265</u> |
| Current Portion | <u>\$2,267,672</u> | <u>\$1,819,732</u> |

| |
|--|
| NOTE 3 – CAPITAL ASSETS (Continued) |
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C. Additions and Retirements

Capital assets balances and activity are summarized below:

| | Balance at December 31, 2009 | Additions | Retirements | Transfers | Balance at December 31, 2010 |
|---|---------------------------------|---------------------|----------------------|----------------------|---------------------------------|
| Capital assets not being depreciated: | | | | | |
| Land | \$8,242,728 | | | | \$8,242,728 |
| Water Rights | 1,418,000 | | | \$222,110 | 1,640,110 |
| Construction in Progress | 154,836,867 | \$21,438,121 | (\$762,361) | (148,262,387) | 27,250,240 |
| FERC license | 33,599,086 | 7,520,973 | | | 41,120,059 |
| Total capital assets not being depreciated | <u>198,096,681</u> | <u>28,959,094</u> | <u>(762,361)</u> | <u>(148,040,277)</u> | <u>78,253,137</u> |
| Capital assets being depreciated: | | | | | |
| Water plant in service | 439,122,902 | 617,287 | (645,709) | 38,302,476 | 477,396,956 |
| Wastewater plant in service | 207,997,639 | 745,305 | | 98,801,306 | 307,544,250 |
| General plant | 27,162,656 | 38,542 | (470,154) | 10,633,017 | 37,364,061 |
| Reclaimed water facility | 23,783,254 | | | 303,478 | 24,086,732 |
| FERC license | 7,856,145 | | | | 7,856,145 |
| Total capital assets being depreciated: | <u>705,922,596</u> | <u>1,401,134</u> | <u>(1,115,863)</u> | <u>148,040,277</u> | <u>854,248,144</u> |
| Less accumulated depreciation for: | | | | | |
| Water plant in service | (112,676,453) | (8,695,182) | 25,747 | | (121,345,888) |
| Wastewater plant in service | (61,884,847) | (5,600,480) | | | (67,485,327) |
| General plant | (11,982,954) | (1,964,314) | 470,154 | | (13,477,114) |
| Reclaimed water facility | (4,816,188) | (611,163) | | | (5,427,351) |
| FERC license - Amortization | (5,903,099) | (775,070) | | | (6,678,169) |
| Total accumulated depreciation and amortization | <u>(197,263,541)</u> | <u>(17,646,209)</u> | <u>495,901</u> | | <u>(214,413,849)</u> |
| Total capital assets being depreciated, net | <u>508,659,055</u> | <u>(16,245,075)</u> | <u>(619,962)</u> | <u>148,040,277</u> | <u>639,834,295</u> |
| Total capital assets, net | <u>\$706,755,736</u> | <u>\$12,714,019</u> | <u>(\$1,382,323)</u> | | <u>\$718,087,432</u> |

| |
|--------------------------------|
| NOTE 4 – LONG-TERM DEBT |
|--------------------------------|

A. Composition and Changes

The District generally incurs long-term debt to finance projects or purchase assets, which will have useful lives equal to or greater than the related debt. The District's debt issues and transactions are summarized below and discussed in detail thereafter.

| | Original Issue Amount | Balance December 31, 2009 | Additions | Retirements | Balance December 31, 2010 | Amount due within one year |
|---|--------------------------|------------------------------|---------------------|---------------------|------------------------------|----------------------------------|
| State of California Loans | | | | | | |
| 2.32% - 2.60%, due 01/01/29 | \$22,855,212 | \$20,418,889 | | \$947,312 | \$19,471,577 | \$980,953 |
| Participation | | | | | | |
| 2003 A Series | | | | | | |
| 3.00% - 5.25%, due 03/01/21 | 74,025,000 | 67,235,000 | | 13,230,000 | 54,005,000 | 140,000 |
| 2004 A Series | | | | | | |
| 3.00% - 5.00%, due 03/01/25 | 75,445,000 | 57,715,000 | | 4,525,000 | 53,190,000 | 4,755,000 |
| 2008 A Series | | | | | | |
| .94% variable rate, due 03/01/36 | 110,705,000 | 110,705,000 | | | 110,705,000 | |
| 2009 A Series | | | | | | |
| 3.50% - 6.25%, due 08/01/39 | 132,285,000 | \$132,285,000 | | | 132,285,000 | |
| 2010 A Series | | | | | | |
| 4.25% - 5.75%, due 03/1/2024 | | | \$14,755,000 | | 14,755,000 | |
| 2003 General Obligation Bonds | | | | | | |
| 2.50% - 4.50%, due 04/01/19 | 6,000,000 | 3,825,000 | | 375,000 | 3,450,000 | 385,000 |
| Total | | 392,183,889 | <u>\$14,755,000</u> | <u>\$19,077,312</u> | 387,861,577 | <u>\$6,260,953</u> |
| Deferred amount on Refunding | | (5,243,453) | | | (4,887,948) | |
| Bond Premiums | | 3,441,497 | | | 3,050,779 | |
| Less: Current Portion of long-term debt | | (10,217,497) | | | (6,260,953) | |
| Total Long -Term Debt | | <u>\$380,164,436</u> | | | <u>\$379,763,455</u> | |

B. Description of the District's Long Term Debt Issues

State of California Loans – The State of California Department of Water Resources, through the State Revolving Fund Loan Program, provides low interest loans for clean water and drinking projects to localities that operate facilities throughout the State of California. The State Revolving Fund is funded through federal appropriations. As of December 31, 2010, the District has entered into ten State Revolving Fund loans to finance the lining and covering of reservoirs as mandated by the State Department of Health Services. Each loan has a maximum term of 20 years.

Revenue Certificates of Participation, Series 2003A – On December 11, 2003, the District issued Revenue Certificates of Participation, Series 2003A in the amount of \$74,025,000 to prepay the District's Economic Development Administration loan, advance refund a portion of the District's 1999 Revenue bonds, acquire facilities for the District's water and wastewater system and to reimburse the District for amounts previously expended on the acquisition of certain facilities within the District's water and wastewater systems. The Certificates are payable from the District's net revenues. Principal payments are payable annually on March 1, beginning March 1, 2008 through March 1, 2021. Interest payments are payable semi-annually on March 1 and September 1.

NOTE 4 - LONG TERM DEBT (Continued)

Refunding Revenue Certificates of Participation, Series 2004A – On September 15, 2004, the District issued Refunding Revenue Certificates of Participation, Series 2004A in the amount of \$75,445,000 to advance refund the District’s 1996 Revenue bonds, 1999 Revenue Bonds and the LaSalle Bank Bridge Loan. The Certificates are payable from the District’s net revenues. Principal payments are payable annually on March 1, through March 1, 2025. Interest payments are payable semi-annually on March 1 and September 1.

Adjustable Rate Revenue Certificates of Participation, Series 2008A – On April 30, 2008, the District issued Adjustable Refunding Revenue Certificates of Participation, Series 2008B in the amount of \$110,705,000 to refund the District’s 2003B and 2004B Adjustable Rate Revenue bonds as well as to establish a reserve account of \$9,940,697. The Certificates are payable from the District’s net revenues. Interest rates are variable and based on weekly auction rates established by Union Bank of California N.A. The interest rate at December 31, 2008 was 3.21%. Principal payments are payable annually on March 1 from March 1, 2030 through March 1, 2036.

Revenue Certificates of Participation, Series 2009A – On January 23, 2009, the District issued Revenue Certificates of Participation, Series 2009A in the amount of \$132,285,000 to acquire certain facilities for the District water system and wastewater system and to purchase a financial guaranty insurance policy. The Certificates are payable from the District’s net revenues. Principal payments are payable annually on March 1, through March 1, 2025. Interest payments are payable semi-annually on March 1 and September 1.

Revenue Certificates of Participation, Series 2010A – On February 17, 2010, the District issued Revenue Certificates of Participation, Series 2010A in the amount of \$14,755,000 in order to refund a portion of the Revenue Certificates of Participation. The Certificates are payable from the District’s net revenues. Principal payments are payable annually on March 1, through March 1, 2024. Interest payments are payable semi-annually on March 1 and September 1.

2003 General Obligation Refunding Bonds – On December 23, 2003, the District issued the 2003 General Obligation Refunding Bonds in the amount of \$6,000,000 to repay a portion of the Sly Park Facilities Contract between the District and the United States Department of the Interior, Bureau of Reclamation. The Bonds are to be repaid from a property tax assessment on property within the District’s jurisdiction. Principal payments are payable annually on October 1. Interest payments are payable semi-annually on April 1 and October 1 through April 1, 2019.

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| NOTE 4 - LONG TERM DEBT (Continued) |
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C. Debt Service Requirements

Annual debt service requirements are shown below for the above debt issues:

| For the Year Ending December 31 | Business-Type Activities | |
|------------------------------------|--------------------------|----------------------|
| | Principal | Interest |
| 2011 | \$6,260,953 | \$14,939,784 |
| 2012 | 6,541,704 | 14,650,334 |
| 2013 | 11,571,398 | 14,229,814 |
| 2014 | 11,196,701 | 13,717,387 |
| 2015 | 13,277,628 | 13,225,435 |
| 2016 - 2020 | 75,035,006 | 55,169,874 |
| 2021 - 2025 | 56,173,849 | 39,943,997 |
| 2026 - 2030 | 41,914,338 | 29,918,708 |
| 2031 - 2035 | 113,085,000 | 18,566,270 |
| 2036 - 2039 | 52,805,000 | 5,182,477 |
| Totals | <u>\$387,861,577</u> | <u>\$219,544,080</u> |

The District is subject to certain revenue bond covenants, the most restrictive of which requires the setting of rates and charges to yield net revenue (as defined) equal to at least 125% of the current annual debt service requirements of the Refunding Revenue Certificates of Participation, Series 2004A. The District was in compliance with all applicable bond covenants for the year ended December 31, 2010.

At December 31, 2009, the District was not in compliance with the provisions of the Revenue Certificates Participation, Series 2003A, Revenue Certificates of Participation, Series 2004A, Revenue Certificates of Participation, Series 2008A, and Revenue Certificates of Participation, Series 2009A bond covenants which require water and wastewater rates and charges collected in each year to be at least equal to 125% of the debt service. Rates and charges were \$7,736,327 less than required under the covenant. The rates and charges will increase as the facilities that are being constructed with the proceeds are completed and placed into service.

At December 31, 2010, the District was in compliance with the provisions of the Revenue Certificates of Participation, Series 2003A, Revenue Certificates of Participation, Series 2004A, Revenue Certificates of Participation, Series 2008A, and Revenue Certificates of Participation, Series 2009A bond covenants which require water and wastewater rates and charges collected in each year to be at least equal to 125% of the debt service.

**EL DORADO IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010 AND 2009**

NOTE 5 – NET ASSETS

Net Assets is the excess of all the District’s assets over all its liabilities, regardless of fund. Net Assets are divided into three captions. These captions apply only to Net Assets and are described below:

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

Restricted describes the portion of Net Assets which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions which the District cannot unilaterally alter. These principally include developer fees received for use on capital projects, debt service requirements, and fees charged for the provision of future water resources.

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

NOTE 6 – RETIREMENT PLAN

The District contributes to the California Public Employees Retirement System (CALPERS), an agent multiple-employer defined benefit pension plan which acts as a common investment and administrative agent for its participating member employers. It provides retirement, disability, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. Benefit provisions under both plans are established by State Statute and District resolution. Funding contributions for the plan are determined annually on an actuarial basis as of June 30 by CALPERS; the District must contribute these amounts. The Plan’s provisions and benefits in effect at June 30, 2009, are summarized as follows:

| | |
|---|------------------|
| Benefit vesting schedule | 5 years service |
| Benefit payments | monthly for life |
| Retirement age | 50 |
| Monthly benefits, as a % of annual salary | 1.092% - 3.000% |
| Required employee contribution rate | 7.814% |
| Required employer contribution rate | 17.071% |

The schedule of employer contributions is shown below:

| | <u>Actual contribution</u> | <u>Annual required contribution</u> | <u>Percentage contributed</u> |
|--------------------------------|--------------------------------|---|-----------------------------------|
| Fiscal year ended December 31: | | | |
| 2008 | \$3,402,034 | \$3,393,927 | 100% |
| 2009 | 3,042,315 | 3,479,851 | 87% |
| 2010 | 2,794,107 | 3,832,276 | 73% |

NOTE 6 – RETIREMENT PLAN (Continued)

CALPERS determines contribution requirements using a modification of the Entry Age Normal Method. Under this method, the District’s total normal benefit cost for each employee from date of hire to date of retirement is expressed as a level percentage of the related total payroll cost. Normal benefit cost under this Method is the level amount the employer must pay annually to fund an employee’s projected retirement benefit. This level percentage of payroll method is used to amortize any unfunded actuarial liabilities. The actuarial assumptions used to compute contribution requirements are also used to compute the actuarial accrued liability. The District does not have a net pension obligation since it pays these actuarially required contributions monthly.

CALPERS uses the market related value method of valuing the Plan’s assets. An investment rate of return of 7.75% is assumed, including inflation at 3.0%. Annual salary increases are assumed to vary by duration of service. Changes in liability due to plan amendments, changes in actuarial assumptions, or changes in actuarial methods are amortized as a level percentage of payroll on a closed basis over twenty years. Investment gains and losses are accumulated as they are realized and ten percent of the net balance is amortized annually.

The Plan’s actuarial value (which differs from market value) and funding progress over the most recently available three years is set forth below at the actuarial valuation date of June 30. The Plan’s actuarial does not provide the current two years so we provided the most recent three years below:

| Valuation Date | Entry Age Accrued Liability | Actuarial Value of Assets | Unfunded (Overfunded) Liability | Funded Ratio | Annual Covered Payroll | Unfunded (Overfunded) Liability as % of Payroll |
|----------------|-----------------------------|---------------------------|---------------------------------|--------------|------------------------|---|
| 6/30/2007 | \$ 71,846,081 | \$ 53,420,519 | \$ 18,425,562 | 74.4% | \$ 18,928,128 | 97.3% |
| 6/30/2008 | 81,068,458 | 60,125,773 | 20,942,685 | 74.2% | 20,395,541 | 102.7% |
| 6/30/2009 | 93,732,895 | 66,200,885 | 27,532,010 | 70.6% | 18,596,291 | 148.1% |

Audited annual financial statements and ten-year trend data are available from CALPERS at P.O. Box 942709, Sacramento, CA 94229-2709. CALPERS reports this information approximately seventeen months after the end of its June 30 fiscal year.

As required by State law, effective July 1, 2005, the District’s Miscellaneous Plan was terminated, and the employees in this plan were required by CALPERS to join new State-wide pools. One of the conditions of entry to these pools was that the District true-up any unfunded liability in the former Plan, either by paying cash or by increasing its future contribution rates through a Side Fund offered by CALPERS. The District satisfied its Miscellaneous Plan’s unfunded liability of \$20,942,685 by agreeing to contribute that amount to the Side Fund through an addition to its normal contribution rates over the next 9 years.

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| NOTE 7 - POST EMPLOYMENT BENEFITS OTHER THAN RETIREMENT |
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A. Trust Description

The District's employees are eligible for postretirement health care benefits if they directly retire from employment at the District. As of December 31, 2010 and 2009, there were 137 and 165 retirees or their beneficiaries, respectively, receiving these health care benefits. These benefits are fully funded by the District in accordance with the District's Code of Regulations and with the Memorandum of Understanding for employees in the Clerical/Maintenance Representation Unit. These benefits are accounted for on a pay-as-you-go basis through payments to an insurance company. The cost of these benefits totaled \$787,698 in 2010 and \$528,370 in 2009.

During fiscal year 2008, the District implemented the provisions of the Government Accounting Standards Board Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. This Statement establishes uniform financial reporting standards for employers providing other postemployment benefits (OPEB). As part of the implementation, the District elected to establish an irrevocable trust to provide a funding mechanism for the OPEB and to apply the provisions of the statements on a prospective basis. The activities of the Trust are accounted for in the Other Post-Employment Benefits Trust Fund.

B. Funding Policy and Actuarial Assumptions

The annual required contribution (ARC) was determined by an actuarial valuation using the Projected Unit Credit actuarial cost method. The actuarial assumptions included (a) 7.75% investment rate of return, and (b) 5.5% healthcare inflation increases. The actuarial methods and assumptions used include techniques that smooth the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets. The postemployment benefit plan is of the single-employer defined benefit plan. Actuarial calculations reflect a long-term perspective and actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. The District's OPEB unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll using a 30 year closed amortization period.

NOTE 7 - POST EMPLOYMENT BENEFITS OTHER THAN RETIREMENT (Continued)

Generally accepted accounting principles permit assets to be treated as OPEB assets and deducted from the actuarial accrued liability when such assets are placed in an irrevocable trust or equivalent arrangement. The calculations are based on OPEB benefits provided under the terms of the substantive plan in effect at the time of each valuation and on the pattern of sharing costs between the employer and plan members to that point. Actuarially determined amounts for the OPEB plan are subject to continual revision as results are compared to past expectations and new estimates are made about the future. The District has calculated and recorded the net OPEB liability, representing the difference between the ARC, amortization and contributions, as presented below:

| | | |
|---|------------------|---------------------------|
| Net OPEB obligation at December 31, 2009 | | \$3,681,017 |
| Normal cost for the year | \$1,226,000 | |
| Amortization of UAAL (28 years) | 1,342,000 | |
| Annual OPEB cost - fiscal 2010 | <u>2,568,000</u> | |
| Adjustments to the ARC | 64,800 | |
| Total annual required contribution (ARC) | <u>2,632,800</u> | |
| Less contributions made during fiscal year: | | |
| Contributions to Northern Trust | <u>(787,698)</u> | |
| Contributions less than ARC | | <u>1,845,102</u> |
| Net OPEB obligation at December 31, 2010 | | <u><u>\$5,526,119</u></u> |

The Trust's annual required contributions and actual contributions for the year ended December 31, 2010 is as follows:

| Fiscal Year | Annual Required Contribution (ARC) | Actual Contribution | Percentage of ARC Contributed | Net OPEB Obligation (Asset) |
|-------------|------------------------------------|---------------------|-------------------------------|-----------------------------|
| 12/31/08 | \$2,292,000 | \$448,613 | 20% | \$1,843,387 |
| 12/31/09 | 2,366,000 | 528,370 | 22% | 3,681,017 |
| 12/31/10 | 2,632,800 | 787,698 | 30% | 5,526,119 |

The schedule of funding progress presents trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. Trend data from the January 26, 2011 actuarial study is presented below:

| Actuarial Valuation Date | Actuarial Value of Assets (A) | Cost Method Actuarial Liability (B) | Overfunded (Underfunded) Actuarial Liability (A - B) | Funding Ratio (A / B) | Covered Payroll (C) | Unfunded (Overfunded) Actuarial liability as a percentage of Covered Payment ((A-B)/C) |
|--------------------------|-------------------------------|-------------------------------------|--|-----------------------|---------------------|--|
| 7/1/2008 | \$0 | \$16,554,000 | (\$16,554,000) | 0 | \$20,395,541 | -81% |
| 7/1/2009 | 0 | 22,401,000 | (22,401,000) | 0 | 18,596,291 | -120% |

NOTE 8 - INSURANCE

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees, and natural disasters. The District is self-insured up to the amounts specified below for claims related to the following:

| <u>Type of Claim</u> | <u>Coverage Limits</u> | <u>Self insured Portion (Per Occurrence)</u> |
|-------------------------------------|------------------------|--|
| <i>District:</i> | | |
| Liability | | |
| General Liability | \$3,000,000 | \$25,000 |
| Property | 32,910,175 | 25,000 |
| Crime | 250,000 | 25,000 |
| Management Liability | 3,000,000 | 25,000 |
| Business Automobile | 1,000,000 | None |
| Excess - Umbrella Liability | 10,000,000 | None |
| Workers' Compensation | Statutory Limit | None |
| <i>Hydro-Electric Plant:</i> | | |
| Property | 96,425,000 | 25,000 |
| Excess Property | 13,000,000 | 100,000 |
| Boiler & Machinery Equipment | 18,000,000 | 100,000 |

The District purchases commercial insurance for claims in excess of self-insured amounts and for all other risks of loss to a stated maximum amount. The District is self-insured for amounts in excess of these amounts. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

NOTE 8 – INSURANCE (CONTINUED)

The reserve for claims and claims expense of \$833,000 reported at December 31, 2010 and 2009 is based on historical cost and/or actuarial estimates of the amounts needed to pay prior and current year claims, and to allow the accrual of estimated incurred but not reported claims and incremental claims expense. As of December 31, 2010 and 2009, the entire claims liability is reported as a long-term liability on the balance sheet. Changes in the District’s claims liability amount in 2010 and 2009 were as follows:

| | |
|--|-------------------------|
| Reserve for claims and claims expenses at December 31, 2008 | \$833,000 |
| Current year incurred claims and changes in estimates | 466,728 |
| Net (payments) recoveries | <u>(466,728)</u> |
| Reserve for claims and claims expenses at December 31, 2009 | 833,000 |
| Current year incurred claims and changes in estimates | 380,073 |
| Net (payments) recoveries | <u>(380,073)</u> |
| Reserve for claims and claims expenses at December 31, 2010 | <u><u>\$833,000</u></u> |

NOTE 9 – PRIOR PERIOD ADJUSTMENT

In fiscal year 2009, the District made the following prior period adjustment to restate its previously issued financial statements:

- Accrual of 2009A bond interest expense.

