

Comprehensive Annual Financial Report

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For the Years Ended
December 31, 2019 and 2018



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.

Guiding Principles

*100% Safety
Respect for the Individual
Excellent Customer Service
Fiscal Responsibility*

Comprehensive Annual Financial Report

For the Years Ended December 31, 2019 and 2018



El Dorado Irrigation District
2890 Mosquito Road
Placerville, California
www.eid.org

In accordance with Title II of the Americans with Disabilities Act of 1990 (ADA) (42 U.S.C. §§ 12131-12134), its implementing regulation (28 C.F.R., part 35), and other applicable federal and state laws, it is the policy of the El Dorado Irrigation District to offer its public programs, services and meetings in a manner that is readily accessible to everyone including individuals with disabilities. If you are a person with a disability and require information or materials in an appropriate alternative format; or if you require any other accommodation, please contact the ADA Coordinator at the number or address below at least 72 hours prior to the meeting or when you desire to receive services. Advance notification within this guideline will enable the District to make reasonable arrangements to ensure accessibility. The District ADA Coordinator can be reached at: Phone: (530) 642-4013; e-mail: adacoordinator@eid.org

Prepared by the Finance Department

Cover:
Silver Lake

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El Dorado Irrigation District



Introductory Section

Introductory Section



May 29, 2020

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

We are proud to submit to you El Dorado Irrigation District’s (EID or District) Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 2019. We are pleased to report that financial results show the District had an excess of operating revenues over operating expenses for the current year. This positive outcome for the year of \$11 million highlights the results of the District’s diligent efforts to maximize non-rate revenues wherever possible, and to cut costs as much as is fiscally responsible, while continuing to provide safe and reliable service to customers. This calculation of net operating revenues does not include any non-cash charges for depreciation, which accounts for estimated wear and tear on property, plant, and equipment. At the end of 2019, staffing was at approximately that of 1999, with 218 full-time filled positions, down from a high of 305 in 2007. Since 1999, customer accounts have increased by 67%.

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 – for State and Local Governments* and 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.

This report is published in accordance with state law that requires financial statements be presented in conformity with accounting principles generally accepted in the United States of America, and audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants. It is also prepared to meet standards set forth by the Governmental Finance Officers Association of the United States of America and Canada.

The Government Code and District policy require an annual independent audit of the District’s financial records by a certified public accountant. Through a competitive bid process, the District selected Hudson Henderson & Company, Inc. as its independent auditor. The auditors have issued an unmodified (“clean”) opinion and their report on the District’s financial statements is included in the financial section of this report. An unmodified opinion is the highest level of assurance that an auditor can provide.

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. To provide a reasonable basis for making these representations, District management has established a comprehensive internal control structure that is designed to ensure the District’s assets are protected from loss, theft, or misuse, and to ensure that adequate accounting data is 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, rather than absolute, assurance that the financial statements will be free from material misstatement. We believe the data is accurate and complete, in all material respects, for the annual period ending December 31, 2019. Based on the findings and results of the audit, the auditors have identified the District as fiscally sound.

PROFILE OF THE DISTRICT



El Dorado Irrigation District was organized in 1925 under the Irrigation District Law (Water Code §§20500, et seq.). The District provides water to a population of more than 120,000 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 its customers. It also operates recreational facilities, largely as a condition of its Federal Energy Regulatory Commission (FERC) license. As such, EID is one of the few California districts that provide a full complement of water 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 community of Strawberry to the east. The area north of the communities 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 purchase basis.

The District has pursued an array of solutions to continue to provide a reliable water supply, now and in the future. All EID staff maintains their focus on water supply and planning, drought protection, water conservation, infrastructure maintenance and improvements, watershed protection, wastewater treatment, and fiscal integrity and stability. In the future, the District will continue its efforts to maintain the trust and satisfaction of our customers by providing safe and reliable water and wastewater services at the most reasonable price possible.

Reporting Entity

The District has created the El Dorado Irrigation District Financing Corporation unit to assist the District in the issuance of debt. Although legally separate from the District, the Corporation 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 Corporation is reflected as debt of the District in these financial statements. The Corporation has no other transactions and does not issue separate financial statements.

District Formation and History

Water has been and continues to be an undeniable force in shaping the economic, ecological, and cultural face of El Dorado County and EID has been at the forefront of providing essential water services in the county since 1925.

The history of the District is closely intertwined with the early development of water resources, tracing back to California's historic gold rush days. There were two major eras of ditch and canal building which occurred between 1852 – 1858 and 1867 – 1880. These provided water for sluicing and hydraulic mining. Many of these original facilities still play a major role in the water conveyance system in use today. In the early 1900's, water became important to the many agricultural activities that prospered in the area and the need for hydropower also brought a new competitor for water onto the scene.

The District was formed on October 5, 1925 to protect water filings, ensure a secure water supply, keep irrigation rates reasonable, and increase the value of agricultural lands. Two years later, the District purchased the water storage and distribution system of the El Dorado Water Corporation. This brought additional facilities and infrastructure, including the Weber Reservoir, to the District. In the 1930's, supplemental water from the Diamond Ridge ditch system was acquired, but was subject to fluctuating stream flows, and the District made its first plans to attempt a reservoir at Sly Park, but was turned down. About 10 years later, the United States Bureau of Reclamation (Reclamation) agreed to examine the proposed reservoir site.

The first water from the newly finished Sly Park Reservoir was delivered in the summer of 1955 and a significant water right was secured for the District's customers. In 1999, the District acquired Project 184, the vast water storage and conveyance system which includes Aloha, Echo, Silver, and Caples Lakes; 22.3 miles of the gold rush-era flumes and canals; Forebay Reservoir in Pollock Pines and a powerhouse. Project 184 had been acquired by PG&E in 1928 as the latest of many owners stretching back to John Kirk, a pioneer in water rights and the El Dorado Canal project conveyances, who began developing the project in 1856.

In 1960, at the request of Cameron Park leaders, the District entered the sewage business by assuming operation and maintenance of the community's sewer system. At that time, the EID Board viewed the recycled water produced at the wastewater treatment plant as a valuable future resource. This recycled water, rather than drinking water, could be used for landscape irrigation. Soon to follow were Sanitation District No.1, serving Camino Heights, and Sanitation District No. 2, serving El Dorado and Diamond Springs. In 1961, the District built the El Dorado Hills Wastewater Treatment Plant (EDHWWTP).

The District is currently fulfilling the 1960 Board's vision of using recycled water as a supplemental water supply, with both the Deer Creek and El Dorado Hills wastewater plants being the sources. A separate piped system delivers the recycled water to front and back yards of about 6,000 homes, as well as to commercial and public landscapes. The District's recycled water program utilizes recycled water to save almost a billion gallons each year of our precious drinking water.

In 1977, the District purchased the water treatment plant originally built in 1960 by the El Dorado Hills County Water District, which treats water from Folsom Lake for distribution to households in El Dorado Hills.

During the life of EID, the population of El Dorado County has gone from about 6,400 to 189,000, and the District's service area has grown from 31,500 to 140,800 acres. During this time, clean water originating in the high Sierra continues to shape the economic, agricultural, and cultural aspects of the county, and the District's commitment to provide customers with high-quality services and products has never wavered.

As the District looks ahead, there are still many challenges in dealing with water, Blue Gold, as it has been called. Going forward, the district is committed to continuing to provide our customers with high quality services and well-managed assets.

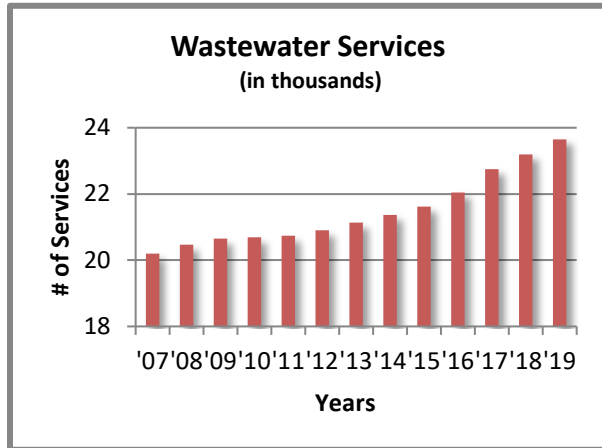
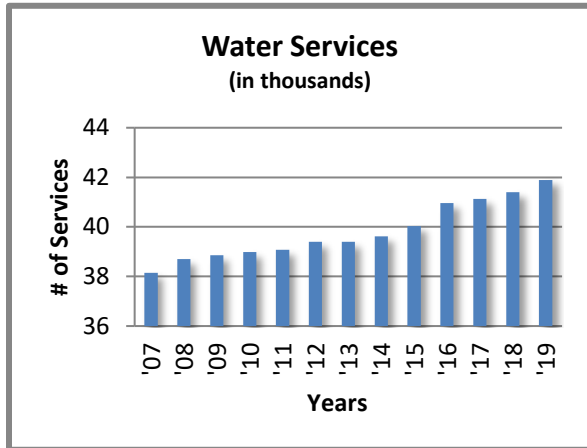
System Description

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. Reliable operation requires 230 pressure-regulating zones. The water system contains more than 1,106 miles of pipeline, 27 miles of ditches, 5 treatment plants, 36 storage tanks and reservoirs, and 38 pumping stations. The wastewater systems operate more than 450 miles of sewer lines, 60 lift stations, 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 94 miles of pipeline, 5 storage reservoirs / tanks, and 5 pump stations. EID's recycled water program is in its fourth decade and is considered a leader in the recycled water industry in California. The recycled water program has won state and regional awards.

The District owns and operates a 21-megawatt hydroelectric power generation system, known as El Dorado Project 184, which is licensed by FERC. The system consists of the El Dorado Powerhouse and 5 reservoirs with dams,

including Echo Lake, Lake Aloha, Caples Lake, Silver Lake, and El Dorado Forebay; 22.3 miles of flumes, canals, siphons, and tunnels. 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 largest reservoir, Jenkinson Lake, in El Dorado County. Popular for both day visits and overnight camping serving almost 670,000 guests during 2019, the park includes 640 surface acres of water, 10 picnic areas; 9 miles of shoreline, hiking, and equestrian trails; 2 boat ramps; 191 individual campsites; and 9 group camping areas.



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 Reclamation. Sly Park was designed to augment the District’s existing water system. Originally, the District had solely 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 yield of this project is up to 20,920 acre-feet annually.

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 for 7,550 acre-feet, a water right permit (#21112) for an additional 17,000 acre-feet to serve the El Dorado Hills community, and Warren Act contracts with Reclamation for half of the Permit 21112 water right and for four historic pre-1914 ditch water rights and Weber Reservoir supplies totaling 4,560 acre-feet.



In December 2014, after nearly a decade of work, Reclamation and EID executed a five-year temporary Warren Act contract for 8,500 acre-feet per year out of a total of 17,000 acre-feet of the Permit 21112 water, which comes from Project 184 but is used for consumptive purposes. Project 184 operations will deliver the water to Folsom Reservoir, and it will be withdrawn at EID’s raw water pump station. In August 2016, the Board approved a long-term Permit 21112 Warren Act Contract with Reclamation, which is renewable in 2030.

During 2019, a contract was signed between the El Dorado County Water Agency (EDCWA) and Reclamation. The District will subcontract with EDCWA for the right to receive 7,500 acre-feet per year to be taken from Folsom Reservoir or from an exchange upstream from the reservoir.

Water Quality

The California Department of Public Health requires water providers to conduct a source water assessment to help protect the quality of water supplies. To help ensure that safe water is delivered to our customers, the District's water quality monitoring program includes taking samples of raw and treated water throughout the year from many locations within the service area. Analyses cover more than 100 different constituents. Analysis of the water is performed at state-certified commercial labs. The District takes great pride in the high quality of the drinking water we supplied to its customers and strives to meet or exceed state and federal public health standards. Our latest Annual Water Quality Reports can be found on the District's website.

Water Recycling

In El Dorado County, an adequate and safe supply of potable water is essential yet vulnerable to interruption by natural forces, such as prolonged drought. New supplies of potable water are becoming scarcer while demand is increasing. The use of recycled water for irrigation saves these valuable drinking water supplies. And recycling wastewater reduces the volume which would otherwise be treated and released into local creeks and streams, thereby upsetting natural flows. Currently, the District produces more than 1 billion gallons of recycled water

annually and it is used by just over 6,000 homes and businesses in the greater El Dorado Hills community. This means over 1 billion gallons of water each year that is then available for human consumption uses such as drinking, cooking, bathing, and washing.



Recycled water is a manufactured product which comes from collected wastewater that is highly treated, filtered, and disinfected. This level of treatment is called *tertiary*, and it meets some of the most stringent standards in the world, as implemented by both state and regional agencies. During primary treatment, most of the solids, oils, and greases are removed. Secondary treatment employs bacteria to remove nearly all remaining solids and organic material. The final, tertiary, treatment uses filtration to remove the remaining solids in the water. Liquid sodium hypochlorite, chlorine, or ultraviolet light then destroys bacteria, viruses, and other pathogens. The result is a high-quality water that is odorless,

colorless, and pure enough for human contact, but not for human consumption. Recycled water is carefully monitored to protect public health and safety, and it is strictly regulated by both state and regional agencies. Although approved by the California Department of Health Services for a broader range of irrigation uses, within the District's service area recycled water is used only for landscape and garden irrigation.

The recycled water is delivered to home yards using a dual plumbed system, where the purple recycled water pipes are completely separate from the potable water pipes. No connection between the two systems is allowed, and this is monitored through periodic testing.

Since the late 1970's, the District has maintained separate irrigation and reclamation distribution systems in El Dorado Hills. Initially, the system provided secondary-treated recycled water to one golf course and one construction yard. In 1989, EID reached an agreement with Serrano Partners to develop a recycled water system from the Deer Creek Wastewater Treatment Plant (DCWWTP). Since that time, EID has upgraded the EDHWWTP to produce disinfected tertiary recycled water for unrestricted use, and the District Board of Directors have mandated the use of recycled water for all new subdivisions and developments in the recycled water service area.

Water Efficiency Program

The District's Water Efficiency Program offers assistance to customers through complimentary water surveys for businesses and residences; as well as various complimentary water saving devices; rebates for approved water saving upgrades, leak detection assistance using the water meter, and educational materials. The District's website offers a link to a sprinkler scheduler application to generate your own unique watering schedule and an interactive plant database of native and drought-tolerant plants. When available, EID offers water efficiency rebates and assists with customer access to such rebates offered and administered by other agencies.

To schedule an appointment for a complimentary on-site survey contact the District by mail at EID Office of Water Efficiency, 2890 Mosquito Road Placerville, CA 95667, or by calling 530-642-4000.

Complimentary water saving devices can be obtained, in person, from our front desk staff in the headquarters building located at 2890 Mosquito Road, Placerville, CA. While visiting headquarters many of the local drought-tolerant plants can be seen in the xeriscape garden at and near the front of the building.

Low-income Assistance Program

During 2018, the District began a low-income program to provide a discount to up to 1,500 qualifying residential wastewater customer applicants on a first-come, first-served basis, subject to authorized funding. Additional information on this program can be found on the District's website.

Public Outreach

The District conducts regular board meetings that are open to the public and are normally held twice monthly on the second and fourth Monday. Meeting dates, agendas, and materials are posted to the District's website at www.eid.org. To access the website you can scan this QR image with your smart phone application.

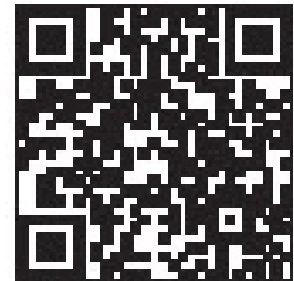
The Waterfront newsletter is published six times per year and is mailed to EID customers along with their bills. The latest issue, as well as archived past issues, is available on the District's website. Customer surveys consistently show that e-mail and *The Waterfront* to be our customers' top two sources of information about EID and its activities. EID also produces and publishes other publications to provide information to its customers regarding our programs and services.

The District's 2019 customer survey, which was sent electronically to 4,000 randomly-selected customers, showed that 90% of those customers are satisfied or very satisfied with the service provided when calls are made to EID, or that they had no reason to call in the first place. Field response was rated average to excellent by 96% of respondents.

When the nature and timeline of construction and maintenance activities could have impact on the public, EID performs customer notification in several ways, including publication in *The Waterfront* and on the EID website, news release to local news sources, community meetings, mailers or door hanger notifications, and telephone contact with affected customers.

EID participates in educational programs that benefit local students by partnering and working closely with the Regional Water Authority, Newspapers in Education, Be Water Smart, Water Education for Teachers (WET), Water Education Foundation, and El Dorado County & Georgetown Divide Resource District. Educational materials are available to all local school districts within the District's service area and the City of Placerville. These complimentary materials include interactive classroom booklets concerning water conservation, the water cycle, wastewater treatment, our environment, recycling, and water-themed coloring books.

QR Image





Tours of the District’s water and wastewater treatment plants may be arranged for groups of school children and members of the public. These tours give background and insight into the challenges and costs of treating drinking water and wastewater to comply with stringent state and federal regulations.

Governance

EID operates under a Board-Manager form of government. The District’s Board of Directors is comprised of five members elected by the citizens residing 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 each represents. Every year, the Board members choose a President and Vice President. The General Manager, appointed by the Board, administers the daily affairs of the District, and carries out the 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.

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 continued through 2013. With the slowdown in the housing market, the District has significantly reduced its Capital Improvement Plan (CIP) for projects that add 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 reduced its 2008 through 2011 operating budgets, again, with the intent of maintaining current service levels. The 2012 through 2019 budgets had minimal increases necessary to maintain current service levels.

The District continues to be affected by the overall slowdown in new home construction, despite a recent increase in real estate development, and has reduced costs accordingly.

Population and Employment

In the last decade, the Sacramento region has generally seen a steady increase in population growth that has spilled into the neighboring western El Dorado County area served by the District. The population remained steady between 2016 and 2017 at 183,750, and increased to 188,993 for 2018 and 2019. The projected population of 225,000 by 2020 and 268,000 by 2030 is according to the 2010-11 El Dorado County Economic & Demographic Profile dated 2011 and using data sourced from the California Department of Finance, Demographic Research Unit.

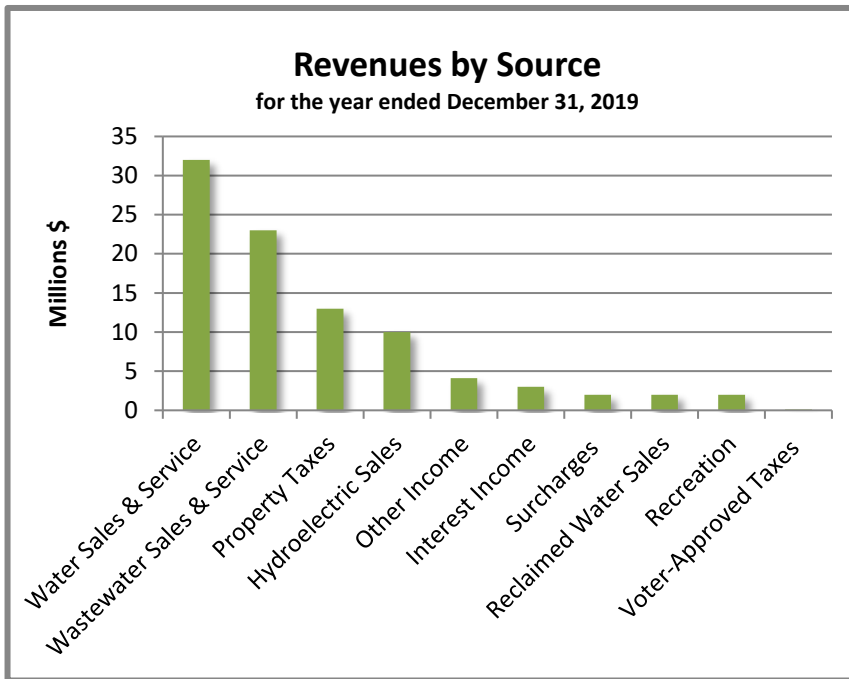
El Dorado County residents employed within the District’s service area work in a variety of industries, including government, health care, retail trade, education, construction, manufacturing, agriculture, professional businesses, recreation, and hospitality services. The largest employers in El Dorado County are in the public service, health care, tribal gaming, retail, data processing, recreation, hospitality, 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 2019 El Dorado County unemployment rate was 3.1%, a decrease from 3.6% in 2018 and 3.5% in 2017.

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 is approximately \$20.7 billion in 2019 and \$19.9 billion in 2018. The District’s property tax revenues have increased modestly at between approximately \$10.0 million and \$13.3 million from 2010 to 2019.

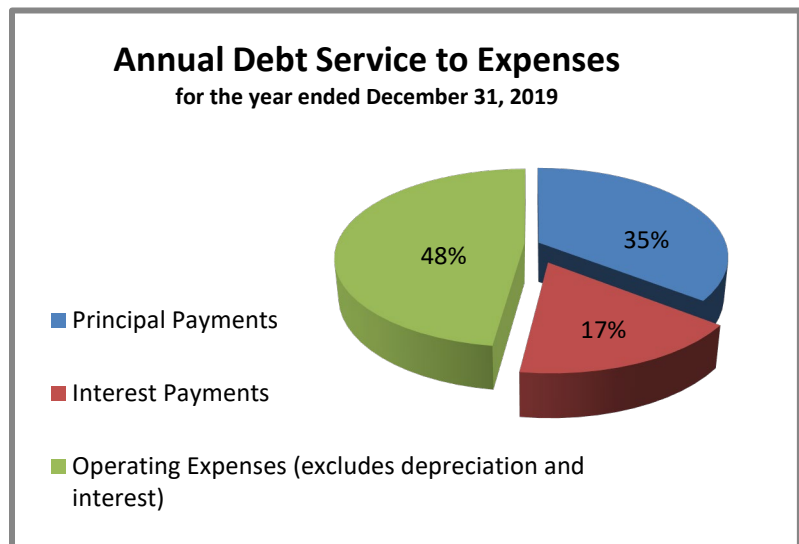
Long-term Financial Planning

The District’s financial policy is to charge reasonable rates, fees, and other charges sufficient to pay for

water and wastewater services, the costs of operation and maintenance of its facilities, the general expenses of the District, and principal and interest on all bonds and other obligations of the District. In addition, it is District policy to fix rates and charges sufficient to maintain a debt service coverage ratio in accordance with its bond covenants.

In August, 2007, the District contracted with Bartle Wells Associates to conduct a new study of Facility Capacity Charges (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 late spring of 2013, staff presented a draft update to the FCCs adopted in 2008. After additional work with a community-based task force, they were finalized in 2013.

On January 23, 2009, the District issued Revenue Certificates of Participation, Series 2009A in the amount of \$132.3 million. Proceeds from these certificates were used to acquire certain facilities for the District water system and wastewater system.



On February 17, 2010, the District issued Refunding Revenue Certificates of Participation, Series 2010A in the amount of \$14.8 million. Proceeds from these certificates were used to advance refund a portion of the 2003A Revenue Certificates of Participation.

On June 28, 2012, the District issued the Refunding Revenue Bonds, Series 2012A and 2012B in the amount of \$48.9 million and \$1.8 million, respectively. Proceeds from these bonds were used to advance refund the District's 2003A Revenue Certificates of Participation.

On February 13, 2014, the District issued the Refunding Revenue Bonds, Series 2014A in the amount of \$121.2 million. Proceeds from these bonds were used to advance refund all of the District's outstanding 2004A Refunding Revenue Certificates of Participation and a portion of the 2009A Revenue Certificates of Participation.

On July 12, 2016, the District issued the Refunding Revenue Bonds, Series 2016A in the amount of \$17.4 million. Proceeds from these bonds were used to advance refund a portion of the District's outstanding 2009A Revenue Certificates of Participation.

On July 12, 2016, the District issued the Revenue Certificates of Participation, Series 2016B in the amount of \$38.6 million. Proceeds from these bonds were used to finance the acquisition of certain facilities for the District's water system.

On September 20, 2016, the District issued the Revenue Certificates of Participation, Series 2016C in the amount of \$85.2 million. Proceeds from these bonds were used to advance refund the District's outstanding 2008A Revenue Certificates of Participation.

The current rating from Standard and Poor's and Moody's is AA- to Aa3, respectively.

Additional information on the District's long-term liabilities 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 0.75, rather than the 1.25 required under the District's 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 utility rates, refinanced existing debt, cut operating expenses, deferred capital improvement projects, and entered into a new, more favorable hydroelectric power marketing agreement. As a result, the District's debt service coverage ratio increased to a high of 2.74 in 2016. The debt service coverage ratio in 2019 decreased slightly to 2.12, from 2.19 in the prior year, as a result of lower FCC revenue and higher personnel expenses.

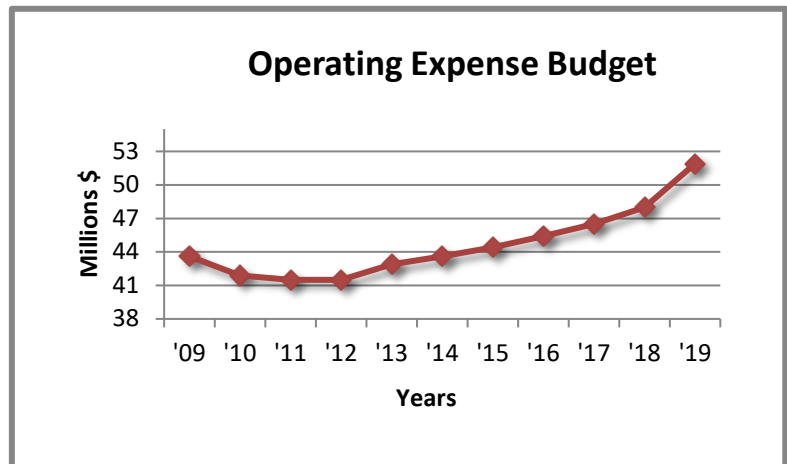
Accounting System and Internal Control Policies

The Finance Department is responsible for providing financial services for the District, including financial accounting and reporting, accounts payable and receivable, purchasing, custody and investment of funds, billing and collections of water and wastewater charges, taxes, and other revenues. The District accounts for its activities as an enterprise fund and prepares its financial statements on the accrual basis of accounting, under which revenues are recognized when earned and expenses are recorded when liabilities are incurred. It is the intent of the Board to manage the District's operations as a business, thus matching revenues against the costs of providing the services.

The District operates within a system of internal controls established and continually reviewed by management to provide reasonable assurance that assets are adequately safeguarded and transactions are recorded in accordance with District policies and procedures, and in accordance with sound accounting practices. In relation to these controls, management must consider the cost of the control and the value of the benefit derived from its utilization. Management normally maintains or implements only those controls for which its value adequately exceeds its costs. The 2018 audit did not identify any weaknesses in internal controls.

Budgeting Policies

The two-year operating budget (consisting of total operations, operating projects, and debt service), and the five-year CIP budget (consisting of capital project expenditures), 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 as approved by the Board of Directors.



All budgets are developed based upon a well-established and detailed process. There are subsequent reviews made during the year, including detailed monthly and summary quarterly budget reports that are closely monitored by staff. Quarterly comparison reports of budget to actual revenues and expenditures are prepared and presented at a summary level to the Board, along with explanations of any significant variations.

Several fiscal challenges continued to impact the District in 2018, including rising costs for essential materials and supplies, persistently low housing starts, and the slow economy. For the period 2009 to 2019, the operating budget has increased 19.0%, with the 2019 budgeted change in operating expenses having increased 8.1%, compared to the prior year's budgeted operating expenses. The 2019 overall increase in expenses was mainly due to increases in PERS pension contributions, retiree health costs, professional services, chemicals, and utilities.

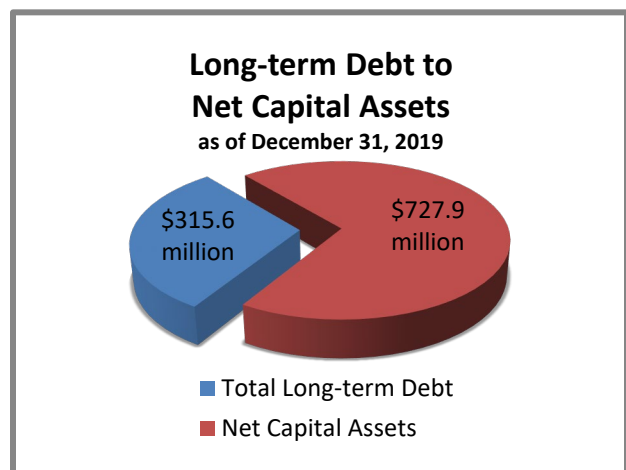
The Board approved the 2019 Budget and a 5-year Financial Plan and adopted rates for 2020. The 2019 budget funds the highest priority functions and tasks necessary to achieve our goals, while keeping our costs and projected rate increases as low as possible. During the budget process, the budget assumptions were scrutinized, prudent budget targets were established, and priorities were set with careful consideration. In addition, focus was placed on meeting our financial policies in order to retain our high bond ratings and low interest rates. The District believes the 2020 budget ensures that financial goals and objectives are being met.

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 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.

Debt Policies

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 to use debt issuances for major, long-lived capital projects. This enables future users to share in the costs without overburdening existing ratepayers.

For 2019, the District's ratio of total long-term debt to capital assets is within the moderate range for the District's industry, as defined by Standard and Poor's Global Credit Portal Ratings system.



MAJOR INITIATIVES

The most critical aspect of any water and wastewater system is the infrastructure. This infrastructure can be impaired due to reactive, rather than proactive, policy decisions. If this occurs, the costs necessary to make the system whole again are almost always significantly greater.

The District prides itself on making proactive policy and asset management decisions. By taking this care, and looking to the future, we will ensure, not only that the water and wastewater systems are available to continue to provide quality services for our current customers, but that the systems we turn over to the next generation will be in top working order.



El Dorado Forebay Dam Remediation and Enlargement Program

The El Dorado Forebay Dam, located in Pollock Pines, is an off-stream reservoir that regulates both drinking water supplies and the water that flows to the El Dorado Powerhouse for hydroelectric power generation. The dam is 95 years old and does not meet modern dam safety engineering standards. The dam is currently being upgraded to meet regulatory standards, and raised by 10 feet. The project will increase emergency water storage from eight hours to six days, optimize hydroelectric operations, significantly improve drinking water reliability, and increase public safety. The additional hydroelectric generation revenue that this facility will yield upon completion will help greatly to defray the associated capital costs. Design and permitting of the project were completed in early 2017. The construction phase began in 2017 with timber harvesting of the soil borrow area, dam, and reservoir inlet. Construction resumed in spring 2018



and is scheduled to be complete by July 2020. The primary features of the project include earth fill placement on the dam and raising the dam by 10 feet, installation of new intake gates for the power and water supply outlets, installation of new water supply control works, and improvements to the spillway and inlet channels.

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Folsom Lake Raw Water Intake and Pump Station Improvements

This intake facility provides raw water from Folsom Lake for subsequent treatment and distribution to District customers in El Dorado Hills. Portions of the facility were installed as a temporary facility and are no longer functional. The intake pumps are nearing the end of their reliable life cycle and have experienced numerous failures requiring very costly repairs. The existing raw water pump station needs to be upgraded for reliability and long-term operational needs. Additionally, the new intake must include temperature control capability as a federal requirement to preserve the cold-water pool of Folsom Lake. Construction is planned for summer 2020 through fall 2021.



Upper Main Ditch Piping Project



The Upper Main Ditch is approximately three miles long and conveys up to 15,080 acre-feet of raw water annually from Forebay Reservoir to the Reservoir 1 Water Treatment Plant. The uncovered and unlined ditch results in substantial water losses due to seepage and evapotranspiration, as well as potential contamination from run-off from adjacent lands. The project includes installation of a new 42-inch pipeline to convert the ditch from its current open conveyance status to a secure raw water buried transmission pipeline. Piping the unlined mining era ditch will save on average an estimated 1,800 acre-feet of water per year that is currently lost due to seepage and evapotranspiration, and will improve source water quality to the treatment plant. The benefits of the project include improved water supply reliability; elimination of contamination potentials; reduced operations and maintenance costs; improved sustainability of water supplies; reduction in Folsom Reservoir pumping costs in the long term; and on an interim basis, increased hydroelectric revenues. The United States Bureau of Reclamation awarded the District a \$1 million grant for construction of the project. The District Board of Directors certified the California Environmental Quality Act Environmental Impact Report at their April 22, 2019 board meeting. The full design is expected by June 2020, with construction bidding anticipated to occur in July and August 2020. Construction is anticipated to begin in October 2020 and take 15 months to complete.

El Dorado Canal (Project 184) 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 to support hydraulic mining. The system is more than 22 miles long and includes a series of in-ground canals, tunnels, and above-ground flumes. One third of the District's water supply is conveyed through the system, requiring continuous replacement of aging assets to ensure the reliable delivery of water for consumptive use and hydroelectric power generation. To maintain reliability of this aging and complex conveyance system, the District annually conducts comprehensive inspections and assessments of the Canal to identify and prioritize needed repair and replacement projects.



Each flume is unique because of factors such as flume age, condition, location, access, landslide risks, construction methods, materials used, limited construction period (October 1 to mid-December), steep mountainous terrain, geologic conditions, regulatory constraints, and environmental considerations, which result 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, construction during adverse weather conditions and freezing temperatures, limited vehicular access, off-road travel, landslides, unstable geological conditions, tree hazards, intense labor needs, and locations on U.S. Forest Service lands.

Since 2005, the District has replaced Flumes 2, 2A, 3, 9, 31, 31A, 41, 42/43, 1,150 feet of Flume 45, 49/50, 51, and 52. The following projects included in the District's Capital Improvement Plan (CIP) are in various stages of planning, design, and construction:

Flume 30 Replacement: Flume 30 is approximately 475 feet in length and last replaced by PG&E in the early 1990s. The wood flume was reconstructed on an existing 145 year-old un-mortared, hand-stacked rock bench. Full replacement of Flume 30 is scheduled to occur in 2021. As currently envisioned, the project will include in-place stabilization of the existing un-mortared hand-stacked rock bench, replacing the existing wood flume with precast flume sections, reline approximately 200 feet of canal between Flume 30 and 31, and rework the Bull Creek Diversion and stream gaging station. Vehicle access is being evaluated for this project to offset the cost of using a helicopter.

Flume 38 and 39/40 Replacement: Flume 38 is a 27 year-old elevated wood flume 202 feet in length and was last replaced by PG&E in 1990. When the flume was replaced, locally destabilized soils that the flume was constructed upon were not stabilized prior to reconstruction of the new flume. This has resulted in high maintenance costs and reduced life projections of the asset. Flume 39/40 is located approximately 200 feet west of Flume 38 and is 430 feet in length, of which 130 feet is elevated. The elevated flume section was constructed in 1948 and the east and west ground level flume sections were replaced with wood flume in 2010 and 2011. In 2016, District crews performed extensive interim improvements to the elevated section of Flume 39/40 to allow the District time to secure regulatory and environmental permits and approvals to replace both Flume 38 and 39/40 with a reinforced box culvert constructed on a new mechanically stabilized earth (MSE) bench. The design phase for the project began in spring 2016 with construction scheduled to occur in 2020.

Flume 44 Replacement: Flume 44 is of wood timber construction, 475 feet in length, and was last replaced in 1948. Flume 44 is comprised of one ground level and three elevated flume segments with a maximum height of 34 feet that traverses a large active landslide. The District constructed Phase 1 of this project in 2018, with Phase 2 mostly completed in December of 2019. The remainder of the work will be completed by June of 2020. The project consists of widening the canal bench to provide heavy equipment and vehicle access, relining approximately 1,500 feet of canal, replacing approximately 181 feet of elevated and ground level flume with a new reinforced box culvert on a MSE bench, and constructing a small staging area and 10-wheel truck turnaround at the upstream end of Flume 44. In addition, the project will stabilize the landslide on which the flume is constructed and replace the remaining 294 feet of elevated flume with reinforced box culvert constructed on a MSE bench, and a new canal transition at Flume 45. This project is scheduled to be completed in June 2020.

Flume 47C Canal Conversion: Flume 47C is an elevated flume, approximately 150 feet in length, and constructed by PG&E in the mid 1950s. In 2016, District construction crews made interim repairs to ensure the continued safe operation until a complete replacement of the flume can occur. Until this flume can be replaced or converted to a canal section, it will continue to deteriorate. The design of this project is complete and staff began construction in October of 2019 and is scheduled to complete the work in the spring of 2020.

Flume 48 Replacement: Flume 48 is a 70 year-old wooden flume, 448 feet in length, and constructed on a 145 year-old un-mortared hand-stacked rock bench. There are two alternatives being looked at for this replacement. One consists of stabilizing in place the hand-stacked rock bench, replacing the wood flume with pre-cast flume sections, and replacing the wood spillway building with a new prefabricated metal structure. The other alternative will look at building a tunnel and abandoning the flume section. This project is located north of Highway 50 in very steep terrain. Design and construction costs are unknown at this time, and will be updated after further alternatives analysis. Geotechnical investigations into the tunnel option were completed in September of 2019 with the final report issued in February of 2020. The timing of construction is anticipated in the next 5 to 10 years.

Pacific Tunnel Improvement: The capacity of the Pacific Tunnel was increased in 1923 to support hydroelectric power generation and is approximately 200 feet in length. In 2002, the upstream and downstream portals of the Pacific Tunnel were replaced with untreated wood that requires replacement. In addition, the tunnel and invert liners were removed prior to the District's acquisition of Project 184, which has resulted in significant erosion of the unlined portions of the tunnel. The District is planning to replace the Pacific Tunnel portals and install permanent liner during the 2020 scheduled canal outage.

Waterline Replacement Program



Waterline leaks in an aging infrastructure are expected and are prioritized for repair or replacement based on public health risks, severity of leak, property damage threat, and impact to customers. The District began design for two waterline replacement projects in 2019 for construction in 2020. The District is planning to replace approximately 670 linear feet of 8” waterline located in Pony Express Trail, and approximately 3,300 linear feet of 4”, 6” and 8” waterline located in Easy Street in Pollock Pines. The District followed the Waterline Replacement Asset Management Plan that helps systematically

identify infrastructure that is approaching or has exceeded its useful life and prioritize for replacement based on available funds.

Collection System Improvements

Portions of the District’s sewer collection system are beyond the end of their useful lives and are in need of repair or replacement. Three programs are currently addressing failing collections system infrastructure with efforts centered on wastewater lift station rehabilitation, force main replacement, and collection systems pipeline rehabilitation. Under the lift station program the District has contracted for the rehabilitation of the Southpointe lift station, which will be complete in fall 2020 and has scheduled the construction of a bypass pipeline to eliminate the Rancho Ponderosa lift station in fall 2020 or spring 2021. Under the force main replacement program, the District has scheduled construction of the fourth and final phase of the Town Center Force Main (TCFM) replacement in 2022. The project consists of replacing approximately one mile of force main in El Dorado Road north of Highway 50. Under the collections systems pipeline rehabilitation program the District has identified approximately twenty pipe segments which are failing due to deteriorating and cracked pipe, and root intrusion. These pipes will be lined with a cured in place pipe (CIPP) or excavated and replaced in 2020.



Sly Park Intertie Improvements

The Sly Park Intertie is a key component of supply reliability in times of drought and during emergencies. It provides water delivery flexibility between Sly Park (Reservoir A) and Forebay (Reservoir 1) supplies. The Intertie includes approximately 3.4 miles of 22”/30” steel waterline built under emergency conditions just after the 1976-77 drought. The unlined pipeline has corroded significantly; resulting in numerous leaks, and is currently out of service. The project includes replacing the pipeline which will provide operational reliability and delivery flexibility. With some operational changes, hydroelectric generation optimization and reduced pumping may also be possible to partially offset pipeline rehabilitation/replacement capital costs. An update of a 2006 Basis of Design Report (BODR) continued in 2019. The final BODR will include rehabilitation alternatives, a hydroelectric optimization analysis, and an operations analysis that could reduce pumping costs. The ability to move water between Reservoir 1 and Reservoir A will also allow for a long overdue inspection of the 62-year old Camino Conduit between Sly Park Reservoir and Reservoir A. The timing of construction is currently unknown.

Other District Projects

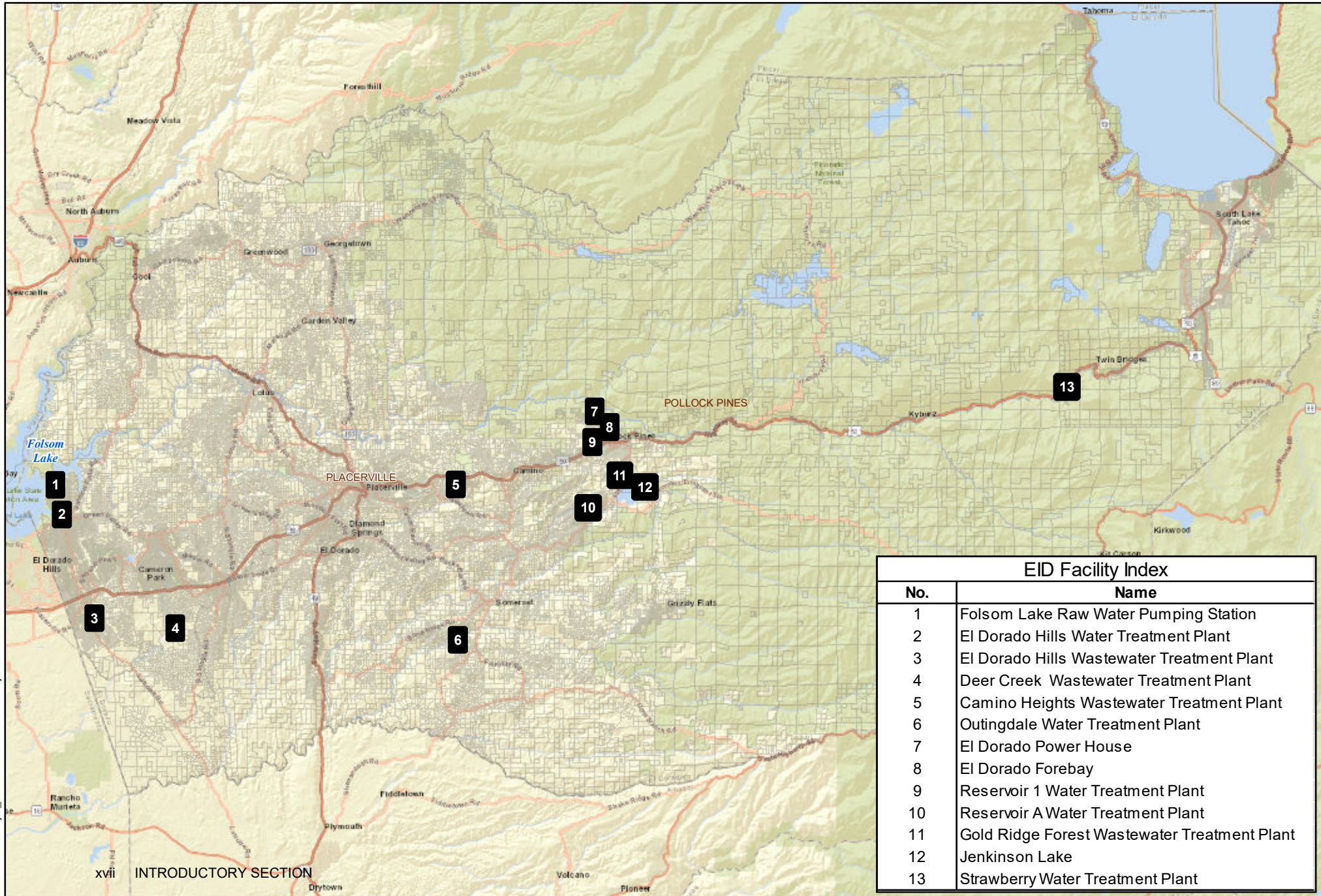
During 2019, the District continued to modernize end of life technology equipment and software to ensure information and systems essential to District operations remained secure and available. This included replacing significant amounts of network switching equipment and nearly all employee computer workstations and software images. In addition, over 100 software database applications and servers were replaced or upgraded to ensure information security, enhance customer service, and improve operational efficiency.

Major Water and Wastewater Facilities

Locations of the District’s major water and wastewater facilities are shown following this Major Initiatives section.



El Dorado Irrigation District Major Water and Wastewater Facilities 2019



EID Facility Index	
No.	Name
1	Folsom Lake Raw Water Pumping Station
2	El Dorado Hills Water Treatment Plant
3	El Dorado Hills Wastewater Treatment Plant
4	Deer Creek Wastewater Treatment Plant
5	Camino Heights Wastewater Treatment Plant
6	Outingdale Water Treatment Plant
7	El Dorado Power House
8	El Dorado Forebay
9	Reservoir 1 Water Treatment Plant
10	Reservoir A Water Treatment Plant
11	Gold Ridge Forest Wastewater Treatment Plant
12	Jenkinson Lake
13	Strawberry Water Treatment Plant

AWARDS AND ACKNOWLEDGEMENTS

During 2019, the District was awarded the highest form of recognition for excellence in local government reporting:

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 its Comprehensive Annual Financial Report for the year ended December 31, 2018. This was the 23rd consecutive year that the District has received this prestigious award. In order to be awarded 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.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report 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.



During 2018, EID received the District Transparency Certificate of Excellence by the Special District Leadership Foundation (SDLF) in recognition of its “outstanding efforts to promote transparency and good governance.” This is the third time the District has achieved this recognition. Each certification period covers two years and the current certification lasts through 2020.

In order to receive the award, a special district must demonstrate the completion of essential governance transparency requirements, including conducting ethics training for all board members, properly conducting open and public meetings, and filing financial transactions and compensation reports to the State Controller in a timely manner. EID also fulfilled over fifteen website requirements, including providing readily available information to the public, such as board agendas, past minutes, current district budget information, and the most recent financial audit. SDLF is an independent, non-profit organization formed to promote good governance and best practices among California's special districts through certification, accreditation, and other recognition programs.

In 2019, EID received a positive assessment from the Association of California Water Agencies – Joint Power Insurance Authority regarding the District's Injury and Illness Prevention Program. This reaffirmed EID's commitment to both public and individual safety, and, along with a favorably low history of accidents and injuries, the current Worker's Compensation Insurance premiums are at an all-time low, creating significant operational savings.

During 2018, the Association of California Water Agencies (ACWA) appointed EID General Counsel, Brian Poulson, as chairman of their State Legislative Committee for the 2018-2019 term. In addition to the Legislative Committee, he also serves on ACWA's Legal Affairs Committee.

During 2019, the District received other significant awards that recognize excellent performance in operational efficiency and industry practices.

- The Association of California Water Agencies – Joint Power Insurance Authority – H.R. LaBounty Safety Award was received for one of the District’s accomplishments:
 - Creation of a mobile sanitation system to clean collection system maintenance equipment to minimize the exposure risk of staff to potentially infectious materials.
- Mountain Democrat Newspaper – 2019 Readers’ Choice Award for “Best Recreational Facility” for EID’s Sly Park Recreation Area.

The preparation of this report required the exceptional services, dedicated efforts, efficiency, and professionalism 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 and commend them for their dedication, leadership, and support toward achieving excellence in financial management that ultimately made the preparation of this report possible.

Respectfully submitted,



Jim Abercrombie
General Manager



Mark Price
Director of Finance



Government Finance Officers Association

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, 2018

Christopher P. Morill

Executive Director/CEO

El Dorado Irrigation District



2019 Comprehensive Annual Financial Report For the Year Ended December 31, 2019

BOARD OF DIRECTORS

Division 1 – George W. Osborne - President
Division 2 – Roger “Pat” Dwyer
Division 3 – Michael Raffety
Division 4 – Lori Anzini
Division 5 – Alan Day

DISTRICT OFFICIALS

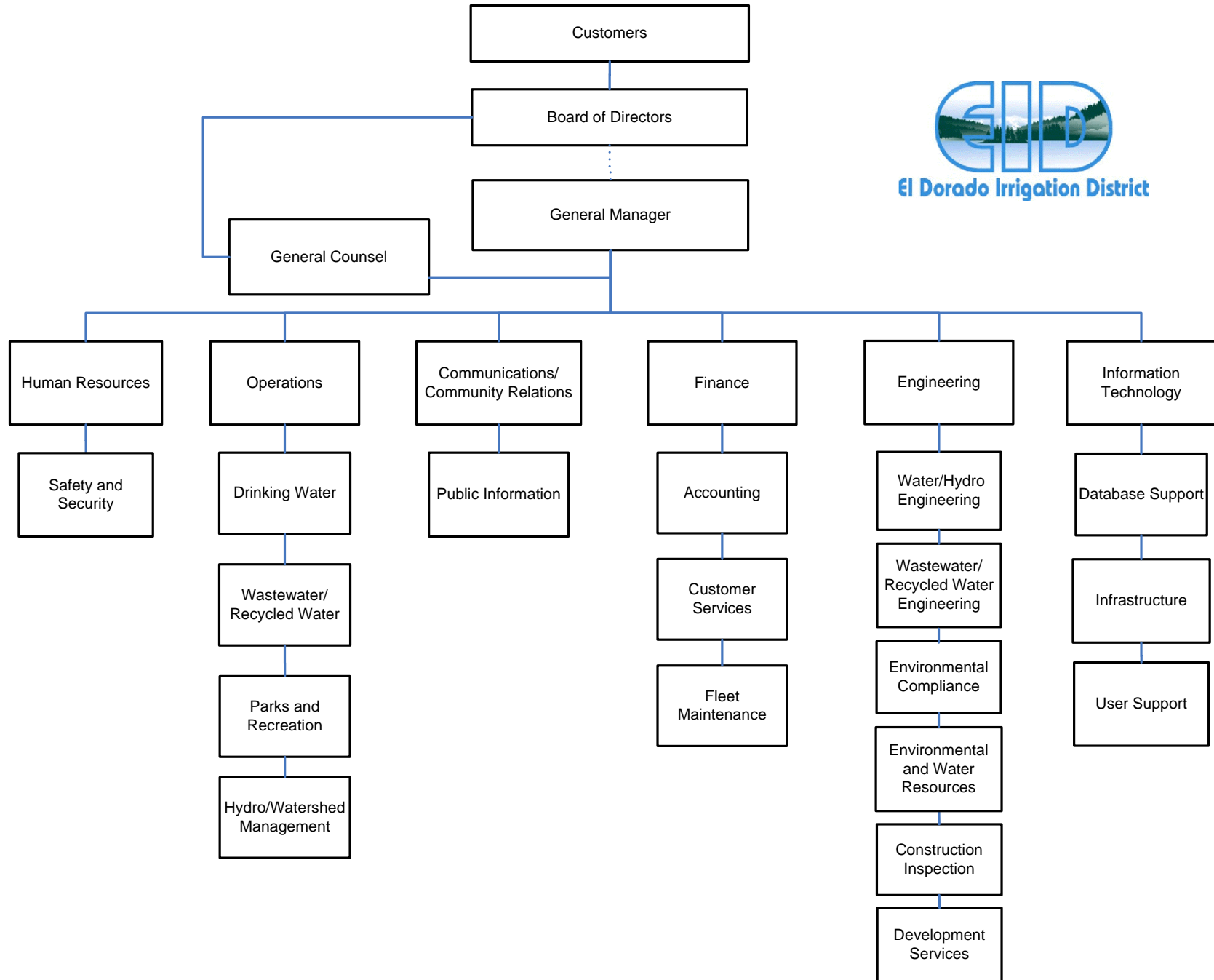
Jim Abercrombie, General Manager
Brian Poulson, General Counsel
Jesse Saich, Public Information Officer
Mark T. Price, CPA, Director of Finance
Brian Mueller, Director of Engineering
Jose C. Perez, Manager, Human Resources
Tim Ranstrom, Director of Information Technology
Dan Corcoran, Director of Operations

ACKNOWLEDGMENTS

Prepared by the EID Finance Department

El Dorado Irrigation District Organizational Chart

December 31, 2019







El Dorado Irrigation District



Financial Section

Independent Auditors' Report



INDEPENDENT AUDITORS' REPORT

To the Board of Directors
El Dorado Irrigation District

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and each major fund of the El Dorado Irrigation District (the District) as of and for the years ended December 31, 2019 and 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and each major fund of the District, as of December 31, 2019 and 2018, and the respective changes in financial position, and, where applicable, cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedule of Changes in the Net Pension Liability and Related Ratios, Schedule of Contributions – Pension Plan, Schedule of Changes in the Net OPEB Liability and Related Ratios, and Schedule of Plan Contributions – OPEB as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 29, 2020, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

HUDSON HENDERSON & COMPANY, INC.

A handwritten signature in blue ink that reads "Hudson Henderson & Company, Inc." in a cursive script.

Fresno, California
May 29, 2020

Management's Discussion and Analysis

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2019 and 2018

The following discussion and analysis of the El Dorado Irrigation District's (EID or District) financial performance provides an overview of the District's financial activities for the years ended December 31, 2019 and 2018. This discussion and analysis should be read in conjunction with the basic financial statements and accompanying notes, which follow this section.

The information in this Management's Discussion and Analysis is presented under the following headings:

- Description of Basic Financial Statements
- Financial Analysis of the District
- Capital Assets and Debt Administration
- Next Year's Budgets and Rates
- Requests for Information

DESCRIPTION OF THE BASIC FINANCIAL STATEMENTS

The District's Basic Financial Statements are designed to provide readers with a broad overview of the finances of the District. There are three components to the Basic Financial Statements: (1) Financial Statements, (2) Notes to the Basic Financial statements, and (3) Required Supplementary Information.

The District operates as a utility enterprise and maintains its accounting records in accordance with generally accepted accounting principles for proprietary funds as prescribed by the Government Accounting Standards Board (GASB). The required financial statements include the Statements of Net Position, Statements of Revenues, Expenses, and Changes in Net Position, and Statements of Cash Flows. 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.

REQUIRED FINANCIAL STATEMENTS

The Basic 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 *Statements of Net Position* includes all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, which provide information about the nature, and amounts, of investments in assets and obligations to District creditors. They also provide the basis for computing rates 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 Position*. These statements measure the District's operations over the past two years and can be used to determine the extent to which the District has successfully recovered its costs through its rates, fees, facility capacity charges, 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 these statements is to provide information about the District's cash receipts and payments during the reporting periods, as well as net changes in cash resulting from operations, investing, and financing activities, while excluding such non-cash accounting measures as depreciation or amortization of assets. The statements explain where cash came from, where cash was used, and the change in the cash balance during the reporting period.

NOTES TO BASIC FINANCIAL STATEMENTS

The *Notes to Financial Statements* provide additional information that is essential to a full understanding of the data provided in the basic financial statements. The Notes to Financial Statements are an integral part of, and can be found immediately following, the financial statements.

OTHER INFORMATION

In addition to the financial statements and accompanying notes, the Basic Financial Statements also present certain required supplementary information which follows the notes to the financial statements. This other information includes a retirement funding schedules, and other postemployment schedules.

FINANCIAL ANALYSIS OF THE DISTRICT

Has the financial condition of the District improved or deteriorated as a result of last year's operations? The Statements of Net Position and the Statements of Revenues, Expenses, and Changes in Net Position are used to provide information to answer this question. These two statements report the net position and the changes in net position during the year. Net position may be a useful indicator over time as to the District's financial position. However, there may be other considerations: both financial and non-financial factors such as changes in economic conditions, population growth, zoning, new or changed government legislation, and others should also be evaluated.

Fiscal Year 2019 financial statements reflect a continued strong and stable fiscal position for the District.

FINANCIAL HIGHLIGHTS FOR FISCAL YEAR 2019

- At December 31, 2019, the District's total assets and deferred outflows of resources exceeded total liabilities and deferred inflows of resources by \$416.0 million. This figure, referred to as the net position, was \$23.2 million higher than the 2018 year-end balance.
- Capital assets, less accumulated depreciation, totaled \$727.9 million, which were \$13.2 million higher than the prior year.
- Total operating revenue increased \$4.0 million or 6.2%, to \$68.2 million. The increase was primarily driven by higher hydroelectric sales compared to the prior year.
- Water sales and services revenue of \$31.7 million remained relatively flat compared to the prior year with an increase of \$0.3 million.
- Wastewater sales and services revenue of \$22.6 million remained relatively flat compared to the prior year with an increase of \$0.5 million
- Hydroelectric sales were \$9.7 million, an increase of \$3.7 million or 61.7% from the prior year due increased snowpack and relaxed water volume releases to meet fish flow requirements in 2018.
- Property taxes revenue increased \$0.4 million or 3.2%, to \$13.1 million.

- Facility Capacity Charges (FCCs) of \$12.9 million decreased \$7.1 million from the prior year due to lower economic development within the western region of El Dorado County.
- Operating expenses, not including depreciation and amortization, increased \$3.6 million or 6.8% to \$56.8 million from the prior year, primarily due to higher personnel and repair services expenses.
- Total District debt service coverage ratio for 2019 was 2.12, a decrease of 0.07 from the prior year; exceeding the 1.25 bond covenant requirement.

Operating and Nonoperating Results versus Budget

- Actual operating revenues of \$68.2 million were slightly higher than the 2019 budget by \$0.4 million or 0.6%. The favorable increase was primarily driven by higher than expected water and wastewater sales offset by lower than expected hydroelectric sales.
- Actual operating expenses of \$51.1 million, not including non-cash non-budgeted pension and postemployment benefits (OPEB) year-end accruals, were slightly lower than the 2019 budget of \$51.2 million by \$0.1 million.
- Facility Capacity Charges (FCCs) revenue of \$12.9 million were \$2.1 million lower than the 2019 budget of \$15.0 million.

STATEMENTS OF NET POSITION

The District’s Condensed Statements of Net Position are displayed below.