| | Net Assets, as Previously Reported | Accrued Interest Payable | Net Assets, as Restated |
|------------|--|-----------------------------|----------------------------|
| Net Assets | <u>\$409,573,268</u> | <u>(\$3,037,100)</u> | <u>\$406,536,168</u> |

| |
|--|
| NOTE 10 - COMMITMENT AND CONTINGENT LIABILITIES |
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A. Capital Project Commitments

The District has the following capital project commitments outstanding as of December 31, 2010:

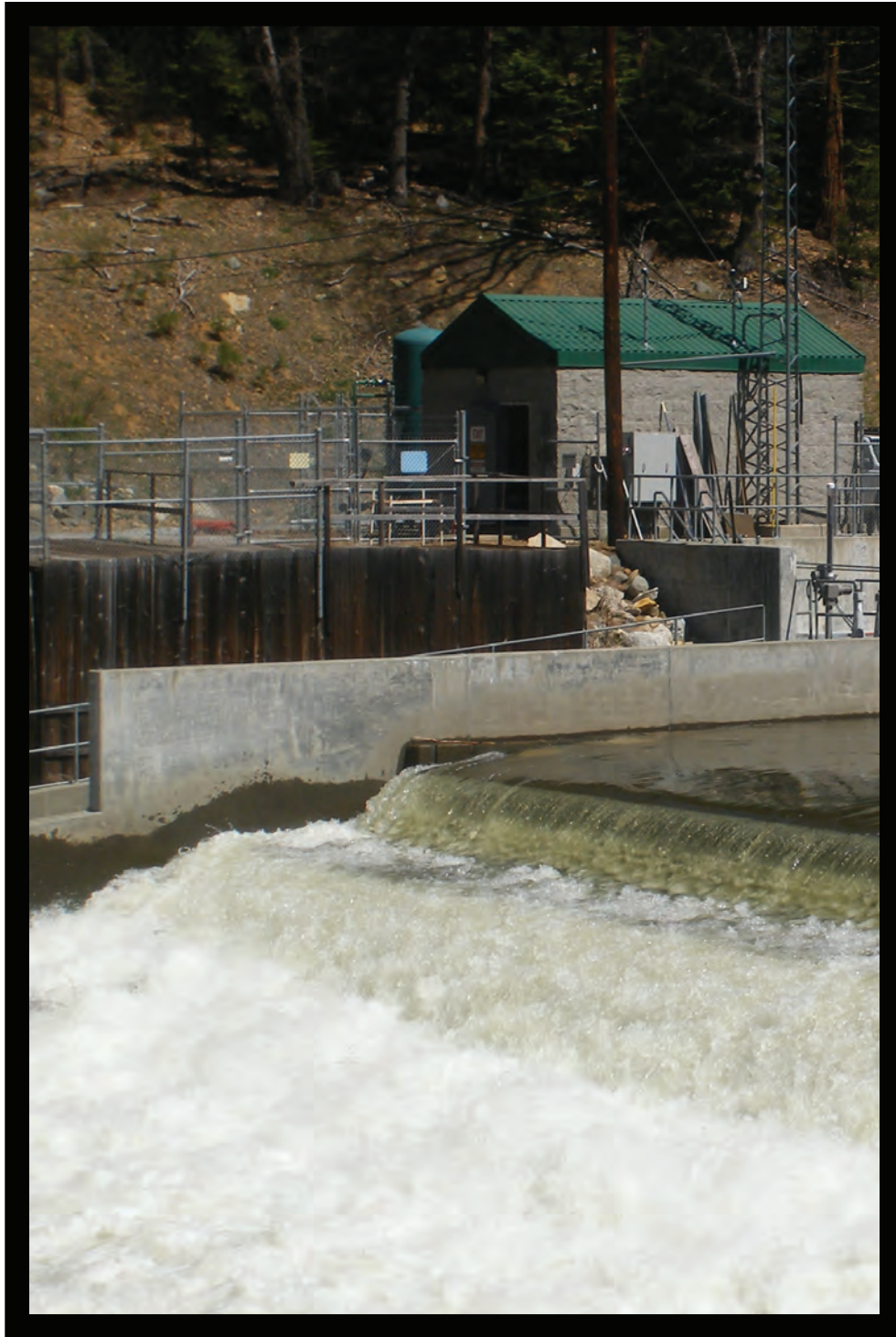
| | |
|-----------------------------|-------------|
| Folsom Lake Temp Control | \$1,947,444 |
| Forebay Dredging/Upgrades | 822,026 |
| Coach Lane Sewer Line | 524,775 |
| Silver Lake Dam Reg Improve | 380,018 |
| Caples Lake Dam Reg Improve | 336,157 |
| Lake Aloha Dam Reg Improve | 263,359 |
| Echo Lake Dams Evaluation | 237,681 |
| Seasonal Storage | 211,221 |
| | <hr/> |
| | \$4,722,681 |
| | <hr/> <hr/> |

B. Litigation

The District is a defendant in a number of lawsuits, which have arisen, in the normal course of business including challenges over certain rates and changes. The ultimate outcome of these matters is not presently determinable. In the opinion of the District, these actions when finally adjudicated will not have a material adverse effect on the financial position of the District.

C. Other Contingencies

On February 6, 1996, the District purchased the Texas Hill property from the County under an installment purchase agreement, which called for five annual payments of \$500,000 commencing September 1, 1996. In the event that the property is sold or used for any purpose that is inconsistent with the development of the Texas Hill Reservoir, any funds received must be used to fund the development of increased water supplies or increased wastewater capacity for the benefit of customers or potential customers of the District, but no additional payment is due the County. As of December 31, 2010 the outstanding balance due if and when the District obtains construction financing for and commences construction on the Texas Hill Reservoir is \$1,533,000. Currently the District has no plans to start construction.



The Kyburz diversion dam diverts natural flow from the South Fork American River and water stored in Echo, Silver, and Caples lakes and Lake Aloha, into a 22-mile system of canals, flumes, and tunnels for delivery to the powerhouse and EID customers.

EL DORADO IRRIGATION DISTRICT
COMBINING BALANCE SHEET
DECEMBER 31, 2010

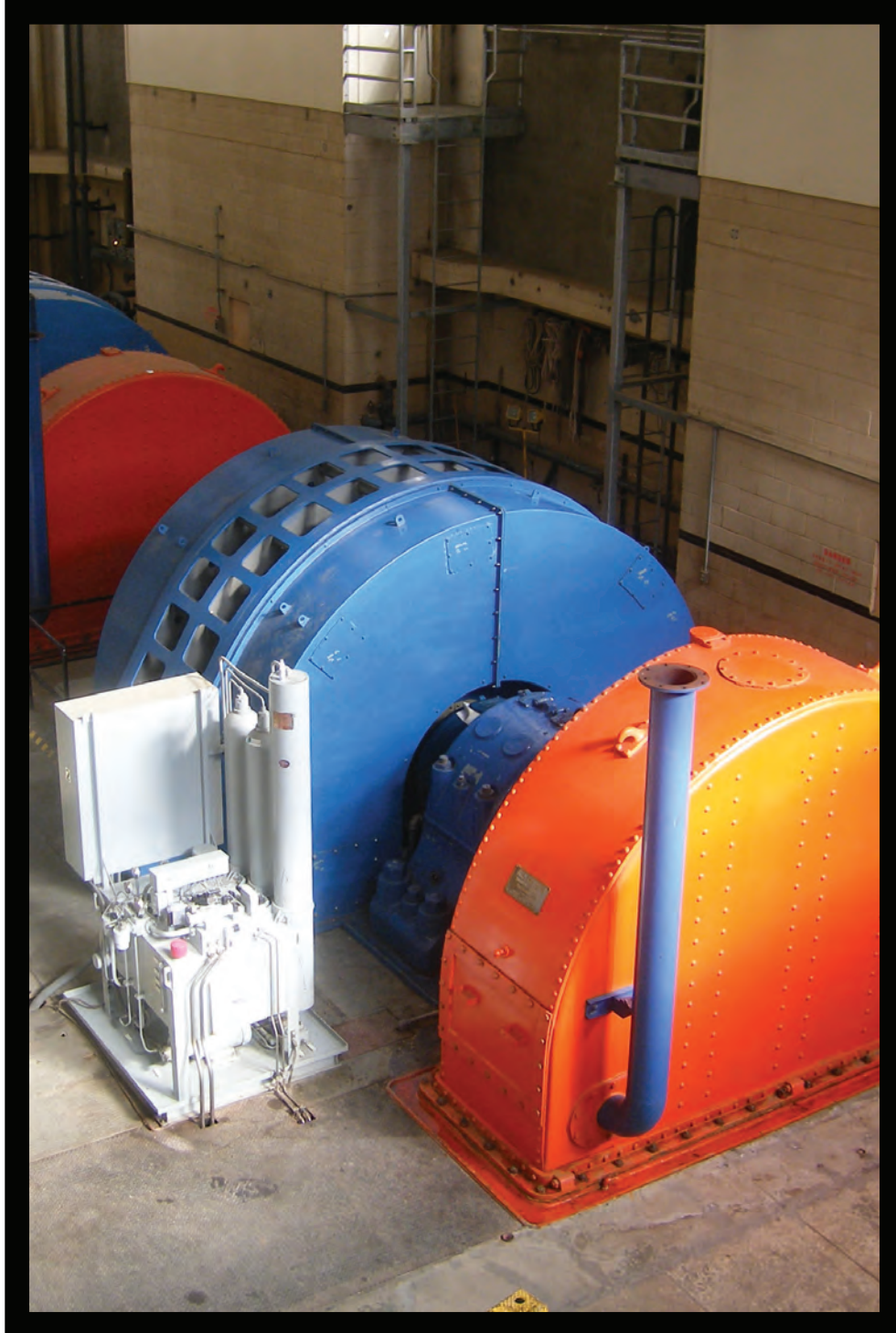
| | Operating | Capital Improvement | Debt Service | El Dorado Public Agency Financing Authority | Recreation | Hydroelectric | Total |
|---|----------------------|------------------------|----------------------|--|--------------------|----------------------|----------------------|
| ASSETS | | | | | | | |
| CURRENT ASSETS | | | | | | | |
| Cash and Cash Equivalents | \$46,342,627 | \$34,551,418 | | \$198,097 | (\$103,936) | \$8,709,735 | \$89,697,941 |
| Restricted Cash and Cash Equivalents | | | \$12,792,796 | | | | 12,792,796 |
| Accounts Receivable, Net | 4,382,374 | | 147,164 | | | 892,514 | 5,422,052 |
| Due from Other Governmental Agencies | 676,457 | | | | | 556,034 | 1,232,491 |
| Interest Receivable | 70,899 | (13,885) | 62,895 | | | | 119,909 |
| Taxes Receivable | 4,719,017 | | 238,416 | | 118,395 | | 5,075,828 |
| Inventory | 411,915 | | | | | | 411,915 |
| Prepaid Expenses and Other Current Assets | 249,856 | | 8,545 | | | 330,694 | 589,095 |
| Intrafund Receivable/Payable | 23,617,119 | (16,373,321) | | | (428,798) | (6,815,000) | |
| Total Current Assets | <u>80,470,264</u> | <u>18,164,212</u> | <u>13,249,816</u> | <u>198,097</u> | <u>(414,339)</u> | <u>3,673,977</u> | <u>115,342,027</u> |
| CAPITAL ASSETS, non depreciable | <u>8,424,902</u> | <u>24,069,757</u> | | | <u>104,901</u> | <u>45,653,577</u> | <u>78,253,137</u> |
| CAPITAL ASSETS, net of accumulated depreciation | <u>552,830,706</u> | | | | <u>6,401,319</u> | <u>80,602,270</u> | <u>639,834,295</u> |
| NONCURRENT ASSETS | | | | | | | |
| Deferred Bond Costs | | | <u>6,018,658</u> | | | | <u>6,018,658</u> |
| Total Noncurrent Assets | | | <u>6,018,658</u> | | | | <u>6,018,658</u> |
| TOTAL ASSETS | <u>641,725,872</u> | <u>42,233,969</u> | <u>19,268,474</u> | <u>198,097</u> | <u>6,091,881</u> | <u>129,929,824</u> | <u>839,448,117</u> |
| LIABILITIES | | | | | | | |
| CURRENT LIABILITIES | | | | | | | |
| Accounts Payable | 2,169,360 | | | | | 4 | 2,169,364 |
| Deposits | 1,441,437 | | | | | 9,650 | 1,451,087 |
| Accrued Compensated Absences | 985,329 | | | | | 99,247 | 1,084,576 |
| Accrued Payroll and Benefits Payable | 624,625 | | | | | 58,384 | 683,009 |
| Deferred Revenue | 3,697,470 | | | | | | 3,697,470 |
| Deferred Credit - FERC License | | | | | | 2,267,672 | 2,267,672 |
| Current Portion of Long-Term Debt | | | 6,260,953 | | | | 6,260,953 |
| Accrued Interest Payable | | | 5,285,707 | | | | 5,285,707 |
| Total Current Liabilities | <u>8,918,221</u> | | <u>11,546,660</u> | | | <u>2,434,957</u> | <u>22,899,838</u> |
| NONCURRENT LIABILITIES | | | | | | | |
| Accrued Compensated Absences | | | | | | | |
| Long-Term Debt | | | 379,763,455 | | | | 379,763,455 |
| Texas Hill Property Liability | | | 1,533,000 | | | | 1,533,000 |
| Reserve for Claims and Claims Expense | 833,000 | | | | | | 833,000 |
| Other Post Employment Benefits Obligation | 5,526,118 | | | | | | 5,526,118 |
| Deferred Credit - FERC License | | | | | | 32,959,814 | 32,959,814 |
| Other Liabilities | 930,000 | | | | | | 930,000 |
| Total Noncurrent Liabilities | <u>7,289,118</u> | | <u>381,296,455</u> | | | <u>32,959,814</u> | <u>421,545,387</u> |
| TOTAL LIABILITIES | <u>16,207,339</u> | | <u>392,843,115</u> | | | <u>35,394,771</u> | <u>444,445,225</u> |
| NET ASSETS | | | | | | | |
| Invested in Capital Assets, Net of Related Debt | 561,255,608 | 24,069,757 | (386,024,408) | | 6,506,220 | 91,028,361 | 296,835,538 |
| Restricted for New Facilities | | | 9,800,219 | | | | 9,800,219 |
| Restricted for Debt Service | | | 12,792,796 | | | | 12,792,796 |
| Unrestricted | 64,262,925 | 18,164,212 | (10,143,248) | 198,097 | (414,339) | 3,506,692 | 75,574,339 |
| TOTAL NET ASSETS (DEFICITS) | <u>625,518,533</u> | <u>42,233,969</u> | <u>(373,574,641)</u> | <u>198,097</u> | <u>6,091,881</u> | <u>94,535,053</u> | <u>395,002,892</u> |
| TOTAL LIABILITIES AND NET ASSETS | <u>\$641,725,872</u> | <u>\$42,233,969</u> | <u>\$19,268,474</u> | <u>\$198,097</u> | <u>\$6,091,881</u> | <u>\$129,929,824</u> | <u>\$839,448,117</u> |

EL DORADO IRRIGATION DISTRICT
 COMBINING SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
 DECEMBER 31, 2010

| | Operating | Capital Improvement | Debt Service | El Dorado Public Agency Financing Authority | Recreation | Hydroelectric | Total |
|--|----------------------|------------------------|------------------------|--|--------------------|---------------------|----------------------|
| OPERATING REVENUES | | | | | | | |
| Water Sales | \$17,553,889 | | | | | | \$17,553,889 |
| Water Services | 1,741,830 | | | | | | 1,741,830 |
| Reclaimed Water Reimbursement/Sales | 733,798 | | | | | | 733,798 |
| Wastewater Sales | 17,271,272 | | | | | | 17,271,272 |
| Wastewater Services | 53,574 | | | | | | 53,574 |
| Recreation Fees | | | | | \$1,062,062 | | 1,062,062 |
| Hydroelectric Sales | | | | | | \$7,872,825 | 7,872,825 |
| Total Operating Revenues | 37,354,363 | | | | 1,062,062 | 7,872,825 | 46,289,250 |
| OPERATING EXPENSES | | | | | | | |
| Personnel Expense | 23,768,032 | | | | 559,364 | 1,813,372 | 26,140,768 |
| Operating Supplies | 2,584,421 | | | | 95,045 | 349,256 | 3,028,722 |
| Chemicals | 1,075,084 | | | | | 98 | 1,075,182 |
| Administration | 2,422,302 | | | | 38,379 | 29,558 | 2,490,239 |
| Utilities | 3,794,885 | | | | 78,794 | 44,542 | 3,918,221 |
| Professional Services | 1,957,325 | | | | 235,180 | 109,447 | 2,301,952 |
| Repair Services | 429,257 | | | | 4,115 | 161,892 | 595,264 |
| Insurance | 594,566 | | | | | 295,000 | 889,566 |
| Bad Debt | 12,534 | | \$499 | | | | 13,033 |
| Depreciation and Amortization | 15,035,373 | | | | 316,839 | 2,753,971 | 18,106,183 |
| Total Operating Expenses | 51,673,779 | | 499 | | 1,327,716 | 5,557,136 | 58,559,130 |
| OPERATING INCOME (LOSS) | (14,319,416) | | (499) | | (265,654) | 2,315,689 | (12,269,880) |
| NONOPERATING REVENUES (EXPENSES) | | | | | | | |
| Surcharges | 980,396 | | \$1,195,076 | | | | 2,175,472 |
| Voter - Approved Taxes | | | 449,169 | | | | 449,169 |
| Property Tax | 9,301,264 | | | | 236,537 | | 9,537,801 |
| Interest Income | 315,306 | (\$21,530) | 571,921 | | | | 865,697 |
| Other Income | 1,518,834 | | | \$20 | 7,033 | (163,886) | 1,362,001 |
| Interest Expense | | | (15,390,421) | | | | (15,390,421) |
| Debt Related Fees | | | (491,372) | | | | (491,372) |
| Flood Damage Reimbursements (expense) | | | | | | 700,477 | 700,477 |
| Total Nonoperating Revenues | 12,115,800 | (21,530) | (13,665,627) | 20 | 243,570 | 536,591 | (791,176) |
| CAPITAL CONTRIBUTIONS AND TRANSFERS | (2,203,616) | (21,530) | (13,666,126) | 20 | (22,084) | 2,852,280 | (13,061,056) |
| Facility Capacity Charges | 577,294 | | | | | | 577,294 |
| Developer Contributions | 950,486 | | | | | | 950,486 |
| Transfers In | 350,311,087 | 114,205,536 | 357,585,910 | | 7,591,617 | 67,968,893 | 897,663,043 |
| Transfers (Out) | (104,750,157) | (259,285,607) | (470,837,398) | (20) | (5,059,205) | (57,730,656) | (897,663,043) |
| Total Capital Contributions and Transfers | 247,088,710 | (145,080,071) | (113,251,488) | (20) | 2,532,412 | 10,238,237 | 1,527,780 |
| NET INCOME (LOSS) | 244,885,094 | (145,101,601) | (126,917,614) | | 2,510,328 | 13,090,517 | (11,533,276) |
| NET ASSETS (DEFICITS), BEGINNING OF YEAR | 380,633,439 | 187,335,570 | (246,657,027) | 198,097 | 3,581,553 | 81,444,536 | 406,536,168 |
| NET ASSETS (DEFICITS), END OF YEAR | \$625,518,533 | \$42,233,969 | (\$373,574,641) | \$198,097 | \$6,091,881 | \$94,535,053 | \$395,002,892 |

EL DORADO IRRIGATION DISTRICT
SCHEDULE OF REVENUES, EXPENSES, AND CHANGE IN NET ASSETS
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2010

| | Actual | Budget | Variance Positive (Negative) |
|---|---------------------|---------------------|------------------------------------|
| OPERATING REVENUES | | | |
| Water Sales | \$17,553,889 | \$21,386,521 | (\$3,832,632) |
| Water Services | 1,741,830 | 1,686,375 | 55,455 |
| Reclaimed Water Reimbursement/Sales | 733,798 | 1,051,692 | (317,894) |
| Wastewater Sales | 17,271,272 | 18,515,905 | (1,244,633) |
| Wastewater Services | 53,574 | 125,000 | (71,426) |
| Recreation Fees | 1,062,062 | 1,040,000 | 22,062 |
| Hydroelectric Sales | 7,872,825 | 6,000,000 | 1,872,825 |
| Total Operating Revenues | 46,289,250 | 49,805,493 | (3,516,243) |
| OPERATING EXPENSES | | | |
| Personnel Expense | 24,265,666 | 24,979,130 | 713,464 |
| Operating Supplies | 3,028,722 | 4,020,549 | 991,827 |
| Chemicals | 1,075,182 | 1,222,000 | 146,818 |
| Administration | 2,490,239 | 3,222,320 | 732,081 |
| Utilities | 3,918,221 | 3,703,216 | (215,005) |
| Professional Services | 2,301,952 | 2,795,428 | 493,476 |
| Repair Services | 595,264 | 982,953 | 387,689 |
| Insurance | 889,566 | 760,800 | (128,766) |
| Bad Debt | 13,033 | | (13,033) |
| Contingency | | 200,000 | 200,000 |
| Total Operating Expenses | 38,577,845 | 41,886,396 | 3,308,551 |
| OPERATING INCOME (LOSS) | 7,711,405 | 7,919,097 | (207,692) |
| NONOPERATING REVENUES (EXPENSES) | | | |
| Facility Capacity Charges | 577,294 | 1,500,000 | (922,706) |
| Surcharges | 2,175,472 | 2,290,800 | (115,328) |
| Voter - Approved Taxes | 449,169 | | 449,169 |
| Property Tax | 9,537,801 | 10,429,120 | (891,319) |
| Interest Income | 865,697 | 1,200,000 | (334,303) |
| Other Income | 1,362,001 | 1,100,000 | 262,001 |
| Interest Expense | (11,737,962) | (12,453,790) | 715,828 |
| Debt Related Fees | (491,372) | (747,259) | 255,887 |
| Flood Damage Reimbursements | 700,477 | | 700,477 |
| Total Nonoperating Revenues | 3,438,577 | 3,318,871 | 119,706 |
| EXCESS OF BUDGETED REVENUES OVER BUDGETED EXPENSES | 11,149,982 | \$11,237,968 | (\$87,986) |
| NON-BUDGETED ITEMS | | | |
| Developer Contributions | 950,486 | | |
| Depreciation and Amortization | (18,106,183) | | |
| OPEB | (1,875,102) | | |
| | <u>(3,652,459)</u> | | |
| Total Capital Contributions and Depreciation | (22,683,258) | | |
| CHANGE IN NET ASSETS | (11,533,276) | | |



EID's 21-megawatt hydroelectric power plant produces state-certified renewable energy.