**Table A-1
Condensed Statements of Net Position
(in millions)**

	December 31,		
	2019	2018	2017
Current assets	\$ 41.5	\$ 34.9	\$ 59.4
Restricted and other noncurrent assets	79.9	112.1	94.4
Capital assets, net	727.9	714.7	695.0
Total Assets	849.3	861.7	848.8
Deferred outflows of resources	11.4	18.3	17.3
Total Assets and Deferred Outflows	<u>\$ 860.7</u>	<u>\$ 880.0</u>	<u>\$ 866.1</u>
Current liabilities	\$ 32.1	\$ 33.5	\$ 25.6
Noncurrent liabilities	403.5	445.1	458.6
Total Liabilities	435.6	478.6	484.2
Deferred inflows of resources	9.1	8.6	8.2
Net position	416.0	392.8	373.7
Total Liabilities, Deferred Inflows, and Net Position	<u>\$ 860.7</u>	<u>\$ 880.0</u>	<u>\$ 866.1</u>
Detail of Net Position:			
Net investment in capital assets	\$ 403.3	\$ 377.7	\$ 349.5
Restricted for new facilities	55.7	53.8	36.1
Restricted for debt service	3.3	4.6	3.9
Unrestricted	(46.3)	(43.3)	(15.8)
Total Net Position	<u>\$ 416.0</u>	<u>\$ 392.8</u>	<u>\$ 373.7</u>

Current Assets

Current assets include cash, receivables, inventory, and prepaid expenses.

Fiscal Year 2019 Compared to 2018: At December 31, 2019, current assets totaled \$41.5 million and were \$6.6 million higher than the prior year. The primary drivers to the increase were \$3.1 million increase in cash and cash equivalents and \$2.8 million increase in federal and state grants reimbursement receivable which includes \$1.6 million related to FEMA and CalOES agreeing to reimburse the District for 2017 storm event reimbursement claims that were previously denied and written off in 2018.

Fiscal Year 2018 Compared to 2017: At December 31, 2018, current assets totaled \$34.9 million and were \$24.5 million lower than the prior year. The primary drivers to the decrease were a reduction in accounts receivable as a result of receiving the 2017 storm events insurance recovery payments in 2018 and writing off the remaining federal and state grant reimbursements receivable balance related to the 2017 storm events, in addition to lower unrestricted cash and cash equivalents.

Restricted and Other Noncurrent Assets

Noncurrent assets include restricted cash, investments, and deposits.

Fiscal Year 2019 Compared to 2018: At December 31, 2019, restricted and other noncurrent assets totaled \$79.9 million and were \$32.2 million lower than the prior year primarily due to spending \$23.6 million bond proceeds on Board approved water construction projects and a reduction of the Districts investment portfolio.

Fiscal Year 2018 Compared to 2017: At December 31, 2018, restricted and other noncurrent assets totaled \$112.1 million and were \$17.7 million higher than the prior year due to \$6.0 million increase in investments and \$11.7 million increase in developer restricted cash.

Capital Assets, Net

Net Capital Assets include plant, land, water rights, FERC license, and construction in progress, net of accumulated depreciation and amortization.

Fiscal Year 2019 Compared to 2018: At December 31, 2019, net capital assets totaled \$727.9 million which were higher than the prior year by \$13.2 million or 1.9%. The net increase was due to higher construction in progress; primarily the Forebay Dam Renovation and Flume 44 replacement projects, and water capital asset additions offset by accumulated depreciation and amortization.

Fiscal Year 2018 Compared to 2017: At December 31, 2018, net capital assets totaled \$714.7 million which were higher than the prior year by 2.8%. The net increase was due to higher construction in progress; primarily the Forebay Dam Renovation project, and water capital asset additions offset by accumulated depreciation and amortization.

Deferred Outflows of Resources

Deferred outflows of resources are classified as a consumption of net assets that are applicable to a future reporting period. They include deferred outflows related to bond refundings, net pension liability and net postemployment benefits other than pensions (OPEB) liability.

Fiscal Year 2019 Compared to 2018: At December 31, 2019, deferred outflows of resources totaled \$11.4 million, which were \$6.9 million lower than the prior year due to a \$4.0 million and \$2.1 million decrease in actuarial changes in assumptions within the OPEB and pension plans, respectively.

Fiscal Year 2018 Compared to 2017: At December 31, 2018, deferred outflows of resources totaled \$18.3 million, which was \$1.0 million higher than the prior year due to actuarial changes in assumptions in the OPEB plan offsetting the net decrease in actuarial assumptions and investment earnings in the pension plan.

Current Liabilities

Current liabilities are liabilities that are due within one year. They include accounts payable, accrued liabilities, unearned revenue, and the current portion of long-term liabilities.

Fiscal Year 2019 Compared to 2018: At December 31, 2019, current liabilities totaled \$32.1 million, which were \$1.4 million lower than the prior year, due primarily to the elimination of the prior year's \$3.8 million wastewater cash overdraft offset by an increase in the FERC license obligated projects to be completed in 2020.

Fiscal Year 2018 Compared to 2017: At December 31, 2018, current liabilities totaled \$29.7 million, which were \$7.9 million higher than the prior year, due primarily to an increase in accounts payable, FERC license obligated projects to be completed in 2019, and wastewater cash overdraft.

Noncurrent Liabilities

Noncurrent liabilities are liabilities net of current portion. They include long-term debt and loans due after one year, net pension liability, postemployment benefits, and the noncurrent portion of the FERC license liability.

Fiscal Year 2019 Compared to 2018: At December 31, 2019, noncurrent liabilities totaled \$403.5 million and were \$41.6 million lower than the prior year. Primary drivers to the decrease were due to \$32.6 million reduction to the District's long-term debt portfolio and \$4.9 million reduction to the net OPEB liability.

Fiscal Year 2018 Compared to 2017: At December 31, 2018, noncurrent liabilities totaled \$445.1 million and were \$13.5 million lower than the prior year. Primary drivers to the decrease were due to \$17.8 million lower long-term debt offset by a \$4.8 million increase to the net OPEB liability.

Deferred Inflows of Resources

Deferred Inflows are classified as an acquisition of resources that is applicable to a future reporting period. For the District, they include deferred inflows related to property taxes, net pension liability, and net OPEB liability.

Fiscal Year 2019 Compared to 2018: At December 31, 2019, deferred inflows of resources totaled \$9.1 million, which were \$0.5 million higher than the prior year. The increase is due to an increase in the actuarial net change between actual and expected experience within the OPEB plan offset by a decrease in the actuarial net change between actual and expected experience within the pension plan.

Fiscal Year 2018 Compared to 2017: At December 31, 2018, deferred inflows of resources totaled \$8.6 million, which were \$0.4 million higher than the prior year. The change is primarily related to an increase in deferred property taxes offset by a decrease in actuarial assumptions on the net pension liability.

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

While the Statements of Net Position show assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position at a specific point in time, the Statements of Revenues, Expenses, and Changes in Net Position show the results of operations for the year. The table below displays a condensed version of the Statements of Revenues, Expenses, and Changes in Net Position for the years ended December 31, 2019, 2018, and 2017. The District's Net Position in 2019 increased by \$23.2 million to \$416.0 million, an indicator of another strong financial year.

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

	December 31,		
	2019	2018	2017
Operating revenues	\$ 68.2	\$ 64.2	\$ 67.0
Nonoperating revenues	23.0	17.1	23.2
Total Revenues	91.2	81.3	90.2
Operating expenses	56.8	53.2	50.7
Depreciation and amortization	23.3	22.6	22.9
Nonoperating expenses	13.5	14.2	14.2
Total Expenses	93.6	90.0	87.8
Net Income (Loss) Before Capital Contributions	(2.4)	(8.7)	2.4
Capital contributions	25.6	27.8	17.3
Change in Net Position	23.2	19.1	19.7
Net Position, Beginning of Year	392.8	373.7	354.0
Net Position, End of Year	\$ 416.0	\$ 392.8	\$ 373.7

Analytical Review of Operating Revenues

The District's principal source of revenue is from water sales, which typically accounts for approximately 40% - 50% of operating revenues.

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

	December 31,		
	2019	2018	2017
Water sales & services	\$ 31.7	\$ 31.4	\$ 30.9
Water transfer sales	-	0.6	-
Wastewater sales & services	22.6	22.1	20.9
Reclaimed water sales	2.4	2.4	2.2
Recreational revenues	1.8	1.7	1.6
Hydroelectric revenue	9.7	6.0	11.4
Total Operating Revenues	\$ 68.2	\$ 64.2	\$ 67.0

Fiscal Year 2019 Compared to 2018: Fiscal year 2019 operating revenues were \$68.2 million or \$4.0 million higher than the prior year, primarily due to a \$3.7 million increase in hydroelectric sales resulting from increased snowpack and relaxed water volume releases to meet fish flow requirements as mandated by the California Department of Water Resources.

Fiscal Year 2018 Compared to 2017: Fiscal year 2018 operating revenues were \$64.2 million or \$2.8 million lower than the prior year, primarily due to a \$5.4 million reduction in hydroelectric sales resulting from below normal snowpack and the California Department of Water Resources mandating to release higher volume of water from the District’s reservoirs to meet fish flow requirements, offset by increased water and wastewater sales and services.

Analytical Review of Nonoperating Revenues

The District’s primary sources of nonoperating revenues are property taxes and surcharges. The other income revenue types include development services, inspection fees, and federal/state grants.

**Table A-4
Nonoperating Revenues
For the Years Ended
(in millions)**

	December 31,		
	2019	2018	2017
Surcharges	\$ 2.4	\$ 2.5	\$ 2.4
Voter-approved taxes	0.1	0.2	0.4
Property taxes	13.1	12.7	11.9
Interest income	2.8	2.4	1.1
Other income	4.6	(0.7)	7.4
Total Nonoperating Revenues	\$ 23.0	\$ 17.1	\$ 23.2

Fiscal Year 2019 Compared to 2018: Nonoperating revenues for fiscal year 2019 totaled \$23.0 million and were \$5.9 million higher than the prior year, primarily due to recognizing previous year’s 2017 storm disaster events FEMA and OES reimbursement claim write-off plus additional federal and state expenditure reimbursement grants revenue.

Fiscal Year 2018 Compared to 2017: Nonoperating revenues for fiscal year 2018 totaled \$17.1 million and were \$6.1 million lower than the prior year, primarily due to writing off \$2.9 million previously obligated FEMA and CalOES expenditure reimbursements related to the 2017 storm disaster events that were recognized as revenue in the prior year.

Analytical Review of Operating Expenses, Excluding Depreciation and Amortization

The majority of the District’s operating expenses are personnel expenses; accounting for approximately 59.5% of the total. Note that the personnel expenses below for 2019, 2018, and 2017 include a non-cash charge of \$3.8 million, \$3.5 million, and \$3.4 million, respectively, for pension and postemployment benefits year-end accruals.

Table A-5
Operating Expenses, Excluding Depreciation and Amortization
For the Years Ended
(in millions)

	December 31,		
	2019	2018	2017
Personnel expense	\$ 33.8	\$ 32.1	\$ 30.6
Operating supplies	4.8	4.2	3.9
Chemicals	1.1	1.0	0.9
Administration	4.0	4.0	3.6
Utilities	5.2	5.2	5.0
Professional services	5.0	4.6	4.5
Repair services	2.1	1.5	1.5
Insurance	0.8	0.6	0.7
Total Operating Expenses, Excluding Depreciation and Amortization	<u>\$ 56.8</u>	<u>\$ 53.2</u>	<u>\$ 50.7</u>

Analytical Review of Operating Expenses, Excluding Depreciation and Amortization

Fiscal Year 2019 Compared to 2018: Total operating expenses, excluding depreciation and amortization for 2019 were \$56.8 million or \$3.6 million higher than the prior year, primarily due to an increase in personnel and repair services expenses. Personnel expense increase of \$1.7 million was primarily driven by a 4.3% increase in required pension expense contribution to CalPERS. The other operating expense categories remained relatively flat compared to the previous year.

Fiscal Year 2018 Compared to 2017: Total operating expenses, excluding depreciation and amortization for 2018 were \$53.2 million or \$2.5 million higher than the prior year, primarily due to an increase in personnel and administration expenses. Personnel expense increase of \$1.5 million was primarily driven by a 3.0% increase in required pension expense contribution to CalPERS. The other operating expense categories remained relatively flat compared to the previous year.

Analytical Review of Nonoperating Expenses

The District's primary nonoperating expense is debt service interest expense. The other expense category includes expenditures such as abandoned projects, debt related fiscal agent fees, abandoned projects, and miscellaneous expenses.

Table A-6
Nonoperating Expenses
For the Years Ended
(in millions)

	December 31,		
	2019	2018	2017
Interest expense	\$ 11.7	\$ 13.2	\$ 13.8
Debt issuance costs	-	-	-
Other expense	1.8	1.0	0.4
Total Nonoperating Expenses	<u>\$ 13.5</u>	<u>\$ 14.2</u>	<u>\$ 14.2</u>

Fiscal Year 2019 Compared to 2018: Total nonoperating expenses of \$13.5 million were \$0.7 million lower than the prior year primarily due to \$1.5 million lower interest expense being offset by higher non-capitalizable construction project feasibility studies.

Fiscal Year 2018 Compared to 2017: Total nonoperating expenses of \$14.2 million were flat to the prior year resulting from lower interest expense being offset by higher non-capitalizable construction project feasibility studies.

Analytical Review of Net Operating Income, Excluding Depreciation and Amortization

Net operating income, excluding depreciation is an important measure of an organization’s performance.

Table A-7
Net Operating Income, Excluding Depreciation and Amortization
For the Years Ended
(in millions)

	December 31,		
	2019	2018	2017
Operating revenues	\$ 68.2	\$ 64.2	\$ 67.0
Operating expenses	(56.8)	(53.2)	(50.7)
Net Operating Income, Excluding Depreciation and Amortization	\$ 11.4	\$ 11.0	\$ 16.3

Fiscal Year 2019 Compared to 2018: Fiscal year 2019 net operating income, excluding depreciation and amortization was \$11.4 million or \$0.4 million higher than the prior year primarily due to increased hydroelectric power sales offsetting higher personnel expenses and uptick in repair services and operating supplies expenditures.

Fiscal Year 2018 Compared to 2017: Fiscal year 2018 net operating income, excluding depreciation and amortization was \$11.0 million or \$5.3 million lower than the prior year. The decrease was primarily due to lower hydroelectric sales and current year write-off of 2017’s recognized FEMA and OES grant reimbursement revenue.

CAPITAL ASSETS AND DEBT ADMINISTRATION

CAPITAL ASSETS

Additions and deletions to capital assets 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. All capital asset increases are consistent with the District’s implementation of its capital improvement program.

Details of the District’s capital assets, net of accumulated depreciation, are as follows:

Table A-8
Capital Assets, Net of Accumulated Depreciation
(in millions)

	December 31,		
	2019	2018	2017
Capital Assets Not Being Depreciated:			
Land and easements	\$ 7.0	\$ 6.9	\$ 6.9
Water rights	5.6	5.6	5.6
Construction in progress	67.7	55.9	37.0
Total Capital Assets Not Being Depreciated	80.3	68.4	49.5
Capital Assets Being Depreciated:			
Water plant in service	579.2	565.3	550.1
Wastewater plant in service	360.7	351.0	347.8
General plant	33.4	35.9	37.4
Recycled water facility	36.9	35.7	35.0
FERC license	49.0	49.0	49.0
Total Capital Assets Being Depreciated	1,059.2	1,036.9	1,019.3
Less accumulated depreciation	(411.6)	(390.6)	(373.8)
Net Capital Assets Being Depreciated	647.6	646.3	645.5
Total Capital Assets, Net of Accumulated Depreciation	\$ 727.9	\$ 714.7	\$ 695.0

Additional information about the capital assets is presented in Note 3 to the financial statements.

Fiscal Year 2019 Compared to 2018: Total capital assets prior to depreciation totaled approximately \$1,139.5 million; an increase of \$34.2 million from than the prior year. The increase was primarily due to asset additions within the water utility and increased ongoing construction in progress.

The major capital asset additions for the current year included:

- \$4.8 million for developer capital contributions from Lennar Communities at Carson Creek.
- \$2.1 million for Gilmore Road waterline replacement.
- \$1.6 million for Town Center force main replacement.
- \$1.6 million for American River Bridge pipeline replacement.
- \$1.3 million for Reservoir 3 Tank rehabilitation.

Fiscal Year 2018 Compared to 2017: Total capital assets prior to depreciation totaled approximately \$1,105.3 million; an increase of \$36.5 million from than the prior year. The increase was primarily due to asset additions within the water utility and increased ongoing construction in progress.

The major capital asset additions for the current year included:

- \$4.8 million for Forebay Dam upgrades.
- \$3.0 million for Flume 10 rehabilitation related to the 2017 storms damage.
- \$2.5 million for developer capital contributions from Promontory Village and Carson Creek.
- \$2.2 million for Esmerelda tunnel improvements.

LONG-TERM DEBT AND LOANS

At December 31, 2019, the District had \$315.6 million long-term debt and loans outstanding, net of bond premium, compared to \$348.5 million at the end of 2018.

An analysis of the activity in the District's debt and loans portfolio is as follows:

Table A-9
Debt and Loans Analysis
For the Years Ended
(in millions)

	December 31,		
	2019	2018	2017
State of California Loans	\$ 10.2	\$ 11.4	\$ 12.1
Certificates of participation	38.6	56.5	59.7
Refunding revenue bonds	231.2	241.5	251.3
General obligation bonds	-	0.2	0.4
Total Principal Outstanding	280.0	309.6	323.5
Bond premium and discounts	35.6	38.9	41.8
Total Debt and Loans	<u>\$ 315.6</u>	<u>\$ 348.5</u>	<u>\$ 365.3</u>
Increase (decrease) from prior year	\$ (32.9)	\$ (16.8)	\$ (17.0)
Percent change	-9.4%	-4.6%	-4.4%

Additional information on the District's debt and loans can be found in Note 4 of the financial statements.

Fiscal Year 2019 Compared to 2018: At December 31, 2019, there was \$315.6 million in debt and loans outstanding, a net decrease of \$32.9 million or 9.4% from the prior year. The reduction was primarily due to the \$14.8 million prepayment of all 2010A Bond Issue unpaid Installment Payments and scheduled bonds and loans debt service payments.

Fiscal Year 2018 Compared to 2017: At December 31, 2018, there was \$348.5 million in debt and loans outstanding, a net decrease of \$16.8 million or 4.6% from the prior year. The reduction was due to scheduled bonds and loans debt service payments.

COST OF CAPITAL

For fiscal year 2019, the District’s cost of capital was approximately 4.17%. The District’s outstanding debt and loan issues with varying maturities and interest rates are outlined below.

Debt Issue	Balance at 12/31/2019 (millions)	Average Coupon Rate
State of California Loans	\$ 10.2	2.32% to 2.60%
2012A Refunding Revenue Bonds	29.1	4.00% to 5.00%
2012B Refunding Revenue Bonds	0.4	1.13% to 3.63%
2014A Refunding Revenue Bonds	99.1	3.00% to 5.25%
2016A Refunding Revenue Bonds	17.4	4.00% to 5.00%
2016B Certificate of Participation	38.6	4.00% to 5.00%
2016C Refunding Revenue Bonds	85.2	4.00% to 5.00%
	<u>\$ 280.0</u>	

NEXT YEAR’S BUDGETS AND RATES

The District closed the fiscal year in a positive financial position, with a \$23.2 million increase in net position. While the District remains in a positive position, the District continues to act in a fiscally responsible manner when budgeting and ensuring costs are managed to meet or exceed expectations.

- **2020 Operating Expenses:** The adopted 2020 operating budget of \$54.6 million is \$3.2 million or 6.6% higher than the 2019 adopted operating budget. The budget increase is primarily driven by higher personnel expenses and professional services.
- **2020 Rate Revenue:** The Board of Directors adopted 2020 rate increases for water, wastewater and recycled water of 3%, 0%, and 3% respectively.

REQUESTS FOR INFORMATION

This financial report is designed to provide EID customers and creditors with a general overview of the District’s finances and to demonstrate the District’s accountability for the monies it receives. If you have any questions concerning any information provided in this report, or if you have requests for additional financial information, please contact: Director of Finance, 2890 Mosquito Road, Placerville CA 95667, or visit our website at <http://www.eid.org>.

Basic Financial Statements

**EL DORADO IRRIGATION DISTRICT
STATEMENTS OF NET POSITION
DECEMBER 31, 2019 AND 2018**

	2019		
	Water	Wastewater	Total
ASSETS			
Current Assets			
Cash and cash equivalents	\$ 16,130,766	\$ 341,763	\$ 16,472,529
Accounts receivable, net	4,036,245	2,836,948	6,873,193
Due from other governmental agencies	3,126,223	-	3,126,223
Interest receivable	250,019	147,520	397,539
Taxes receivable	7,780,444	5,186,962	12,967,406
Inventory	357,759	238,506	596,265
Prepaid expenses and other current assets	658,749	367,963	1,026,712
Total Current Assets	<u>32,340,205</u>	<u>9,119,662</u>	<u>41,459,867</u>
Noncurrent Assets			
Restricted and Other Noncurrent Assets:			
Restricted cash and cash equivalents	30,789,394	33,247,128	64,036,522
Investments	6,940,658	4,627,105	11,567,763
Hydroelectric deposit	4,000,000	-	4,000,000
Other noncurrent assets	-	322,400	322,400
Total Restricted and Other Noncurrent Assets	<u>41,730,052</u>	<u>38,196,633</u>	<u>79,926,685</u>
Capital Assets:			
Nondepreciable	70,868,214	9,386,960	80,255,174
Depreciable, net	396,362,004	251,306,109	647,668,113
Total Capital Assets	<u>467,230,218</u>	<u>260,693,069</u>	<u>727,923,287</u>
Total Noncurrent Assets	<u>508,960,270</u>	<u>298,889,702</u>	<u>807,849,972</u>
Total Assets	<u>541,300,475</u>	<u>308,009,364</u>	<u>849,309,839</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred amount on refunding debt	2,778,685	2,100,212	4,878,897
Pensions	3,712,938	1,819,462	5,532,400
OPEB	555,894	295,203	851,097
Other	78,766	52,510	131,276
Total Deferred Outflows of Resources	<u>7,126,283</u>	<u>4,267,387</u>	<u>11,393,670</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 548,426,758</u>	<u>\$ 312,276,751</u>	<u>\$ 860,703,509</u>

The accompanying notes to the basic financial statements are an integral part of these statements.

EL DORADO IRRIGATION DISTRICT
STATEMENTS OF NET POSITION (continued)
DECEMBER 31, 2019 AND 2018

	2019		
	Water	Wastewater	Total
LIABILITIES			
Current Liabilities			
Accounts payable	\$ 4,843,089	\$ 2,914,684	\$ 7,757,773
Deposits	200,010	231,116	431,126
Accrued compensated absences	1,077,247	544,464	1,621,711
Accrued payroll and benefits payable	684,803	357,845	1,042,648
Unearned revenue	534,706	377,964	912,670
Accrued interest payable	2,887,034	1,576,352	4,463,386
Reserve for claims and claims expenses	499,800	333,200	833,000
Noncurrent liabilities - current portion	5,758,976	3,511,238	9,270,214
FERC license liability - current portion	5,721,762	-	5,721,762
Total Current Liabilities	<u>22,207,427</u>	<u>9,846,863</u>	<u>32,054,290</u>
Noncurrent Liabilities			
Noncurrent liabilities	200,494,261	105,868,998	306,363,259
FERC license liability - noncurrent portion	12,201,803	-	12,201,803
Net OPEB liability	14,028,163	7,116,197	21,144,360
Net pension liability	42,354,823	21,467,858	63,822,681
Total Noncurrent Liabilities	<u>269,079,050</u>	<u>134,453,053</u>	<u>403,532,103</u>
Total Liabilities	<u>291,286,477</u>	<u>144,299,916</u>	<u>435,586,393</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred property taxes	3,968,987	2,645,991	6,614,978
Pensions	698,233	337,607	1,035,840
OPEB	949,731	498,511	1,448,242
Total Deferred Inflows of Resources	<u>5,616,951</u>	<u>3,482,109</u>	<u>9,099,060</u>
NET POSITION			
Net investment in capital assets	248,786,964	154,517,187	403,304,151
Restricted for new facilities	22,578,997	33,178,100	55,757,097
Restricted for debt service	3,276,668	1,699	3,278,367
Unrestricted	(23,119,299)	(23,202,260)	(46,321,559)
Total Net Position	<u>251,523,330</u>	<u>164,494,726</u>	<u>416,018,056</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u>\$ 548,426,758</u>	<u>\$ 312,276,751</u>	<u>\$ 860,703,509</u>

The accompanying notes to the basic financial statements are an integral part of these statements.

EL DORADO IRRIGATION DISTRICT
STATEMENTS OF NET POSITION (continued)
DECEMBER 31, 2019 AND 2018

	2018		
	Water	Wastewater	Total
ASSETS			
Current Assets			
Cash and cash equivalents	\$ 13,424,978	\$ -	\$ 13,424,978
Accounts receivable, net	3,266,414	2,794,269	6,060,683
Due from other governmental agencies	309,164	-	309,164
Interest receivable	517,956	178,581	696,537
Taxes receivable	7,715,972	4,977,761	12,693,733
Inventory	327,101	218,068	545,169
Prepaid expenses and other current assets	805,037	340,476	1,145,513
Total Current Assets	<u>26,366,622</u>	<u>8,509,155</u>	<u>34,875,777</u>
Noncurrent Assets			
Restricted and Other Noncurrent Assets:			
Restricted cash and cash equivalents	49,376,954	37,638,222	87,015,176
Investments	12,635,528	8,423,686	21,059,214
Hydroelectric deposit	4,000,000	-	4,000,000
Total Restricted and Other Noncurrent Assets	<u>66,012,482</u>	<u>46,061,908</u>	<u>112,074,390</u>
Capital Assets:			
Nondepreciable	60,657,619	7,745,958	68,403,577
Depreciable, net	396,488,189	249,853,342	646,341,531
Total Capital Assets	<u>457,145,808</u>	<u>257,599,300</u>	<u>714,745,108</u>
Total Noncurrent Assets	<u>523,158,290</u>	<u>303,661,208</u>	<u>826,819,498</u>
Total Assets	<u>549,524,912</u>	<u>312,170,363</u>	<u>861,695,275</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred amount on refunding debt	3,259,085	2,476,257	5,735,342
Pensions	5,082,126	2,537,451	7,619,577
OPEB	3,148,204	1,654,585	4,802,789
Other	76,109	50,739	126,848
Total Deferred Outflows of Resources	<u>11,565,524</u>	<u>6,719,032</u>	<u>18,284,556</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 561,090,436</u>	<u>\$ 318,889,395</u>	<u>\$ 879,979,831</u>

The accompanying notes to the basic financial statements are an integral part of these statements.

EL DORADO IRRIGATION DISTRICT
STATEMENTS OF NET POSITION (continued)
DECEMBER 31, 2019 AND 2018

	2018		
	<u>Water</u>	<u>Wastewater</u>	<u>Total</u>
LIABILITIES			
Current Liabilities			
Accounts payable	\$ 4,461,501	\$ 2,714,476	\$ 7,175,977
Cash overdraft	-	3,804,845	3,804,845
Deposits	158,718	230,623	389,341
Accrued compensated absences	1,018,836	474,371	1,493,207
Accrued payroll and benefits payable	517,555	272,572	790,127
Unearned revenue	672,060	470,909	1,142,969
Accrued interest payable	3,175,484	1,783,150	4,958,634
Reserve for claims and claims expenses	499,800	333,200	833,000
Noncurrent liabilities - current portion	5,720,676	3,315,408	9,036,084
FERC license liability - current portion	3,875,762	-	3,875,762
Total Current Liabilities	<u>20,100,392</u>	<u>13,399,554</u>	<u>33,499,946</u>
Noncurrent Liabilities			
Noncurrent liabilities	220,257,661	119,208,516	339,466,177
FERC license liability - noncurrent portion	18,091,762	-	18,091,762
Net OPEB liability	17,203,349	8,781,233	25,984,582
Net pension liability	40,849,169	20,678,308	61,527,477
Total Noncurrent Liabilities	<u>296,401,941</u>	<u>148,668,057</u>	<u>445,069,998</u>
Total Liabilities	<u>316,502,333</u>	<u>162,067,611</u>	<u>478,569,944</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred property taxes	3,912,264	2,525,066	6,437,330
Pensions	1,355,623	682,335	2,037,958
OPEB	103,201	54,598	157,799
Total Deferred Inflows of Resources	<u>5,371,088</u>	<u>3,261,999</u>	<u>8,633,087</u>
NET POSITION			
Net investment in capital assets	239,063,742	138,655,776	377,719,518
Restricted for new facilities	16,946,691	36,813,938	53,760,629
Restricted for debt service	3,964,626	664,011	4,628,637
Unrestricted	(20,758,044)	(22,573,940)	(43,331,984)
Total Net Position	<u>239,217,015</u>	<u>153,559,785</u>	<u>392,776,800</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u>\$ 561,090,436</u>	<u>\$ 318,889,395</u>	<u>\$ 879,979,831</u>

The accompanying notes to the basic financial statements are an integral part of these statements.

EL DORADO IRRIGATION DISTRICT
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

	2019		
	Water	Wastewater	Total
OPERATING REVENUES			
Water sales	\$ 30,917,264	\$ -	\$ 30,917,264
Water services	730,601	-	730,601
Reclaimed water reimbursement/sales	-	2,417,662	2,417,662
Wastewater sales	-	22,235,351	22,235,351
Wastewater services	-	409,335	409,335
Recreation fees	1,774,235	-	1,774,235
Hydroelectric sales	9,679,827	-	9,679,827
Total Operating Revenues	<u>43,101,927</u>	<u>25,062,348</u>	<u>68,164,275</u>
OPERATING EXPENSES			
Personnel expenses	22,531,126	11,271,315	33,802,441
Operating supplies	3,185,353	1,601,146	4,786,499
Chemicals	466,963	629,150	1,096,113
Administration	2,867,045	1,076,302	3,943,347
Utilities	2,514,253	2,720,838	5,235,091
Professional services	3,270,909	1,732,884	5,003,793
Repair services	1,764,105	362,463	2,126,568
Insurance	630,219	180,359	810,578
Depreciation and amortization	13,409,305	9,940,337	23,349,642
Total Operating Expenses	<u>50,639,278</u>	<u>29,514,794</u>	<u>80,154,072</u>
Net Operating Loss	<u>(7,537,351)</u>	<u>(4,452,446)</u>	<u>(11,989,797)</u>
NONOPERATING REVENUES (EXPENSES)			
Surcharges	1,356,609	1,007,347	2,363,956
Voter-approved taxes	129,954	-	129,954
Property taxes	7,886,930	5,257,953	13,144,883
Interest income	1,878,607	927,393	2,806,000
Other income	4,158,482	441,848	4,600,330
Other expenses	(1,736,552)	(98,747)	(1,835,299)
Interest expense	(7,252,496)	(4,436,454)	(11,688,950)
Total Nonoperating Revenues (Expenses)	<u>6,421,534</u>	<u>3,099,340</u>	<u>9,520,874</u>
Income (Loss) Before Capital Contributions and Transfers	<u>(1,115,817)</u>	<u>(1,353,106)</u>	<u>(2,468,923)</u>
CAPITAL CONTRIBUTIONS AND TRANSFERS			
Facility capacity charges	7,751,824	5,115,325	12,867,149
Developer contributions	5,333,497	7,509,533	12,843,030
Transfers in	79,799,221	29,884,448	109,683,669
Transfers out	(79,462,410)	(30,221,259)	(109,683,669)
Total Capital Contributions and Transfers	<u>13,422,132</u>	<u>12,288,047</u>	<u>25,710,179</u>
Change in Net Position	12,306,315	10,934,941	23,241,256
Net Position, Beginning of Year	<u>239,217,015</u>	<u>153,559,785</u>	<u>392,776,800</u>
Net Position, End of Year	<u>\$ 251,523,330</u>	<u>\$ 164,494,726</u>	<u>\$ 416,018,056</u>

The accompanying notes to the basic financial statements are an integral part of these statements.

EL DORADO IRRIGATION DISTRICT
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION (continued)
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

	2018		
	Water	Wastewater	Total
OPERATING REVENUES			
Water sales	\$ 30,726,486	\$ -	\$ 30,726,486
Water services	709,424	-	709,424
Water transfer sales	556,550	-	556,550
Reclaimed water reimbursement/sales	-	2,405,631	2,405,631
Wastewater sales	-	21,636,703	21,636,703
Wastewater services	-	453,016	453,016
Recreation fees	1,720,429	-	1,720,429
Hydroelectric sales	5,953,290	-	5,953,290
Total Operating Revenues	<u>39,666,179</u>	<u>24,495,350</u>	<u>64,161,529</u>
OPERATING EXPENSES			
Personnel expenses	21,662,389	10,422,020	32,084,409
Operating supplies	2,635,940	1,517,501	4,153,441
Chemicals	420,559	626,332	1,046,891
Administration	2,936,184	1,087,808	4,023,992
Utilities	2,450,264	2,708,955	5,159,219
Professional services	2,799,879	1,792,685	4,592,564
Repair services	1,077,025	424,316	1,501,341
Insurance	494,432	147,400	641,832
Depreciation and amortization	12,879,644	9,735,896	22,615,540
Total Operating Expenses	<u>47,356,316</u>	<u>28,462,913</u>	<u>75,819,229</u>
Net Operating Loss	<u>(7,690,137)</u>	<u>(3,967,563)</u>	<u>(11,657,700)</u>
NONOPERATING REVENUES (EXPENSES)			
Surcharges	1,508,995	1,003,560	2,512,555
Voter-approved taxes	243,261	-	243,261
Property taxes	7,629,367	5,086,245	12,715,612
Interest income	1,760,413	647,952	2,408,365
Other income	(1,131,041)	341,155	(789,886)
Other expenses	(334,739)	(651,414)	(986,153)
Interest expense	(8,137,647)	(5,078,655)	(13,216,302)
Total Nonoperating Revenues (Expenses)	<u>1,538,609</u>	<u>1,348,843</u>	<u>2,887,452</u>
Income (Loss) Before Capital Contributions and Transfers	<u>(6,151,528)</u>	<u>(2,618,720)</u>	<u>(8,770,248)</u>
CAPITAL CONTRIBUTIONS AND TRANSFERS			
Facility capacity charges	11,459,428	8,590,535	20,049,963
Developer contributions	2,956,928	4,814,366	7,771,294
Transfers in	66,505,373	16,002,889	82,508,262
Transfers out	(66,386,281)	(16,121,981)	(82,508,262)
Total Capital Contributions and Transfers	<u>14,535,448</u>	<u>13,285,809</u>	<u>27,821,257</u>
Change in Net Position	8,383,920	10,667,089	19,051,009
Net Position, Beginning of Year	<u>230,833,095</u>	<u>142,892,696</u>	<u>373,725,791</u>
Net Position, End of Year	<u>\$ 239,217,015</u>	<u>\$ 153,559,785</u>	<u>\$ 392,776,800</u>

The accompanying notes to the basic financial statements are an integral part of these statements.

**EL DORADO IRRIGATION DISTRICT
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018**

	2019		
	Water	Wastewater	Total
Cash Flows from Operating Activities:			
Cash receipts from customers	\$ 39,408,569	\$ 24,514,770	\$ 63,923,339
Cash paid to suppliers for goods and services	(15,371,837)	(7,774,814)	(23,146,651)
Cash paid to employees for services	(19,824,361)	(9,814,879)	(29,639,240)
Cash receipts (payments) to other funds	336,811	(336,811)	-
Net Cash Provided by Operating Activities	<u>4,549,182</u>	<u>6,588,266</u>	<u>11,137,448</u>
Cash Flows from Non-Capital Financing Activities:			
Property taxes received	9,373,493	6,265,300	15,638,793
Other income	4,158,482	441,848	4,600,330
Other expenses	(1,736,552)	(98,747)	(1,835,299)
Net Cash Provided by Non-Capital Financing Activities	<u>11,795,423</u>	<u>6,608,401</u>	<u>18,403,824</u>
Cash Flows from Capital and Related Financing Activities:			
Purchases of capital assets	(25,900,699)	(13,038,568)	(38,939,267)
Disposal of capital assets	13,633	4,462	18,095
Interest payments on long-term debt	(7,540,946)	(4,643,252)	(12,184,198)
Principal payments on long-term debt	(19,725,100)	(13,143,688)	(32,868,788)
Capital grants received	13,085,321	12,624,858	25,710,179
Net Cash Used by Capital and Related Financing Activities	<u>(40,067,791)</u>	<u>(18,196,188)</u>	<u>(58,263,979)</u>
Cash Flows from Investing Activities:			
Proceeds from sales and maturities of investments	7,947,276	5,298,184	13,245,460
Purchase of investment securities	(2,252,406)	(1,501,603)	(3,754,009)
Interest received on investments	2,146,544	958,454	3,104,998
Net Cash Provided by Investing Activities	<u>7,841,414</u>	<u>4,755,035</u>	<u>12,596,449</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(15,881,772)	(244,486)	(16,126,258)
Cash and Cash Equivalents, Beginning of Year	<u>62,801,932</u>	<u>33,833,377</u>	<u>96,635,309</u>
Cash and Cash Equivalents, End of Year	<u>\$ 46,920,160</u>	<u>\$ 33,588,891</u>	<u>\$ 80,509,051</u>
Reconciliation of Cash and Cash Equivalents to the Statements of Net Position			
Cash and cash equivalents	\$ 16,130,766	\$ 341,763	\$ 16,472,529
Restricted cash and cash equivalents	<u>30,789,394</u>	<u>33,247,128</u>	<u>64,036,522</u>
Cash and Cash Equivalents, End of Year	<u>\$ 46,920,160</u>	<u>\$ 33,588,891</u>	<u>\$ 80,509,051</u>

The accompanying notes to the basic financial statements are an integral part of these statements.

EL DORADO IRRIGATION DISTRICT
STATEMENTS OF CASH FLOWS (continued)
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

	2019		
	Water	Wastewater	Total
Reconciliation of Net Operating Loss to Net Cash Provided by Operating Activities:			
Net operating loss	\$ (7,537,351)	\$ (4,452,446)	\$ (11,989,797)
Adjustments to Reconcile Net Operating Loss to Net Cash Provided by Operating Activities:			
Depreciation and amortization	13,409,305	9,940,337	23,349,642
Transfers to/from other funds	336,811	(336,811)	-
Changes in Operating Assets and Liabilities:			
Accounts receivable, net	(769,831)	(42,679)	(812,510)
Taxes receivable	(64,472)	(209,201)	(273,673)
Due from other governmental agencies	(2,817,059)	-	(2,817,059)
Inventory	(30,658)	(20,438)	(51,096)
Prepaid expenses and other current assets	146,288	(27,487)	118,801
Other noncurrent assets	-	(322,400)	(322,400)
Deferred outflows of resources	4,439,241	2,451,645	6,890,886
Accounts payable	381,588	200,208	581,796
Deposits	41,292	493	41,785
Accrued compensated absences	58,411	70,093	128,504
Accrued payroll and benefits payable	167,248	85,273	252,521
Unearned revenue	(137,354)	(92,945)	(230,299)
FERC license liability	(1,650,608)	-	(1,650,608)
Net pension liability	1,505,654	789,550	2,295,204
Net OPEB liability	(3,175,186)	(1,665,036)	(4,840,222)
Deferred inflows of resources	245,863	220,110	465,973
Net Cash Provided by Operating Activities	<u>\$ 4,549,182</u>	<u>\$ 6,588,266</u>	<u>\$ 11,137,448</u>
Supplemental Disclosure of Cash Flow Information:			
Non-cash Investing, Capital, and Financing Activities:			
Changes in Estimates of FERC Liability	\$ 2,393,351	\$ -	\$ 2,393,351
Change in Fair Value of Investments	157,445	104,963	262,408
Abandoned Projects Written Off	2,070,333	1,380,222	3,450,555

The accompanying notes to the basic financial statements are an integral part of these statements.

EL DORADO IRRIGATION DISTRICT
STATEMENTS OF CASH FLOWS (continued)
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

	2018		
	Water	Wastewater	Total
Cash Flows from Operating Activities:			
Cash receipts from customers	\$ 49,239,703	\$ 25,202,677	\$ 74,442,380
Cash paid to suppliers for goods and services	(11,346,056)	(7,089,895)	(18,435,951)
Cash paid to employees for services	(19,254,062)	(9,148,823)	(28,402,885)
Cash receipts (payments) to other funds	119,092	(119,092)	-
Net Cash Provided by Operating Activities	<u>18,758,677</u>	<u>8,844,867</u>	<u>27,603,544</u>
Cash Flows from Non-Capital Financing Activities:			
Property taxes received	9,381,623	6,089,805	15,471,428
Other income	(1,131,041)	341,155	(789,886)
Other expense	(334,739)	(651,414)	(986,153)
Net Cash Provided by Non-Capital Financing Activities	<u>7,915,843</u>	<u>5,779,546</u>	<u>13,695,389</u>
Cash Flows from Capital and Related Financing Activities:			
Purchases of capital assets	(33,451,454)	(7,660,551)	(41,112,005)
Disposal of capital assets	676	386	1,062
Interest payments on long-term debt	(8,157,431)	(5,167,366)	(13,324,797)
Principal payments on long-term debt	(10,333,083)	(6,500,557)	(16,833,640)
Capital grants received	14,416,356	13,404,901	27,821,257
Net Cash Used by Capital and Related Financing Activities	<u>(37,524,936)</u>	<u>(5,923,187)</u>	<u>(43,448,123)</u>
Cash Flows from Investing Activities:			
Proceeds from sales and maturities of investments	1,791,750	1,194,500	2,986,250
Purchase of investment securities	(5,352,936)	(3,568,625)	(8,921,561)
Interest received on investments	1,492,295	537,259	2,029,554
Net Cash Used by Investing Activities	<u>(2,068,891)</u>	<u>(1,836,866)</u>	<u>(3,905,757)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(12,919,307)	6,864,360	(6,054,947)
Cash and Cash Equivalents, Beginning of Year	<u>75,721,239</u>	<u>26,969,017</u>	<u>102,690,256</u>
Cash and Cash Equivalents, End of Year	<u>\$ 62,801,932</u>	<u>\$ 33,833,377</u>	<u>\$ 96,635,309</u>
Reconciliation of Cash and Cash Equivalents to the Statements of Net Position			
Cash and cash equivalents	\$ 13,424,978	\$ -	\$ 13,424,978
Cash overdraft	-	(3,804,845)	(3,804,845)
Restricted cash and cash equivalents	<u>49,376,954</u>	<u>37,638,222</u>	<u>87,015,176</u>
Cash and Cash Equivalents, End of Year	<u>\$ 62,801,932</u>	<u>\$ 33,833,377</u>	<u>\$ 96,635,309</u>

The accompanying notes to the basic financial statements are an integral part of these statements.

EL DORADO IRRIGATION DISTRICT
STATEMENTS OF CASH FLOWS (continued)
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

	2018		
	Water	Wastewater	Total
Reconciliation of Net Operating Loss to Net Cash Provided by Operating Activities:			
Net Operating Loss	\$ (7,690,137)	\$ (3,967,563)	\$ (11,657,700)
Adjustments to Reconcile Net Operating Loss to Net Cash Provided by Operating Activities:			
Depreciation and amortization	12,879,644	9,735,896	22,615,540
Transfers to/from other funds	119,092	(119,092)	-
Changes in operating assets and liabilities:			
Accounts receivable, net	1,371,267	(12,421)	1,358,846
Taxes receivable	(486,608)	(308,041)	(794,649)
Insurance receivable	4,450,000	-	4,450,000
Due from other governmental agencies	3,744,720	693,939	4,438,659
Inventory	(18,307)	(12,205)	(30,512)
Prepaid expenses and other current assets	(344,663)	(146,893)	(491,556)
Deferred outflows of resources	(726,736)	(273,068)	(999,804)
Accounts payable	1,886,737	998,156	2,884,893
Deposits	46,794	19,556	66,350
Accrued compensated absences	111,972	49,388	161,360
Accrued payroll and benefits payable	26,697	23,045	49,742
Unearned revenue	204,046	160,273	364,319
FERC license liability	(535,940)	-	(535,940)
Net pension liability	331,957	175,622	507,579
Net OPEB liability	3,123,698	1,652,598	4,776,296
Deferred inflows of resources	264,444	175,677	440,121
Net Cash Provided by Operating Activities	<u>\$ 18,758,677</u>	<u>\$ 8,844,867</u>	<u>\$ 27,603,544</u>
Supplemental Disclosure of Cash Flow Information:			
Non-cash Investing, Capital, and Financing Activities:			
Changes in Estimates of FERC Liability	\$ (1,300,745)	\$ -	\$ (1,300,745)
Change in Fair Value of Investments	(4,886)	32,824	27,938
Abandoned Projects Written Off	310,981	168,944	479,925

The accompanying notes to the basic financial statements are an integral part of these statements.



Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General: The El Dorado Irrigation District (the District) was organized under the Irrigation District Law 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 El Dorado Powerhouse, which is sold to Pacific Gas & Electric Company (PG&E) under a contract.

Financial Reporting Entity: The accompanying basic financial statements of the District include the financial activities of the El Dorado Irrigation District Financing Corporation (the Corporation), 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, the District is financially accountable for the Corporation and the Corporation is governed by the District's Board of Directors. Debt issued by the Corporation is reflected as debt of the District in these financial statements. However, all debt issued by the Corporation was refunded in 2004. The Corporation has no other transactions and does not issue separate financial statements.

The District is a member of the El Dorado Water and Power Authority (the Authority), which was created under a Joint Powers Agreement between the District, El Dorado County and El Dorado County Water Agency. The District's Board of Directors serves as five of the sixteen members of the Authority's Board of Directors and, therefore, the District does not control the activities of the Authority. The District has only a residual equity interest in the Authority is not responsible for the liabilities of the Authority under the Agreement. The District did not make a contribution to the Authority for operations during 2019 and 2018. The Authority does not issue separate financial statements. More information about the Authority may be found at: <http://www.edcgov.us/waterandpower/index.html>.

Basis of Presentation: The basic financial statements of the District have been prepared in conformity with generally accepted accounting principles as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The District is accounted for as two major enterprise funds and applies all applicable GASB pronouncements in its accounting and reporting. The more significant of the District's accounting policies are described below.

The District reports the following major enterprise funds:

The *Water Fund* accounts for all revenues collected by the District for the purpose of financing the construction, operation and maintenance of the District's water storage and distribution systems. Revenues are derived from water service charges, water sales, hydroelectric sales and various installation charges.

The *Wastewater Fund* accounts for all revenues collected by the District for the purpose of financing the construction, operation and maintenance of the District's wastewater treatment, disposal and reclamation system. Revenues include, but are not limited to, wastewater service charges and fees.

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.

Basis of Accounting: The financial statements are reported using the economic resources measurement focus and the 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, include 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.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of Accounting (continued): Certain indirect costs are included in program expenses reported for individual functions and activities.

Operating revenues and expenses consist of those revenues and expenses that result from the ongoing principal operations of the District. Operating revenues consist primarily of charges for water, wastewater, reclaimed water and recreation services, water transfer sales and hydroelectric sales. Nonoperating revenues and expenses consist of those revenues and expenses that are related to financing and investing types of activities and result from nonexchange transactions or ancillary activities.

Measurement Focus: Enterprise funds are accounted for on a flow of economic resources measurement focus, which means that all assets, deferred outflows of resources, liabilities, and deferred inflows of resources associated with the activity are included on the Statements of Net Position. Enterprise fund type operating statements present increases (revenues) and decreases (expenses) in total net position.

Cash and Cash Equivalents: For purposes of the Statements 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 at the date of acquisition, including restricted assets, and all pooled deposits.

Restricted Assets: The District's restricted cash and cash equivalents consisted of the following at December 31:

	2019	2018
Facility capacity charges restricted for new facilities	\$ 55,757,097	\$ 53,517,952
Unspent debt proceeds restricted for new facilities	4,092,573	27,727,739
Development fees restricted for development services	908,485	1,140,848
Restricted for future debt service payments	3,278,367	4,628,637
	<hr/>	<hr/>
Total Restricted Cash and Cash Equivalents	\$ 64,036,522	\$ 87,015,176

Investments: Investments are stated at fair value. Included in interest income 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.

Hydroelectric Deposit: The District is required to maintain a performance deposit of \$4,000,000 under its hydroelectric agreement with PG&E through the contract termination date of May 16, 2021.

Receivables: Accounts receivable arise from billings to customers for water and sewer usage and certain improvements made to customers' property. An estimate of the uncollectible amount is \$69,259 and \$67,344 at December 31, 2019 and 2018, respectively. The amounts written off in both years are not considered significant.

Due from Other Government Agencies: Due from other government agencies are comprised of receivable amounts owed from federal, state, and local agencies for grants, services performed, and water deliveries. Management deems all amounts recorded as collectible. During 2019, the District recorded \$1,294,174 in revenue that was written off in 2018, as reflected in other income in the Statements of Revenues, Expenses, and Changes in Net Position. Of that amount, \$970,630 was receivable as of December 31, 2019.

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 the year as well.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property Taxes: The District receives property taxes from El Dorado County. The property taxes are generally levied and become a lien on the property on July 1 and are based on the assessed value of the property as of the previous January. Secured property taxes are levied on July 1 and are due in two installments, on November 1 and February 1. They become delinquent on December 10 and April 10, respectively. Unsecured property taxes are levied on July 1 and are due in one installment by January 1. They become delinquent on April 30, approximately ten months after being levied. 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.

The District recognizes the full levy as property taxes receivable at the date of the levy but recognizes property tax revenue evenly over the fiscal year to which the levy relates under GASB statement No. 33. The portion of the levy related to January 1 to June 30 of the subsequent year is offset with deferred inflows of resources.

Inventory: Inventories are stated at average cost. Inventories consist of parts and supplies.

Interfund Transfers: Transfers between the Water and Wastewater funds solely consist of monies moving back and forth as part of the cash disbursement and clearing process of the District. As of December 31, 2019, and 2018, there were no balances due between the Water and Wastewater funds.

Compensated Absences: The District’s policy allows employees to accumulate earned but unused personal time off (PTO). PTO is divided into Bank A that is payable at termination and Bank B that is allowed to be converted to PERS service credit upon separation or may otherwise be used only in a catastrophic event. The hours earned by employees range from 176 to 296 hours per year, based on the number of years of service. Bank A hours are limited to 160 to 280 hours, depending on years of service.

Any hours exceeding the Bank A limit are included in Bank B. Only Bank A is accrued as compensated absences and the entire balance is considered to be current based on historical usage patterns. Bank B is included in the District’s pension plan under GASB Statement No. 16 since it is rarely used for time off and is typically converted to PERS service credit. The cost of PTO is recognized in the period it is earned. Activity in current compensated absences was as follows for the years ended December 31, 2019 and 2018:

Balance at January 1, 2019	Additions	Payments	Balance at December 31, 2019	Due Within One Year
\$ 1,493,207	\$ 2,089,435	\$ (1,960,931)	\$ 1,621,711	\$ 1,621,711

Balance at January 1, 2018	Additions	Payments	Balance at December 31, 2018	Due Within One Year
\$ 1,331,847	\$ 1,912,679	\$ (1,751,319)	\$ 1,493,207	\$ 1,493,207

Bond Discounts, Issuance Costs and Deferred Amounts on Refunding: Bond discounts, premiums, and deferred amounts on refunding are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond discounts and premiums. Deferred amounts on refunding are reported as deferred outflows of resources on the Statements of Net Position. Issuance costs are expensed as incurred under GASB Statement No. 65.

Pension Plan: For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pension plan, and pension expense, information about the fiduciary net position of the District’s California Public Employees’ Retirement System (CalPERS) plan (Plan) and additions to/deductions from the Plan’s fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

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.

Governmental Accounting Standards Update: During the year ending December 31, 2019, the District implemented the following standards:

GASB Statement No. 83 – *Certain Asset Retirement Obligations*. The requirements of this statement are effective for reporting periods beginning after June 15, 2018.

GASB Statement No. 84 – *Fiduciary Activities*. The requirements of this statement are effective for reporting periods beginning after December 15, 2018.

GASB Statement No. 88 – *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. The requirements of this statement are effective for reporting periods beginning after June 15, 2018.

Released GASB Statements to be implemented in future financial statements are as follows:

GASB Statement No. 87 – *Leases*. The requirements of this statement are effective for reporting periods beginning after December 15, 2019.

GASB Statement No. 89 – *Accounting for Interest Cost Incurred before the End of a Construction Period*. The requirements of this statement are effective for reporting periods beginning after December 15, 2019.

GASB Statement No. 90 – *Majority Equity Interests- an amendment of GASB Statement No. 14 and No. 61*. The requirements of this statement are effective for reporting periods beginning after December 15, 2018.

GASB Statement No. 91 – *Conduit Debt Obligations*. The requirements of this statement are effective for reporting periods beginning after December 15, 2020.

GASB Statement No. 92 – *Omnibus 2020*. The requirements of this statement are effective as follows:

- The requirements related to the effective date of Statement 87 and Implementation Guide 2019-3, reinsurance recoveries, and terminology used to refer to derivative instruments are effective upon issuance.
- The requirements related to intra-entity transfers of assets and those related to the applicability of Statements 73 and 74 are effective for fiscal years beginning after June 15, 2020.
- The requirements related to application of Statement 84 to postemployment benefit arrangements and those related to nonrecurring fair value measurements of assets or liabilities are effective for reporting periods beginning after June 15, 2020.
- The requirements related to the measurement of liabilities (and assets, if any) associated with AROs in a government acquisition are effective for government acquisitions occurring in reporting periods beginning after June 15, 2020.

GASB Statement No. 93 – *Replacement of Interbank Offered Rates*. The requirements of this statement, except for paragraph 11b, are effective for reporting periods beginning after June 15, 2020. The requirement in paragraph 11b is effective for reporting periods ending after December 31, 2021.

GASB Statement No. 94 – *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The requirements of this statement are effective for reporting periods beginning after June 15, 2022.

**EL DORADO IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS (continued)**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Governmental Accounting Standards Update (continued):

GASB Statement No. 95 – *Postponement of the Effective Dates of Certain Authoritative Guidance*. The requirements of this statement are effective during May 2020.

The District will analyze the impact of these new statements prior to the effective dates listed above.

Reclassifications: Certain reclassifications have been made to the prior year financial statements to conform to current year presentation. There were no changes to the ending net position and/or change in net position from the reclassifications to the prior year presented figures.

Subsequent Events: In compliance with accounting standards, management has evaluated events that have occurred after year-end to determine if these events are required to be disclosed in the financial statements. Management has determined that the event noted in Note 10 require disclosure in accordance with accounting standards. These subsequent events have been evaluated through May 29, 2020, which is the date the financial statements were available to be issued.

NOTE 2 – CASH AND INVESTMENTS

Policies: 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.

Classification: The District’s cash and investments consisted of the following at December 31:

	2019	2018
Cash and cash equivalents	\$ 16,472,529	\$ 13,424,978
Cash overdraft	-	(3,804,845)
Restricted - cash and cash equivalents	64,036,522	87,015,176
Investments	11,567,763	21,059,214
Total Cash and Investments	\$ 92,076,814	\$ 117,694,523

NOTE 2 – CASH AND INVESTMENTS (continued)

Classification (continued): Cash and investments were classified under GASB Statement No. 40 as follows at December 31:

	2019	2018
Cash on hand	\$ 3,675	\$ 3,675
Deposits with financial institutions	3,049,942	4,809,804
Total Cash	<u>3,053,617</u>	<u>4,813,479</u>
California Local Agency Investment Fund (LAIF)	59,830,298	78,221,260
U.S. Agency Securities	5,000,650	14,869,910
California Asset Management Program (CAMP)	14,346,770	8,971,933
Money Market Mutual Funds	3,278,367	4,628,637
Medium Term Corporate Notes	2,013,770	1,955,700
Certificates of Deposit	4,553,342	4,233,604
Total Investments	<u>89,023,197</u>	<u>112,881,044</u>
Total Cash and Investments	<u>\$ 92,076,814</u>	<u>\$ 117,694,523</u>

Investments Authorized by the California Government Code and 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.

Investments Authorized by the California Government Code and District’s Investment Policy (continued): 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. This table does not address investments of debt proceeds held by bond trustee that are governed by the provisions of the debt agreement and not the provisions of the California Government Code or the District’s investment policy.

Authorized Investment Type	Maximum Maturity	Minimum Credit Quality	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
U.S. Treasury Obligations	5 years	N/A	75%	None
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%
Negotiable Certificates of Deposit	5 years	N/A	25%	None
Repurchase Agreements	90 days	N/A	None	None
Medium-Term Corporate Notes	5 years	A,A2	30%	10%
Money Market Mutual Funds	N/A	A1,P1	20%	10%
Local Agency Investment Fund (LAIF)	N/A	N/A	75%	\$50,000,000
Collateralized Certificates of Deposit	5 years	N/A	None	None
Collateralized Negotiable Investments	5 years	N/A	None	None
California Asset Management Program (CAMP)	N/A	N/A	75%	None

NOTE 2 – CASH AND INVESTMENTS (continued)

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.