STATISTICAL SECTION
December 31, 2010

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

| | Page |
|---|-------------|
| Financial Trends | 60-65 |
| These schedules contain financial trend information for assessing the District's financial performance and well-being over time. | |
| Revenue Capacity | 66-81 |
| These schedules present revenue capacity information to assess the District's ability to generate revenues. Water, wastewater and hydroelectric sales along with property taxes are the District's most significant revenue sources. | |
| Debt Capacity | 82-83 |
| These schedules present information to assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt. | |
| Demographic and Economic Information | 84-86 |
| These schedules provide information on the demographic and economic environment in which the District conducts business. | |
| Operating Information | 87-93 |
| These schedules provide information on the District's service infrastructure to assist the reader in understanding how the information in the District's financial report relates to the services the District provides and the activities it performs. | |

Sources

Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports of the relevant years. The District implemented GASB Statement 34 in 2002 and presented comparative data for 2001; schedules presenting net asset information include information beginning that year.

Table #1
 Net Assets by Component
 Last Ten Years
 (in dollars)

| Year | Invested in Capital Assets Net of Related Debt | Restricted | Unrestricted | Total Net Assets |
|------|---|--------------|--------------|------------------|
| 2001 | \$205,740,893 | \$46,969,253 | \$57,502,246 | \$310,212,392 |
| 2002 | 233,348,406 | 48,975,507 | 34,167,480 | 316,491,393 |
| 2003 | 261,340,004 | 44,249,530 | 47,339,174 | 352,928,708 |
| 2004 | 268,570,440 | 42,009,351 | 50,424,997 | 361,004,788 |
| 2005 | 279,217,991 | 41,555,689 | 55,440,921 | 376,214,601 |
| 2006 | 279,591,914 | 45,739,719 | 71,462,902 | 396,794,535 |
| 2007 | 317,753,150 | 76,620,709 | 20,618,416 | 414,992,275 |
| 2008 | 364,373,560 | 47,552,026 | 5,585,998 | 417,511,584 |
| 2009 | 288,332,538 | 40,533,341 | 77,670,289 | 406,536,168 |
| 2010 | 296,835,538 | 22,593,015 | 75,574,339 | 395,002,892 |

As recommended by GASB 44, this schedule provides data retroactively to the year GASB 34 was implemented. The District implemented GASB 34 in 2002.
 Source: El Dorado Irrigation District

Table #2
 Changes in Net Assets
 Last Ten Years
 (in dollars)

| Year | Operating Revenues | Operating Expenses | Operating Income | Non-operating revenues less expenses | Income before Capital Contributions | Capital Contributions | Change in Net Assets |
|------|--------------------|--------------------|------------------|--------------------------------------|-------------------------------------|-----------------------|----------------------|
| 2001 | \$23,211,226 | \$34,513,484 | (\$11,302,258) | \$10,390,648 | (\$911,610) | \$34,475,752 | \$33,564,142 |
| 2002 | 23,673,261 | 38,044,403 | (14,371,142) | 5,236,224 | (9,134,918) | 17,889,858 | 8,754,940 |
| 2003 | 24,307,550 | 40,505,652 | (16,198,102) | 4,460,697 | (11,737,405) | 48,290,474 | 36,553,069 |
| 2004 | 28,708,369 | 46,549,070 | (17,840,701) | (763,197) | (18,603,898) | 26,564,224 | 7,960,326 |
| 2005 | 34,221,768 | 51,009,013 | (16,787,245) | 9,173,972 | (7,613,273) | 22,823,086 | 15,209,813 |
| 2006 | 35,479,322 | 54,120,442 | (18,641,120) | 12,191,058 | (6,450,062) | 27,029,996 | 20,579,934 |
| 2007 | 39,782,630 | 57,069,388 | (17,286,758) | 15,947,947 | (1,338,811) | 19,536,551 | 18,197,740 |
| 2008 | 40,786,680 | 63,452,969 | (22,666,289) | 6,776,484 | (15,889,805) | 18,409,113 | 2,519,308 |
| 2009 | 38,207,554 | 59,845,957 | (21,638,403) | 1,719,434 | (19,918,969) | 8,943,553 | (10,975,416) |
| 2010 | 46,289,250 | 58,559,130 | (12,269,880) | (791,176) | (13,061,056) | 1,527,780 | (11,533,276) |

As recommended by GASB 44, this schedule provides data retroactively to the year GASB 34 was implemented.

The District implemented GASB 34 in 2002.

Source: El Dorado Irrigation District

Table #3
 Operating Revenues by Source
 Last Ten Years
 (in dollars)

| Year | Water sales & service | Wastewater sales & service | Reclaimed water sales | Recreation | Hydroelectric sales | Total |
|---------------------|-----------------------|----------------------------|-----------------------|------------|---------------------|--------------|
| 2001 | \$13,668,356 | \$8,568,367 | \$359,300 | \$615,203 | \$0 | \$23,211,226 |
| 2002 | 13,702,694 | 9,031,340 | 323,326 | 615,901 | 0 | 23,673,261 |
| 2003 | 13,383,211 | 9,662,282 | 381,599 | 607,144 | 273,314 | 24,307,550 |
| 2004 | 14,929,262 | 10,441,742 | 492,421 | 668,574 | 2,176,370 | 28,708,369 |
| 2005 | 15,617,878 | 11,733,014 | 533,134 | 733,783 | 5,603,959 | 34,221,768 |
| 2006 | 17,138,916 | 13,062,500 | 723,331 | 725,922 | 3,828,653 | 35,479,322 |
| 2007 | 18,915,624 | 14,544,737 | 1,253,802 | 746,517 | 4,321,950 | 39,782,630 |
| 2008 | 19,001,725 | 15,280,445 | 882,917 | 941,681 | 4,840,431 | 40,947,199 |
| 2009 ^[1] | 18,159,421 | 15,376,509 | 799,298 | 954,321 | 2,918,005 | 38,207,554 |
| 2010 | 19,295,719 | 17,324,846 | 733,798 | 1,062,062 | 7,872,825 | 46,289,250 |

^[1] Restated

Source: El Dorado Irrigation District

Chart #1
 Operating Revenues
 Last Ten Years

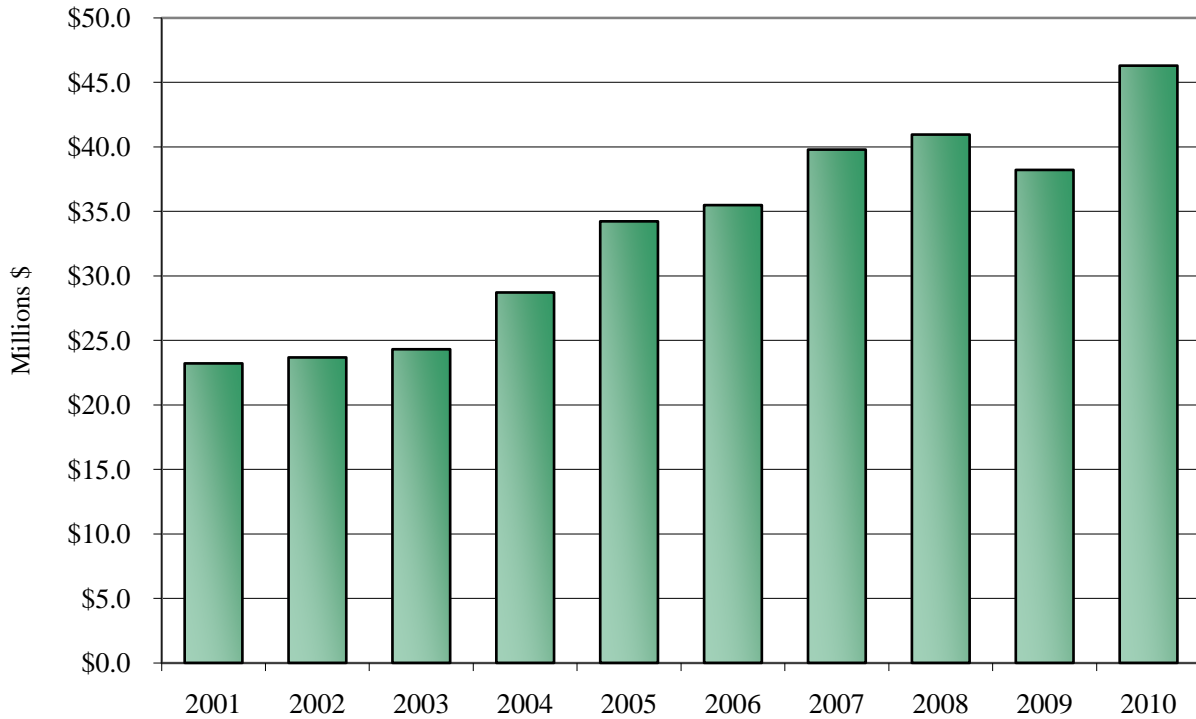


Table #4
 Non-Operating Revenues by Source
 Last Ten Years
 (in dollars)

| Year | Surcharges | Voter-approved taxes | Property taxes | Interest income | Other income | Flood damage reimbursements | Total |
|---------------------|-------------|----------------------|----------------|-----------------|--------------|-----------------------------|--------------|
| 2001 | \$2,168,455 | \$857,653 | \$5,306,972 | \$4,870,981 | \$1,830,714 | \$1,746,180 | \$16,780,955 |
| 2002 | 1,826,112 | 736,073 | 5,680,134 | 3,715,032 | 429,337 | 679,725 | 13,066,413 |
| 2003 | 1,713,431 | 948,940 | 6,557,126 | 2,163,720 | 644,346 | 13,983 | 12,041,546 |
| 2004 | 1,604,137 | 146,604 | 2,124,301 | 3,758,980 | 863,031 | | 8,497,053 |
| 2005 | 2,635,002 | 418,532 | 3,671,212 | 3,360,286 | 699,704 | 8,840,966 | 19,625,702 |
| 2006 | 2,413,569 | 533,316 | 10,069,016 | 5,747,457 | 1,612,498 | 3,562,759 | 23,938,615 |
| 2007 | 1,869,986 | 604,711 | 11,550,648 | 5,180,271 | 1,280,428 | 6,736,775 | 27,222,819 |
| 2008 | 2,499,894 | 588,363 | 10,797,871 | 1,870,867 | 2,585,374 | 424,013 | 18,766,382 |
| 2009 ^[1] | 2,482,508 | 499,757 | 10,138,728 | 1,938,295 | 1,616,491 | (242,295) | 16,433,484 |
| 2010 | 2,175,472 | 449,169 | 9,537,801 | 865,697 | 1,362,001 | 700,477 | 15,090,617 |

[1] Restated

Source: El Dorado Irrigation District

Chart #2
 Non-Operating Revenues
 Last Ten Years

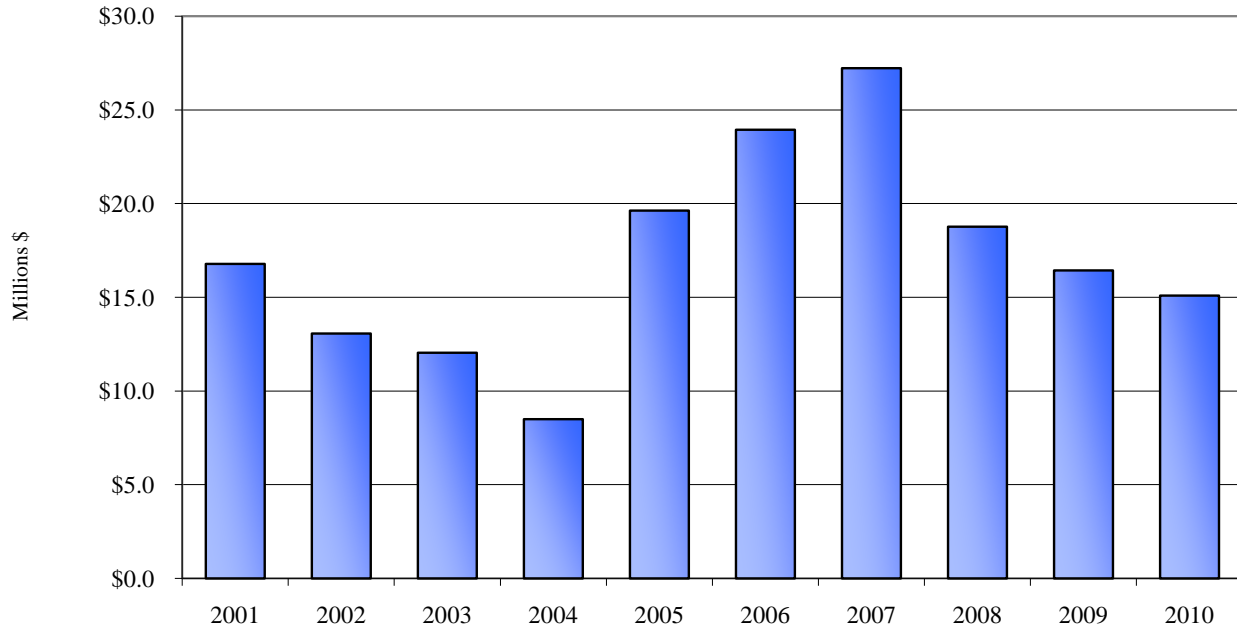


Table #5
Operating Expenses by Function
 Last Ten Years^[1]
 (in dollars)

| | Year | | | | | | | | | |
|---------------------------------|---------------------|---------------------|------------|------------|------------|------------|------------|------------|------------|------------|
| | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 |
| Personnel Expense | \$26,140,768 | \$28,550,985 | | | | | | | | |
| Operating Supplies | \$3,028,722 | \$3,813,664 | | | | | | | | |
| Chemicals | \$1,075,182 | \$1,301,302 | | | | | | | | |
| Administration | \$2,490,239 | \$2,741,167 | | | | | | | | |
| Utilities | \$3,918,221 | \$3,564,522 | | | | | | | | |
| Professional Services | \$2,301,952 | \$2,406,305 | | | | | | | | |
| Repair Services | \$595,264 | \$1,154,423 | | | | | | | | |
| Insurance | \$889,566 | \$489,918 | | | | | | | | |
| Bad Debt | \$13,033 | \$183,057 | | | | | | | | |
| Depreciation | \$18,106,183 | \$15,640,614 | | | | | | | | |
| Total Operating Expenses | \$58,559,130 | \$59,845,957 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

Note: District operating expenses were restated for new reporting format beginning 2010

| | Year | | | | | | | | | |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 |
| Office of the General Manager ^[2] | | \$4,769,987 | \$7,043,045 | \$5,067,396 | \$4,653,518 | \$3,696,379 | \$3,401,143 | \$2,588,725 | \$2,434,859 | \$1,997,313 |
| Communications | | \$561,468 | \$4,024,696 | \$3,828,204 | \$3,556,546 | \$6,081,888 | \$5,179,964 | \$4,085,197 | \$2,389,819 | \$1,771,204 |
| Natural Resources | | \$3,891,728 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Human Resources | | \$2,215,002 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Information Technology | | \$2,511,958 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Engineering | | \$934,312 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Water Operations | | \$9,457,872 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Waste Water Operations | | \$9,348,275 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Recycled Water Operations | | \$577,220 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HydroElectric Operations | | \$3,363,285 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Environmental Compliance and Water Policy | | \$0 | \$3,363,705 | \$3,134,540 | \$2,275,340 | \$1,397,145 | \$766,842 | \$688,377 | \$307,385 | \$0 |
| Finance | | \$6,574,235 | \$7,716,723 | \$6,620,751 | \$6,312,366 | \$4,580,149 | \$3,138,514 | \$2,126,694 | \$2,353,964 | \$2,418,608 |
| Facilities Management ^[3] | | \$0 | \$22,477,030 | \$22,980,237 | \$22,863,652 | \$21,632,197 | \$21,505,326 | \$19,300,982 | \$19,199,302 | \$17,155,381 |
| Recreation | | \$0 | \$1,706,536 | \$1,561,225 | \$1,523,563 | \$1,149,460 | \$1,116,661 | \$807,683 | \$719,911 | \$648,716 |
| Developer Reimbursed Expenses | | \$0 | \$0 | \$750,589 | \$1,021,352 | \$1,213,046 | \$1,026,606 | \$1,681,625 | \$2,012,016 | \$1,392,805 |
| Depreciation and Amortization | | \$15,640,615 | \$17,121,236 | \$13,126,446 | \$11,914,105 | \$11,258,749 | \$10,414,014 | \$9,226,369 | \$8,627,147 | \$9,129,458 |
| Total Operating Expenses^[4] | \$58,559,130 | \$59,845,957 | \$63,452,971 | \$57,069,388 | \$54,120,442 | \$51,009,013 | \$46,549,070 | \$40,505,652 | \$38,044,403 | \$34,513,485 |

^[1] District operating expenses were restated for reorganization and GASB 34 beginning 2001

^[2] Office of the General Manager includes Human Resources

^[3] Facilities Management includes Hydroelectric

Source: El Dorado Irrigation District Accounting Department

Chart 3
Total Operating Expenses
 Last Nine Years

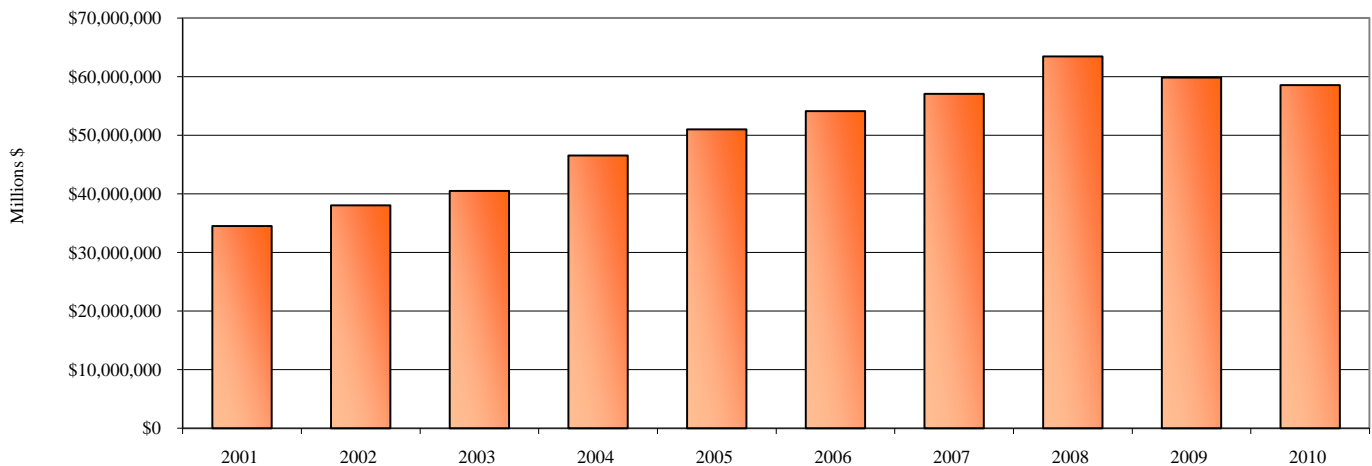


Table #6
 Non-Operating Expenses by Function
 Last Ten Years
 (in dollars)

| Year | Flood Damage Expenses | Other expenses | Interest Expense | Amortization ^[1] | Total |
|---------------------|-----------------------|----------------|------------------|-----------------------------|-------------|
| 2001 | \$1,150,963 | \$666,551 | \$4,572,793 | \$0 | \$6,390,307 |
| 2002 | 1,855,210 | 1,185,291 | 4,789,688 | 0 | 7,830,189 |
| 2003 | 978,254 | 1,269,477 | 5,333,118 | 0 | 7,580,849 |
| 2004 | 52,651 | 484,318 | 8,723,281 | 0 | 9,260,250 |
| 2005 | 431,493 | 361,678 | 9,658,559 | 0 | 10,451,730 |
| 2006 | 253,637 | 332,915 | 11,161,005 | 0 | 11,747,557 |
| 2007 | 0 | 333,710 | 10,941,162 | 0 | 11,274,872 |
| 2008 | 0 | 0 | 11,989,897 | 0 | 11,989,897 |
| 2009 ^[2] | 0 | 725,997 | 13,988,053 | 0 | 14,714,050 |
| 2010 | 0 | 491,372 | 15,390,421 | 0 | 15,881,793 |