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:

Investment Type	Total	2019		
		Remaining Maturity (in Months)		
		12 Months or Less	13 to 24 Months	25 to 60 Months
LAIF	\$ 59,830,298	\$ 59,830,298	\$ -	\$ -
U.S. Agency Securities	5,000,650	1,998,660	-	3,001,990
CAMP	14,346,770	14,346,770	-	-
Medium Term Corporate Notes	2,013,770	-	998,680	1,015,090
Certificates of Deposit	4,553,342	2,253,583	1,526,233	773,526
Held by bond trustee:				
Money Market Mutual Funds	3,278,367	3,278,367	-	-
	<u>\$ 89,023,197</u>	<u>\$ 81,707,678</u>	<u>\$ 2,524,913</u>	<u>\$ 4,790,606</u>

Investment Type	Total	2018		
		Remaining Maturity (in Months)		
		12 Months or Less	13 to 24 Months	25 to 60 Months
LAIF	\$ 78,221,260	\$ 78,221,260	\$ -	\$ -
U.S. Agency Securities	14,869,910	-	1,966,420	12,903,490
CAMP	8,971,933	8,971,933	-	-
Medium Term Corporate Notes	1,955,700	-	-	1,955,700
Certificates of Deposit	4,233,604	247,755	2,230,469	1,755,380
Held by bond trustee:				
Money Market Mutual Funds	4,628,637	4,628,637	-	-
	<u>\$ 112,881,044</u>	<u>\$ 92,069,585</u>	<u>\$ 4,196,889</u>	<u>\$ 16,614,570</u>

NOTE 2 – CASH AND INVESTMENTS (continued)

Credit Risk: Generally, 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 minimum rating required by (where applicable) the California Government Code, the District’s investment policy, or debt agreements, and the actual rating for each investment type as of December 31:

Investment Type	Amount	Minimum Legal Rating	2019				
			AAA/Aaa	Aa1/AA+	A1/A+	A3/A-	Unrated
LAIF	\$ 59,830,298	N/A	\$ -	\$ -	\$ -	\$ -	\$ 59,830,298
U.S. Agency Securities	5,000,650	AAA/Aaa	5,000,650	-	-	-	-
CAMP	14,346,770	N/A	-	-	-	-	14,346,770
Medium Term Corporate Notes	2,013,770	A/A2	998,680	1,015,090	-	-	-
Certificates of Deposit	4,553,342	N/A	-	-	-	-	4,553,342
Held by bond trustee:							
Money Market Mutual Funds	3,278,367	AAA/Aaa	3,278,367	-	-	-	-
	<u>\$ 89,023,197</u>		<u>\$ 9,277,697</u>	<u>\$ 1,015,090</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 78,730,410</u>

Investment Type	Amount	Minimum Legal Rating	2018				
			AAA/Aaa	Aa1/AA+	A1/A+	A3/A-	Unrated
LAIF	\$ 78,221,260	N/A	\$ -	\$ -	\$ -	\$ -	\$ 78,221,260
U.S. Agency Securities	14,869,910	AAA/Aaa	-	14,869,910	-	-	-
CAMP	8,971,933	N/A	-	-	-	-	8,971,933
Medium Term Corporate Notes	1,955,700	A/A2	971,470	984,230	-	-	-
Certificates of Deposit	4,233,604	N/A	-	-	-	-	4,233,604
Held by bond trustee:							
Money Market Mutual Funds	4,628,637	AAA/Aaa	4,628,637	-	-	-	-
	<u>\$ 112,881,044</u>		<u>\$ 5,600,107</u>	<u>\$ 15,854,140</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 91,426,797</u>

Concentration of Credit Risk: The investment policy of the District limited the amount that can be invested in any one issuer to the amount stipulated in the table above. The District invested in the following investments which each represent more than 5% of its total investment in any one issuer (other than U.S. Treasury obligations, mutual funds and external investment pools) as of December 31:

Issuer	Investment Type	2019
None noted in the current year		
Issuer	Investment Type	2018
Federal Home Loan Mortgage Corporation	U.S. Agency Securities	\$ 9,920,280

NOTE 2 – CASH AND INVESTMENTS (continued)

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 fair 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.

At December 31, 2019 and 2018, the carrying amount of the District's deposits was \$3,049,941 and \$4,809,804 and the balance in financial institutions was \$3,971,380 and \$5,762,610, respectively. Of the balance in financial institutions, \$184,964 and \$244,344 was covered by federal depository insurance and \$3,786,416 and \$5,518,266 was collateralized by securities pledged by the financial institution, respectively.

As of December 31, 2019, and 2018, all of the District's securities were held by the District's agent in the District's name and were not exposed to custodial credit risk.

Investment in LAIF: LAIF is stated at fair value. LAIF is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The total fair value amount invested by all public agencies in LAIF is \$26,711,885,343 that is managed by the State Treasurer. Of that amount, 1.62 percent is invested in structured financial instruments. The Local Investment Advisory Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by State Statute. The District records on its books the fair value of its pro-rata share of the value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. The weighted average maturity of investments held by LAIF was 175 and 171 days at December 31, 2019 and 2018, respectively.

Investment in JPA Pool: The only investment in a JPA pool held by the District is the investment in the California Asset Management Trust (CAMP). CAMP was created under the provisions of the California Joint Exercise of Powers Act to provide professional investment management services and allows the participants to combine the use of a money market portfolio with an individually managed portfolio. CAMP is governed by a board of seven trustees, all of whom are officials or employees of public agencies. The money market portfolio offers daily liquidity and is rated Aam by Standard and Poor's. To maintain the Aam rating, the portfolio's weighted average maturity may not exceed 90 days. The fair value of the District's position in CAMP is the same as the value of the pool shares.

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

NOTE 2 – CASH AND INVESTMENTS (continued)

Fair Value Measurement (continued): The District has the following recurring fair value measurements as of December 31:

	2019				2018			
	Fair Value Measurements Using				Fair Value Measurements Using			
	Amount	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Amount	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by Fair Value Level:								
U.S. Agency Securities	\$ 5,000,650	\$ -	\$ 5,000,650	\$ -	\$ 14,869,910	\$ -	\$ 14,869,910	\$ -
Money Market Mutual Funds	3,278,367	-	3,278,367	-	4,628,637	-	4,628,637	-
Medium Term Corporate Notes	2,013,770	-	2,013,770	-	1,955,700	-	1,955,700	-
Certificates of Deposit	4,553,342	-	4,553,342	-	4,233,604	-	4,233,604	-
Total Investments by Fair Value Level	\$ 14,846,129	\$ -	\$ 14,846,129	\$ -	\$ 25,687,851	\$ -	\$ 25,687,851	\$ -
Investments Measured at Net Asset Value:								
LAIIF	\$ 59,830,298				\$ 78,221,260			
CAMP	14,346,770				8,971,933			
Total	\$ 89,023,197				\$ 112,881,044			

All securities and certificates of deposits classified in Level 2 are valued using pricing models based in market data, such as matrix or model pricing from outside pricing services. These valuation techniques include matrix pricing, market corroborated pricing, inputs such as yield curves and indices and reference data including market research publications.

NOTE 3 – CAPITAL ASSETS

Summary: Capital assets are stated at historical cost if purchased or constructed. 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, if material. Easements with indefinite lives are capitalized as part of land and easements, which is not depreciable. Donated capital assets are recorded at the acquisition value, which is the price that would be paid to acquire an asset with equivalent service potential in an orderly market transaction at the acquisition date. Repairs, maintenance and minor replacements of capital assets 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.

Capital assets are depreciated using the straight-line method, 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’s water rights and FERC license are intangible assets. Water rights have an indefinite useful life and are not amortized under GASB Statement No. 51. The District has assigned the useful lives listed below to capital assets and intangible assets:

Description	Estimated Life
Facilities and improvements	30 - 50 years
Buildings and structures	40 - 100 years
Equipment and furniture	5 - 10 years
FERC License	40 years

NOTE 3 – CAPITAL ASSETS (continued)

FERC License Intangible Asset and FERC License Liability: 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. The FERC license is recorded as an intangible asset under GASB Statement No. 51. The cost basis of the FERC license is made up of historical expenses of \$7,856,145 incurred for studies, legal counsel and consultants through the date the license was issued in 2006 as well as an asset recorded when the FERC license liability described below was recorded, which had a balance of \$41,120,059 at December 31, 2017 and 2016. The license is being amortized over the forty-year license term, which ends in 2046. The historical expenses are amortized in the amount of \$196,404 per year using the straight-line method.

The FERC license liability reported on the balance sheet represents the present value of future expenses that are required to be incurred by the District as part of the license agreement, 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 liability is reduced each year as required tasks are completed and the liability is also adjusted for changes in cost estimates of the individual tasks making up the liability as they become known. The completed tasks included in the original FERC license liability are removed from the liability when paid. After consulting with the GASB, the District records any changes in estimates that are removed from the liability as amortization in the capital asset roll-forward.

The remaining FERC license basis (\$41,120,059 original cost less accumulated amortization) at the beginning of each year is amortized using the straight line method over the remaining license term. The change in the FERC license liability and the current portion related to tasks expected to be completed within one year were as follows at December 31:

Balance at January 1, 2019	Payments	Changes in Estimate	Balance at December 31, 2019	Current Portion
\$ 21,967,524	\$ (1,650,608)	\$ (2,393,351)	\$ 17,923,565	\$ 5,721,762

Balance at January 1, 2018	Payments	Changes in Estimate	Balance at December 31, 2018	Current Portion
\$ 21,202,719	\$ (535,940)	\$ 1,300,745	\$ 21,967,524	\$ 3,875,762

NOTE 3 – CAPITAL ASSETS (continued)

Additions and Retirements: Capital assets balances and activity are summarized below:

	Balance at January 1, 2019	Additions/ Completions	Disposals	Transfers and Adjustments	Balance at December 31, 2019
Capital Assets Not Being Depreciated:					
Land and easements	\$ 6,937,877	\$ -	\$ -	\$ 59,341	\$ 6,997,218
Water rights	5,593,579	-	-	-	5,593,579
Construction in progress	55,872,121	30,025,853	(1,799,947)	(16,433,650)	67,664,377
Total Capital Assets Not Being Depreciated	68,403,577	30,025,853	(1,799,947)	(16,374,309)	80,255,174
Capital Assets Being Depreciated:					
Water plant in service	565,317,988	5,475,769	(1,734,532)	10,158,121	579,217,346
Wastewater plant in service	351,086,273	6,184,564	(581,768)	4,014,109	360,703,178
General plant	35,850,091	70,968	(2,475,577)	-	33,445,482
Reclaimed water facility	35,722,031	1,166,044	(12,778)	-	36,875,297
FERC License	48,976,204	-	-	-	48,976,204
Total Capital Assets Being Depreciated	1,036,952,587	12,897,345	(4,804,655)	14,172,230	1,059,217,507
Less Accumulated Depreciation and Amortization:					
Water plant in service	(203,246,739)	(11,970,400)	1,734,532	-	(213,482,607)
Wastewater plant in service	(130,491,809)	(8,749,807)	581,768	-	(138,659,848)
General plant	(23,353,686)	(795,848)	2,475,577	-	(21,673,957)
Reclaimed water facility	(11,461,713)	(872,191)	12,778	-	(12,321,126)
FERC License	(22,057,109)	(3,354,747)	-	-	(25,411,856)
Total Accumulated Depreciation and Amortization	(390,611,056)	(25,742,993)	4,804,655	-	(411,549,394)
Total Capital Assets Being Depreciated, Net	646,341,531	(12,845,648)	-	14,172,230	647,668,113
Total Capital Assets, Net	\$ 714,745,108	\$ 17,180,205	\$ (1,799,947)	\$ (2,202,079)	\$ 727,923,287

Depreciation and amortization expense for the year ended December 31, 2019 was \$23,349,642.

NOTE 3 – CAPITAL ASSETS (continued)

	Balance at January 1, 2018	Additions/ Completions	Disposals	Transfers and Adjustments	Balance at December 31, 2018
Capital Assets Not Being Depreciated:					
Land and easements	\$ 6,872,279	\$ 65,598	\$ -	\$ -	\$ 6,937,877
Water rights	5,593,579	-	-	-	5,593,579
Construction in progress	37,029,611	36,579,602	(1,491,127)	(16,245,965)	55,872,121
Total Capital Assets Not Being Depreciated	49,495,469	36,645,200	(1,491,127)	(16,245,965)	68,403,577
Capital Assets Being Depreciated:					
Water plant in service	550,060,210	3,088,599	(2,597,444)	14,766,623	565,317,988
Wastewater plant in service	347,806,754	2,133,273	(333,096)	1,479,342	351,086,273
General plant	37,461,531	24,332	(1,635,772)	-	35,850,091
Reclaimed water facility	35,011,366	710,665	-	-	35,722,031
FERC License	48,976,204	-	-	-	48,976,204
Total Capital Assets Being Depreciated	1,019,316,065	5,956,869	(4,566,312)	16,245,965	1,036,952,587
Less Accumulated Depreciation and Amortization:					
Water plant in service	(194,388,813)	(11,455,370)	2,597,444	-	(203,246,739)
Wastewater plant in service	(122,284,391)	(8,540,514)	333,096	-	(130,491,809)
General plant	(24,140,571)	(848,887)	1,635,772	-	(23,353,686)
Reclaimed water facility	(10,605,886)	(855,827)	-	-	(11,461,713)
FERC License	(22,442,913)	385,804	-	-	(22,057,109)
Total Accumulated Depreciation and Amortization	(373,862,574)	(21,314,794)	4,566,312	-	(390,611,056)
Total Capital Assets Being Depreciated, Net	645,453,491	(15,357,925)	-	16,245,965	646,341,531
Total Capital Assets, Net	\$ 694,948,960	\$ 21,287,275	\$ (1,491,127)	\$ -	\$ 714,745,108

Depreciation and amortization expense for the year ended December 31, 2018 was \$22,615,540.

NOTE 4 – LONG-TERM LIABILITIES

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 at January 1, 2019	Incurred	Retired	Balance at December 31, 2019	Due Within One Year
State of California Loans	\$ 22,855,212	\$ 11,353,494	\$ -	\$ (1,181,083)	\$ 10,172,411	\$ 1,210,214
Certificates of Participation:						
Revenue, Series 2009A	132,285,000	3,215,000	-	(3,215,000)	-	-
Refunding Revenue, Series 2010A	14,755,000	14,755,000	-	(14,755,000)	-	-
Revenue, Series 2016B	38,600,000	38,600,000	-	-	38,600,000	-
Refunding Revenue Bonds:						
Series 2012A	48,935,000	34,990,000	-	(5,860,000)	29,130,000	3,205,000
Series 2012B (Taxable)	1,750,000	635,000	-	(205,000)	430,000	210,000
Series 2014A	121,190,000	103,255,000	-	(4,185,000)	99,070,000	1,465,000
Series 2016A	17,405,000	17,405,000	-	-	17,405,000	3,180,000
Series 2016C	85,195,000	85,195,000	-	-	85,195,000	-
2003 General Obligation Refunding Bonds	6,000,000	245,000	-	(245,000)	-	-
Total	<u>\$ 488,970,212</u>	<u>309,648,494</u>	<u>-</u>	<u>(29,646,083)</u>	<u>280,002,411</u>	<u>\$ 9,270,214</u>
Bond premiums and discounts		<u>38,853,767</u>	<u>-</u>	<u>(3,222,705)</u>	<u>35,631,062</u>	
Total Debt and Loans		<u>348,502,261</u>	<u>-</u>	<u>(32,868,788)</u>	<u>315,633,473</u>	
Less: due within one year		<u>(9,036,084)</u>	<u>-</u>	<u>(234,130)</u>	<u>(9,270,214)</u>	
Total Long-term Debt		<u>\$ 339,466,177</u>	<u>\$ -</u>	<u>\$ (33,102,918)</u>	<u>\$ 306,363,259</u>	

NOTE 4 – LONG-TERM LIABILITIES (continued)

	Original Issue Amount	Balance at January 1, 2018	Incurred	Retired	Balance at December 31, 2018	Due Within One Year
State of California Loans	\$ 22,855,212	\$ 12,076,100	\$ -	\$ (722,606)	\$ 11,353,494	\$ 1,181,084
Certificates of Participation:						
Revenue, Series 2009A	132,285,000	6,305,000	-	(3,090,000)	3,215,000	3,215,000
Refunding Revenue, Series 2010A	14,755,000	14,755,000	-	-	14,755,000	-
Revenue, Series 2016B	38,600,000	38,600,000	-	-	38,600,000	-
Refunding Revenue Bonds:						
Series 2012A	48,935,000	40,605,000	-	(5,615,000)	34,990,000	2,930,000
Series 2012B (Taxable)	1,750,000	830,000	-	(195,000)	635,000	205,000
Series 2014A	121,190,000	107,240,000	-	(3,985,000)	103,255,000	1,260,000
Series 2016A	17,405,000	17,405,000	-	-	17,405,000	-
Series 2016C	85,195,000	85,195,000	-	-	85,195,000	-
2003 General Obligation Refunding Bonds	6,000,000	485,000	-	(240,000)	245,000	245,000
Total	<u>\$ 488,970,212</u>	<u>323,496,100</u>	<u>-</u>	<u>(13,847,606)</u>	<u>309,648,494</u>	<u>\$ 9,036,084</u>
Bond premiums and discounts		41,839,801	-	(2,986,034)	38,853,767	
Total Debt and Loans		<u>365,335,901</u>	<u>-</u>	<u>(16,833,640)</u>	<u>348,502,261</u>	
Less: due within one year		<u>(7,992,606)</u>	<u>-</u>	<u>(1,043,478)</u>	<u>(9,036,084)</u>	
Total Long-term Debt		<u>\$ 357,343,295</u>	<u>\$ -</u>	<u>\$ (17,877,118)</u>	<u>\$ 339,466,177</u>	

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, 2019, 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, in the aggregate amount of \$22,855,212. The loans bear interest rates that range from 2.32% to 2.60%. The District implemented a water rate surcharge that is collected for debt service payments on these loans. Semi-annual principal and interest payments ranging from \$20,087 to \$186,656 are due on either January 1 and July 1 or April 1 and October 1, through October 1, 2028. Each loan has a maximum term of 20 years.

The following are significant terms that pertain to the State of California Loans (the State): Events of Default: in the event of a late or failed installment payment or the failure to pay off the entire indebtedness to the State when due; if the District fails to comply with any performance agreements or covenants required in the bond agreement; the District shall be considered in default. In the event of default, the State shall give the District a written notice of default, allowing the District ten (10) days to correct the default. If the default is not cured within the ten (10) days, the State will terminate any or all its obligations to the District and will declare all the remaining indebtedness immediately due and payable.

Adjustable Rate Revenue Certificates of Participation, Series 2008A: On April 30, 2008, the District issued Adjustable Refunding Revenue Certificates of Participation, Series 2008A in the amount of \$110,705,000. Proceeds from these certificates were used 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.

The District was required to collect rates and charges from these facilities which will be sufficient to yield net revenues equal to 125% of the debt service payments on this issuance and all other pre-existing debt. Interest rates were variable and are based on weekly auction rates determined by the remarketing agent. Interest rates were capped at 12%.

Principal payments ranging from \$14,020,000 to \$17,730,000 were payable annually on March 1 from March 1, 2030 through March 1, 2036, and interest payments were payable on the first Wednesday of each month, through March 1, 2036.

NOTE 4 – LONG-TERM LIABILITIES (continued)

Adjustable Rate Revenue Certificates of Participation, Series 2008A (continued): The 2008A bonds were supported with an irrevocable direct pay letter of credit (“DPLOC”) issued by Citibank, N.A (“Citibank”). Upon presentation of required documentation, Citibank would be required to pay the Bond Trustee the amount necessary to pay the principal and accrued interest on the bonds. The certificates were advance refunded with the proceeds of the Refunding Revenue Bonds, Series 2016C as described below.

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. Proceeds from these certificates were used 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. The District is required to collect rates and charges from these facilities which will be sufficient to yield net revenues equal to 125% of the debt service payments on this issuance and all other pre-existing debt.

Originally, interest rates ranged from 3.50% to 6.25%. Principal payments ranging from \$2,760,000 to \$9,515,000 were payable annually on August 1, from August 1, 2015 through August 1, 2039, and interest payments ranging from \$273,556 to \$3,652,459 were payable semi-annually on February 1 and August 1, through August 1, 2039. On February 13, 2014, the District issued Refunding Revenue Bonds, Series 2014A, of which a portion of the proceeds were used to advance refund \$99,040,000 of the 2009A certificates. After the 2014A refunding, interest rates ranged from 3.50% to 5.38%.

Principal payments ranging from \$2,760,000 to \$4,035,000 were payable annually on August 1, from August 1, 2015 through August 1, 2024, and interest payments ranging from \$108,441 to \$744,859 were payable semi-annually on February 1 and August 1, through August 1, 2024. Subsequently, on July 12, 2016, the District issued Refunding Revenue Bonds, Series 2016A, of which a portion of the proceeds (\$17,405,000 original issue amount plus a portion of the premium) were used to advance refund an additional \$18,355,000 of the 2009A certificates. After the refunding, interest rates range from 4% to 4.25%. Principal payments ranging from \$2,970,000 to \$3,215,000 are payable annually on August 1, from August 1, 2016 to August 1, 2019, and interest payments ranging from \$136,638 to \$379,038 are payable semiannually on February 1 and August 1, through August 1, 2019.

The following are significant terms that pertain to the 2009A Certificates of Participation: Events of Default: in the event of a late or failed installment payment; if the District fails to comply with any performance agreements or covenants required in the bond agreement; or the District files a petition seeking or is granted an arrangement or reorganization under the federal bankruptcy laws the District shall be considered in default. In event of default, the Corporation has the right, with the written consent of the Bond Insurer, to initiate lawsuit to enforce its rights against the District. Acceleration Clause: In the event of a default, the Corporation, with written consent of the Bond Insurer, may declare the entire principal amount of the unpaid installments and accrued interest to be due and payable immediately.

Refunding Revenue Certificates of Participation, Series 2010A: On February 17, 2010, the District issued Refunding Revenue Certificates of Participation, Series 2010A in the amount of \$14,755,000. Proceeds from these certificates were used to advance refund a portion of the 2003A Revenue Certificates of Participation. The Certificates are payable from the District’s net revenues. The District is required to collect rates and charges from these facilities which will be sufficient to yield net revenues equal to 125% of the debt service payments on this issuance and all other pre-existing debt. Interest rates range from 4.25% to 5.75%. Principal payments ranging from \$4,690,000 to \$5,175,000 are payable annually on March 1, 2022 through March 1, 2024, and interest payments ranging from \$148,781 to \$406,322 are payable semi-annually on March 1 and September 1, through March 1, 2024.

The following are significant terms that pertain to the 2010A Refunding Revenue Bonds: Events of Default: In the event of a late or failed installment payment; if the District fails to comply with any performance agreements or covenants required in the bond agreement; or the District files a petition seeking or is granted an arrangement or reorganization under the federal bankruptcy laws the District shall be considered in default. In event of default, Trustee may, with consent of Bond Insurer, and shall, at the direction of Bond Insurer or the owners of >50% of the bonds (with consent of Bond Insurer) initiate lawsuit. Acceleration Clause: In the event of a default, the Corporation, may declare the entire principal amount of the unpaid installments and accrued interest to be due and payable immediately.

NOTE 4 – LONG-TERM LIABILITIES (continued)

Revenue Certificates of Participation, Series 2016B: On July 12, 2016, the District issued the Revenue Certificates of Participation, Series 2016B in the amount of \$38,600,000. Proceeds from these bonds were used to finance the acquisition of certain facilities for the District's water system. The bonds are payable from the District's net revenues. The District is required to collect rates and charges which will be sufficient to yield net revenues equal to 125% of the debt service payments on this issuance and all other pre-existing debt. Interest rates range from 4% to 5%. Principal payments ranging from \$635,000 to \$8,260,000 are payable annually on March 1, from March 1, 2021 through March 1, 2029, and interest payments ranging from \$206,500 to \$961,825 are payable semi-annually on March 1 and September 1, through March 1, 2029.

The following are significant terms that pertain to the 2016B Certificates of Participation: Events of Default: in the event of a late or failed installment payment; if the District fails to comply with any performance agreements or covenants required in the bond agreement; or the District files a petition seeking or is granted an arrangement or reorganization under the federal bankruptcy laws the District shall be considered in default. In event of default, Trustee may, with consent of Bond Insurer, and shall, at the direction of Bond Insurer or the owners of >50% of the bonds (with consent of Bond Insurer) initiate lawsuit. Acceleration Clause: In the event of a default, the Corporation, may declare the entire principal amount of the unpaid installments and accrued interest to be due and payable immediately.

Refunding Revenue Bonds, Series 2012A: On June 28, 2012, the District issued the Refunding Revenue Bonds, Series 2012A in the amount of \$48,935,000. Proceeds from these bonds combined with Series 2012B were used to advance refund the District's 2003A Revenue Certificates of Participation. The Bonds are payable from the District's net revenues. The District is required to collect rates and charges which will be sufficient to yield net revenues equal to 125% of the debt service payments on this issuance and all other preexisting debt. Interest rates range from 4% to 5%. Principal payments ranging from \$2,035,000 to \$6,430,000 are payable annually on March 1, from March 1, 2017 through March 1, 2029, and interest payments of \$57,400 to \$1,138,656 are payable semi-annually on March 1 and September 1, through March 1, 2029.

The following are significant terms that pertain to the 2012A Refunding Revenue Bonds: Events of Default: in the event of a late or failed installment payment; if the District fails to comply with any performance agreements or covenants required in the bond agreement; or the District files a petition seeking or is granted an arrangement or reorganization under the federal bankruptcy laws the District shall be considered in default. In event of default, Trustee may, with consent of Bond Insurer, and shall, at the direction of Bond Insurer or the owners of >50% of the bonds (with consent of Bond Insurer) initiate lawsuit. Acceleration Clause: In the event of a default, the Corporation, may declare the entire principal amount of the unpaid installments and accrued interest to be due and payable immediately.

Refunding Revenue Bonds, Series 2012B: On June 28, 2012, the District issued the Refunding Revenue Bonds, Series 2012B in the amount of \$1,750,000. Proceeds from these bonds combined with Series 2012A were used to advance refund the District's 2003A Revenue Certificates of Participation. The Bonds are payable from the District's net revenues. The District is required to collect rates and charges which will be sufficient to yield net revenues equal to 125% of the debt service payments on this issuance and all other preexisting debt.

Interest rates range from 1.13% to 3.63%. Principal payments ranging from \$180,000 to \$220,000 are payable annually on March 1, from March 1, 2013 through March 1, 2021, and interest payments of \$3,988 to \$23,281 are payable semi-annually on March 1 and September 1, through March 1, 2021.

The following are significant terms that pertain to the 2012B Refunding Revenue Bonds: Events of Default: in the event of a late or failed installment payment; if the District fails to comply with any performance agreements or covenants required in the bond agreement; or the District files a petition seeking or is granted an arrangement or reorganization under the federal bankruptcy laws the District shall be considered in default. In event of default, Trustee may, with consent of Bond Insurer, and shall, at the direction of Bond Insurer or the owners of >50% of the bonds (with consent of Bond Insurer) initiate lawsuit. Acceleration Clause: In the event of a default, the Corporation, may declare the entire principal amount of the unpaid installments and accrued interest to be due and payable immediately.

NOTE 4 – LONG-TERM LIABILITIES (continued)

Refunding Revenue Bonds, Series 2014A: On February 13, 2014, the District issued the Refunding Revenue Bonds, Series 2014A in the amount of \$121,190,000. Proceeds from these bonds were used to advance refund all of the District's outstanding 2004A Refunding Revenue Certificates of Participation and a portion of the 2009A Revenue Certificates of Participation. The bonds are payable from the District's net revenues. The District is required to collect rates and charges which will be sufficient to yield net revenues equal to 125% of the debt service payments on this issuance and all other pre-existing debt. Interest rates range from 3% to 5.25%. Principal payments ranging from \$210,000 to \$8,915,000 are payable annually on March 1, from March 1, 2015 through March 1, 2039, and interest payments of \$234,019 to \$3,001,056 are payable semi-annually on March 1 and September 1, through March 1, 2039.

The following are significant terms that pertain to the 2014A Refunding Revenue Bonds: Events of Default: in the event of a late or failed installment payment; if the District fails to comply with any performance agreements or covenants required in the bond agreement; or the District files a petition seeking or is granted an arrangement or reorganization under the federal bankruptcy laws the District shall be considered in default. In event of default, Trustee may, with consent of Bond Insurer, and shall, at the direction of Bond Insurer or the owners of >50% of the bonds (with consent of Bond Insurer) initiate lawsuit. Acceleration Clause: In the event of a default, the Corporation, may declare the entire principal amount of the unpaid installments and accrued interest to be due and payable immediately.

Refunding Revenue Bonds, Series 2016A: On July 12, 2016, the District issued the Refunding Revenue Bonds, Series 2016A in the amount of \$17,405,000. Proceeds from these bonds were used to advance refund a portion of the District's outstanding 2009A Revenue Certificates of Participation. The bonds are payable from the District's net revenues. The District is required to collect rates and charges which will be sufficient to yield net revenues equal to 125% of the debt service payments on this issuance and all other pre-existing debt. Interest rates range from 4% to 5%. Principal payments ranging from \$3,180,000 to \$3,825,000 are payable annually on March 1, from March 1, 2020 through March 1, 2024, and interest payments ranging from \$95,625 to \$402,700 are payable semi-annually on March 1 and September 1, through March 1, 2024.