^[1] Beginning in 2001, amortization is included in operating expenses

^[2] Restated

Source: El Dorado Irrigation District

Chart #4
 Total Non-Operating Expense
 Last Ten Years

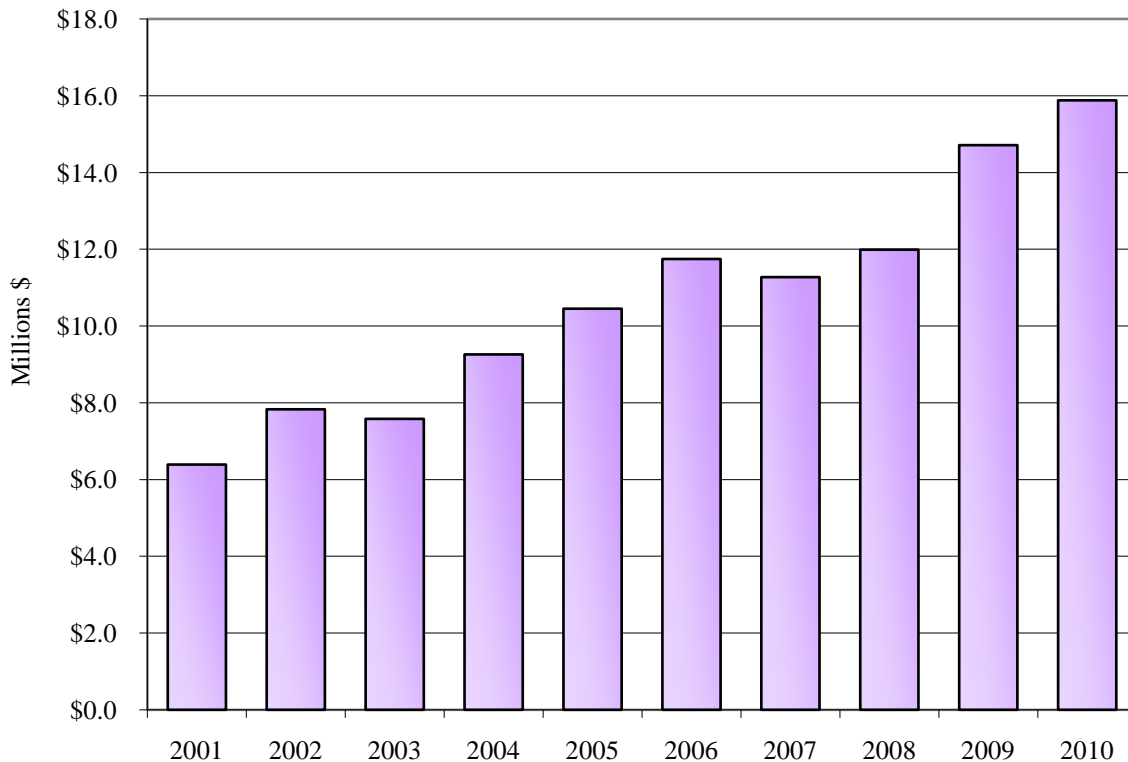


Table # 7
Assessed Value and Actual Value of Taxable Property
Last Ten County Fiscal Years
(in dollars)

| Fiscal Year | County-wide Property Tax | | | District Voter Approved | | |
|-------------|--|---------------------------|--|---|---------------------|---|
| | County-wide total secured assessed valuation | Secured property tax levy | County tax rate per \$100 assessed value | Secured land assessed value District boundaries | Voter approved levy | Tax rate per \$100 assessed value ^{[2][3]} |
| 2001-02 | 13,497,268,910 | 157,042,977 | 1.1635 | 2,621,523,360 | 857,238 | 0.0327 |
| 2002-03 | 14,938,269,091 | 175,046,199 | 1.1718 | 2,900,034,618 | 739,509 | 0.0255 |
| 2003-04 | 16,722,948,086 | 193,059,128 | 1.1545 | 3,256,580,233 | 902,073 | 0.0277 |
| 2004-05 | 18,583,511,267 | 212,729,353 | 1.1447 | 3,556,739,901 | 99,589 | 0.0028 |
| 2005-06 | 21,324,584,293 | 245,106,797 | 1.1494 | 4,206,890,631 | 387,034 | 0.0092 |
| 2006-07 | 24,269,690,213 | 277,183,486 | 1.1421 | 4,932,366,058 | 493,237 | 0.0100 |
| 2007-08 | 26,377,814,381 | 302,704,983 | 1.1476 | 5,404,635,789 | 571,313 | 0.0106 |
| 2008-09 | 27,354,549,191 | 317,280,539 | 1.1599 | 5,642,044,763 | 588,363 | 0.0104 |
| 2009-10 | 26,805,989,567 | 315,638,143 | 1.1775 | 5,312,004,863 | 499,757 | 0.0094 |
| 2010-11 | 24,855,948,497 | 298,627,324 | 1.2014 | 4,860,491,154 | 449,169 | 0.0092 |

^[1] In addition to the District's share of the 1% ad valorem property tax, the District collects property taxes levied in connection with the District's obligation to the Bureau of Reclamation (Reclamation) for the construction of the Sly Park Unit of the Central Valley Project, and the District's distribution system therefore. The debt was originally approved by District voters in 1959. Subsequent to 1959, the voters approved additional debt related thereto for construction projects in 1969, 1972, and 1975. The District's total obligation to Reclamation for this debt totaled approximately \$24.2 million. See also note 3 below. The District receives 100% of its general property tax allocation as a result of the tax distribution system

^[2] The District's payments to Reclamation vary, with annual interest rates on the debt ranging from 0% to 5%. Maturities occur through the year 2028. The annual debt payments are assessed on the property tax bills. Assessments are apportioned and spread, based on total land assessed value within the District boundaries. See also note 3 below.

^[3] In 2003, the debt to Reclamation was cancelled in connection with the transfer of title by Reclamation to the District for Sly Park and this purchase was financed in part by the issuance of General Obligation bonds of \$6,000,000.

Source: El Dorado Irrigation District; Deputy Treasurer and the El Dorado County Auditor-Controller, Property Tax Ledger and Assessed Valuation

Table # 8
 Direct and Overlapping Property Tax Rates
 Last Ten County Fiscal Years
 (Rate per \$100 of Assessed Value)

| Fiscal Year | General Property Tax Levy | State Assessed Unitary Value Properties | School Districts | Special Districts | EID Voter Approved Tax^[2] | Total |
|--------------------|----------------------------------|--|-------------------------|--------------------------|---|--------------|
| 2001-02 | 1.000% | 0.0763% | 0.0332% | 0.0130% | 0.0327% | 1.1552% |
| 2002-03 | 1.000% | 0.0792% | 0.0296% | 0.0109% | 0.0255% | 1.1452% |
| 2003-04 | 1.000% | 0.0704% | 0.0274% | 0.0090% | 0.0277% | 1.1345% |
| 2004-05 | 1.000% | 0.0880% | 0.0258% | 0.0068% | 0.0028% | 1.1234% |
| 2005-06 | 1.000% | 0.0934% | 0.0288% | 0.0128% | 0.0092% | 1.1442% |
| 2006-07 | 1.000% | 0.1067% | 0.0250% | 0.0100% | 0.0100% | 1.1517% |
| 2007-08 | 1.000% | 0.1280% | 0.0239% | 0.0092% | 0.0106% | 1.1717% |
| 2008-09 | 1.000% | 0.1606% | 0.0409% | 0.0091% | 0.0104% | 1.2210% |
| 2009-10 | 1.000% | 0.2249% | 0.0290% | 0.0213% | 0.0094% | 1.2846% |
| 2010-11 | 1.000% | 0.2722% | 0.0541% | 0.0243% | 0.0092% | 1.3598% |

^[1] Total tax burden on taxpayers within EID’s geographic jurisdiction

^[2] Voter Approved Tax Class 207 – EID’s obligation for repayment of debt to the Bureau of Reclamation (Reclamation) for construction of the Sly Park Unit and the District’s main water distribution system. Originally approved in 1959, the voters of the County approved increases in the debt for construction projects in 1969, 1972 and 1975. In 2003, the debt to Reclamation was cancelled in connection with the transfer of title by Reclamation to the District for Sly Park and this purchase was financed in part by the issuance of General Obligation bonds of \$6,000,000.

Note: In 1978, California voters passed Proposition 13, which sets the property tax rate at a 1.00% fixed amount. This 1.00% is shared by all taxing agencies for which the subject property resides within. In addition to the 1.00% fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of the debt for the jurisdictions listed.

Source: El Dorado County Auditor – Controller; Tax Rate Area Listing TRJ620P/TRB110

Table #9
Principal Property Tax Payers^[1]
Current Year and Seven Years Ago

| Property Owner | Primary Land Use | 2010 | | | 2003 ^[2] | | |
|-------------------------------------|-------------------------|------------------------------|------|--------------|------------------------------|------|--------------|
| | | 2010-2011 Assessed Valuation | Rank | % of Total | 2003-2004 Assessed Valuation | Rank | % of Total |
| Newhall Land & Development LLC | Residential Development | \$37,587,500 | 1 | 0.77% | | | |
| Serrano Associates LLC | Residential Development | 24,646,537 | 2 | 0.51% | | | |
| Toll Land X LP / Toll Brothers Inc. | Residential Development | 16,847,000 | 3 | 0.35% | | | |
| Min Nan Tseng, Trust | Residential Development | 8,801,306 | 4 | 0.18% | | | |
| Marble Valley Company LLC | Residential Development | 8,097,606 | 5 | 0.17% | | | |
| East Ridge Investors | Residential Development | 7,852,500 | 6 | 0.16% | | | |
| CH Blackstone LP | Residential Development | 6,984,500 | 7 | 0.14% | | | |
| PAC/SIB LLC | Industrial Land | 6,904,079 | 8 | 0.14% | | | |
| West Valley LLC | Residential Development | 6,610,300 | 9 | 0.14% | | | |
| Safeway Inc. | Supermarket | 6,437,307 | 10 | 0.13% | | | |
| Tradewinds Lodge | Commercial Land | 6,085,536 | 11 | 0.13% | | | |
| WRI Golden State LLC | Commercial | 6,006,225 | 12 | 0.12% | | | |
| Serrano Country Club | Country Club | 5,628,710 | 13 | 0.12% | | | |
| GHC Company 5 LLC | Residential Development | 5,589,000 | 14 | 0.11% | | | |
| Target Corporation | Commercial | 5,588,959 | 15 | 0.11% | | | |
| AKT Carson Creek Investors | Residential Development | 5,588,949 | 16 | 0.11% | | | |
| AKT Promontory LLC | Residential Development | 5,439,204 | 17 | 0.11% | | | |
| Deutsche Bank National Trust Co. | Residential Properties | 5,015,040 | 18 | 0.10% | | | |
| Russell-Promontory LLC | Residential Development | 4,921,593 | 19 | 0.10% | | | |
| Syers Properties III LLC | Commercial | 4,812,439 | 20 | 0.10% | | | |
| JTS Communities | Residential Dev. | | | | 53,383,759 | 1 | 1.64% |
| Serrano Associates LLC | Residential Development | | | | 49,934,672 | 2 | 1.53% |
| Angelo K Tsakopoulos | Vacant Land | | | | 20,298,523 | 3 | 0.62% |
| LMD SP 257 LLC | Vacant Land | | | | 14,887,500 | 4 | 0.46% |
| Pleasant Valley Investment | Vacant Land | | | | 13,340,000 | 5 | 0.41% |
| U S Home Corp | Residential Dev. | | | | 9,572,583 | 6 | 0.29% |
| El Dorado Hills Investors | Vacant Land | | | | 9,309,609 | 7 | 0.29% |
| AKT Development | Vacant Land | | | | 7,961,280 | 8 | 0.24% |
| James W. Cameron, Jr | Vacant Land | | | | 7,454,362 | 9 | 0.23% |
| D R Horton, Inc, Sacramento | Residential Dev. | | | | 7,315,640 | 10 | 0.22% |
| RPA Inc. | Vacant Land | | | | 7,000,786 | 11 | 0.21% |
| Apple Mountain LP | Recreational | | | | 6,877,044 | 12 | 0.21% |
| W L Homes | Residential Dev. | | | | 6,839,880 | 13 | 0.21% |
| Suncrest Homes LLC | Residential Dev. | | | | 6,460,051 | 14 | 0.20% |
| Marble Valley Company LLC | Residential Development | | | | 6,317,843 | 15 | 0.19% |
| PMP at El Dorado Hills LLC | Vacant Land | | | | 6,160,000 | 16 | 0.19% |
| WRI Golden State LLC | Commercial | | | | 4,522,468 | 17 | 0.0014 |
| Regency Centers LP | Commercial | | | | 4,431,000 | 18 | 0.14% |
| Russell-Promontory LLC | Residential Development | | | | 4,397,443 | 19 | 0.14% |
| Len-Serrano II LLC | Residential Dev. | | | | 3,780,000 | 20 | 0.12% |
| | | \$185,444,290 | | 3.80% | \$250,244,443 | | 7.68% |

^[1] The District reports the 20 largest property tax payers to comply with the 2003 General Obligation Bond Official Statement.

^[2] The District did not begin tracking principal property tax payers until 2003

Source: California Municipal Statistics, Inc.

Table # 10
Property Tax Levies and Collections
Last Ten County Fiscal Years
(in dollars)

| Fiscal Year | Levy | Collections | | | | |
|-------------|----------------------------------|--|---|--|----------------------------|------------------|
| | County Secured Property Tax Levy | District's Share of 1% Property Tax ^[1] | Maintenance District Collections ^[2] | Miscellaneous Collections ^[3] | Total District Collections | % of County Levy |
| 2001-02 | \$157,042,977 | \$5,069,169 | \$12,813 | \$42,406 | \$5,124,388 | 3.26% |
| 2002-03 | 175,046,199 | 5,467,988 | 14,382 | 39,640 | 5,522,010 | 3.15% |
| 2003-04 | 193,059,128 | 6,136,380 | 14,274 | 35,085 | 6,185,739 | 3.20% |
| 2004-05 | 212,729,353 | 1,695,982 | 12,939 | 38,205 | 1,747,126 | 0.82% |
| 2005-06 | 245,106,797 | 2,956,290 | 9,737 | 40,238 | 3,006,265 | 1.23% |
| 2006-07 | 277,183,486 | 9,294,922 | 5,945 | 40,997 | 9,341,864 | 3.37% |
| 2007-08 | 302,704,983 | 10,144,673 | 3,890 | 58,203 | 10,206,766 | 3.37% |
| 2008-09 | 317,280,539 | 10,431,533 | 7,463 | 79,011 | 10,518,007 | 3.32% |
| 2009-10 | 315,638,143 | 10,038,729 | 6,139 | 94,212 | 10,139,080 | 3.21% |
| 2010-11 | 298,627,324 | 9,400,148 | 5,555 | 132,300 | 9,538,003 | 3.19% |

^[1] The District receives 100% of its general property tax allocation as a result of the tax distribution system commonly referred to as the “Teeter Plan”, without regard to delinquencies in collections. The dollar amount shown represents El Dorado County’s “Annual Final Estimate” of property taxes allocated to EID net of the estimated County fees.

^[2] Maintenance Districts: Singleton Ranch Reservoir – 34M, Clear Creek – 97M and Knolls Reservoir – 30M. Only the latter two districts remain active currently.

^[3] Miscellaneous Collections: Swansboro Surcharge, Water Accounts, Wastewater Accounts, Bond Segregations, Sundry and Lien Release Fees.

Source: El Dorado Irrigation District; Deputy Treasurer

Chart #5
Total District Collections

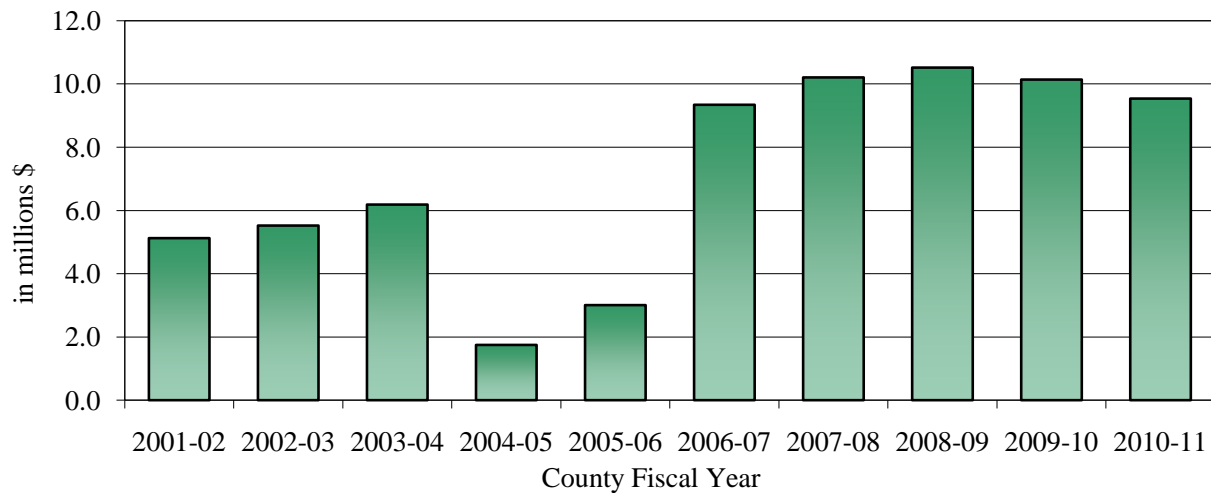


Table #11
 Equivalent Dwelling Unit (EDU)^[1] Sales
 Last Ten Years

| Year | Water | Wastewater | Recycled Water | New Dwelling Unit Issued Permits |
|------|---------|------------|----------------|----------------------------------|
| 2001 | 1,819.0 | 2,189.0 | 664.0 | 1,880.0 |
| 2002 | 776.0 | 862.0 | 248.0 | 1,535.0 |
| 2003 | 944.0 | 1,185.0 | 313.0 | 1,460.0 |
| 2004 | 709.0 | 579.0 | 121.0 | 1,666.0 |
| 2005 | 734.0 | 823.0 | 335.0 | 1,307.0 |
| 2006 | 583.0 | 616.0 | 187.0 | 720.0 |
| 2007 | 621.8 | 941.0 | 465.5 | 537.0 |
| 2008 | 482.5 | 211.8 | 9.0 | 336.0 |
| 2009 | 27.5 | 19.0 | 1.0 | 0 |
| 2010 | 32.5 | 12.0 | 0 | 0 |

^[1] An Equivalent Dwelling Unit (EDU) represents the water usage equivalent to a typical single-family dwelling with a 3/4" water meter.
 Source: EID Customer Services Division

Chart #6
 Equivalent Dwelling Unit (EDU) Sales

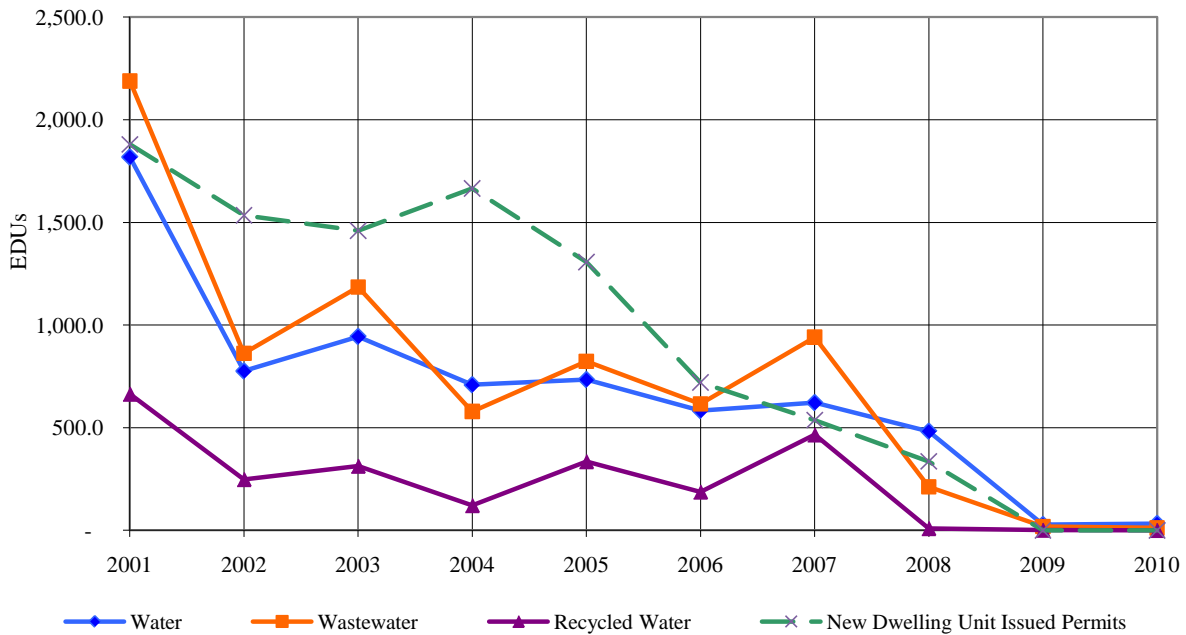


Table #12
Water and Recycled Water Sales by Type of Customer
Last Ten Years

| Type of Customer | Year | | | | | | | | | |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 |
| Potable Water Sold (acre feet) | | | | | | | | | | |
| Residential ^[1] | 18,147 | 22,099 | 23,276 | 23,288 | 22,190 | 20,319 | 22,559 | 20,169 | 20,090 | 19,469 |
| Commercial & Industrial | 2,478 | 1,993 | 3,024 | 3,065 | 2,850 | 2,805 | 2,806 | 2,778 | 2,613 | 2,613 |
| Agriculture | 3,609 | 5,690 | 5,581 | 5,262 | 4,963 | 4,712 | 6,433 | 6,074 | 5,242 | 5,742 |
| Recreational Turf | 1,073 | 1,238 | 1,398 | 1,364 | 1,387 | 1,235 | 1,605 | 1,112 | 1,357 | 1,383 |
| Municipal | 1,166 | 1,422 | 1,533 | 1,960 | 1,672 | 1,666 | 1,811 | 1,709 | 1,696 | 1,669 |
| Total | 26,473 | 32,442 | 34,812 | 34,939 | 33,062 | 30,737 | 35,214 | 31,842 | 30,998 | 30,876 |
| (in millions) | \$17.554 | \$17.403 | \$18.008 | \$17.680 | \$15.438 | \$14.018 | \$13.480 | \$11.438 | \$11.125 | \$11.985 |
| Recycled Water Sold (acre feet) | | | | | | | | | | |
| Residential ^[2] | 1,328 | 1,579 | 1,674 | 1,578 | 1,331 | 1,008 | 713 | 493 | 274 | 155 |
| Commercial & Industrial ^[3] | 546 | 654 | 716 | 789 | 726 | 669 | 547 | 441 | 751 | 560 |
| Recreational Turf | 189 | 361 | 513 | 571 | 726 | 455 | 721 | 755 | 811 | 886 |
| Total | 2,063 | 2,593 | 2,903 | 2,938 | 2,782 | 2,133 | 1,981 | 1,690 | 1,836 | 1,601 |
| (in millions) | \$0.734 | \$0.799 | \$0.883 | \$1.254 | \$0.723 | \$0.533 | \$0.492 | \$0.382 | \$0.323 | \$0.359 |

^[1] Residential includes domestic irrigation and multi-family accounts

^[2] Beginning in 1999, residential construction of a "dual pipe" system in the El Dorado Hills community of Serrano features water, sewer and recycled for each home.

^[3] Commercial & Industrial includes construction meters

^[4] Data was not collected in the same format for 1998 and 1997

Source: 2009 Water Resource and Service Reliability Report, and 2010 Annual Consumption Report

Chart #7
Water and Recycled Water Sales

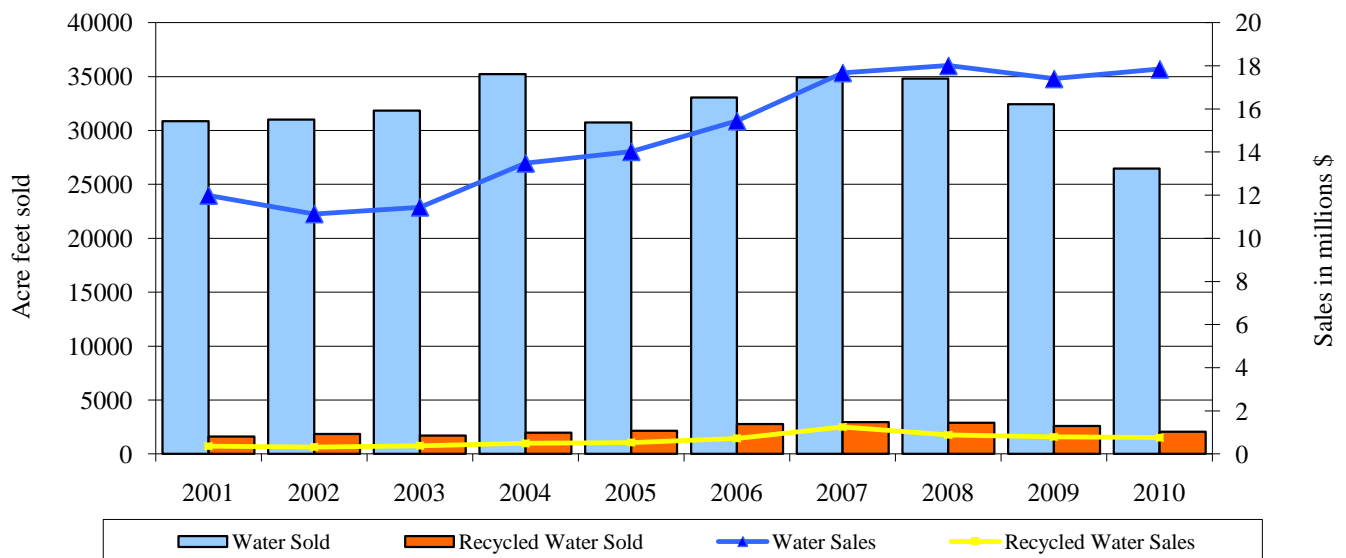


Table #13
Largest Water Customers
Current Year and Nine Years Ago

| Water Customers | 2010 | | | 2001 ^[1] | | |
|---------------------------------------|------------------|------|------------------|---------------------|------|------------------|
| | Annual Revenues | Rank | % of Water Sales | Annual Revenues | Rank | % of Water Sales |
| CITY OF PLACERVILLE | \$273,463 | 1 | 1.59% | | | |
| CAMERON PARK GOLF COURSE | 72,054 | 2 | 0.42% | | | |
| EL DORADO HILLS CSD | 66,247 | 3 | 0.39% | | | |
| EL DORADO UNION HIGH SCHOOL DISTRICT | 58,407 | 4 | 0.34% | | | |
| RED HAWK CASINO | 57,711 | 5 | 0.34% | | | |
| BUCKEYE UNION SCHOOL DISTRICT | 36,434 | 6 | 0.21% | | | |
| RESCUE UNION SCHOOL DISTRICT | 28,338 | 7 | 0.16% | | | |
| VISMAN BROS | 8,829 | 8 | 0.05% | | | |
| VISMAN GEORGE C | 8,061 | 9 | 0.05% | | | |
| EL DORADO ORCHARD | 5,688 | 10 | 0.03% | | | |
| CITY OF PLACERVILLE | | | | - | 1 | 1.85% |
| SERRANO ASSOCIATES LLC ^[2] | | | | - | 2 | 1.52% |
| SIERRA PACIFIC INDUSTRIES | | | | - | 3 | 0.35% |
| LAKE OAKS MOBILE HOME PARK | | | | - | 4 | 0.33% |
| SIERRA PACIFIC INDUSTRIES | | | | - | 5 | 0.31% |
| CAMERON PARK MOBILE HOME PARK | | | | - | 6 | 0.23% |
| CAMERON PARK GOLF COURSE | | | | - | 7 | 0.22% |
| FULLER-SUNSET MOBILE HOME PARK | | | | - | 8 | 0.22% |
| CAMERON OAKS INVESTMENT COMPANY | | | | - | 9 | 0.21% |
| HIDDEN SPRINGS MOBILE HOME PARK | | | | - | 10 | 0.20% |
| Total | \$615,231 | | 3.58% | - | | 5.44% |

^[1] 2001 was the first year the District reported this item

^[2] Recycled water service

Source: El Dorado Irrigation District Customer Services Division

Table #14
Largest Wastewater Customers
Current and Nine Years Ago

| Wastewater Customers | 2010 | | | 2001 ^[1] | | |
|----------------------------------|--------------------|------|-----------------------|---------------------|------|-----------------------|
| | Annual Revenue | Rank | % of Wastewater Sales | Annual Revenue | Rank | % of Wastewater Sales |
| VINEYARDS AT VALLEY VIEW | \$204,820 | 1 | 1.19% | | | |
| LAKE OAKS MOBILE HOME PRK | 175,890 | 2 | 1.02% | | | |
| LAKE FOREST APTS LLC | 117,808 | 3 | 0.69% | | | |
| MERCY HOUSING CALIF XXI LP | 115,153 | 4 | 0.67% | | | |
| FULLER-SUNSET MOBILE HOME PARK | 98,808 | 5 | 0.57% | | | |
| CAMERON PARK SR LIVNG A CA LLC | 97,405 | 6 | 0.57% | | | |
| CAMERON PARK MOBILE HOME PARK | 89,925 | 7 | 0.52% | | | |
| CAMERON OAKS INVEST CO | 87,346 | 8 | 0.51% | | | |
| DIAMOND SPRINGS MOBILE HOME PK | 82,970 | 9 | 0.48% | | | |
| CRESTVIEW MOBILE HOME PARK | 55,617 | 10 | 0.32% | | | |
| LAKE OAKS MOBILE HOME PARK | | | | - | 1 | 1.10% |
| CAMERON PARK MOBILE HOME PARK | | | | - | 2 | 0.90% |
| COMPANY | | | | - | 3 | 0.85% |
| CRESTVIEW MOBILE HOME PARK | | | | - | 4 | 0.57% |
| PW PIPE | | | | - | 5 | 0.49% |
| DIAMOND SPRINGS MOBILE HOME PARK | | | | - | 6 | 0.40% |
| CAMERON PARK VILLAGE | | | | - | 7 | 0.38% |
| WESTWOOD MOBILE HOME PARK | | | | - | 8 | 0.37% |
| BRIDGE-CAMEON PARK LP | | | | - | 9 | 0.36% |
| FULLER-SUNSET MOBILE HOME PARK | | | | - | 10 | 0.35% |
| Total | \$1,125,743 | | 6.55% | 0 | | 5.77% |

^[1] 2001 was the first year the District reported this item

Source: El Dorado Irrigation District Customer Services Division

Table # 15
Water Rates^[1]
Last Ten Years
(in dollars)

| Category | Year | | | | | | | | | |
|---|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 |
| Single Family Residential/Retail^[2] | | | | | | | | | | |
| Basic Charge 3/4" - 5/8" meter | \$22.51 | \$19.08 | \$30.74 | \$30.74 | \$28.46 | \$26.11 | \$24.40 | \$22.58 | \$22.58 | \$22.58 |
| 0 - 1,500 cf | 1.14 | 0.96 | 0.75 | 0.75 | 0.69 | 0.64 | 0.60 | 0.55 | 0.55 | 0.55 |
| 1,501 - 4,500 cf | 1.37 | 1.16 | 0.80 | 0.80 | 0.74 | 0.68 | 0.64 | 0.59 | 0.59 | 0.59 |
| over 4,500 cf | 1.61 | 1.36 | 0.94 | 0.94 | 0.87 | 0.80 | 0.75 | 0.69 | 0.69 | 0.69 |
| Basic Charge 1" meter | 26.14 | 22.15 | 30.74 | 30.74 | 28.46 | 26.11 | 24.40 | 22.58 | 22.58 | 22.58 |
| Basic Charge 1 1/2" meter ^[5] | 30.35 | 25.72 | 32.27 | 32.27 | 29.88 | 27.41 | 25.62 | 23.71 | 23.71 | 23.71 |
| 0 - 7,800 cf | n/a | n/a | 0.75 | 0.75 | 0.69 | 0.64 | 0.60 | 0.55 | 0.55 | 0.55 |
| 7,801 - 100,000 cf | n/a | n/a | 0.80 | 0.80 | 0.74 | 0.68 | 0.64 | 0.59 | 0.59 | 0.59 |
| over 100,000 cf | n/a | n/a | 0.94 | 0.94 | 0.87 | 0.80 | 0.75 | 0.69 | 0.69 | 0.69 |
| Basic Charge 2" meter ^[5] | 47.48 | 34.66 | 33.81 | 33.81 | 31.31 | 28.72 | 26.84 | 24.83 | 24.83 | 24.83 |
| Basic Charge 3" meter ^[5] | 64.00 | 46.72 | 37.19 | 37.19 | 34.43 | 31.59 | 29.52 | 27.32 | 27.32 | 27.32 |
| Basic Charge 4" meter ^[5] | 86.26 | 62.96 | 40.90 | 40.90 | 37.87 | 34.74 | 32.47 | 30.03 | 30.03 | 30.03 |
| Basic Charge 6" meter ^[5] | 116.26 | 84.86 | 45.00 | 45.00 | 41.66 | 38.22 | 35.72 | 33.06 | 33.06 | 33.06 |
| Basic Charge 8" meter ^[5] | 134.97 | 114.38 | 54.46 | 54.46 | 50.42 | 46.26 | 43.23 | 40.00 | 40.00 | 40.00 |
| Basic Charge 10" meter ^[5] | 156.69 | 132.79 | 65.90 | 65.90 | 61.01 | 55.97 | 52.31 | 48.40 | 48.40 | 48.40 |
| Basic Charge 12" meter ^[5] | 181.91 | 154.16 | 79.73 | 79.73 | 73.82 | 67.72 | 63.29 | 58.56 | 58.56 | 58.56 |
| 0 - 25,000 cf | n/a | n/a | 0.75 | 0.75 | 0.69 | 0.64 | 0.60 | 0.55 | 0.55 | 0.55 |
| 25,001 - 133,300 cf | n/a | n/a | 0.80 | 0.80 | 0.74 | 0.68 | 0.64 | 0.59 | 0.59 | 0.59 |
| over 133,333 cf | n/a | n/a | 0.94 | 0.94 | 0.87 | 0.80 | 0.75 | 0.69 | 0.69 | 0.69 |
| Commercial and retail landscape^[3] | | | | | | | | | | |
| Basic Charge Per Unit ^[4] | | | | | | | | | | |
| all water consumed | 1.24 | 1.05 | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| Small Farms | | | | | | | | | | |
| Basic Charge ^[4] | n/a | n/a | 54.66 | 54.66 | 50.61 | 46.43 | 43.39 | 40.15 | 40.15 | 40.15 |
| 0 - 1,760 cf / 0-1,800 cf | 1.14 | 0.96 | 0.80 | 0.80 | 0.74 | 0.68 | 0.64 | 0.59 | 0.59 | 0.59 |
| 1,761 - 6,500 cf / 1,801-6,500 cf | 0.10 | 0.09 | 0.08 | 0.08 | 0.08 | 0.07 | 0.07 | 0.06 | 0.06 | 0.06 |
| 6,501 - 100,000 cf / 6,501-50,000 cf | 0.12 | 0.10 | 0.10 | 0.10 | 0.09 | 0.08 | 0.08 | 0.07 | 0.07 | 0.07 |
| over 100,000 cf / above 50,000 cf | 0.14 | 0.12 | 0.11 | 0.11 | 0.10 | 0.09 | 0.09 | 0.08 | 0.08 | 0.08 |

Note: Commodity charges are in ccf (100 cubic feet, which equals 748 gallons)

All services outside the District are billed at 1.5 times.

All Basic Charges are Bi-Monthly

^[1] Beginning in 2009 Gravity and Pumped rates are the same, pages that previously had shown pumped rates have been omitted

^[2] Prior to 2009 the retail water rate category represents single family residential and commercial/industrial customer rate classifications

^[3] Beginning in 2009 commercial/industrial restructured as a separate class

^[4] Beginning in 2009, Basic charge determined by meter size

^[5] Charges for a "Turbo" meter

Source: El Dorado Irrigation District Utility Billing Section

Table #15 continued

Water Rates^[1]

Last Ten Years

(in dollars)

| Category | Year | | | | | | | | | |
|---|---------|--------|---------|---------|---------|---------|---------|---------|---------|---------|
| | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 |
| Agriculture Metered Irrigation^[2] | | | | | | | | | | |
| <i>with residence</i> | | | | | | | | | | |
| Basic Charge ^[3] | n/a | n/a | \$54.66 | \$54.66 | \$50.61 | \$46.43 | \$43.39 | \$40.15 | \$40.15 | \$40.15 |
| 0-1,800 cf / 0-1,800cf | 1.14 | 0.96 | 0.80 | 0.80 | 0.74 | 0.68 | 0.64 | 0.59 | 0.59 | 0.59 |
| 1,801-30,000 cf/ 1,801-58,200 cf | 0.12 | 0.09 | 0.08 | 0.08 | 0.08 | 0.07 | 0.07 | 0.06 | 0.06 | 0.06 |
| 30,001-58,200 cf/ (n/a) | n/a | 0.10 | 0.10 | 0.10 | 0.09 | 0.08 | 0.08 | 0.07 | 0.07 | 0.07 |
| over 58,201 cf/ over 58,201 cf | 0.14 | 0.12 | 0.11 | 0.11 | 0.10 | 0.09 | 0.09 | 0.08 | 0.08 | 0.08 |
| <i>without residence</i> | | | | | | | | | | |
| Basic Charge ^[3] | n/a | n/a | 54.66 | 54.66 | 50.61 | 46.43 | 43.39 | 40.15 | 40.15 | 40.15 |
| 0-30,000 cf/ (n/a) | n/a | 0.09 | 0.08 | 0.08 | 0.08 | 0.07 | 0.07 | 0.06 | 0.06 | 0.06 |
| 30,001-58,200/ 0-58,200 cf | 0.12 | 0.10 | 0.10 | 0.10 | 0.09 | 0.08 | 0.08 | 0.07 | 0.07 | 0.07 |
| over 58,201 cf/ over 58,201 cf | 0.14 | 0.12 | 0.11 | 0.11 | 0.10 | 0.09 | 0.09 | 0.08 | 0.08 | 0.08 |
| <i>with residence - IMS participant</i> | | | | | | | | | | |
| Basic Charge ^[3] | n/a | n/a | 54.66 | 54.66 | 50.61 | 46.43 | 43.39 | 40.15 | 40.15 | 40.15 |
| 0-1,800 cf | 1.14 | 0.96 | 0.80 | 0.80 | 0.74 | 0.68 | 0.64 | 0.59 | 0.59 | 0.59 |
| 1,801-30,000 cf | 0.10 | 0.09 | 0.08 | 0.08 | 0.08 | 0.07 | 0.07 | 0.06 | 0.06 | 0.06 |
| 30,001-58,200 cf | 0.12 | 0.10 | 0.10 | 0.10 | 0.09 | 0.08 | 0.08 | 0.07 | 0.07 | 0.07 |
| over 58,200 cf | 0.14 | 0.12 | 0.11 | 0.11 | 0.10 | 0.09 | 0.09 | 0.08 | 0.08 | 0.08 |
| <i>without residence - IMS participant</i> | | | | | | | | | | |
| Basic Charge ^[3] | n/a | n/a | 54.66 | 54.66 | 50.61 | 46.43 | 43.39 | 40.15 | 40.15 | 40.15 |
| 0-30,000 cf | 0.10 | 0.09 | 0.08 | 0.08 | 0.08 | 0.07 | 0.07 | 0.06 | 0.06 | 0.06 |
| 30,001-58,200 cf | 0.12 | 0.10 | 0.10 | 0.10 | 0.09 | 0.08 | 0.08 | 0.07 | 0.07 | 0.07 |
| over 58,200 cf | 0.14 | 0.12 | 0.11 | 0.11 | 0.10 | 0.09 | 0.09 | 0.08 | 0.08 | 0.08 |
| Multi-Family | | | | | | | | | | |
| Basic Charge Per Unit | \$11.15 | \$9.45 | \$15.28 | \$15.28 | \$14.15 | \$12.98 | \$12.13 | \$11.22 | \$11.22 | \$11.22 |
| 0 - 1,500 cf | 1.24 | 1.05 | 0.75 | 0.75 | 0.69 | 0.64 | 0.60 | 0.55 | 0.55 | 0.55 |
| 1,501 - 20,000 cf | 1.24 | 1.05 | 0.80 | 0.80 | 0.74 | 0.68 | 0.64 | 0.59 | 0.59 | 0.59 |
| over 20,000 cf | 1.24 | 1.05 | 0.94 | 0.94 | 0.87 | 0.80 | 0.75 | 0.69 | 0.69 | 0.69 |
| Domestic Irrigation^[4] | | | | | | | | | | |
| Basic Charge | 61.83 | 52.40 | 52.00 | 52.00 | 48.15 | 44.17 | 41.28 | 38.20 | 38.20 | 32.99 |
| 0 - 6,500 cf | 0.14 | 0.12 | 0.11 | 0.11 | 0.10 | 0.09 | 0.09 | 0.08 | 0.08 | 0.24 |
| 6,501 - 50,000 cf | 0.16 | 0.13 | 0.12 | 0.12 | 0.11 | 0.10 | 0.10 | 0.09 | 0.09 | 0.26 |
| over 50,000 cf | 0.21 | 0.18 | 0.16 | 0.16 | 0.15 | 0.14 | 0.13 | 0.12 | 0.12 | 0.31 |

Note: Commodity charges are in ccf (100 cubic feet, which equals 748 gallons)

All services outside the District are billed at 1.5 times.