The following are significant terms that pertain to the 2016A Refunding Revenue Bonds: Events of Default: in the event of a late or failed installment payment; if the District fails to comply with any performance agreements or covenants required in the bond agreement; or the District files a petition seeking or is granted an arrangement or reorganization under the federal bankruptcy laws the District shall be considered in default. In event of default, Trustee may, with consent of Bond Insurer, and shall, at the direction of Bond Insurer or the owners of >50% of the bonds (with consent of Bond Insurer) initiate lawsuit. Acceleration Clause: In the event of a default, the Corporation, may declare the entire principal amount of the unpaid installments and accrued interest to be due and payable immediately.

Refunding Revenue Bonds, Series 2016C: On September 20, 2016, the District issued the Revenue Certificates of Participation, Series 2016C in the amount of \$85,195,000. Proceeds from these bonds were used to advance refund the District's outstanding 2008A Revenue Certificates of Participation. The bonds are payable from the District's net revenues. The District is required to collect rates and charges which will be sufficient to yield net revenues equal to 125% of the debt service payments on this issuance and all other pre-existing debt. Interest rates range from 4% to 5%. Principal payments ranging from \$8,810,000 to \$15,905,000 are payable annually on March 1, from March 1, 2030 through March 1, 2036, and interest payments ranging from \$397,625 to \$2,003,675 are payable semi-annually on March 1 and September 1, through March 1, 2036.

The following are significant terms that pertain to the 2016C Refunding Revenue Bonds: Events of Default: in the event of a late or failed installment payment; if the District fails to comply with any performance agreements or covenants required in the bond agreement; or the District files a petition seeking or is granted an arrangement or reorganization under the federal bankruptcy laws the District shall be considered in default. In event of default, Trustee may, with consent of Bond Insurer, and shall, at the direction of Bond Insurer or the owners of >50% of the bonds (with consent of Bond Insurer) initiate lawsuit. Acceleration Clause: In the event of a default, the Corporation, may declare the entire principal amount of the unpaid installments and accrued interest to be due and payable immediately.

NOTE 4 – LONG-TERM LIABILITIES (continued)

2003 General Obligation Refunding Bonds: On December 9, 2003, the District issued the 2003 General Obligation Refunding Bonds in the amount of \$6,000,000. Proceeds from these bonds were used to prepay 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. Interest rates range from 2.0% to 4.5%. Principal payments, ranging from \$240,000 to \$455,000 are payable annually on October 1, 2004, through October 1, 2019, and interest payments, ranging from \$5,513 to \$95,319 are payable semi-annually on April 1 and October 1, through October 1, 2019.

The following are significant terms that pertain to the 2003 General Obligations Bonds: Events of Default: in the event of a late or failed installment payment; if the District fails to comply with any performance agreements or covenants required in the bond agreement; the District shall be considered in default. In event of default, the Bond Holder may, and shall, initiate a lawsuit to compel the District to comply with the terms of the bond. Lawsuit may only be brought forward after the District has been provided written evidence of their status of default and a written notice of and request to cure such failure. Acceleration Clause: In the event of a default, the Corporation, may declare the entire principal amount of the unpaid installments and accrued interest to be due and payable immediately.

Debt Service Requirements: Annual debt service requirements are shown below for the above debt issues at December 31:

Year Ended December 31,	2019		Year Ended December 31,	2018	
	Business-type Activities			Business-type Activities	
	Principal	Interest		Principal	Interest
2020	\$ 9,270,214	\$ 10,157,667	2019	\$ 9,036,084	\$ 14,017,297
2021	12,040,061	12,817,068	2020	15,125,213	14,196,498
2022	7,890,648	12,372,194	2021	12,040,062	13,595,130
2023	8,301,989	12,000,353	2022	12,580,648	13,050,594
2024	8,587,907	11,615,514	2023	13,191,989	12,438,503
2025-2029	77,336,592	48,035,595	2024-2028	74,624,498	51,725,402
2030-2034	85,955,000	28,591,188	2029-2033	82,380,000	32,598,738
2035-2039	70,620,000	7,058,331	2034-2038	81,755,000	10,891,250
			2039	8,915,000	234,019
Total	<u>\$ 280,002,411</u>	<u>\$ 142,647,910</u>	Total	<u>\$ 309,648,494</u>	<u>\$ 162,747,431</u>

Refunding of Debt: In 2017 and 2016, the District defeased \$2,940,000 of the Refunding Revenue Bonds, Series 2014A each year, and in 2017, the District defeased \$2,940,000 of the Refunding Revenue Bonds, Series 2012A by creating a separate irrevocable trust to prepay a portion of the subsequent year debt service payments. This was done to help meet the debt service coverage ratios for the Bonds. The amounts were placed in an escrow account from which principal and interest will be used to make the scheduled principal and interest payments on the defeased Bonds. For financial reporting purposes, the prepaid portion of the Bonds is considered defeased and has been removed from the District’s financial statements.

NOTE 4 – LONG-TERM LIABILITIES (continued)

Refunding of Debt (continued): On July 12, 2016, the District issued the Refunding Revenue Bonds, Series 2016A to advance refund a portion of the outstanding Revenue Certificates of Participation, Series 2009A. The net proceeds of the Bonds were used to purchase securities and these securities were deposited in an irrevocable trust with an escrow agent. The 2009A Certificates were repaid on July 28, 2016. The advance refunding resulted in a difference of \$2,437,904 between the reacquisition price and the net carrying amount of the old debt. The difference, reported in the accompanying financial statements as deferred outflows of resources, is being charged as an addition to interest expense through the year 2024 using the straight-line method. The District completed the advance refunding to reduce its total debt service payments by \$1,961,087, which resulted in an economic gain (difference between the present values of the old and new debt service payments) of \$1,717,084.

On September 20, 2016, the District issued the Refunding Revenue Bonds, Series 2016C to advance refund all of the outstanding Refunding Revenue Certificates of Participation, Series 2008A. The net proceeds of the Bonds were used to purchase securities and these securities were deposited in an irrevocable trust with an escrow agent. The principal of the 2008A Certificates were repaid on October 26, 2016. The advance refunding resulted in a difference of \$1,568,046 between the reacquisition price and the net carrying amount of the old debt. The difference, reported in the accompanying financial statements as deferred outflows of resources, is being charged as an addition to interest expense through the year 2036 using the straight-line method. The District completed the advance refunding to refinance the variable rate debt at fixed interest rates to protect against future interest rate increases. Due to the variable interest on the 2008A Certificates, the economic gain or loss could not be computed.

At December 31, 2019 and 2018, the amounts held in escrow (including interest earned) for the payment of outstanding Bonds that are considered defeased were as follows:

	2019	2018
Refunding Revenue Bonds, Series 2012A	\$ 2,930,000	\$ 2,995,925
Refunding Revenue Bonds, Series 2014A	2,925,000	2,998,125

Pledged Revenues: The District has pledged future water and wastewater system revenues, net of specified operating expenses, to repay its 2009A, 2010A and 2016B Certificates of Participation in the original amounts of \$132,285,000, \$14,755,000 and \$38,600,000, respectively, and to repay its 2012A, 2012B, 2014A, 2016A and 2016C Refunding Revenue Bonds in the original amounts of \$48,935,000, \$1,750,000, \$121,190,000, \$17,405,000 and \$85,195,000, respectively.

Proceeds of the Certificates and Bonds were used to refund certain debt issuances as described above and to fund improvements to the District's water and wastewater systems. The Certificates and Bonds are payable solely from water and wastewater system revenues and are payable through March 1, 2039. Annual principal and interest payments on the Certificates and Bonds are expected to be 75% or less of net revenues as required by the Bond indentures. The December 31, 2019 and 2018, principal and interest payments were 38% of net revenues each year. Total principal and interest remaining to be paid on the Certificates and Bonds were \$411,371,094 and \$459,664,069 at December 31, 2019 and 2018, respectively. Cash basis principal and interest paid on the Certificates and Bonds were \$11,034,450 and \$11,048,531 (including parity debt payments, but not including defeased amounts), and total water and wastewater system net revenues calculated in accordance with the covenants were \$45,306,863 and \$49,259,396 at December 31, 2019 and 2018, respectively.

NOTE 5 – NET POSITION

Net Position is the excess of all the District's assets and deferred outflows of resources over all its liabilities and deferred inflows of resources. Net Position is divided into three categories as follows:

Net Investment in Capital Assets describes the portion of net position which is represented by the current net book value of the District's capital assets, less the outstanding balance of any debt issued to finance these assets. The FERC license liability also reduces the net investment in capital assets.

NOTE 5 – NET POSITION (continued)

Restricted describes the portion of net position which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions which the District cannot unilaterally alter. These principally include facility capacity fees received for use on capital projects, fees charged for the provision of future water resources and debt service reserve funds reported as restricted cash and cash equivalents, less certain unearned revenues included in restricted assets.

Unrestricted describes the portion of net position which is not restricted as to use.

NOTE 6 – EMPLOYEE RETIREMENT PLAN

Plan Description: All qualified permanent and probationary employees are eligible to participate in the District’s Miscellaneous Plan, an agent multiple-employer defined benefit pension plan administered by the California Public Employees’ Retirement System (CalPERS), which acts as a common investment and administrative agent for its participating member employers. Benefit provisions under the Plan are established by State statute and District resolution. CalPERS issues a publicly available report that includes a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits Provided: CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after five years of service. The death benefit is the Basic Death Benefit. One agent plan is used for all three of the District’s rate plans. The cost of living adjustments for each plan are applied as specified by the Public Employees’ Retirement Law.

The Plans’ provisions and benefits in effect for the years ended December 31, are summarized as follows for each rate plan:

Hire Date	2019			2018		
	Miscellaneous Plan (Prior to January 1, 2010)	Miscellaneous Plan (Prior to January 1, 2013)	Miscellaneous Plan (Prior to January 1, 2013)	Miscellaneous Plan (Prior to January 1, 2010)	Miscellaneous Plan (Prior to January 1, 2013)	Miscellaneous Plan (Prior to January 1, 2013)
Benefit formula (at full retirement)	2.7% @ 55	2.0% @ 55	2.0% @ 62	2.7% @ 55	2.0% @ 55	2.0% @ 62
Benefit vesting schedule	5 years service	5 years service	5 years service	5 years service	5 years service	5 years service
Benefits payments	monthly for life	monthly for life	monthly for life	monthly for life	monthly for life	monthly for life
Retirement age	50-63	50-63	52-67	50-63	50-63	52-67
Monthly benefits, as a % of eligible compensation	2.0% to 2.7%	1.426% to 2.418%	1.0% to 2.5%	2.0% to 2.7%	1.426% to 2.418%	1.0% to 2.5%
Required employee contribution rates:						
July 1 to December 31	8.000%	7.000%	6.250%	8.000%	7.000%	6.250%
January 1 to June 30	8.000%	7.000%	6.250%	8.000%	7.000%	6.250%
Required employer contribution rates:						
July 1 to December 31	38.504%	38.504%	38.504%	34.236%	34.236%	34.236%
January 1 to June 30	34.236%	34.236%	34.236%	31.257%	31.257%	31.257%

The Public Employees’ Pension Reform Act of 2013 (PEPRA) requires the 2.0% at 62 benefit to be used by any new participants that were not members of CalPERS on January 1, 2013.

NOTE 6 – EMPLOYEE RETIREMENT PLAN (continued)

Employees Covered: At the June 30, 2019 and 2018 measurement dates, the measurement dates used for the December 31, 2019 and 2018 pension liabilities, the following employees were covered by the benefit terms for the Plan:

	2019	2018
Inactive employees or beneficiaries currently receiving benefits	301	290
Inactive employees entitled to but not yet receiving benefits	153	150
Active employees	211	204
Total	665	644

Contributions: Section 20814(c) of the California Public Employees’ Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

Net Pension Liability: The District’s net pension liability for the Plan is measured as the total pension liability, less the plan’s fiduciary net position. The net pension liability of the Plan is measured as of June 30, 2019 and 2018, using an annual actuarial valuation as of June 30, 2018 and 2017 rolled forward to June 30, 2019 and 2018, respectively.

Actuarial Assumptions: The total pension liability at the June 30, 2018 and 2017, measurement dates was determined using the following actuarial assumptions:

	2019	2018
Valuation date	June 30, 2018	June 30, 2017
Measurement date	June 30, 2019	June 30, 2018
Actuarial cost method	Entry-Age Normal Cost Method	Entry-Age Normal Cost Method
Actuarial assumptions:		
Discount rate	7.15%	7.15%
Inflation	2.50%	2.75%
Payroll growth	2.75%	3.00%
Projected salary increase	3.2% - 12.2% (1)	3.2% - 12.2% (1)
Investment rate of return	7.375% (2)	7.50% (2)
Mortality - pre-retirement	0.020% to 0.99%	0.020% to 0.99%

(1) Depending on entry age and service.

(2) Including inflation.

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2019 and 2018 valuations were based on the results of a January 2014 actuarial experience study for the period 1997 to 2011. Further details of the Experience Study can be found on the CalPERS website.

Discount Rate: The discount rate used to measure the total pension liability was 7.15% and 7.15% in the June 30, 2018 and 2017 valuations, respectively, for the Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for the plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans ran out of assets. Therefore, the current discount rate is adequate, and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

NOTE 6 – EMPLOYEE RETIREMENT PLAN (continued)

Discount Rate (continued): According to Paragraph 30 of Statement 68, the long-term discount rate should be determined without reduction for pension plan administrative expense. The 7.15% and 7.15% investment return assumption used at the June 30, 2019 and 2018 measurement dates was corrected to no longer be reduced for administrative expenses. Administrative expenses are assumed to be 15 basis points. CalPERS checked the materiality threshold for the difference in calculation and did not find it to be a material difference.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS considered both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The following table reflects the long-term expected real rate of return by asset class for the Plan as of the measurement dates of June 30. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

Asset Class	2019			2018		
	New Strategic Allocation	Real Return Years 1 -10(a)	Real Return Years 11+(b)	New Strategic Allocation	Real Return Years 1 -10(c)	Real Return Years 11+(d)
Global Equity	50%	4.80%	5.98%	50%	4.80%	5.98%
Global Fixed Income	28%	1.00%	2.62%	28%	1.00%	2.27%
Inflation Sensitive	0%	0.77%	1.81%	0%	77.00%	1.39%
Private Equity	8%	6.30%	7.23%	8%	6.30%	6.63%
Real Estate	13%	3.75%	4.93%	13%	3.75%	5.21%
Liquidity	1%	0.00%	0.92%	1%	0.00%	-0.90%
Total	<u>100%</u>			<u>100%</u>		

(a) An expected inflation of 2.00% used for this period.

(b) An expected inflation of 2.92% used for this period.

(c) An expected inflation of 2.00% used for this period.

(d) An expected inflation of 2.92% used for this period.

NOTE 6 – EMPLOYEE RETIREMENT PLAN (continued)

Changes in the Net Pension Liability: The changes in Net Pension Liability for the Plan for the years ended December 31 are as follows:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) c = (a)-(b)
Balance at December 31, 2017	\$ 158,868,337	\$ 97,848,439	\$ 61,019,898
Changes In the Year:			
Service cost	2,956,363	-	2,956,363
Interest on the total pension liability	11,221,578	-	11,221,578
Differences between expected and actual experience	2,012,894	-	2,012,894
Changes in assumptions	(1,362,651)	-	(1,362,651)
Plan to plan resource movement	-	(241)	241
Contributions from the employer	-	5,385,887	(5,385,887)
Contributions from employees	-	1,235,675	(1,235,675)
Net investment income	-	8,141,311	(8,141,311)
Benefit payments, including refunds of employee contributions	(8,103,228)	(8,103,228)	-
Administrative expense	-	(152,475)	152,475
Other miscellaneous income (expense)	-	(289,552)	289,552
Net Change	<u>6,724,956</u>	<u>6,217,377</u>	<u>507,579</u>
Balance at December 31, 2018	<u>165,593,293</u>	<u>104,065,816</u>	<u>61,527,477</u>
Changes In the Year:			
Service cost	2,986,838	-	2,986,838
Interest on the total pension liability	11,751,115	-	11,751,115
Differences between expected and actual experience	1,500,977	-	1,500,977
Contributions from the employer	-	5,994,574	(5,994,574)
Contributions from employees	-	1,268,902	(1,268,902)
Net investment income	-	6,754,273	(6,754,273)
Benefit payments, including refunds of employee contributions	(8,472,835)	(8,472,835)	-
Administrative expense	-	(74,264)	74,264
Other miscellaneous income (expense)	-	241	(241)
Net Change	<u>7,766,095</u>	<u>5,470,891</u>	<u>2,295,204</u>
Balance at December 31, 2019	<u>\$ 173,359,388</u>	<u>\$ 109,536,707</u>	<u>\$ 63,822,681</u>

NOTE 6 – EMPLOYEE RETIREMENT PLAN (continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate: The following presents the net pension liability of the District for the Plan, calculated using the discount rate for the Plan, as well as what the District’s net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	Discount Rate - 1% (6.15%)	Current Discount Rate 7.15%	Discount Rate + 1% (8.15%)
2019			
Net Pension Liability	\$ 86,109,111	\$ 63,822,681	\$ 45,287,830
	Discount Rate - 1% (6.15%)	Current Discount Rate 7.15%	Discount Rate + 1% (8.15%)
2018			
Net Pension Liability	\$ 83,088,178	\$ 61,527,477	\$ 43,620,202

Pension Plan Fiduciary Net Position: Detailed information about the Plan’s fiduciary net position is available in the separately issued CalPERS financial reports.

Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions: For the years ended December 31, 2019 and 2018, the District recognized pension expense of \$10,032,041 and \$8,253,921, respectively. As of December 31, the District reported deferred outflows of resources and deferred inflows of resources related to the Plan from the following sources:

	2019		2018	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 3,504,337	\$ -	\$ 2,847,133	\$ -
Differences between expected and actual experiences	1,746,174	(101,352)	1,388,329	(1,114,872)
Changes in assumptions	281,889	(483,521)	3,100,768	(923,086)
Net differences between projected and actual earnings	-	(450,967)	283,347	-
Total	\$ 5,532,400	\$ (1,035,840)	\$ 7,619,577	\$ (2,037,958)

The \$3,504,337 and \$2,847,133 reported as deferred outflows of resources related to contributions subsequent to the measurement dates of June 30, 2019 and 2018, will be recognized as a reduction of the net pension liability in the years ended December 31, 2020 and 2019, respectively.

NOTE 6 – EMPLOYEE RETIREMENT PLAN (continued)

Other amounts reported as net deferred outflows of resources related to pensions will be recognized as pension expense as follows as of December 31:

Year Ended December 31,	2019	2018
2019	\$ -	\$ 3,267,872
2020	1,265,312	672,835
2021	(365,062)	(957,539)
2022	(31,448)	(248,682)
2023	123,421	-
Total	<u>\$ 992,223</u>	<u>\$ 2,734,486</u>

Payables to the Pension Plan: At December 31, 2019 and 2018, the District reported payables of \$454,055 and \$312,208, respectively, for the outstanding amounts of required contributions to the Plan.

NOTE 7 – OTHER POSTEMPLOYMENT BENEFITS PLAN

Plan Description: The District’s other postemployment benefits (OPEB) healthcare plan (the Plan), an agent multiple-employer plan, provides medical benefits to employees that directly retire from the District and their eligible dependents, subject to a monthly limitation pursuant to Government Code Section 22892, as amended by AB 2544. To be 100% vested in the District’s retiree medical benefits, an employee hired before January 1, 2010, must have a minimum of five years of service with the District and/or other CalPERS member agencies. To be 50% vested in the District’s retiree medical benefits, an employee hired on or after January 1, 2010, must have a minimum of ten years of service, of which a minimum of five years must be service with the District. Thereafter, the percentage of vesting increases by 5% each additional year of service through year 20 at which point an employee will be 100% vested. The District’s Board of Directors has the authority to establish and amend benefit provisions. On October 24, 2011, the District’s Board passed a resolution to participate in the California Employers Retirees Benefit Trust (CERBT), an irrevocable trust established to fund OPEB. CERBT is administrated by CalPERS and is managed by an appointed board not under the control of District’s Board of Directors. Separately issued financial statements for CERBT may be obtained from CalPERS at P.O. Box 942709, Sacramento, CA 94229-2709.

Funding Policy: The contribution requirements of plan members and the District are established and may be amended by the Board of Directors. The 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 Association of El Dorado Irrigation District Employees. The required contribution is based on projected pay-as-you-go financing requirement. For the year ended December 31, 2019 and 2018, the District contributed approximately \$1,584,116 and \$1,557,763, respectively to the Plan. Plan members did not make any contributions to the Plan.

Employees Covered: At June 30, 2019 and 2018, the following employees were covered by the benefit terms:

	2019	2018
Inactive employees or beneficiaries currently receiving benefit payments	190	172
Active employees	208	215
	<u>398</u>	<u>387</u>

NOTE 7 – OTHER POSTEMPLOYMENT BENEFITS PLAN (continued)

Net OPEB Liability: The District’s Net OPEB Liability balances of \$21,144,360 and \$25,984,582 were measured as of June 30, 2019 and 2018.

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability (Asset)
Balance at December 31, 2017	\$ 30,298,412	\$ 9,090,126	\$ 21,208,286
Changes In the Year:			
Service cost	665,777	-	665,777
Interest on the total OPEB liability	1,731,440	-	1,731,440
Changes in assumptions	4,651,854	-	4,651,854
Contributions from the employer	-	1,557,763	(1,557,763)
Net investment income	-	723,987	(723,987)
Benefit payments, including refunds of employee contributions	(1,557,763)	(1,557,763)	-
Administrative expense	-	(16,882)	16,882
Other	-	7,907	(7,907)
Net Change	5,491,308	715,012	4,776,296
Balance at December 31, 2018	35,789,720	9,805,138	25,984,582
Changes In the Year:			
Service cost	684,086	-	684,086
Interest on the total OPEB liability	2,049,703	-	2,049,703
Differences between expected and actual experience	(848,796)	-	(848,796)
Changes in assumptions	(4,538,135)	-	(4,538,135)
Contributions from the employer	-	1,584,116	(1,584,116)
Net investment income	-	605,065	(605,065)
Benefit payments, including refunds of employee contributions	(1,584,116)	(1,584,116)	-
Administrative expense	-	(2,101)	2,101
Net Change	(4,237,258)	602,964	(4,840,222)
Balance at December 31, 2019	\$ 31,552,462	\$ 10,408,102	\$ 21,144,360

Actuarial Assumptions and Other Inputs: The total OPEB liability in the June 30, 2019 and 2018, actuarial valuations were determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

	2019	2018
Inflation	2.75%	2.75%
Salary increases	2.75%	2.75%
Discount rate	7.00%	5.80%
Medical/Rx trend rate	4.00%	4.00%
Dental/vision trend rate	4.00%	4.00%

NOTE 7 – OTHER POSTEMPLOYMENT BENEFITS PLAN (continued)

Actuarial Assumptions and Other Inputs (continued): Pre-retirement mortality assumptions are based on the 2014 CalPERS Active Mortality for Miscellaneous Employees table created by CalPERS. CalPERS periodically studies mortality for participating agencies and establishes mortality tables that are modified versions of commonly used tables. This table incorporates mortality projection as deemed appropriate based on CalPERS analysis. Post-retirement mortality assumptions are based on the 2014 CalPERS Retiree Mortality for Miscellaneous Employees table created by CalPERS. CalPERS periodically studies mortality for participating agencies and establishes mortality tables that are modified versions of commonly used tables. This table incorporates mortality projection as deemed appropriate based on CalPERS analysis.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate: The following presents the Net OPEB Liability of the District, as well as what the District’s Net OPEB Liability would be if it were calculated using discount rate that is 1-percentage point lower or 1-percentage point higher than the current discount rate:

	Current		
	Discount Rate	Discount Rate	Discount Rate
2019	- 1% (6.000%)	7.00%	+ 1% (8.00%)
Net OPEB Liability	\$ 24,853,365	\$ 21,144,360	\$ 18,040,643
	Current		
	Discount Rate	Discount Rate	Discount Rate
2018	- 1% (4.80%)	5.80%	+ 1% (6.80%)
Net OPEB Liability	\$ 30,930,983	\$ 25,984,582	\$ 22,382,783

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates: The following presents the Net OPEB Liability of the District, as well as what the District’s Net OPEB Liability would be if it were calculated using healthcare cost trend rates that are 1-percentage point lower or 1-percentage point higher than the current healthcare cost trend rates:

	Current		
	Trend Rate	Healthcare Trend Rate	Trend Rate
2019	- 1% (3.00%)	4.00%	+ 1% (5.00%)
Net OPEB Liability	\$ 17,977,657	\$ 21,144,360	\$ 24,831,307
	Current		
	Trend Rate	Healthcare Trend Rate	Trend Rate
2018	- 1% (3.00%)	4.00%	+ 1% (5.00%)
Net OPEB Liability	\$ 18,128,982	\$ 25,984,582	\$ 31,203,771

NOTE 7 – OTHER POSTEMPLOYMENT BENEFITS PLAN (continued)

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB: For the years ended December 31, 2019 and 2018, the District recognized OPEB expense of \$2,087,790 and \$2,539,607. At December 31, the District reported deferred outflows of resources and deferred inflows or resources related to the Plan from the following sources:

	2019		2018	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	\$ 851,097	\$ -	\$ 788,176	\$ -
Differences between expected and actual experiences	-	(737,112)	-	-
Changes in assumptions	-	(563,639)	4,014,613	-
Net differences between projected and actual earnings	-	(147,491)	-	(157,799)
Total	<u>\$ 851,097</u>	<u>\$ (1,448,242)</u>	<u>\$ 4,802,789</u>	<u>\$ (157,799)</u>

The \$851,097 and \$788,176 reported as deferred outflows of resources related to contributions subsequent to the measurement dates of June 30, 2019 and 2018, will be recognized as a reduction of the net pension liability in the years ended December 31, 2020 and 2019, respectively. Other amounts reported as deferred outflows and deferred inflows of resources will be recognized in the OPEB expense as follows:

Year Ended December 31,	2019	2018
2019	\$ -	\$ 964,204
2020	(118,303)	964,204
2021	(118,303)	964,204
2022	(118,302)	964,202
2023	(78,851)	-
2024	(71,567)	-
Thereafter	(942,916)	-
Total	<u>\$ (1,448,242)</u>	<u>\$ 3,856,814</u>

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 insured up to the amounts specified below for claims related to the following coverages:

Coverage	Commercial Insurance	Deductible
General District and Hydroelectric Project 184:		
General liability	\$ 55,000,000	\$ 100,000
Property - excluding Hydroelectric Project 184	500,000,000	5,000
Crime, fraud, forgery and employee theft	100,000	1,000
Public officials and management liability	40,000,000	100,000
Cyber liability	3,000,000	50,000
Commercial automobile	1,000,000	1,000
Excess - umbrella liability	10,000,000	None
Workers' Compensation liability	Statutory	None
Hydroelectric Project 184:		
Property damage (declared value - \$99,467,527)	99,467,527	10,000 to 1,000,000
Business interruption	11,025,000	None
Boiler and machinery equipment	50,000,000	10,000 to 1,000,000

The District purchases commercial insurance for first and third party claims up to the stated coverage limits. 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. The reserve for claims and claims expense 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, 2019, and 2018, the entire claims liability is reported as a current liability on the balance sheet. Changes in the District’s claims liability amount in 2019 and 2018 were as follows:

Reserve for Claims and Claim Expenses as of December 31, 2017	\$ 833,000
Current year incurred claims and changes in estimates	276,929
Net (payments) recoveries	<u>(276,929)</u>
Reserve for claims and claim expenses as of December 31, 2018	833,000
Current year incurred claims and changes in estimates	301,016
Net (payments) recoveries	<u>(301,016)</u>
Reserve for Claims and Claim Expenses as of December 31, 2019	<u><u>\$ 833,000</u></u>

NOTE 9 – COMMITMENTS AND CONTINGENT LIABILITIES

Capital Project Commitments:

The District had the following capital project commitments outstanding as of December 31, 2019:

Project	Amount
Forebay Dam Modifications	\$ 1,664,366
Flume 44 Canal Conversion	132,814
Outingdale Lower Tank Replace	140,018
Moose Hall PRS Upgrade	129,682
Flume 30 Rehab Project	1,058,609
Critical Water Facility Generators	1,275,497
Flume 44 Canal Conversion	1,628,191
Outingdale Lower Tank Replace	106,608
Flume 44 Canal Conversion	4,016,249
Outingdale Lower Tank Replace	191,295
Moose Hall PRS Upgrade	263,123
Flume 30 Rehab Project	140,532
Critical Water Facility Generators	163,671
Flume 44 Canal Conversion	379,328
Outingdale Lower Tank Replace	108,683
Moose Hall PRS Upgrade	416,361
Flume 30 Rehab Project	167,447
Critical Water Facility Generators	118,140
Main Ditch-Forebay to Res 1	231,198
Total	<u>\$ 12,331,812</u>

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.

Other Contingencies: On February 6, 1996, the District purchased the Texas Hill property from the County under an installment purchase agreement for the potential development of the Texas Hill Reservoir. A contingent payment of \$3,378,360, consisting of \$1,533,000 in principal and \$1,845,360 of interest imputed at 5%, would be due if and when the District obtains construction financing for and commences construction of the Texas Hill Reservoir.