All Basic Charges are Bi-Monthly

^[1] Beginning in 2009 Gravity and Pumped rates are the same, pages that previously had shown pumped rates have been omitted

^[2] Beginning in April 2009, Agriculture Metered Irrigation tier quantities changed

^[3] Beginning in 2009, Basic charge determined by meter size

^[4] Beginning in April 2009, Domestic Irrigation tier 2 maximum value changed from 100,000 to 50,000

Source: El Dorado Irrigation District Utility Billing Section

Table #15 continued
Water Rates^[1]
Last Ten Years
(in dollars)

| Category | Year | | | | | | | | | |
|---|--------|--------|----------|----------|---------|---------|---------|---------|---------|---------|
| | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 |
| Recreational Turf | | | | | | | | | | |
| Basic Charge 5/8" - 1 1/2" meter ^[4] | n/a | n/a | \$104.15 | \$104.15 | \$96.44 | \$88.47 | \$82.68 | \$76.50 | \$76.50 | \$58.53 |
| 0 - 13,300 cf | 0.62 | 0.53 | 0.38 | 0.38 | 0.35 | 0.32 | 0.30 | 0.28 | 0.28 | 0.37 |
| 13,301 - 75,000 cf | 0.64 | 0.54 | 0.39 | 0.39 | 0.37 | 0.34 | 0.31 | 0.29 | 0.29 | 0.39 |
| over 75,000 cf | 0.80 | 0.68 | 0.49 | 0.49 | 0.45 | 0.42 | 0.39 | 0.34 | 0.34 | 0.46 |
| Basic Charge 2" - 3" meter ^[4] | n/a | n/a | 104.15 | 104.15 | 96.44 | 88.47 | 82.68 | 76.50 | 76.50 | 60.11 |
| 0 - 37,500 cf | 0.62 | 0.53 | 0.38 | 0.38 | 0.35 | 0.32 | 0.30 | 0.28 | 0.28 | 0.37 |
| 37,501 - 166,700 cf | 0.64 | 0.54 | 0.39 | 0.39 | 0.37 | 0.34 | 0.31 | 0.29 | 0.29 | 0.39 |
| over 166,700 cf | 0.80 | 0.68 | 0.49 | 0.49 | 0.45 | 0.42 | 0.39 | 0.34 | 0.34 | 0.46 |
| Basic Charge 4" - 8", other ^[4] | n/a | n/a | 104.15 | 104.15 | 96.44 | 88.47 | 82.68 | 76.50 | 76.50 | 64.34 |
| 0 - 500,000 cf | 0.62 | 0.53 | 0.38 | 0.38 | 0.35 | 0.32 | 0.30 | 0.28 | 0.28 | 0.37 |
| 500,001 - 1,666,700 cf | 0.64 | 0.54 | 0.39 | 0.39 | 0.37 | 0.34 | 0.31 | 0.29 | 0.29 | 0.39 |
| over 1,666,700 cf | 0.80 | 0.68 | 0.49 | 0.49 | 0.45 | 0.42 | 0.39 | 0.34 | 0.34 | 0.46 |
| Wholesale (City of Placerville) | | | | | | | | | | |
| Wholesale | | | | | | | | | | |
| Basic Charge | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 0 - 295,500 cf | 0.50 | 0.42 | 0.44 | 0.44 | 0.39 | 0.36 | 0.34 | 0.31 | 0.31 | 0.31 |
| 295,501 - 12,160,000 cf | 0.56 | 0.48 | 0.48 | 0.48 | 0.44 | 0.41 | 0.38 | 0.35 | 0.35 | 0.35 |
| over 12,160,000 cf | 0.64 | 0.54 | 0.54 | 0.54 | 0.50 | 0.46 | 0.43 | 0.40 | 0.40 | 0.40 |
| Temporary Water Use^{[2][3]} | | | | | | | | | | |
| Basic Charge | 350.02 | 42.39 | 68.26 | 68.26 | 63.23 | 58.00 | 54.21 | 50.16 | 50.16 | 50.16 |
| Commodity charge | 2.06 | 1.75 | 1.36 | 1.36 | 1.26 | 1.16 | 1.08 | 1.00 | 1.00 | 1.00 |
| Ditches (Raw Water)^[5] | | | | | | | | | | |
| Basic Charge - metered landscape irrigation | 70.29 | 59.57 | 59.57 | 59.57 | 55.16 | 50.60 | 47.29 | 43.76 | 43.76 | 43.76 |
| Commodity charge | 0.13 | 0.11 | 0.11 | 0.11 | 0.10 | 0.09 | 0.09 | 0.08 | 0.08 | 0.08 |
| Basic Charge 1/2" flow | 64.79 | 54.91 | 54.91 | 54.91 | 50.84 | 46.64 | 43.59 | 40.33 | 40.33 | 40.33 |
| Basic Charge 1" flow | 143.90 | 121.95 | 121.95 | 121.95 | 112.92 | 103.59 | 96.81 | 89.58 | 89.58 | 89.58 |
| Basic Charge 2" flow | 287.81 | 243.91 | 243.91 | 243.91 | 225.84 | 207.17 | 193.62 | 179.16 | 179.16 | 179.16 |
| Basic Charge 4" flow | 575.60 | 487.80 | 487.80 | 487.80 | 451.67 | 414.34 | 387.23 | 358.32 | 358.32 | 358.32 |
| Basic Charge - continuous flow | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| Commodity charge | 0.08 | 0.07 | 0.07 | 0.07 | 0.06 | 0.06 | 0.06 | 0.05 | 0.05 | 0.05 |

Note: Commodity charges are in ccf (100 cubic feet, which equals 748 gallons)

All services outside the District are billed at 1.5 times.

All Basic Charges are Bi-Monthly

^[1] Beginning in 2009 Gravity and Pumped rates are the same, pages that previously had shown pumped rates have been omitted

^[2] Previously known as Fire Hydrant/Construction

^[3] Fire Hydrant Recycled Lines was located on this page. It has been moved to Table #17 Recycled Water Rates

^[4] Beginning in 2009, Basic charge determined by meter size

^[5] 1 miners inch - 11.22 gallons per minute; 1 miners inch day (MID)= 2,160 cubic feet

Source: El Dorado Irrigation District Utility Billing Section

Table #16
Wastewater Rates
Last Ten Years
(in dollars)

| Category | Year | | | | | | | | | |
|--|----------|---------|----------|----------|----------|---------|---------|---------|---------|---------|
| | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 |
| Sewer Only for: | | | | | | | | | | |
| Small Farm/Rec Turf/Domestic Irrigation | | | | | | | | | | |
| Basic Charge | \$112.61 | \$95.43 | \$115.44 | \$111.00 | \$104.72 | \$96.93 | \$93.20 | \$90.49 | \$90.49 | \$90.49 |
| Commodity Charge | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| Single Family Residential | | | | | | | | | | |
| Basic Charge | 67.24 | 56.98 | 54.79 | 52.68 | 49.70 | 46.00 | 44.23 | 42.94 | 42.94 | 42.94 |
| Commodity Charge | 2.52 | 2.14 | 2.05 | 1.98 | 1.86 | 1.72 | 1.66 | 1.16 | 1.16 | 1.16 |
| Commercial Industrial | | | | | | | | | | |
| Basic Charge | 60.66 | 51.41 | 49.43 | 47.53 | 44.84 | 41.51 | 39.91 | 38.75 | 38.75 | 38.75 |
| Laundromat | 3.35 | 2.84 | 2.73 | 2.63 | 2.48 | 2.29 | 2.20 | 2.14 | 2.14 | 2.14 |
| Market | 5.04 | 4.27 | 5.90 | 5.67 | 5.35 | 4.95 | 4.76 | 4.62 | 4.62 | 4.62 |
| Repair Shop/Service Station | 6.75 | 5.72 | 4.11 | 3.95 | 3.73 | 3.45 | 3.32 | 3.22 | 3.22 | 3.22 |
| Light Industrial | 7.23 | 6.13 | 5.50 | 5.29 | 4.99 | 4.62 | 4.44 | 4.31 | 4.31 | 4.31 |
| Restaurant | 9.33 | 7.91 | 7.60 | 7.31 | 6.90 | 6.38 | 6.14 | 5.96 | 5.96 | 5.96 |
| Other | 4.32 | 3.66 | 3.52 | 3.39 | 3.19 | 2.96 | 2.84 | 2.76 | 2.76 | 2.76 |
| Commercial w/o water service | | | | | | | | | | |
| Basic Charge | 70.99 | 60.16 | 57.85 | 55.62 | 52.47 | 48.57 | 46.70 | 45.34 | 45.34 | 45.34 |
| Each additional unit | 81.01 | 68.65 | 66.01 | 63.47 | 59.88 | 55.42 | 53.29 | 51.74 | 51.74 | 51.74 |
| School Wastewater (yearly) | | | | | | | | | | |
| Basic Charge, per student | 4.80 | 4.07 | 3.91 | 3.76 | 3.55 | 3.29 | 3.16 | 3.07 | 3.07 | 3.07 |
| Septage Transfer | | | | | | | | | | |
| Basic Charge, per 1,000 gal | 171.43 | 145.28 | 139.70 | 134.32 | 126.72 | 117.29 | 112.78 | 109.59 | 109.59 | 109.59 |

Note: All Basic Charges are Bi-Monthly

Source: El Dorado Irrigation District Utility Billing Section

Table #17
Recycled Water Rates
Last Ten Years
(in dollars)

| Category | Year | | | | | | | | | |
|------------------------------------|----------|----------|----------|----------|---------|---------|---------|---------|---------|---------|
| | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 |
| Commercial / Industrial | | | | | | | | | | |
| Basic Charge | \$125.08 | \$106.00 | \$106.00 | \$106.00 | \$98.14 | \$90.03 | \$84.14 | \$77.86 | \$77.86 | \$77.86 |
| Commodity Charge | 0.72 | 0.61 | 0.61 | 0.61 | 0.57 | 0.52 | 0.49 | 0.45 | 0.45 | 0.45 |
| Dual Plumbed - Residential | | | | | | | | | | |
| Basic Charge | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| Commodity Charge | 0.72 | 0.61 | 0.61 | 0.61 | 0.57 | 0.52 | 0.49 | 0.45 | 0.45 | 0.45 |
| Fire Hydrant/Recycled Lines | | | | | | | | | | |
| Basic Charge | 377.63 | 65.79 | 106.00 | 106.00 | 98.14 | 90.03 | 84.14 | 77.86 | 77.86 | 77.86 |
| Commodity charge | 0.93 | 0.79 | 0.61 | 0.61 | 0.57 | 0.52 | 0.49 | 0.45 | 0.45 | 0.45 |

Note: Commodity charges are in ccf (100 cubic feet, which equals 748 gallons)

All Basic Charges are Bi-Monthly

^[1] Beginning in 2009 Gravity and Pumped rates are the same, pages that previously had shown pumped rates have been omitted

Source: El Dorado Irrigation District Utility Billing Section

Table # 18
 Water and Wastewater Rate Surcharges
 Last Ten Years
 (in dollars)

| Meter Size | Meter Type | EDUs | Water Line and Cover Surcharge ^[1] | | | Wastewater Surcharge ^[2] |
|-------------|------------|------|---|-----------------|------------------|-------------------------------------|
| | | | Phase I (LCS) | Phase II (LCS2) | Phase III (LCS3) | |
| 5/8" & 3/4" | D | 1 | \$0.98 | \$0.98 | \$3.25 | \$10.00 |
| 1" | D | 2 | 1.96 | 1.96 | 6.50 | 20.00 |
| 1 1/2" | D,C,P | 3 | 2.94 | 2.94 | 9.75 | 30.00 |
| 1 1/2" | T | 4 | 3.92 | 3.92 | 13.00 | 30.00 |
| 2" | C,D,P,T | 5 | 4.90 | 4.90 | 16.25 | 50.00 |
| 3" | C,D,P,T | 12 | 11.76 | 11.76 | 39.00 | 110.00 |
| 4" | C,D,P,T | 21 | 20.58 | 20.58 | 68.25 | 335.00 |
| 6" | C,D,P | 43 | 42.14 | 42.14 | 139.75 | 330.00 |
| 6" | T | 47 | 46.06 | 46.06 | 152.75 | 1,330.00 |
| 8" | C,D,P | 53 | 51.94 | 51.94 | 172.25 | 540.00 |
| 8" | T | 80 | 78.40 | 78.40 | 260.00 | 2,330.00 |
| 10" | T | 127 | 124.46 | 124.46 | 412.75 | 3,670.00 |

^[1] Water rate surcharges for Phase I and II remained the same for years 2001 through October 2009, data was not reported prior to 2001.

Water rate surcharges for Phase I ended effective October 2009.

Water rate surcharge for Phase III began in 2008.

Multi-family water surcharge will be based on a bi-monthly per unit charge of \$0.74 for Phase I and II, and \$2.44 for Phase III.

Phase I adopted February 1, 1999. The first effective billing period was February 7, 1999.

Phase II was adopted and Phase I was revised on November 1, 2001.

Phase III was adopted March 10, 2008. The first effective billing period was April 1, 2008.

^[2] Wastewater rate surcharges remained the same for the last ten fiscal years

Wastewater multi-family rates are based on a bi-monthly per unit charge of \$7.50.

Wastewater rate surcharge adopted January 19, 1996. First effective billing period beginning March 7, 1996.

Note: Single family residential, domestic irrigation and agricultural meter irrigation and small farms surcharge will be based on a 3/4" meter, regardless of size.

All charges are reported as bi-monthly.

Table #19
 Facility Capacity Charges
 Last Six Years
 (in dollars per one equivalent dwelling unit)

| AREA | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 ^[1] |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|---------------------|
| El Dorado Hills / Cameron Park ^[2] Residential/Commercial/Landscape (Potable only) | | | | | | |
| Potable Water FCC | \$15,751 | \$15,751 | \$15,751 | \$11,954 | \$11,954 | \$11,954 |
| Gabbro Soils | 345 | 345 | 345 | 345 | 345 | 345 |
| Line & Cover 1 | n/a | n/a | 101 | 101 | 101 | 101 |
| Line & Cover 2 | 118 | 118 | 118 | 118 | 118 | 118 |
| Line & Cover 3 | 325 | 325 | 325 | n/a | n/a | n/a |
| TOTAL | \$16,539 | \$16,539 | \$16,640 | \$12,518 | \$12,518 | \$12,518 |
| El Dorado Hills / Cameron Park ^[2] Residential (Dual Plumbed) | | | | | | |
| Potable Water FCC | 6,631 | 6,631 | 6,631 | 5,977 | 5,977 | 5,977 |
| Gabbro Soils | 345 | 345 | 345 | 345 | 345 | 345 |
| Line & Cover 1 | n/a | n/a | 101 | 101 | 101 | 101 |
| Line & Cover 2 | 118 | 118 | 118 | 118 | 118 | 118 |
| Line & Cover 3 | 325 | 325 | 325 | n/a | n/a | n/a |
| Recycled Water FCC | 4,553 | 4,553 | 4,553 | 2,241 | 2,241 | 2,241 |
| TOTAL | \$11,972 | \$11,972 | \$12,073 | \$8,782 | \$8,782 | \$8,782 |
| El Dorado Hills / Cameron Park ^[2] Commercial/Landscape (Recycled Water) | | | | | | |
| Recycled Water FCC | 4,553 | 4,553 | 4,553 | 4,482 | 4,482 | 4,482 |
| TOTAL | \$4,553 | \$4,553 | \$4,553 | \$4,482 | \$4,482 | \$4,482 |
| El Dorado Hills Residential - AFA Entitlement (Potable only) | | | | | | |
| Potable Water FCC | 12,361 | 12,361 | 12,361 | 7,865 | 7,865 | 7,865 |
| Gabbro Soils | 345 | 345 | 345 | 345 | 345 | 345 |
| Line & Cover 1 | n/a | n/a | 101 | 101 | 101 | 101 |
| Line & Cover 2 | 118 | 118 | 118 | 118 | 118 | 118 |
| Line & Cover 3 | 325 | 325 | 325 | n/a | n/a | n/a |
| TOTAL | \$13,149 | \$13,149 | \$13,250 | \$8,429 | \$8,429 | \$8,429 |
| El Dorado Hills Residential - AFA Entitlement (Dual Plumbed) | | | | | | |
| Potable Water FCC | 5,512 | 5,512 | 5,512 | 3,932 | 3,932 | 3,932 |
| Gabbro Soils | 345 | 345 | 345 | 345 | 345 | 345 |
| Line & Cover 1 | n/a | n/a | 101 | 101 | 101 | 101 |
| Line & Cover 2 | 118 | 118 | 118 | 118 | 118 | 118 |
| Line & Cover 3 | 325 | 325 | 325 | n/a | n/a | n/a |
| Recycled Water FCC | 4,553 | 4,553 | 4,553 | 2,241 | 2,241 | 2,241 |
| TOTAL | \$10,853 | \$10,853 | \$10,954 | \$6,737 | \$6,737 | \$6,737 |
| El Dorado Hills Residential - AFA w/no Entitlement (Potable only) | | | | | | |
| Potable Water FCC | 12,361 | 12,361 | 12,361 | 7,865 | 7,865 | 7,865 |
| Gabbro Soils | 345 | 345 | 345 | 345 | 345 | 345 |
| Line & Cover 1 | n/a | n/a | 101 | 101 | 101 | 101 |
| Line & Cover 2 | 118 | 118 | 118 | 118 | 118 | 118 |
| Line & Cover 3 | 325 | 325 | 325 | n/a | n/a | n/a |
| AFA/Weber Fee | 4,000 | 4,000 | 4,000 | 4,000 | 4,000 | 4,000 |
| TOTAL | \$17,149 | \$17,149 | \$17,250 | \$12,429 | \$12,429 | \$12,429 |

^[1] Information not reported with the same methodology previous to 2005.

^[2] Cameron Park included with El Dorado Hill FCC effective February 25, 2008

^[3] Line & Cover 1 ended effective October 2009

Source: EID Customer Services Division

Table #19
 Facility Capacity Charges
 Last Six Years
 (in dollars per one equivalent dwelling unit)

| AREA | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 ^[1] |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|---------------------|
| El Dorado Hills Residential - AFA w/no Entitlement (Dual Plumbed) | | | | | | |
| Potable Water FCC | \$5,512 | \$5,512 | \$5,512 | \$7,865 | \$7,865 | \$7,865 |
| Gabbro Soils | 345 | 345 | 345 | 345 | 345 | 345 |
| Line & Cover 1 | n/a | n/a | 101 | 101 | 101 | 101 |
| Line & Cover 2 | 118 | 118 | 118 | 118 | 118 | 118 |
| Line & Cover 3 | 325 | 325 | 325 | n/a | n/a | n/a |
| AFA/Weber Fee | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 |
| Recycled Water FCC | 4,553 | 4,553 | 4,553 | | | |
| TOTAL | \$12,853 | \$12,853 | \$12,954 | \$10,429 | \$10,429 | \$10,429 |
| General District / Satellites - Potable only | | | | | | |
| Potable Water FCC | 16,305 | 16,305 | 16,305 | 7,953 | 7,953 | 7,953 |
| Gabbro Soils | 345 | 345 | 345 | 345 | 345 | 345 |
| Line & Cover 1 | n/a | n/a | 101 | 101 | 101 | 101 |
| Line & Cover 2 | 118 | 118 | 118 | 118 | 118 | 118 |
| Line & Cover 3 | 325 | 325 | 325 | n/a | n/a | n/a |
| TOTAL | \$17,093 | \$17,093 | \$17,194 | \$8,517 | \$8,517 | \$8,517 |

^[1] Information not reported with the same methodology previous to 2005.

^[2] Cameron Park included with El Dorado Hill FCC effective February 25, 2008

^[3] Line & Cover 1 ended effective October 2009

Source: EID Customer Services Division

Table #20
 Wastewater Facility Capacity Charges
 Last Six Years
 (in dollars per one equivalent dwelling unit)

| AREA | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 ^[1] |
|-------------------------|-----------------|-----------------|-----------------|----------------|----------------|---------------------|
| El Dorado Hills | | | | | | |
| Wastewater Buy In | \$4,967 | \$4,967 | \$4,967 | \$8,443 | \$8,443 | \$8,443 |
| Recycled Costs Share | 1,538 | 1,538 | 1,538 | 1,412 | 1,412 | 1,412 |
| Future Capital Projects | 6,936 | 6,936 | 6,936 | n/a | n/a | n/a |
| TOTAL | \$13,441 | \$13,441 | \$13,441 | \$9,855 | \$9,855 | \$9,855 |
| Cameron Park | | | | | | |
| Wastewater Buy In | 7,425 | 7,425 | 7,425 | 4,418 | 4,418 | 4,418 |
| Recycled Costs Share | 1,538 | 1,538 | 1,538 | 1,412 | 1,412 | 1,412 |
| Future Capital Projects | 486 | 486 | 486 | n/a | n/a | n/a |
| TOTAL | \$9,449 | \$9,449 | \$9,449 | \$5,830 | \$5,830 | \$5,830 |
| Motherlode | | | | | | |
| Wastewater Buy In | 10,114 | 10,114 | 10,114 | 6,246 | 6,246 | 6,246 |
| Recycled Costs Share | 1,538 | 1,538 | 1,538 | 1,412 | 1,412 | 1,412 |
| Future Capital Projects | 1,751 | 1,751 | 1,751 | n/a | n/a | n/a |
| TOTAL | \$13,403 | \$13,403 | \$13,403 | \$7,658 | \$7,658 | \$7,658 |
| Satellite Areas | | | | | | |
| Wastewater Buy In | 9,120 | 9,120 | 9,120 | 6,181 | 6,181 | 6,181 |
| Future Capital Projects | 777 | 777 | 777 | 0 | 0 | 0 |
| TOTAL | \$9,897 | \$9,897 | \$9,897 | \$6,181 | \$6,181 | \$6,181 |

^[1] Information not reported with the same methodology previous to 2005.

Source: EID Customer Services Division

Table #21
 Installation and Inspection Fees
 Last Six Years^[1]
 (in dollars)

| | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 ^[1] |
|--|-------|-------|-------|-------|-------|---------------------|
| Water Meter Installation Fees | | | | | | |
| 3/4" Meter with pressure regulator | \$760 | \$598 | \$598 | \$537 | \$537 | \$537 |
| 3/4" Meter without pressure regulator | \$521 | \$464 | \$464 | \$428 | \$428 | \$428 |
| 1" Meter with pressure regulator | \$920 | \$670 | \$670 | \$653 | \$653 | \$653 |
| 1" Meter without pressure regulator | \$598 | \$525 | \$525 | \$508 | \$508 | \$508 |
| Recycled Water Meter Installation Fees | | | | | | |
| 3/4" Commercial | \$792 | \$545 | \$545 | \$545 | \$545 | \$545 |
| 3/4" Residential | \$792 | \$545 | \$545 | \$545 | \$545 | \$545 |
| Wastewater Inspection Fees | | | | | | |
| Commercial (per cleanout) | \$70 | \$70 | \$70 | \$70 | \$70 | \$70 |
| Residential | \$145 | \$145 | \$145 | \$145 | \$145 | \$145 |
| Recycled Water Plan Check & Inspection Fees | | | | | | |
| Front yard only - done by developer (per lot) | \$400 | \$400 | \$400 | \$400 | \$500 | \$500 |
| Front and back yard - done by developer (per lot) | \$325 | \$325 | \$325 | \$325 | \$500 | \$500 |

^[1] Information not reported with the same methodology previous to 2005.

Source: EID Customer Services Division

Table #22
Ratios of Outstanding Debt by Type
Last Ten Years
(in thousand of dollars, except per capita)

| | Year | | | | | | | | | |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 |
| State of California Loans | \$19,472 | \$20,419 | \$21,364 | \$16,138 | \$16,543 | \$5,918 | \$3,096 | \$3,224 | \$2,934 | \$2,934 |
| U.S. Government Loans | - | - | - | - | - | - | - | - | 14,652 | 15,500 |
| County of El Dorado Note COPs | 1,533 | 1,533 | 1,533 | 1,533 | 1,533 | 1,533 | 1,533 | 1,533 | 1,533 | 1,533 |
| GO Bonds | 3,450 | 3,825 | 4,260 | 4,685 | 5,010 | 5,330 | 5,585 | 6,000 | - | - |
| Revenue Bonds | - | - | - | - | - | - | - | 68,885 | 72,190 | 74,135 |
| LaSalle Bank Bridge Loan | - | - | - | - | - | - | - | 15,000 | 15,000 | 15,000 |
| Capital Leases | - | - | - | - | - | - | 101 | 254 | 459 | 600 |
| Total | 389,395 | 393,717 | 270,987 | 262,576 | 267,251 | 260,781 | 259,860 | 260,721 | 106,768 | 109,702 |
| Percentage of Personal Income ^[1] Per Capita | n/a | n/a | 3.07% | 3.04% | 3.42% | 3.56% | 3.84% | 4.18% | 1.78% | 1.92% |
| Personal income per capita ^[2] | n/a | n/a | \$49,091 | \$48,606 | \$44,283 | \$42,147 | \$39,723 | \$37,350 | \$36,637 | \$35,660 |
| Population | 176,075 | 176,075 | 179,722 | 177,766 | 176,637 | 173,668 | 170,331 | 167,177 | 164,020 | 160,468 |

Note:

1) The District is not subject to any legal debt limitations.

2) The personal income and per capital figures are for the County of El Dorado.

^[1] Personal income for years 2009 and 2010 unavailable at time of report.

^[2] Personal income per capita for years 2009 and 2010 unavailable at time of report.

Source: El Dorado Irrigation District Finance Department.

Table #23
Debt Service Coverage
Revenue Certificates of Participation series
2003A, 2003B, 2004A and 2004B
Water and Wastewater^[1]
Last Eight Years^[2]
(in dollars)

| Category | Revenues ^[3] | Expenses ^[4] | Net Revenues | Principal | Interest | Total | Coverage ^[5] |
|---------------------|-------------------------|-------------------------|--------------|-------------|-------------|-------------|-------------------------|
| Water | | | | | | | |
| 2003 | \$21,149,731 | \$15,653,676 | \$5,496,055 | | | \$2,748,632 | 2.00 |
| 2004 | 24,675,510 | 20,317,119 | 4,358,391 | \$1,032,024 | \$4,134,711 | 5,166,735 | 0.84 |
| 2005 | 32,916,548 | 22,704,324 | 10,212,224 | 685,626 | 4,304,637 | 4,990,263 | 2.05 |
| 2006 | 49,020,984 | 24,075,618 | 24,945,366 | 1,331,853 | 5,151,133 | 6,482,986 | 3.85 |
| 2007 | 39,495,917 | 24,823,282 | 14,672,635 | 1,519,116 | 4,934,677 | 6,453,793 | 2.27 |
| 2008 | 41,744,079 | 25,813,634 | 15,930,445 | 2,660,200 | 8,316,364 | 10,976,564 | 1.45 |
| 2009 ^[6] | 31,766,675 | 24,888,540 | 6,878,135 | 4,578,000 | 3,684,592 | 8,262,592 | 0.83 |
| 2010 | 36,473,001 | 22,352,243 | 14,120,758 | 3,556,911 | 6,119,431 | 9,676,342 | 1.46 |
| Wastewater | | | | | | | |
| 2003 | 19,846,852 | 12,299,316 | 7,547,536 | | | 4,665,151 | 1.62 |
| 2004 | 21,917,041 | 15,963,451 | 5,953,590 | 1,679,325 | 4,588,571 | 6,267,896 | 0.95 |
| 2005 | 26,205,237 | 17,839,112 | 8,366,125 | 1,280,264 | 5,353,922 | 6,634,186 | 1.26 |
| 2006 | 30,055,658 | 18,717,271 | 11,338,387 | 3,068,000 | 6,009,872 | 9,077,872 | 1.25 |
| 2007 | 32,180,773 | 19,504,007 | 12,676,766 | 3,156,000 | 5,666,552 | 8,822,552 | 1.44 |
| 2008 | 28,674,087 | 18,685,105 | 9,988,982 | 4,359,800 | 2,455,375 | 6,815,175 | 1.47 |
| 2009 ^[6] | 23,715,902 | 18,468,735 | 5,247,167 | 3,597,000 | 2,895,037 | 6,492,037 | 0.81 |
| 2010 | 25,034,969 | 16,931,624 | 8,103,345 | 2,050,400 | 4,405,946 | 6,456,346 | 1.26 |
| Total | | | | | | | |
| 2003 | 40,996,583 | 27,952,992 | 13,043,591 | | | 7,413,783 | 1.76 |
| 2004 | 46,592,551 | 36,280,570 | 10,311,981 | 2,711,349 | 8,723,282 | 11,434,631 | 0.90 |
| 2005 | 59,121,785 | 40,543,436 | 18,578,349 | 1,965,890 | 9,658,559 | 11,624,449 | 1.60 |
| 2006 | 79,076,642 | 42,792,889 | 36,283,753 | 4,399,853 | 11,161,005 | 15,560,858 | 2.33 |
| 2007 | 71,676,690 | 44,327,289 | 27,349,401 | 4,675,116 | 10,601,229 | 15,276,345 | 1.79 |
| 2008 | 70,418,166 | 44,498,739 | 25,919,427 | 7,020,000 | 10,771,739 | 17,791,739 | 1.46 |
| 2009 ^[6] | 55,482,577 | 43,357,275 | 12,125,302 | 8,175,000 | 6,579,629 | 14,754,629 | 0.82 |
| 2010 | 61,507,970 | 39,283,867 | 22,224,103 | 5,607,311 | 10,525,377 | 16,132,688 | 1.38 |

^[1] Information provided in compliance with District's continuing disclosures agreement.

^[2] Data pursuant to debt service covenants issued beginning in 2003

^[3] Revenues include all District operating revenues and non-operating revenues, excluding interest earnings from the 2003 bond proceeds and developer contributions. The flood damage reimbursements received in 2008 are included.

^[4] Total expenses include both operating and non-operating expenses, except depreciation and interest expense.

^[5] Debt service coverage of 1.25 times is required for both water and wastewater for the Revenue COPs.

^[6] Revenues and Expenses are restated for corrections to allocation of miscellaneous revenue, and reclassification of FEMA expense.

Coverage represents the ratio of net revenues before depreciation and debt service to total debt service.

Source: El Dorado Irrigation District COP Coverage Requirement Analysis

Table #24
 Building Permit and Valuation Demographics
 for the EID Service Area
 Last Ten Years

| Year | Issued Permit Valuations (in thousands) | | New Dwelling Units Issued Permits | | New Construction Finals Issued | | |
|------|--|-----------------|--------------------------------------|--------------|--------------------------------|--------------|------------|
| | Residential | Non-Residential | Single Family | Multi-Family | Single Family | Multi-Family | Commercial |
| 2001 | \$364,150 | \$38,013 | 1,135 | 745 | 1,170 | 0 | 64 |
| 2002 | \$399,147 | \$39,242 | 1,349 | 186 | 1,235 | 2 | 45 |
| 2003 | \$441,499 | \$37,912 | 1,448 | 12 | 1,413 | 183 | 66 |
| 2004 | \$487,301 | \$48,569 | 1,566 | 100 | 1,459 | 398 | 95 |
| 2005 | \$392,462 | \$41,802 | 1,179 | 128 | 1,309 | 386 | 99 |
| 2006 | \$294,996 | \$53,509 | 681 | 39 | 888 | 24 | 61 |
| 2007 | \$219,009 | \$51,240 | 357 | 180 | 529 | 41 | 87 |
| 2008 | \$122,106 | \$39,145 | 186 | 150 | 338 | 52 | 57 |
| 2009 | \$55,843 | \$21,070 | 95 | 0 | 188 | 119 | 57 |
| 2010 | \$49,309 | \$13,825 | 69 | 0 | 79 | 0 | 28 |

Source: El Dorado County Land Management Information System

Table #25
Principal Employers
of El Dorado County
Current Year and Nine Years Ago

| Employer | 2010 | | | 2001 | | |
|---|--------------|------|--|--------------|------|--|
| | Employees | Rank | Percent of Total County Employment | Employees | Rank | Percent of Total County Employment |
| Blue Shield of California | 1,719 | 1 | 2.21% | - | - | - |
| El Dorado County | 1,583 | 2 | 2.04% | - | - | - |
| Marshall Medical Center | 1,145 | 3 | 1.47% | - | - | - |
| DST Output | 850 | 4 | 1.09% | - | - | - |
| Sierra-at-Tahoe ^[1] | 752 | 5 | 0.97% | - | - | - |
| State of California | 685 | 6 | 0.88% | - | - | - |
| Raley's | 540 | 7 | 0.69% | - | - | - |
| Barton Healthcare Systems (Hospital) | 495 | 8 | 0.64% | - | - | - |
| Camp Richardson Resort ^[1] | 400 | 9 | 0.51% | - | - | - |
| Roebbelen | 263 | 10 | 0.34% | - | - | - |
| El Dorado Irrigation District | 222 | 11 | 0.29% | - | - | - |
| El Dorado County Office of Education | 210 | 12 | 0.27% | - | - | - |
| Doug Veerkamp General Engineering Inc. ^[1] | 200 | 13 | 0.26% | - | - | - |
| Embassy Suites Lake Tahoe Resort | 200 | 13 | 0.26% | - | - | - |
| Lake Tahoe Community College | 198 | 15 | 0.25% | - | - | - |
| El Dorado County | | | | 1,790 | 1 | 2.33% |
| Output Technology Solutions | | | | 1,272 | 2 | 1.65% |
| Raley's | | | | 747 | 3 | 0.97% |
| Marshall Hospital | | | | 654 | 4 | 0.85% |
| El Dorado County Office of Education | | | | 512 | 5 | 0.67% |
| Roebbelen/Kleeman Construction | | | | 480 | 6 | 0.62% |
| DST Innovis, Inc. | | | | 430 | 7 | 0.56% |
| Serrano Associates LLC | | | | 241 | 8 | 0.31% |
| El Dorado Irrigation District | | | | 212 | 9 | 0.28% |
| Doug Veerkamp General Engineering Inc. | | | | 200 | 10 | 0.26% |
| El Dorado Savings Bank | | | | 166 | 11 | 0.22% |
| Sierra Pacific Industries | | | | 143 | 12 | 0.19% |
| Total | 9,462 | | 12.18% | 6,847 | | 8.90% |

^[1] Peak season employment

Source: Sacramento Business Journal, April 2, 2010 and Sacramento Business Journal, November 23, 2001

Table #26
El Dorado County Demographic and Economic Statistics
Last Ten Years

| Year | Population | Change | Labor Force | Employed | Rate | (in thousands of | Personal | Enrollment |
|------|------------|--------|-------------|----------|-------|--------------------|--------------------|------------|
| 2001 | 160,848 | 2.4% | 84,100 | 80,500 | 4.3% | 6,043,957 | 37,576 | 28,795 |
| 2002 | 164,675 | 2.4% | 86,600 | 82,100 | 5.2% | 6,331,672 | 38,540 | 29,104 |
| 2003 | 167,436 | 1.7% | 88,100 | 83,200 | 5.6% | 6,635,700 | 39,631 | 29,147 |
| 2004 | 170,486 | 1.8% | 89,500 | 84,800 | 5.3% | 7,120,743 | 41,767 | 29,072 |
| 2005 | 173,500 | 1.8% | 92,000 | 87,600 | 4.8% | 7,688,115 | 44,312 | 29,368 |
| 2006 | 174,995 | 0.9% | 93,000 | 88,700 | 4.6% | 8,219,865 | 46,972 | 29,332 |
| 2007 | 175,752 | 0.4% | 94,500 | 89,600 | 5.2% | 8,607,872 | 48,977 | 29,417 |
| 2008 | 177,009 | 0.7% | 96,000 | 89,400 | 6.9% | 8,873,543 | 50,130 | 29,662 |
| 2009 | 178,847 | 1.0% | 90,700 | 79,400 | 12.5% | 8,849,152 | 49,590 | 29,336 |
| 2010 | 182,019 | 1.8% | 90,800 | 79,400 | 12.6% | n/a ^[1] | n/a ^[1] | 29,601 |

^[1] Information unavailable at time of report

Source: Bureau of Economic Analysis, Regional Economic Information System beginning in 2009 due to the unavailability of current data for population, personal income, and per capita personal income from the Labor Market Information Division. This change reflected in an inaccurate decrease in Annual % change in 2010. All annual numbers have been changed in the current year reporting to maintain consistency in trending. California Employment Development Department, Labor Market Information Division for civilian Labor Force, employed, and unemployment rate. California Department of Education, Educational Demographics Unit for school enrollment. California State Association of Counties, El Dorado County for current year population.

Chart #8
Annual County Population vs. Unemployment Rate

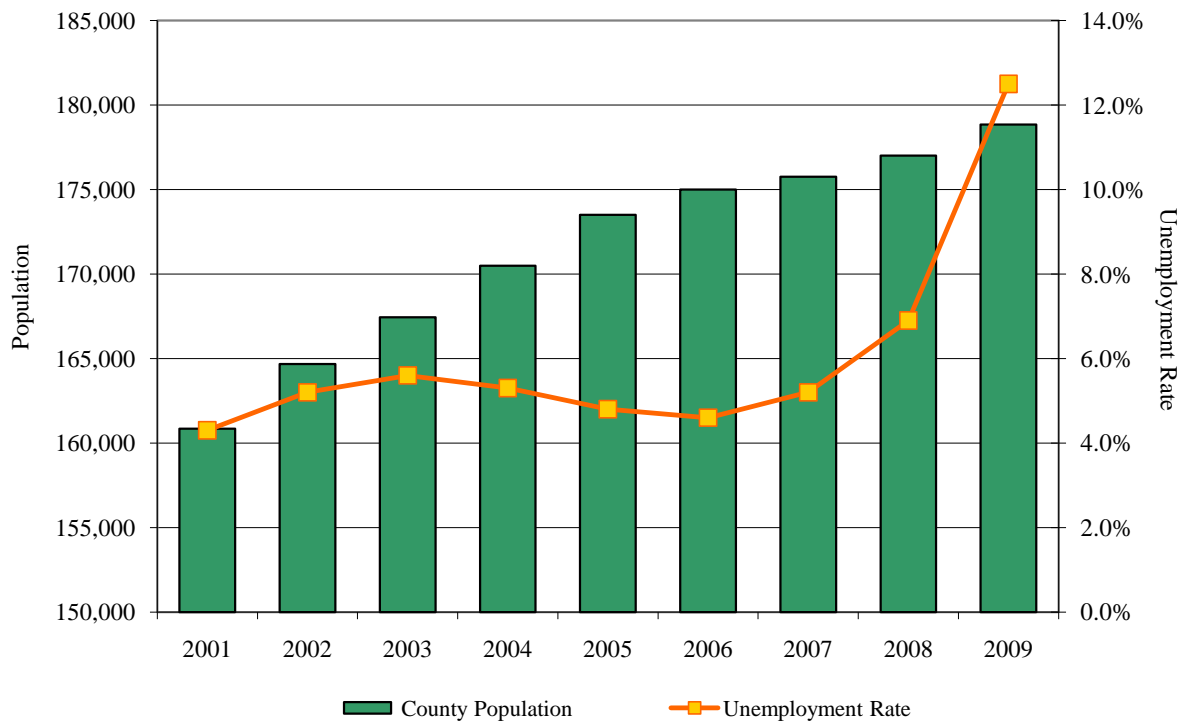


Table #27
Water System Demographics and Statistical Summary
Last Ten Years

| Water System | Year | | | | | | | | | |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 |
| Facilities: | | | | | | | | | | |
| Miles of Main Line (estimated) | 1,298 | 1,295 | 1,295 | 1,245 | 1,289 | 1,245 | 1,229 | 1,220 | 1,200 | 1,150 |
| Miles of Ditches (estimated) | 27 | 27 | 27 | 27 | 27 | 27 | 37 | 40 | 40 | 40 |
| Number of Treatment Plants | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 |
| Total Plant Capacity (cfs) | 184 | 184 | 184 | 184 | 184 | 177 | 177 | 164 | 161 | 190 |
| # of Pumping Stations | 38 | 38 | 38 | 37 | 38 | 38 | 38 | 36 | 34 | 21 |
| # of Storage Tanks/Reservoirs | 33 | 33 | 33 | 36 | 36 | 35 | 35 | 32 | 28 | 33 |
| Supply Allocated (acre feet): | | | | | | | | | | |
| Sly Park Reservoir | 20,920 | 23,000 | 23,000 | 23,000 | 23,000 | 23,000 | 23,000 | 23,000 | 23,000 | 23,000 |
| Reclamation-Folsom Lake ^[1] | 29,110 | 24,500 | 24,500 | 24,500 | 24,500 | 7,550 | 7,550 | 7,550 | 7,550 | 7,550 |
| Forebay - Project 184 | 15,080 | 15,080 | 15,080 | 15,080 | 15,080 | 15,080 | 15,080 | 15,080 | 15,080 | 15,080 |
| Crawford Ditch ^[2] | - | - | - | - | - | - | - | - | 700 | 700 |
| Total Water Allocations | 65,110 | 62,580 | 62,580 | 62,580 | 62,580 | 45,630 | 45,630 | 45,630 | 46,330 | 46,330 |
| Supply Delivered (acre feet): | | | | | | | | | | |
| Sly Park Reservoir ^[3] | 20,844 | 22,255 | 25,745 | 22,467 | 21,694 | 20,144 | 22,919 | 23,312 | 25,738 | 23,280 |
| Reclamation-Folsom Lake | 6,409 | 6,693 | 6,882 | 9,171 | 8,189 | 7,555 | 8,424 | 7,528 | 7,728 | 7,136 |
| Forebay - Project 184 ^[3] | 8,424 | 11,712 | 12,423 | 12,329 | 11,451 | 9,957 | 12,016 | 6,298 | 4,719 | 7,730 |
| Crawford Ditch ^[2] | - | - | - | - | - | - | - | - | 700 | 700 |
| Total Water Deliveries | 35,677 | 40,660 | 45,050 | 43,967 | 41,334 | 37,656 | 43,359 | 37,138 | 38,885 | 38,846 |
| Consumption (acre feet) ^[4] : | | | | | | | | | | |
| Residential ^[5] | 18,147 | 22,099 | 23,322 | 23,341 | 22,190 | 20,319 | 22,559 | 20,169 | 20,090 | 19,469 |
| Commercial and Industrial | 2,478 | 1,993 | 3,029 | 3,076 | 2,850 | 2,805 | 2,806 | 2,778 | 2,613 | 2,613 |
| Agricultural ^[6] | 4,896 | 5,690 | 5,581 | 5,262 | 4,963 | 4,712 | 6,433 | 6,074 | 5,242 | 5,742 |
| Recreational Turf | 1,073 | 1,238 | 1,398 | 1,364 | 1,387 | 1,235 | 1,605 | 1,112 | 1,357 | 1,383 |
| Municipal | 1,166 | 1,422 | 1,533 | 1,960 | 1,672 | 1,666 | 1,811 | 1,709 | 1,696 | 1,669 |
| Total Water Consumption | 27,760 | 32,442 | 34,863 | 35,003 | 33,062 | 30,737 | 35,214 | 31,842 | 30,998 | 30,876 |
| Customer Services ^{[4][7]} : | | | | | | | | | | |
| Residential ^[5] | 36,882 | 36,464 | 36,449 | 36,223 | 35,825 | 35,221 | 34,180 | 33,184 | 31,578 | 30,458 |
| Commercial and Industrial | 1,480 | 1,787 | 1,653 | 1,417 | 1,344 | 1,303 | 1,254 | 1,217 | 1,181 | 1,130 |
| Agricultural ^[6] | 497 | 486 | 477 | 390 | 389 | 391 | 380 | 397 | 349 | 342 |
| Recreational Turf | 112 | 108 | 110 | 109 | 108 | 104 | 101 | 97 | 99 | 99 |
| Municipal | 16 | 17 | 16 | 11 | 11 | 11 | 11 | 11 | 11 | 11 |
| Total Water Services | 38,987 | 38,862 | 38,705 | 38,150 | 37,677 | 37,030 | 35,926 | 34,906 | 33,218 | 32,040 |

^[1] Folsom now includes Department of Reclamation (Reclamation) water service contract for 7,550 AF *and* Water Right permit number 21112 for 17,000 AF.