In March 2013, the District approved the Integrated Water Resources Master Plan that no longer includes this project in the District’s future capital plans. As a result, the \$1,533,000 liability and related land was removed from the balance sheet in 2013. It is at least reasonably possible the project could be added back to the District’s capital plan in the future and this liability could potentially need to be paid. Also, 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 would be restricted 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 would be due to the County.

NOTE 9 – COMMITMENTS AND CONTINGENT LIABILITIES (continued)

Grant Awards: The District receives funding from federal, state and local grant programs, principally the U.S. Department of Homeland Security Public Assistance (Presidentially Declared Disasters) and the California Office of Emergency Services (CalOES) grants. These programs are subject to financial and compliance review by the grantors. Accordingly, the District's compliance with applicable grant requirements will be determined at some future date. Expenditures, if any, which may be disallowed by the granting agencies, cannot be determined at this time. The District does not expect the undeterminable amounts of disallowed expenditures, if any, to materially affect the basic financial statements. Receipt of these federal, state and local grant revenues is not assured in the future.

NOTE 10 – SUBSEQUENT EVENTS

COVID-19 Pandemic: The spread of the novel strain of coronavirus and the disease it causes (now known as “COVID-19”) is having significant negative impacts throughout the world, including in California. The World Health Organization has declared the COVID-19 outbreak to be a pandemic, and states of emergency have been declared by the United States, the State, and numerous counties throughout the State. The purpose behind these declarations are to coordinate and formalize emergency actions and across federal, state and local governmental agencies, and to proactively prepare for a wider spread of the virus.

To date there have been a number of confirmed cases of COVID-19 in the State, including within the District’s service area, and health officials are expecting the number of confirmed cases to grow. The outbreak has resulted in the imposition of restrictions on mass gatherings and widespread temporary closings of businesses, universities and schools. The United States is restricting certain non-United States citizens and permanent residents from entering the country. In addition, financial markets in the United States and globally have been volatile, with significant declines attributed to coronavirus concerns.

Potential impacts to the District associated with the COVID-19 outbreak include, but are not limited to, increasing costs and challenges to the public health system in and around the District’s service area, cancellations of public events and disruption of the regional and local economy with corresponding decreases in the District’s revenues. Further, an economic downturn affecting the District’s service area could have an adverse impact on development activities within the District’s service area, which would have a corresponding adverse effect on the receipt of facilities capacity fees by the District.

On March 19, 2020, El Dorado County issued a directive which, among other things (i) directs individuals to remain at their place of residence and to the extent possible, maintain social distancing when outside of their residence, (ii) directs all businesses except certain essential businesses (including, but not limited to, healthcare operations and essential infrastructure, grocery stores and other establishments engaged in the retail sale of food, gas stations, and banks and related financial institutions) to cease activities at facilities located within El Dorado County; and (iii) prohibits public and private gatherings of any number of people outside of a household or living unit except for certain limited purposes (including the aforementioned essential businesses). El Dorado County’s directive expired on April 30, 2020. El Dorado County’s Public Health Officer advised residents that going forward, they should be informed by and adhere to Governor Newsom’s executive orders issued in response to the COVID-19 outbreak.

In response to the outbreak of COVID-19, on March 19, 2020, Governor Newsom ordered all individuals living in the State to stay home or at their place of residence, except as needed to maintain continuity of operation of the critical infrastructure sectors, critical government services, schools, and construction.

NOTE 10 – SUBSEQUENT EVENTS (continued)

COVID-19 Pandemic (continued): In addition, on April 2, 2020, Governor Newsom signed Executive Order N-42-20 (“Order N-42-20”), which, among other things, (i) suspends the authority of water systems, such as the District, from suspending water service for non-payment, (ii) orders that residential service to occupied residences that has been discontinued for nonpayment since March 4, 2020 be restored and (iii) provides that the SWRCB will identify best practices, guidelines, or both to be implemented during the COVID-19 emergency (a) to address non-payment or reduced payments, (b) to promote and to ensure continuity of service by water systems and wastewater systems, and (c) to provide measures such as the sharing of supplies, equipment and staffing to relieve water systems under financial distress. Order N-42-20 does not eliminate the obligation of water customers to pay for water service, prevent a water system, such as the District, from charging a customer for such service, or reduce the amount a customer already may owe to a water system, such as the District.

The COVID-19 outbreak is ongoing, and the ultimate geographic spread of the virus, the duration and severity of the outbreak and the economic and other actions that may be taken by governmental authorities to contain the outbreak or to treat its impact are uncertain. The ultimate impact of COVID-19 on the operations and finances of the District is unknown.





El Dorado Irrigation District



Required Supplementary Information

Required Supplementary Information

**EL DORADO IRRIGATION DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
DECEMBER 31, 2019**

Last 10 Fiscal Years*

	2019	2018	2017	2016	2015	2014
Total Pension Liability						
Service cost	\$ 2,986,838	\$ 2,956,363	\$ 3,151,272	\$ 2,878,951	\$ 2,888,487	\$ 3,045,056
Interest on total pension liability	11,751,115	11,221,578	10,739,150	10,560,122	10,043,296	9,474,913
Differences between expected and actual experience	1,500,977	2,012,894	(3,141,912)	396,099	942,590	-
Changes in assumptions	-	(1,362,651)	8,738,526	-	(2,422,709)	-
Benefit payments, including refunds of employee contributions	(8,472,835)	(8,103,228)	(7,288,681)	(6,740,877)	(6,393,532)	(5,624,104)
Net Change in Total Pension Liability	7,766,095	6,724,956	12,198,355	7,094,295	5,058,132	6,895,865
Total Pension Liability- Beginning	165,593,293	158,868,337	146,669,982	139,575,687	134,517,555	127,621,690
Total Pension Liability- Ending (a)	<u>\$ 173,359,388</u>	<u>\$ 165,593,293</u>	<u>\$ 158,868,337</u>	<u>\$ 146,669,982</u>	<u>\$ 139,575,687</u>	<u>\$ 134,517,555</u>
Plan Fiduciary Net Position						
Contributions- employer	\$ 5,994,574	\$ 5,385,887	\$ 4,753,091	\$ 4,362,691	\$ 4,215,653	\$ 4,192,549
Contributions- employees	1,268,902	1,235,675	1,248,371	1,238,756	1,303,549	1,302,577
Plan to plan resource movement	-	(241)	-	-	122,751	-
Net investment income	6,754,273	8,141,311	9,951,126	493,362	1,992,726	13,171,005
Administrative expense	(74,264)	(152,475)	(131,870)	(54,861)	(101,222)	-
Other miscellaneous income (expense)	241	(289,552)	-	-	-	-
Benefit payments	(8,472,835)	(8,103,228)	(7,288,681)	(6,740,877)	(6,393,532)	(5,624,104)
Net Change in Plan Fiduciary Net Position	5,470,891	6,217,377	8,532,037	(700,929)	1,139,925	13,042,027
Total Plan Fiduciary Net Position- Beginning	104,065,816	97,848,439	89,316,402	90,017,331	88,877,406	75,835,379
Total Plan Fiduciary Net Position- Ending (b)	<u>\$ 109,536,707</u>	<u>\$ 104,065,816</u>	<u>\$ 97,848,439</u>	<u>\$ 89,316,402</u>	<u>\$ 90,017,331</u>	<u>\$ 88,877,406</u>
Net Pension Liability- Ending (a)-(b)	<u>\$ 63,822,681</u>	<u>\$ 61,527,477</u>	<u>\$ 61,019,898</u>	<u>\$ 57,353,580</u>	<u>\$ 49,558,356</u>	<u>\$ 45,640,149</u>
Plan fiduciary net position as a percentage of the total pension liability	63.18%	62.84%	61.59%	60.90%	64.49%	66.07%
District's covered payroll						
Plan Measurement Period	16,704,911	16,170,895	16,678,690	16,650,960	16,423,990	16,545,625
Net pension liability as a percentage of covered payroll	382.06%	380.48%	365.86%	344.45%	301.74%	275.84%
Notes to Schedule:						
Valuation Date:	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013
Measurement Date:	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014

Change in Benefit Terms: The figures above do not include any liability impact that may have resulted from plan changes which occurred after valuation dates. This applies for voluntary benefit changes as well as any offers of Two Years of Additional Service Credit (a.k.a. Golden Handshakes).

Changes of Assumptions: None in 2019. In 2018, demographic assumptions and inflation rate were changed in accordance with the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate. In 2017, the discount rate was reduced from 7.65 percent to 7.15 percent. In 2016, there were no changes. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense.) In 2014, amounts reported were based on the 7.5 percent discount rate.

*Omitted Years: GASB Statement No. 68 was implemented during the year ended December 31, 2014. No information was available prior to this date.

**EL DORADO IRRIGATION DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS – PENSION PLAN
DECEMBER 31, 2019**

Last 10 Fiscal Years*	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	\$ 5,994,574	\$ 5,385,887	\$ 4,867,978	\$ 4,597,903	\$ 4,459,329	\$ 4,175,916
Contributions in relation to the actuarially determined contribution	(5,994,574)	(5,385,887)	(4,867,978)	(4,597,903)	(4,459,329)	(4,175,916)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered payroll - Fiscal Year	\$ 19,465,001	\$ 18,030,352	\$ 17,837,043	\$ 16,299,704	\$ 16,741,822	\$ 16,165,740
Contributions as a percentage of covered payroll	30.80%	29.87%	27.29%	28.21%	26.64%	25.83%

Notes to Schedule:

Valuation Date:	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013
Measurement Date:	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014

Methods and assumptions used to determine contributions rates:

Actuarial Cost Method	Entry Age Normal Cost Method
Amortization Method	Level Percentage of Payroll
Average Remaining Amortization Period	20 Years (2019-2016), 21 Years (2015), 24 Years (2014)
Asset Valuation Method	Market Value (2019-2016), 15-year Smoothed Market (2015 and 2014). For details see June 30, 2015 Funding Valuation Report.
Inflation	2.75%
Salary Increases	Varies by entry age and service
Payroll Growth	3.00%
Investment Rate of Return	7.375% (2019), 7.5% (2018 & 2017), 7.65% (2016 and 2015) and 7.5%, Net of Administrative Expenses (2014), Including Inflation.
Retirement Age	Probabilities of Retirement are Based on the 2014 CalPERS Experience Study for the Period 1997 to 2011.
Mortality	Based on 2014 CalPERS Experience Study for the Period 1997 to 2011.

*Omitted Years: GASB Statement No. 68 was implemented during the year ended December 31, 2014. No information was available prior to this date.

**EL DORADO IRRIGATION DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
DECEMBER 31, 2019**

Last 10 Fiscal Years*	2019	2018	2017
Total OPEB Liability			
Service cost	\$ 684,086	\$ 665,777	\$ 647,958
Interest on total OPEB liability	2,049,703	1,731,440	2,009,356
Differences between expected and actual experience	(848,796)	-	-
Changes in assumptions	(4,538,135)	4,651,854	-
Benefit payments, including refunds of employee contributions	(1,584,116)	(1,557,763)	(1,497,849)
Net Change in Total OPEB Liability	(4,237,258)	5,491,308	1,159,465
Total Net OPEB Liability- Beginning	35,789,720	30,298,412	29,138,947
Total Net OPEB Liability- Ending (a)	<u>\$ 31,552,462</u>	<u>\$ 35,789,720</u>	<u>\$ 30,298,412</u>
Plan Fiduciary Net Position			
Contributions- employer	\$ 1,584,116	\$ 1,557,763	\$ 1,497,849
Net investment income	605,065	723,987	872,224
Benefit payments, including refunds of employee contributions	(1,584,116)	(1,557,763)	(1,497,849)
Administrative expense	(2,101)	(16,882)	(7,314)
Other	-	7,907	-
Net Change in Plan Fiduciary Net Position	602,964	715,012	864,910
Total Plan Fiduciary Net Position- Beginning	9,805,138	9,090,126	8,225,216
Total Plan Fiduciary Net Position- Ending (b)	<u>\$ 10,408,102</u>	<u>\$ 9,805,138</u>	<u>\$ 9,090,126</u>
Net OPEB Liability- Ending (a)-(b)	<u>\$ 21,144,360</u>	<u>\$ 25,984,582</u>	<u>\$ 21,208,286</u>
Plan fiduciary net position as a percentage of the total OPEB liability	32.99%	27.40%	30.00%
District's covered payroll - Measurement Period	\$ 14,406,204	\$ 13,850,501	\$ 14,560,393
Net OPEB liability as a percentage of covered payroll	146.77%	187.61%	145.66%

*Omitted Years: GASB Statement No. 75 was implemented during the year ended December 31, 2017. No information was available prior to this date.

**EL DORADO IRRIGATION DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PLAN CONTRIBUTIONS - OPEB
DECEMBER 31, 2019**

Last 10 Fiscal Years*	2019	2018	2017
Actuarially determined contribution	\$ 1,584,116	\$ 1,557,763	\$ 1,497,849
Contributions in relation to the actuarially determined contribution	(1,584,116)	(1,557,763)	(1,497,849)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
 District's covered payroll - Fiscal Year	 \$ 19,465,001	 \$ 18,030,352	 \$ 17,837,043
 Contributions as a percentage of covered payroll	 8.14%	 8.64%	 8.40%

Notes to Schedule:

Valuation Date: June 30, 2017

Measurement Date: June 30, 2018

Methods and assumptions used to determine contributions rates:

Actuarial Cost Method	Entry Age Normal Cos Entry Age Normal Cost Method
Discount Rate	7.00%
Inflation	2.75%
Payroll Increase	2.75%
Investment Rate of Return	7.00%
Medical Trend Rate	4.00%
Retirement Age	55-60 years. Probabilities of Retirement are Based on the 2009 CalPERS Experience Study for the Period 1997 to 2007.
Mortality	Based on 2014 CalPERS Active Mortality Study for the Period 1997 to 2011.

There were no changes of benefit terms or changes of assumptions.

*Omitted Years: GASB Statement No. 75 was implemented during the year ended December 31, 2017. No information was available prior to this date.



El Dorado Irrigation District



Statistical Section

Statistical Section

INDEX TO STATISTICAL SECTION

December 31, 2019

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	73-79
These schedules contain financial trend information for assessing the District's financial performance and well-being over time.	
Revenue Capacity	81-99
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	101-103
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	105-108
These schedules provide information on the demographic and economic environment in which the District conducts business.	
Operating Information	109-116
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.

Financial Trends

EL DORADO IRRIGATION DISTRICT

Table #1

Net Position^[2] by Component
Last Ten Years
(in dollars)

	Year									
	2019	2018	2017	2016 ^[4]	2015 ^[4]	2014 ^[3]	2013 ^[3]	2012 ^[1]	2011 ^[1]	2010
Net Investment in Capital Assets	\$403,304,151	\$377,719,518	\$349,528,050	\$333,736,952	\$324,250,149	\$315,736,927	\$303,832,235	\$297,207,090	\$296,278,742	\$296,835,538
Restricted for:										
New Facilities	55,757,097	53,760,629	36,078,835	29,932,227	13,719,882	1,495,929	896,777	-	285,336	9,800,219
Debt Service	3,278,367	4,628,637	3,902,186	4,433,653	13,596,817	13,436,279	20,153,611	20,024,282	19,797,900	12,792,796
Unrestricted	(46,321,559)	(43,331,984)	(15,783,280)	(14,093,491)	(13,219,636)	7,317,375	8,268,546	61,105,537	68,121,159	75,574,339
Total Net Position	\$416,018,056	\$392,776,800	\$373,725,791	\$354,009,341	\$338,347,212	\$337,986,510	\$333,151,169	\$378,336,909	\$384,483,137	\$395,002,892

^[1] Balances shown for 2011 and 2012 were restated to reflect the implementation of GASB Statement No. 65. Information needed to restate years prior to 2011 was not readily available, so years prior to 2011 were not restated to reflect the implementation of GASB Statement No. 65.

^[2] Presentation of Net Position supercedes previous presentation of Net Assets in 2010.

^[3] Balances shown for 2013 and 2014 were restated to reflect the implementation of GASB 68. Information needed to restate years prior to 2013 was not readily available, so years prior to 2013 were not restated to reflect the implementation of GASB Statement No. 68.

^[4] Balances shown for 2015 and 2016 were restated to reflect the implementation of GASB 75.

Source: El Dorado Irrigation District Accounting Division

EL DORADO IRRIGATION DISTRICT
Table #2
Change in Net Position
Last Ten Years
(in dollars)

	Year									
	2019	2018	2017	2016 ^[1]	2015 ^[1]	2014 ^[3]	2013 ^[3]	2012 ^[2]	2011 ^[2]	2010
Water Sales	\$30,917,264	\$30,726,486	\$30,376,487	\$27,708,164	\$25,344,067	\$26,170,261	\$29,284,316	\$24,091,130	\$19,993,675	\$17,553,889
Water Services	730,601	709,424	506,637	814,778	1,127,115	977,583	1,100,849	367,528	2,325,803	1,741,830
Water Transfer Sales	-	556,550	-	-	1,849,860	-	-	-	-	-
Reclaimed Water Reimb / Sales	2,417,662	2,405,631	2,227,082	1,905,962	1,606,491	1,568,582	1,860,147	1,546,911	1,035,285	733,798
Wastewater Sales	22,235,351	21,636,703	20,645,291	19,504,473	19,836,033	19,715,764	19,309,506	18,226,984	19,432,294	17,271,272
Wastewater Services	409,335	453,016	266,150	476,398	75,214	74,421	74,959	76,857	72,811	53,574
Recreation Fees	1,774,235	1,720,429	1,597,877	1,532,912	1,349,431	1,301,719	1,266,333	1,147,811	1,061,795	1,062,062
Hydroelectric Sales	9,679,827	5,953,290	11,390,167	6,296,331	4,159,925	5,205,980	7,878,903	6,777,760	11,631,272	7,872,825
Total Operating Revenues	68,164,275	64,161,529	67,009,691	58,239,018	55,348,136	55,014,310	60,775,013	52,234,981	55,552,935	46,289,250
Surcharges	2,363,956	2,512,555	2,371,429	2,412,032	2,447,917	2,270,694	2,295,145	2,222,984	2,235,904	2,175,472
Voter-approved Taxes	129,954	243,261	369,091	499,426	512,022	512,896	477,766	442,743	505,570	449,169
Property Taxes	13,144,883	12,715,612	11,895,420	11,233,975	10,715,130	10,026,368	9,231,002	9,321,157	9,480,947	9,537,801
Interest Income	2,806,000	2,408,365	1,143,946	813,864	331,316	498,756	410,084	735,930	701,941	865,697
Other Income	4,600,330	(789,886)	7,423,120	2,550,172	1,867,757	1,528,538	1,028,939	1,826,466	1,807,085	1,362,001
Flood Damage Reimbursements	-	-	-	-	-	-	-	-	-	700,477
Total Nonoperating Revenues	23,045,123	17,089,907	23,203,006	17,509,469	15,874,142	14,837,252	13,442,936	14,549,280	14,731,447	15,090,617
Total Revenues	91,209,398	81,251,436	90,212,697	75,748,487	71,222,278	69,851,562	74,217,949	66,784,261	70,284,382	61,379,867
Personnel Expenses	33,802,441	32,084,409	30,559,320	28,875,456	26,296,791	26,928,489	26,892,273	26,600,446	25,571,376	26,140,768
Operating Supplies	4,786,499	4,153,441	3,931,957	3,932,226	3,853,426	3,986,142	3,578,116	3,354,100	3,232,251	3,028,722
Chemicals	1,096,113	1,046,891	950,687	748,650	732,046	849,371	963,165	891,785	838,018	1,075,182
Administration	3,943,347	4,023,992	3,603,074	3,538,714	3,200,110	3,173,634	3,127,343	2,766,758	2,380,645	2,490,239
Utilities	5,235,091	5,159,219	5,012,741	4,633,747	4,524,982	3,937,344	3,969,310	4,096,451	3,845,261	3,918,221
Professional Services	5,003,793	4,592,564	4,510,253	3,559,511	3,658,961	3,551,502	3,283,652	2,750,275	3,255,915	2,301,952
Repair Services	2,126,568	1,501,341	1,471,872	1,407,160	1,045,184	1,169,578	849,482	602,972	674,878	595,264
Insurance	810,578	641,832	650,995	695,552	667,551	454,941	457,679	460,298	721,769	889,566
Depreciation and Amortization	23,349,642	22,615,540	22,863,447	23,163,785	22,149,711	21,751,796	21,419,843	21,373,276	20,444,406	18,106,183
Bad Debt	-	-	-	-	-	-	-	-	-	13,033
Total Operating Expenses	80,154,072	75,819,229	73,554,346	70,554,801	66,128,762	65,802,797	64,540,863	62,896,361	60,964,519	58,546,097
Other Expenses	1,835,299	986,153	456,821	1,372,331	1,397,212	1,548,628	1,362,888	1,178,860	991,094	-
Debt Issuance Costs	-	-	-	1,180,745	-	1,337,587	-	930,622	335,879	-
Interest Expense	11,688,950	13,216,302	13,770,835	11,767,034	10,719,736	11,182,611	12,812,463	13,331,964	14,380,913	15,390,421
Debt Related Fees	-	-	-	-	-	-	-	-	-	491,372
Flood Damage Expenses	-	-	-	-	-	-	-	-	-	-
Total Nonoperating Expenses	13,524,249	14,202,455	14,227,656	14,320,110	12,116,948	14,068,826	14,175,351	15,441,446	15,707,886	15,881,793
Total Expenses	93,678,321	90,021,684	87,782,002	84,874,911	78,245,710	79,871,623	78,716,214	78,337,807	76,672,405	74,427,890
Facility Capacity Charges	12,867,149	20,049,963	14,021,836	12,416,595	13,924,346	4,543,463	5,453,083	2,301,118	1,565,273	577,294
Developer Contributions	12,843,030	7,771,294	3,263,919	12,371,958	7,024,823	10,311,939	3,474,909	3,106,200	3,584,751	950,486
Total Capital Contributions	25,710,179	27,821,257	17,285,755	24,788,553	20,949,169	14,855,402	8,927,992	5,407,318	5,150,024	1,527,780
Change in Net Position	\$23,241,256	\$19,051,009	\$19,716,450	\$15,662,129	\$13,925,737	\$4,835,341	\$4,429,727	(\$6,146,228)	(\$1,237,999)	(\$11,520,243)

Note: District operating expenses were restated for new reporting format and presentation of Net Position supercedes previous presentation of Net Assets beginning 2010.

^[1] Balances shown for 2015 and 2016 were restated to reflect the implementation of GASB 75.

^[2] Balances shown for 2011 and 2012 were restated to reflect the implementation of GASB Statement No. 65. Information needed to restate years prior to 2011 was not readily available, so years prior to 2011 were not restated to reflect the implementation of GASB Statement No. 65.

^[3] Balances shown for 2013 and 2014 were restated to reflect the implementation of GASB Statement No. 68. Information needed to restate years prior to 2013 was not readily available, so years prior to 2013 were not restated to reflect the implementation of GASB Statement No. 68.

Source: El Dorado Irrigation District Accounting Division

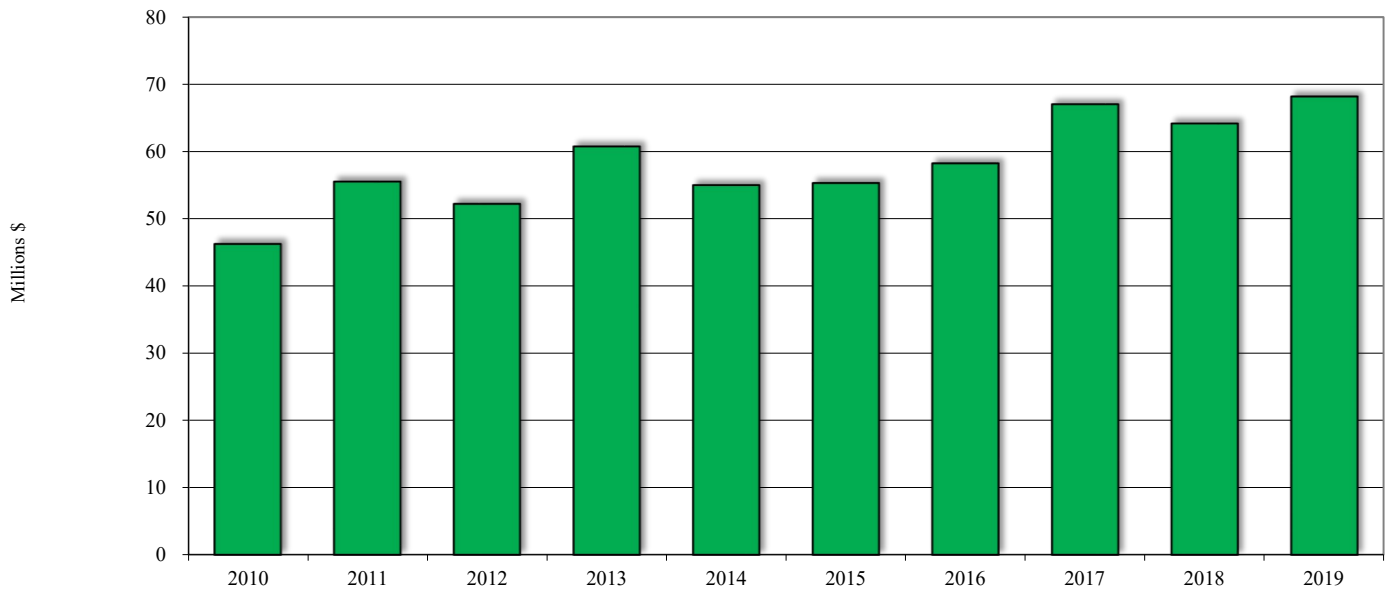
EL DORADO IRRIGATION DISTRICT
 Table #3
 Operating Revenues by Source
 Last Ten Years
 (in dollars)

	Year									
	2019	2018	2017	2016 ^[1]	2015 ^[1]	2014 ^[1]	2013 ^[1]	2012 ^[1]	2011 ^[1]	2010
Water Sales & Service	\$31,647,865	\$31,435,910	\$30,883,124	\$28,522,942	\$26,471,182	\$27,147,844	\$30,385,165	\$24,458,658	\$22,319,478	\$19,295,719
Water Transfer Sales	-	556,550	-	-	\$1,849,860	-	-	-	-	-
Reclaimed Water Reimb / Sales	2,417,662	2,405,631	2,227,082	1,905,962	1,606,491	1,568,582	1,860,147	1,546,911	1,035,285	733,798
Wastewater Sales & Service	22,644,686	22,089,719	20,911,441	19,980,871	19,911,247	19,790,185	19,384,465	18,303,841	19,505,105	17,324,846
Recreation Fees	1,774,235	1,720,429	1,597,877	1,532,912	1,349,431	1,301,719	1,266,333	1,147,811	1,061,795	1,062,062
Hydroelectric Sales	9,679,827	5,953,290	11,390,167	6,296,331	4,159,925	5,205,980	7,878,903	6,777,760	11,631,272	7,872,825
Total Operating Revenues	\$68,164,275	\$64,161,529	\$67,009,691	\$58,239,018	\$55,348,136	\$55,014,310	\$60,775,013	\$52,234,981	\$55,552,935	\$46,289,250

^[1] As restated.