^[2] As of 2003 the Crawford Ditch is not connected to the contiguous piped system. It meets the irrigation needs of ditch customers as a separate delivery system.

^[3] Due to the January 1997 floods and damage to project 184 facilities, water deliveries were reallocated in 1997.

^[4] Includes data for both the contiguous and satellite zones.

^[5] Includes single residential, multi-family residential, single-family dual potable, multi-family dual potable and domestic irrigation.

^[6] Includes agricultural metered irrigation, small farm irrigation, and ditch deliveries.

^[7] Services previously reported incorrectly as Accounts.

Source: 2009 Water Resource and Service Reliability Report, 2010 Annual Consumption Report and Utility Billing Section

Table #28
Water Supply and Demand Data
Last Ten Years
(in acre feet)

| Year | System Firm Yield ^[1] | Total Raw Water Diversions ^[2] | Metered Consumption ^[3] | Other Authorized Uses ^[4] | Supplement to Recycled System | Real and Apparent Losses ^[5] |
|------|----------------------------------|---|------------------------------------|--------------------------------------|-------------------------------|---|
| 2001 | 43,280 | 38,846 | 32,231 | 1,398 | n/a | 5,217 |
| 2002 | 43,280 | 38,885 | 32,252 | 1,201 | 255 | 5,177 |
| 2003 | 54,550 | 37,138 | 31,021 | 1,017 | 190 | 4,910 |
| 2004 | 54,550 | 43,359 | 35,160 | 1,692 | 918 | 5,589 |
| 2005 | 54,550 | 37,656 | 30,683 | 1,408 | 433 | 5,132 |
| 2006 | 60,550 | 41,334 | 33,011 | 1,767 | 870 | 5,686 |
| 2007 | 60,550 | 43,967 | 34,938 | 2,857 | 595 | 5,577 |
| 2008 | 60,550 | 45,051 | 34,813 | 2,653 | 456 | 7,129 |
| 2009 | 60,550 | 40,660 | 32,442 | 2,629 | 393 | 5,196 |
| 2010 | 65,110 | 35,677 | 26,473 | 1,740 | 379 | 7,085 |

^[1] The System Firm Yield is calculated using a hydrology computer model to determine the annual quantity of water the integrated water supply system can theoretically make available 95% of the time, per Administrative Regulation No. 5010.

^[2] Includes diversions from Jenkinson Lake, Folsom Reservoir, and Project 184 at Forebay

^[3] Authorized uses of potable water that are metered and billed to EID customers.

^[4] Other authorized uses of potable and raw water includes consumption that is separate from defined customer rate classes and is not necessarily metered or billed. This demand includes system operations uses like water quality and collection system flushing, as well as meter testing, private fire services, and ditch deliveries.

^[5] Real losses include physical water lost into the ground from pipeline leaks and breaks. Apparent losses are considered Source: EID Water Resources and Service Reliability Report

Chart #9
Water Supply and Demand Trends

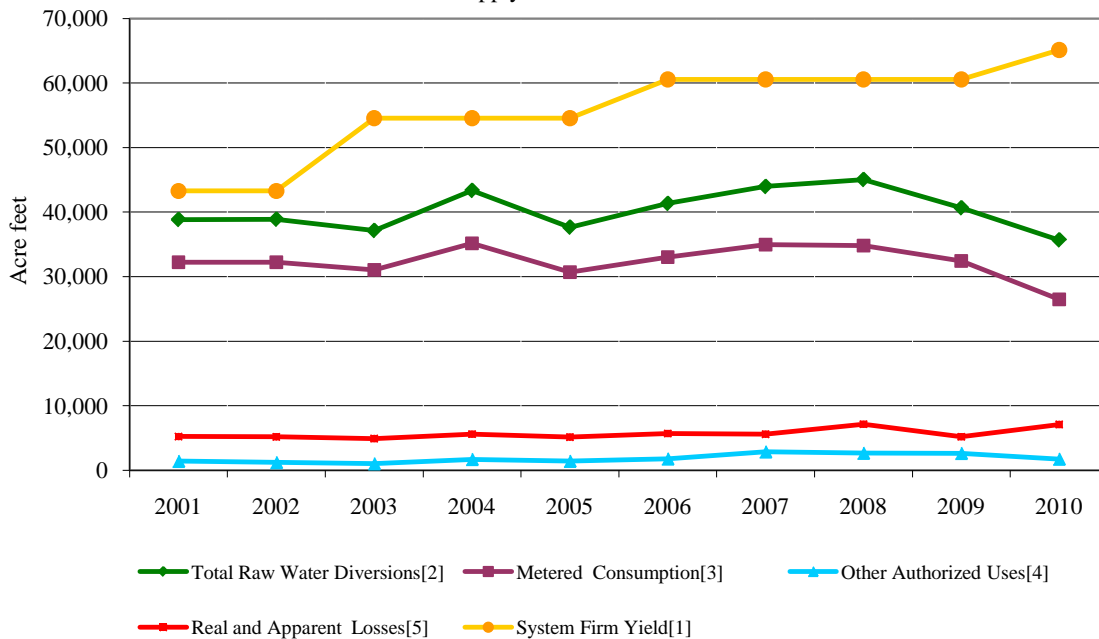


Table #29
Recycled Water System
Demographics and Statistical Summary
Last Ten Years

| Recycled Water System Facilities: | Year | | | | | | | | | |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 |
| Miles of Recycled Pipe | 54 | 54 | 54 | 49 | 49 | 46 | 44 | 37 | 28 | 11 |
| Number of Treatment Plants | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Storage Reservoirs /Tanks | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 4 | 4 | 4 |
| Number of Pump Stations | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 4 | 4 | 4 |
| Consumption (acre feet): | | | | | | | | | | |
| Residential ^{[1][2]} | 1,328 | 1,579 | 1,674 | 1,578 | 1,331 | 1,008 | 713 | 493 | 274 | 155 |
| Commercial & Industrial ^[3] | 546 | 654 | 716 | 789 | 726 | 669 | 547 | 441 | 751 | 560 |
| Recreational Turf | 189 | 361 | 513 | 571 | 726 | 455 | 721 | 755 | 811 | 886 |
| Total Recycled Water Consumption | 2,063 | 2,593 | 2,903 | 2,938 | 2,782 | 2,133 | 1,981 | 1,690 | 1,836 | 1,601 |
| Customer Services:^{[4][5]} | | | | | | | | | | |
| Residential ^{[1][2]} | 3,924 | 3,663 | 3,714 | 3,513 | 3,277 | 3,010 | 2,420 | 1,978 | 1,247 | 811 |
| Commercial & Industrial ^[3] | 143 | 139 | 153 | 156 | 147 | 129 | 101 | 91 | 89 | 92 |
| Recreational Turf | 12 | 12 | 11 | 12 | 13 | 12 | 12 | 9 | 9 | 3 |
| Total Recycled Water Services^[4] | 4,079 | 3,814 | 3,878 | 3,681 | 3,437 | 3,151 | 2,533 | 2,078 | 1,345 | 906 |

^[1] Residential includes multi-family accounts

^[2] Beginning in November 1999, residential construction of a "dual pipe" system in the El Dorado Hills community of Serrano features water, sewer and recycled for each home.

^[3] Commercial & Industrial includes temporary water use meters

^[4] Services previously reported incorrectly as Accounts

^[5] Reporting methodology changed in 2010 due to new computer software

Source: Consumption Report and Utility Billing Section

Table #30
Wastewater System
Demographics and Statistical Summary
Last Ten Years

| Wastewater System | Year | | | | | | | | | |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 |
| Facilities: | | | | | | | | | | |
| Miles of Sewer Line | 396 | 396 | 396 | 390 | 390 | 377 | 377 | 338 | 305 | 300 |
| Number of Treatment Plants | 4 | 4 | 4 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| Permitted Average Dry Weather Flow ^[1] | 7.2 | 7.20 | 7.20 | 6.60 | 6.60 | 6.60 | 6.60 | 5.50 | 5.50 | 5.50 |
| Plant Capacity Wet Weather ^[1] | 23 | 23.00 | 23.00 | 22.40 | 22.40 | 22.40 | 22.40 | 7.50 | 7.50 | 7.50 |
| Avg. Dry Weather Daily Plant Flow ^[1] | 5.96 | 5.96 | 5.96 | 5.45 | 5.79 | 4.68 | 5.15 | 4.58 | 4.25 | 4.18 |
| El Dorado Hills Plant ^[1] | 2.93 | 2.93 | 2.93 | 2.68 | 2.69 | 2.28 | 2.44 | 2.08 | 1.72 | 1.74 |
| Camino Heights Plant ^[1] | 0.017 | 0.017 | 0.017 | 0.017 | 0.018 | 0.014 | 0.015 | 0.016 | 0.014 | 0.018 |
| Deer Creek Plant ^[1] | 3.01 | 3.01 | 3.01 | 2.77 | 3.10 | 2.40 | 2.71 | 2.50 | 2.53 | 2.44 |
| Number of Lift Stations | 64 | 64 | 64 | 63 | 63 | 60 | 60 | 60 | 58 | 58 |
| Customer Services:^[2] | | | | | | | | | | |
| Residential ^[3] | 19,871 | 19,849 | 19,641 | 19,422 | 19,192 | 17,849 | 17,310 | 16,111 | 14,946 | 13,882 |
| Commercial & Industrial | 793 | 778 | 804 | 752 | 699 | 644 | 608 | 581 | 551 | 532 |
| Schools | 23 | 23 | 23 | 27 | 27 | 22 | 21 | 20 | 23 | 19 |
| Total Wastewater Services | 20,687 | 20,650 | 20,468 | 20,201 | 19,918 | 18,515 | 17,939 | 16,712 | 15,520 | 14,433 |

^[1] In millions of gallons per day

^[2] Services previously reported incorrectly as Accounts

^[3] Residential includes multi-family accounts

Source: EID Sewer Capacity Report and Facilities Management Department

Chart # 10
Water, Wastewater and Recycled Water Services Growth Trend

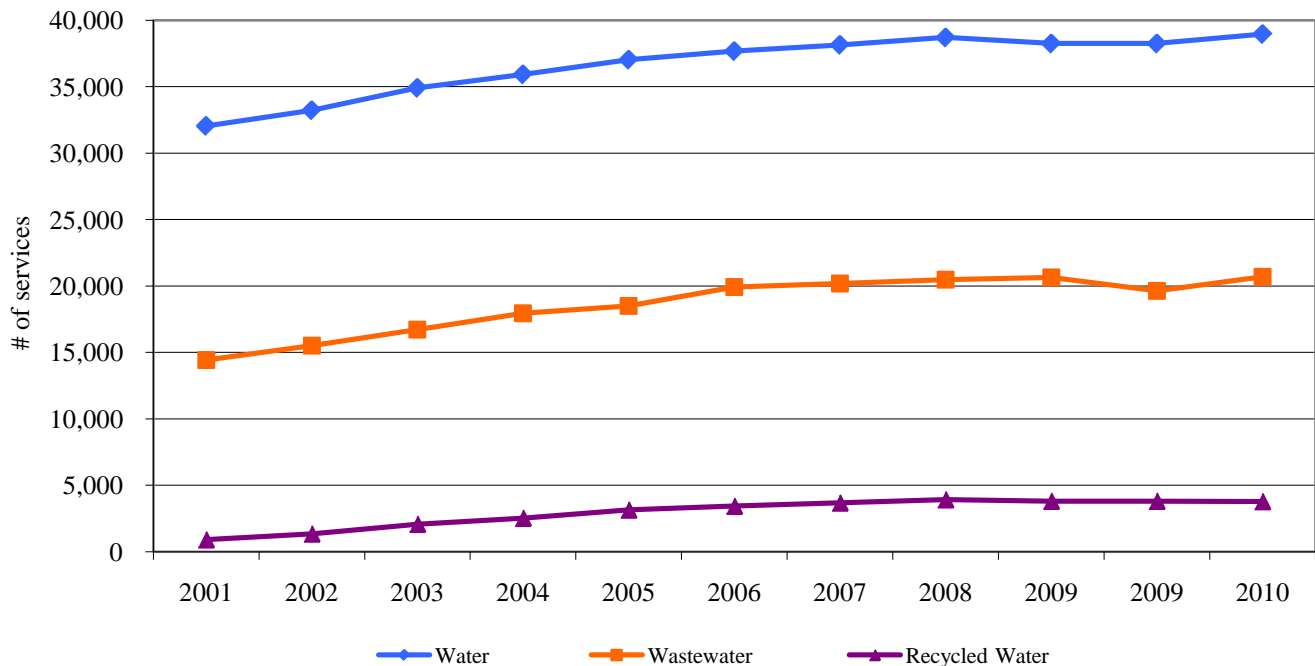


Table #31
Recreation Demographics and Statistical Summary
Last Ten Years

| | Year | | | | | | | | | |
|------------------------|---------|---------|---------|---------------------|---------------------|--------|--------|--------|--------|--------|
| | 2010 | 2009 | 2008 | 2007 ^[1] | 2006 ^[2] | 2005 | 2004 | 2003 | 2002 | 2001 |
| Recreation | | | | | | | | | | |
| Day Visitors | 388,207 | 244,433 | 157,447 | 155,730 | 69,523 | 78,144 | 76,930 | 75,706 | 72,343 | 90,865 |
| Overnight Campers | 90,824 | 83,172 | 75,167 | 69,381 | 60,855 | 85,760 | 77,968 | 75,080 | 74,963 | 90,971 |
| Boat Use | 47,165 | 41,690 | 24,640 | 17,435 | 17,003 | 24,825 | 18,823 | 13,285 | 13,671 | 12,762 |
| Museum Visitors | n/a | n/a | n/a | n/a | n/a | 500 | 1,100 | 1,200 | 1,300 | 1,580 |
| Guided Hikes | 15 | 136 | 136 | - | 2 | 4 | 4 | 2 | 5 | 8 |
| Fish Plants | 5 | 1 | 5 | 8 | 5 | 7 | 9 | 9 | 9 | 6 |
| Volunteer Hours | 1,500 | 800 | 800 | - | - | - | 5,000 | 4,900 | 4,700 | 4,500 |
| Museum Volunteer Hours | n/a | n/a | n/a | n/a | n/a | - | 500 | 500 | 500 | 500 |

^[1] Increased day visitors in 2007 due to an improved tracking process to more accurately account for walk-in traffic
Source: EID Recreation Department

Facilities at Sly Park Recreation Area:

| | |
|---------------------------------|----------|
| Jenkinson Lake Shoreline | 9 Miles |
| Boat Ramps | 2 |
| Individual Camp Areas | 186 |
| Adult Group Camping Areas | 6 |
| Youth Group Camping Areas | 1 |
| Equestrian Group Camping Areas | 1 |
| Handicapped Group Camping Areas | 1 |
| Hiking Trails | 9 Miles |
| Equestrian Trails | 9 Miles |
| Nature Trail | 1/2 Mile |

Chart #11
Recreation Visitor Statistics

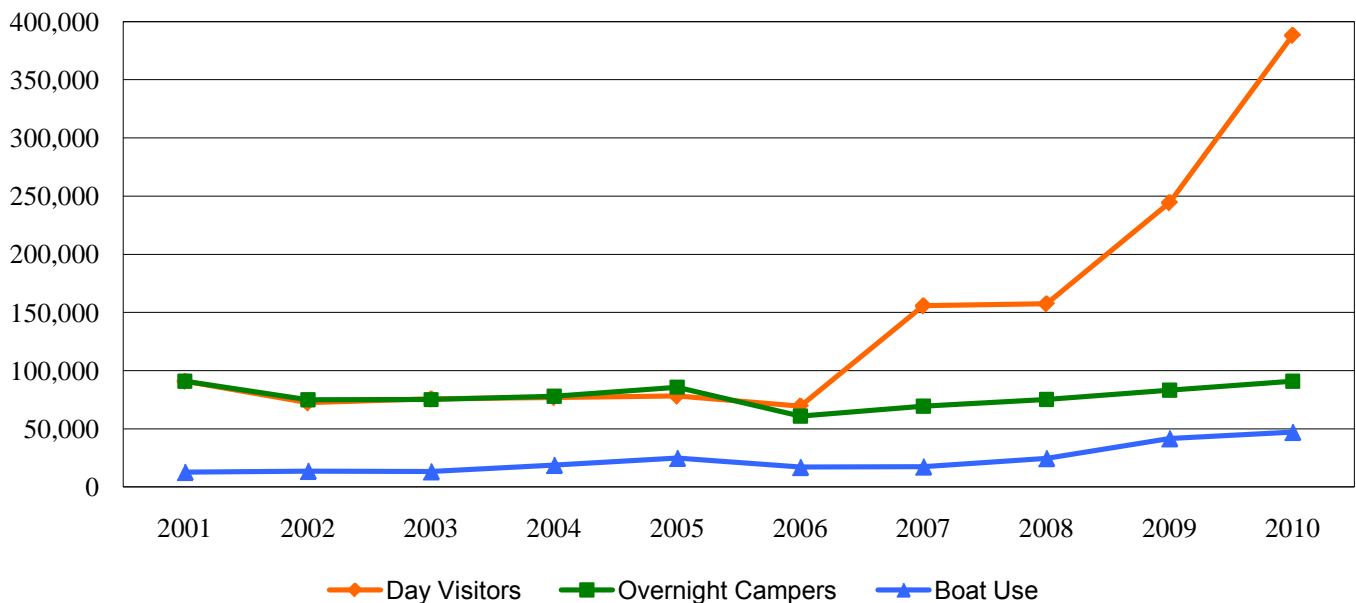


Table #32
Full-time Equivalent Employees by Function/Program
Last Seven Years^[1]

| Function/Program | Full-time Equivalent Employees for Year | | | | | | |
|--|---|--------------|------------|------------|------------|------------|------------|
| | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 |
| Office of the General Manager ^[2] | 10 | 16 | 23 | 22 | 15 | 21 | 12 |
| Information Technology | 11 | 13 | n/a | n/a | n/a | n/a | n/a |
| Facilities Management ^[3] | n/a | n/a | 134 | 153 | 147 | 151 | 146 |
| Operations ^[3,6] | 121.5 | 124.5 | n/a | n/a | n/a | n/a | n/a |
| Finance ^[4] | 44 | 45 | 43 | 55 | 55 | 51 | 39 |
| Human Resources ^[8] | 6 | 8.5 | n/a | n/a | n/a | n/a | n/a |
| Communications/Community Relations ^[5] | 3 | 3 | 34 | 44 | 49 | 43 | 58 |
| Recreation ^[6] | n/a | n/a | 8 | 7 | 7 | 6 | 6 |
| Engineering ^[3] | 30.5 | 22 | n/a | n/a | n/a | n/a | n/a |
| Environmental Compliance and Water Policy ^[7] | n/a | n/a | 18 | 24 | 24 | 23 | 14 |
| Natural Resources ^[9] | n/a | 21.5 | n/a | n/a | n/a | n/a | n/a |
| District Total | 226 | 253.5 | 260 | 305 | 297 | 295 | 275 |

^[1] Data not available in the same organizational format prior to 2003

^[2] Office of the General Manager includes Office of the General Counsel

^[3] Facilities Management broken out to Engineering and Operations

^[4] Finance and Management Services renamed Finance, payroll function moved to Human Resources

^[5] Strategic Management and Communications renamed Communications/Community Relations, with programs transferred to Engineering, Finance, and Human Resources

^[6] Recreation now included with Operations

^[7] Environmental Compliance and Water Policy broken out to Engineering, Operations, and Natural Resources

^[8] Human Resources includes Safety and Security program, in addition to Payroll, which was moved from Finance

^[9] Natural Resources broken out to Engineering, Operations, and Finance

Source: El Dorado Irrigation District Human Resources Department - Position Control Report Revised December 13, 2010

Table #33
Rate History
Last Ten Years

| Year | Water | Wastewater |
|------|---------------------|--------------------|
| 2000 | 0% | 0% |
| 2001 | 0% | 0% |
| 2002 | 0% | 0% |
| 2003 | 0% | 0% |
| 2004 | 7% ^[1] | 0% ^[3] |
| 2005 | 7% ^[1,2] | 4% ^[4] |
| 2006 | 7% ^[1,2] | 4% ^[4] |
| 2007 | 7% ^[1,2] | 4% ^[4] |
| 2008 | 0% | 4% ^[4] |
| 2009 | 0% | 0% |
| 2010 | 18% ^[5] | 18% ^[5] |

^[1] In addition to the 7% rate increase, a separate 1% rate increase was adopted, effective September 1, 2004, to help offset lost property tax revenues.

^[2] A temporary 4.3% water surcharge was adopted, effective April 1, 2005, to recoup lost property tax revenues.

^[3] A separate 3% wastewater increase was established to help offset lost property tax revenues.

^[4] In addition to the 4% rate increase, a 2% increase was established to help offset lost property tax revenues.

^[5] An 18% rate increase was applied to all services.

Source: El Dorado Irrigation District