Source: El Dorado Irrigation District Accounting Division

Chart #1
 Operating Revenues
 Last Ten Years



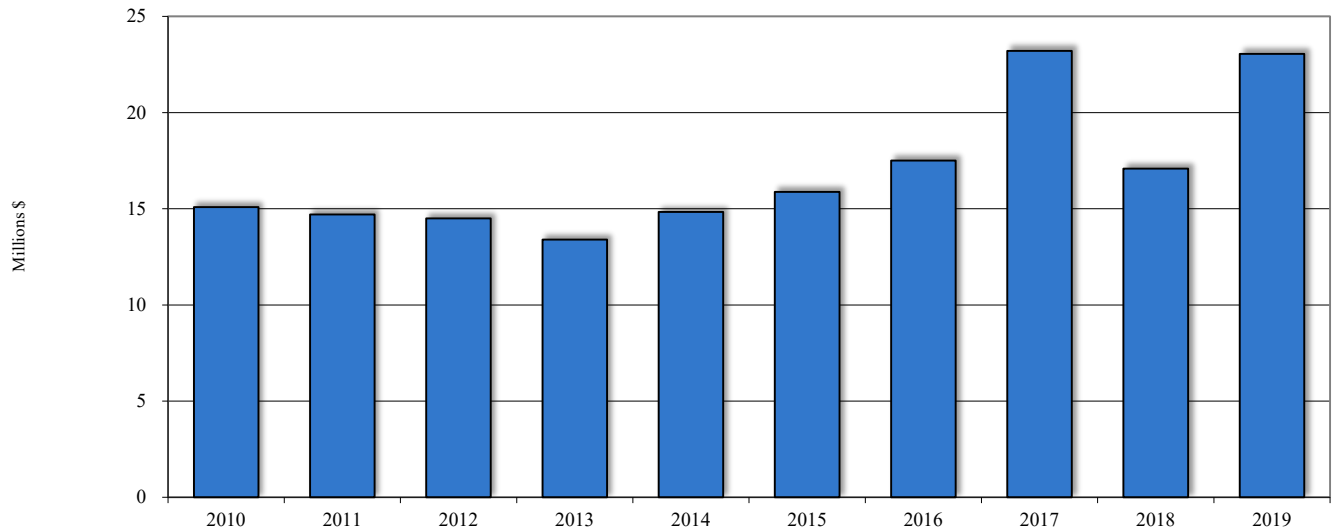
EL DORADO IRRIGATION DISTRICT
Table #4
Nonoperating Revenues by Source
Last Ten Years
(in dollars)

	Year									
	2019	2018	2017	2016 ^[1]	2015 ^[1]	2014 ^[1]	2013 ^[1]	2012 ^[1]	2011 ^[1]	2010
Surcharges	\$2,363,956	\$2,512,555	\$2,371,429	\$2,412,032	\$2,447,917	\$2,270,694	\$2,295,145	\$2,222,984	\$2,235,904	\$2,175,472
Voter-approved Taxes	129,954	243,261	369,091	499,426	512,022	512,896	477,766	442,743	505,570	449,169
Property Taxes	13,144,883	12,715,612	11,895,420	11,233,975	10,715,130	10,026,368	9,231,002	9,321,157	9,480,947	9,537,801
Interest Income	2,806,000	2,408,365	1,143,946	813,864	331,316	498,756	410,084	735,930	701,941	865,697
Other Income	4,600,330	(789,886)	7,423,120	2,550,172	1,867,757	1,528,538	1,028,939	1,826,466	1,807,085	1,362,001
Flood Damage Reimbursements	-	-	-	-	-	-	-	-	-	700,477
Total Nonoperating Revenues	\$23,045,123	\$17,089,907	\$23,203,006	\$17,509,469	\$15,874,142	\$14,837,252	\$13,442,936	\$14,549,280	\$14,731,447	\$15,090,617

^[1] As restated.

Source: El Dorado Irrigation District Accounting Division

Chart #2
Nonoperating Revenues
Last Ten Years



EL DORADO IRRIGATION DISTRICT
Table #5
Operating Expenses by Function
Last Ten Years
(in dollars)

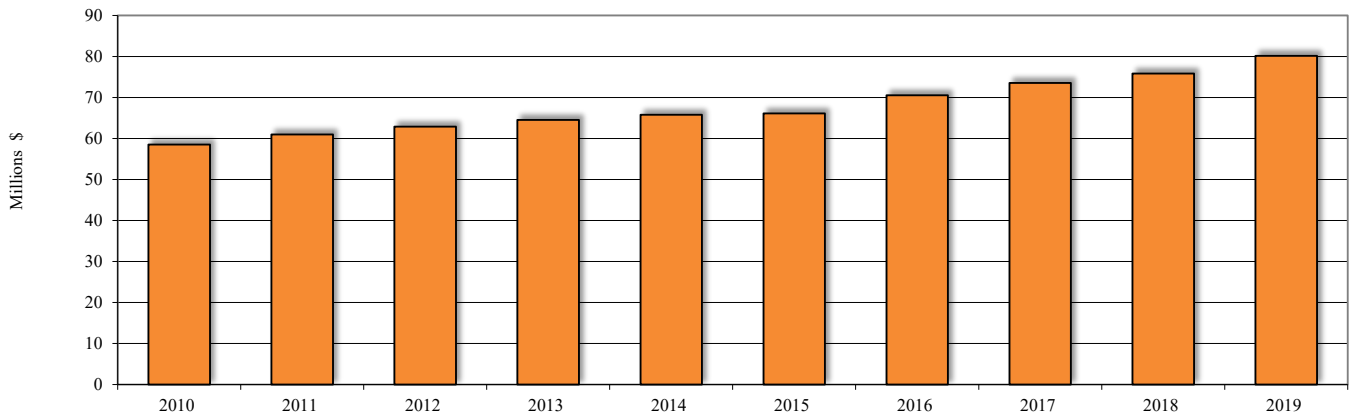
	Year									
	2019	2018	2017	2016 ⁽¹⁾	2015 ⁽¹⁾	2014 ⁽¹⁾	2013 ⁽¹⁾	2012	2011 ⁽¹⁾	2010
Personnel Expense	\$33,802,441	\$32,084,409	\$30,559,320	\$28,875,456	\$26,296,791	\$26,928,489	\$26,892,273	\$26,600,446	\$25,571,376	\$26,140,768
Operating Supplies	4,786,499	4,153,441	3,931,957	3,932,226	3,853,426	3,986,142	3,578,116	3,354,100	3,232,251	3,028,722
Chemicals	1,096,113	1,046,891	950,687	748,650	732,046	849,371	963,165	891,785	838,018	1,075,182
Administration	3,943,347	4,023,992	3,603,074	3,538,714	3,200,110	3,173,634	3,127,343	2,766,758	2,380,645	2,490,239
Utilities	5,235,091	5,159,219	5,012,741	4,633,747	4,524,982	3,937,344	3,969,310	4,096,451	3,845,261	3,918,221
Professional Services	5,003,793	4,592,564	4,510,253	3,559,511	3,658,961	3,551,502	3,283,652	2,750,275	3,255,915	2,301,952
Repair Services	2,126,568	1,501,341	1,471,872	1,407,160	1,045,184	1,169,578	849,482	602,972	674,878	595,264
Insurance	810,578	641,832	650,995	695,552	667,551	454,941	457,679	460,298	721,769	889,566
Depreciation and Amortization	23,349,642	22,615,540	22,863,447	23,163,785	22,149,711	21,751,796	21,419,843	21,373,276	20,444,406	18,106,183
Bad Debt	-	-	-	-	-	-	-	-	-	13,033
Total Operating Expenses	\$80,154,072	\$75,819,229	\$73,554,346	\$70,554,801	\$66,128,762	\$65,802,797	\$64,540,863	\$62,896,361	\$60,964,519	\$58,546,097

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

⁽¹⁾ As restated.

Source: El Dorado Irrigation District Accounting Division

Chart #3
Total Operating Expenses
Last Ten Years



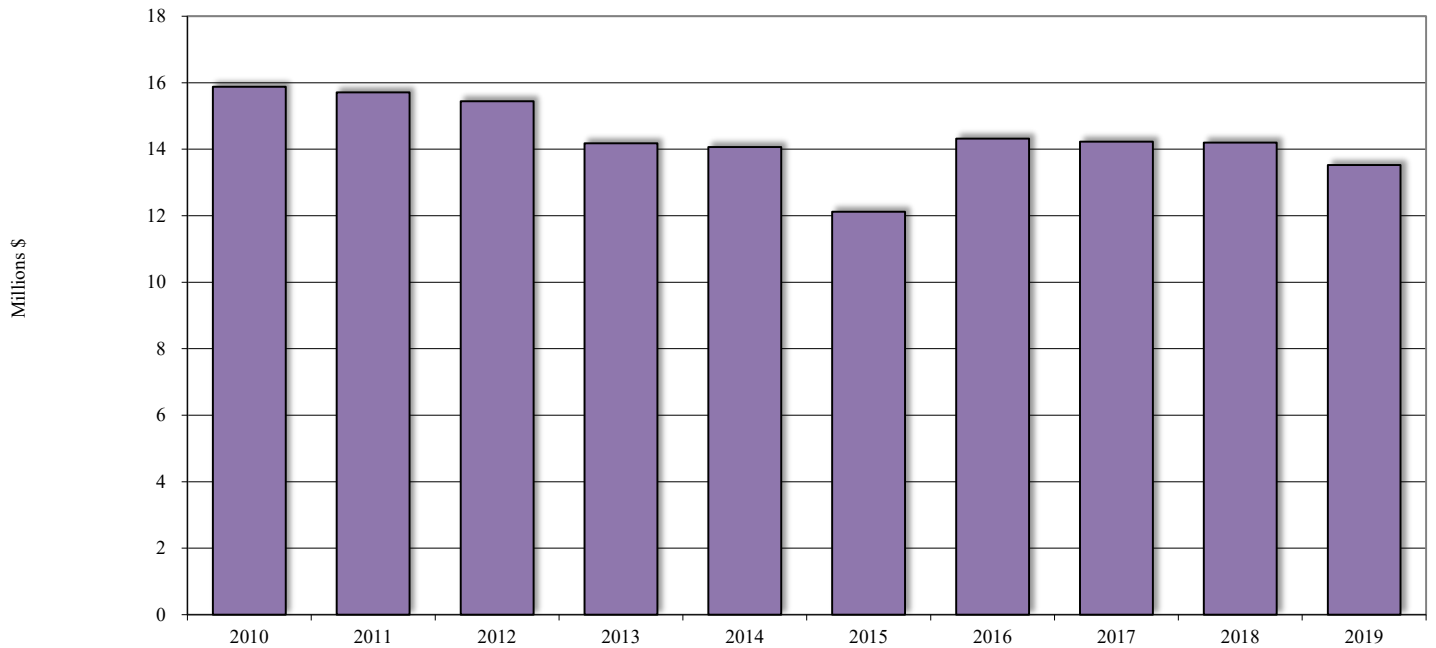
EL DORADO IRRIGATION DISTRICT
 Table #6
 Nonoperating Expenses by Function
 Last Ten Years
 (in dollars)

	Year									
	2019	2018	2017	2016 ^[1]	2015 ^[1]	2014 ^[1]	2013 ^[1]	2012 ^[1]	2011 ^[1]	2010
Other Expenses	\$1,835,299	\$986,153	\$456,821	\$1,372,331	\$1,397,212	\$1,548,628	\$1,362,888	\$1,178,860	\$991,094	\$ -
Debt Issuance Costs	-	-	-	1,180,745	-	1,337,587	-	930,622	335,879	-
Interest Expense	11,688,950	13,216,302	13,770,835	11,767,034	10,719,736	11,182,611	12,812,463	13,331,964	14,380,913	15,390,421
Debt Related Fees	-	-	-	-	-	-	-	-	-	491,372
Flood Damage Expenses	-	-	-	-	-	-	-	-	-	-
Total Nonoperating Expenses	\$13,524,249	\$14,202,455	\$14,227,656	\$14,320,110	\$12,116,948	\$14,068,826	\$14,175,351	\$15,441,446	\$15,707,886	\$15,881,793

^[1] As restated.

Source: El Dorado Irrigation District Accounting Division

Chart #4
 Total Nonoperating Expense
 Last Ten Years





Revenue Capacity

EL DORADO IRRIGATION DISTRICT

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 ^[1]		
	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]
2010-11	24,855,948,497	248,591,884	1.0001%	4,860,491,154	449,169	0.0092%
2011-12	24,488,803,746	244,932,796	1.0002%	4,761,890,803	481,525	0.0101%
2012-13	24,366,235,052	243,703,547	1.0002%	4,718,646,469	453,628	0.0096%
2013-14	24,637,015,886	246,411,355	1.0002%	4,726,463,343	511,524	0.0108%
2014-15	25,915,806,931	259,199,266	1.0002%	5,001,658,217	509,209	0.0102%
2015-16	27,332,536,500	273,345,440	1.0001%	5,287,236,238	494,310	0.0093%
2016-17	28,831,601,540	288,336,090	1.0001%	5,594,057,377	498,263	0.0089%
2017-18	30,625,366,116	306,273,737	1.0001%	5,914,934,585	224,785	0.0038%
2018-19	32,484,822,679	324,868,302	1.0001%	6,246,075,124	249,330	0.0040%
2019-20	33,832,878,764	338,333,601	1.0000%	N/A	N/A	N/A

^[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. 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. The District receives 100% of its general property tax allocation as a result of the tax distribution system. For 2019-2020, this debt has been paid off.

^[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. For 2019-2020, this debt has been paid off.

Source: El Dorado Irrigation District Finance Department and the El Dorado County Auditor-Controller - Auditor Certified Values By Tax Base/TRA Detail and Property Tax Revenue Estimates for the FY 19/20 Lien Date Tax Rolls (FY 19-20 Current Year Property Tax Roll - Revenue Estimates)

EL DORADO IRRIGATION DISTRICT
 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 ^[1]
2010-11	1.0000%	0.2722%	0.0541%	0.0243%	0.0092%	1.3598%
2011-12	1.0000%	0.2495%	0.0526%	0.0265%	0.0101%	1.3387%
2012-13	1.0000%	0.3399%	0.0549%	0.0267%	0.0096%	1.4311%
2013-14	1.0000%	0.3090%	0.0556%	0.0263%	0.0108%	1.4017%
2014-15	1.0000%	0.3081%	0.0523%	0.0238%	0.0102%	1.3944%
2015-16	1.0000%	0.2863%	0.0517%	0.0231%	0.0093%	1.3704%
2016-17	1.0000%	0.3225%	0.0498%	0.0241%	0.0089%	1.4053%
2017-18	1.0000%	0.3544%	0.0472%	0.0211%	0.0038%	1.4265%
2018-19	1.0000%	0.3536%	0.0472%	0.2390%	0.0040%	1.6438%
2019-20	1.0000%	0.3603%	0.0504%	0.0209%	N/A	1.4316%

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.

^[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. For 2019-2020 this has been paid off.

Source: El Dorado Irrigation District Finance Department and the El Dorado County Auditor – Controller - El Dorado County Secured Tax Rates

EL DORADO IRRIGATION DISTRICT

Table #9

Principal Property Tax Payers^[1]
 Current Year and Nine Years Ago
 (in dollars)

Property Owner	Primary Land Use	2019			2010		
		2019-2020 Assessed Valuation	Rank	% of Total ⁽²⁾	2010-2011 Assessed Valuation	Rank	% of Total ⁽²⁾
Lennar Homes of California	Residential Development	\$49,713,711	1	0.24%			
Sunset Tartesso AZ LLC	Residential Development	29,835,000	2	0.14%			
Serrano Associates, LLC	Residential Development	21,180,458	3	0.10%	\$24,646,537	2	0.51%
Toll CA X / Toll Brothers Development Co.	Residential Development	13,560,207	4	0.07%	16,847,000	3	0.35%
El Dorado Land Ventures	Residential Development	10,879,247	5	0.05%			
Valley View Realty Investors, LLC	Residential Development	10,560,573	6	0.05%			
Marble Valley Company, LLC	Residential Development	9,617,344	7	0.05%	8,097,606	5	0.17%
East Ridge Investors/East Ridge Holdings, LLC	Residential Development	9,329,795	8	0.05%	7,852,500	6	0.16%
Oakmont Properties Lesarra	Residential Development	9,020,200	9	0.04%			
Diamond Springs Associates, LLC	Commercial	8,535,000	10	0.04%			
Safeway, Inc.	Commercial	8,183,087	11	0.04%	6,437,307	10	0.13%
CalAtlantic Group, Inc.	Residential Development	8,137,219	12	0.04%			
Carson Creek El Dorado	Residential Development	7,024,502	13	0.03%			
WRI Golden State, LLC	Commercial	6,950,112	14	0.03%	6,006,225	12	0.12%
Target Corporation	Commercial	6,467,272	15	0.03%	5,588,959	15	0.11%
Donahue Schriber Realty Group	Residential Development	6,387,185	16	0.03%			
WFC Cameron Park, LLC	Commercial	5,275,000	17	0.03%			
Silver Springs, LLC	Residential Development	5,257,565	18	0.03%			
Von Housen Motors	Commercial	5,073,521	19	0.02%			
Serrano Country Club	Country Club	5,021,000	20	0.02%	5,628,710	13	0.12%
Newhall Land & Development, LLC	Residential Development				37,587,500	1	0.77%
Min Nan Tseng, Trust	Residential Development				8,801,306	4	0.18%
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%
Tradewinds Lodge	Commercial				6,085,536	11	0.13%
GHC Company 5, LLC/Greenbriar Homes	Residential Development				5,589,000	14	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 Development				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%
Total		\$236,007,998		1.14%	\$185,444,290		1.24%

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

^[2] The Total Assessed Value used for this calculation is \$20.7 million and \$14.9 million per El Dorado County Tax Collectors office. for 2019 and 2010, respectively.

Source: California Municipal Statistics, Inc.

EL DORADO IRRIGATION DISTRICT

Table #10

Property Tax Levies and Collections
Last Ten County Fiscal Years

(in dollars)

Fiscal Year	Levy	Collections				% of County Levy
	County Secured Property Tax Levy	District's Share of 1% Property Tax ^[1]	Maintenance District Collections ^[2]	Miscellaneous Collections ^[3]	Total District Collections	
2010-11	298,627,324	9,400,148	5,555	132,300	9,538,003	3.19%
2011-12	296,903,045	9,214,769	7,415	102,342	9,324,526	3.14%
2012-13	297,048,197	9,232,261	4,715	86,153	9,323,129	3.14%
2013-14	298,952,871	9,321,650	6,800	63,072	9,391,522	3.14%
2014-15	311,387,894	9,954,542	6,841	60,884	10,022,267	3.22%
2015-16	327,292,636	10,477,222	326	64,580	10,542,128	3.22%
2016-17	347,302,227	11,031,860	326	45,657	11,077,843	3.19%
2017-18	367,317,809	11,674,299	326	59,744	11,734,369	3.19%
2018-19	324,868,302	12,444,402	326	57,252	12,501,980	3.85%
2019-20	338,333,601	12,951,488	320	45,968	12,997,776	3.84%

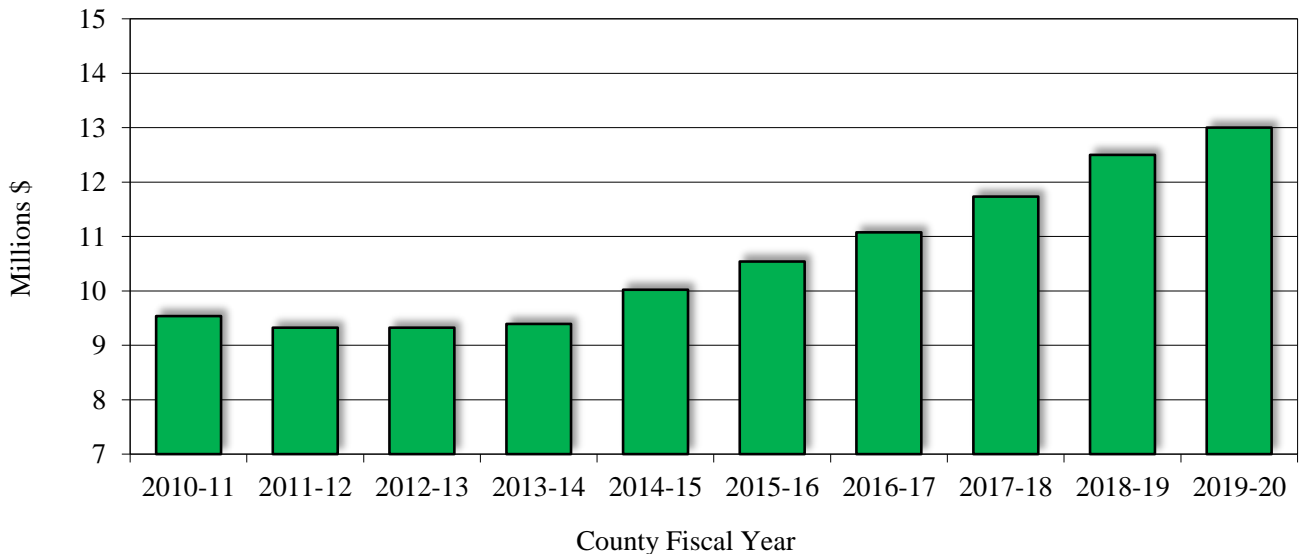
^[1] The District receives 100% of its general property tax allocation as a result of the tax distribution system commonly referred to as the “Teeter Plan”, without regard to delinquencies in collections. The dollar amount shown represents El Dorado County’s “Annual Final Estimate” of property taxes 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 Accounting Division and El Dorado County Auditor - Controller - Property Tax Revenue Estimates for the FY 19/20 Lien Date Tax Rolls (FY 19-20 Current Year Property Tax Roll - Revenue Estimates) for both the District and Grand Totals (County-Wide)

Chart #5
Total District Collections



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

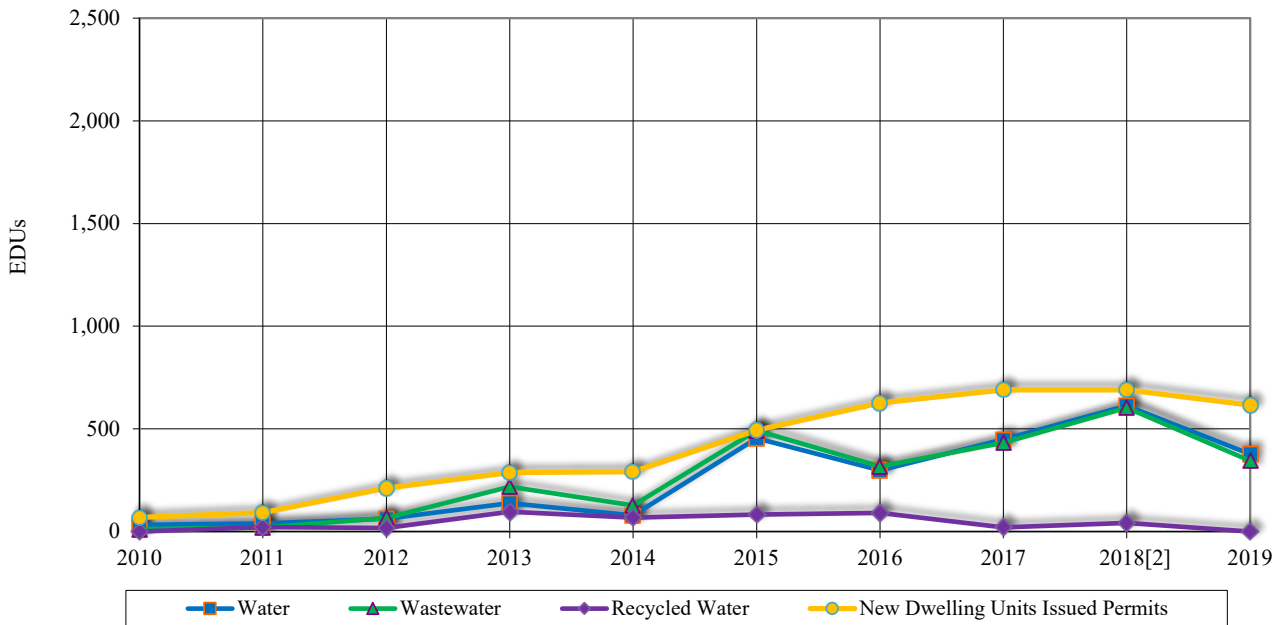
Year	Water	Wastewater	Recycled Water	New Dwelling Units Issued Permits
2010	32.50	12.00	0.00	69
2011	40.00	19.00	22.00	92
2012	63.00	67.00	17.00	212
2013	138.00	218.50	96.50	288
2014	78.50	127.00	68.00	291
2015	454.25	492.50	83.00	493
2016	298.00	317.00	90.50	627
2017	449.20	432.00	19.80	690
2018 ^[2]	612.70	603.00	41.80	690
2019	377.00	345.00	0.00	616

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

^[2] New Dwelling Units Issued Permits information unavailable from County source.

Source: El Dorado Irrigation Engineering Department and El Dorado County Development Services Division, Building Services

Chart #6
 Equivalent Dwelling Unit (EDU) Sales



EL DORADO IRRIGATION DISTRICT
Table #12
Water and Recycled Water Sales by Type of Customer
Last Ten Years

Type of Customer	Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Potable Water Sold (Acre Feet):										
Residential ^[1]	14,681	15,148	14,953	13,740	12,460	13,983	18,318	19,006	17,215	18,147
Commercial and Industrial	2,421	2,426	2,325	2,183	2,040	2,236	2,662	2,610	2,402	2,478
Agricultural ^[5]	3,802	5,415	4,717	4,552	4,358	4,766	5,954	5,385	4,307	4,896
Recreational Turf	834	896	903	844	812	867	1,207	1,144	973	1,073
Municipal	1,000	1,177	1,496	1,307	909	1,114	1,331	1,269	1,097	1,166
Total	22,738	25,062	24,394	22,626	20,579	22,966	29,472	29,414	25,994	27,760
(in millions \$)^[4]	\$32.607	\$32.492	\$32.014	\$29.314	\$26.814	\$28.315	\$28.791	\$25.469	\$20.816	\$17.554
Recycled Water Sold (Acre Feet):										
Residential ^[2]	2,079	2,205	1,879	1,576	1,393	1,374	1,850	1,685	1,372	1,328
Commercial and Industrial ^[3]	778	788	730	608	530	542	737	624	538	546
Recreational Turf	456	488	474	450	426	497	588	544	337	189
Total	3,313	3,481	3,083	2,634	2,349	2,413	3,175	2,853	2,247	2,063
(in millions \$)^[4]	\$2.420	\$2.419	\$2.222	\$1.909	\$1.605	\$1.577	\$1.854	\$1.521	\$1.029	\$0.734

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

^[2] Beginning in the 1990's, residential construction of a "dual pipe" system in the El Dorado Hills community of Serrano features water, sewer and recycled water for each home.

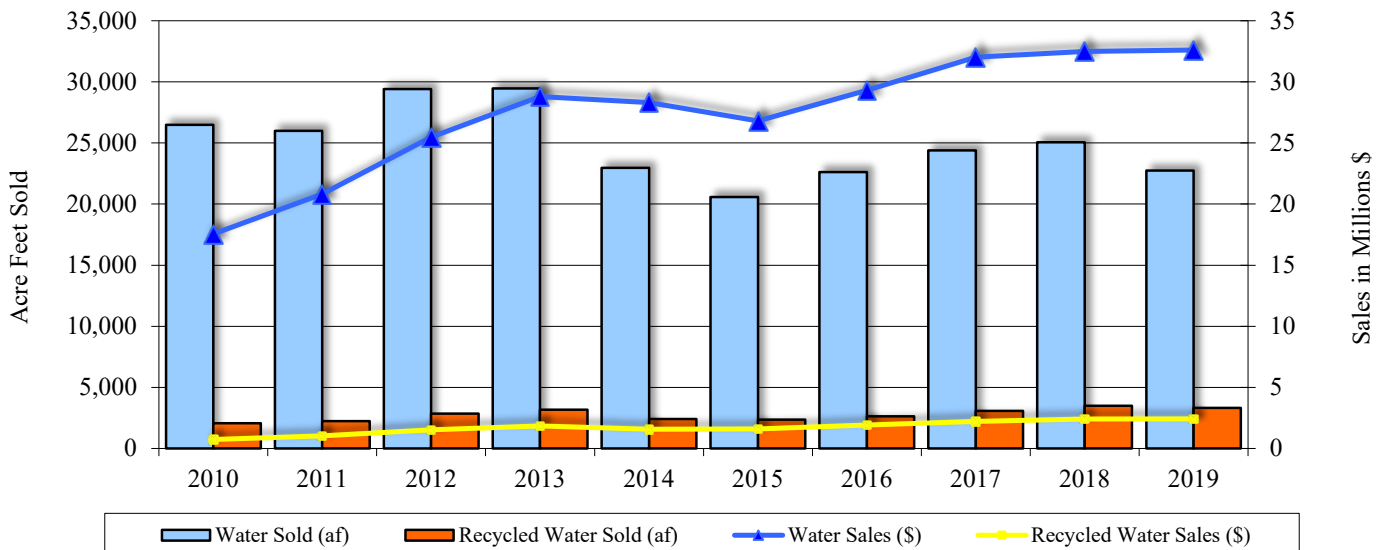
^[3] Commercial & Industrial includes construction meters.

^[4] Based on dollars billed, not revenues collected, during the year.

^[5] Includes Agricultural Metered Irrigation, Small Farm, and Potable Ditches.

Source: El Dorado Irrigation District Engineering Department - Annual Consumption Report and Water Resources & Service Reliability Report and Customer Service Division BMP1.4_AWWA Audit RandR.xlsx

Chart #7
Water and Recycled Water Sales



EL DORADO IRRIGATION DISTRICT

Table #13

Largest Water Customers
Current Year and Nine Years Ago
(in dollars)

Water Customers	2019 ^[1]			2010		
	Annual Revenue	Rank	% of Total Water Sales	Annual Revenue	Rank	% of Total Water Sales
City of Placerville	\$470,290	1	1.52%	\$273,463	1	1.59%
Cameron Park Golf Course	177,816	2	0.58%	72,054	2	0.42%
El Dorado Hills CSD	155,818	3	0.50%	66,247	3	0.39%
El Dorado Union High School District	130,270	4	0.42%	58,407	4	0.34%
Buckeye Union School District	101,185	5	0.33%	36,434	6	0.34%
Red Hawk Casino	95,357	6	0.31%	57,711	5	0.34%
Rescue Union School District	82,764	7	0.27%	28,338	7	0.16%
Lennar Homes Calif Inc CA Corp	78,668	8	0.25%			
Lake Oaks Mobile Home Park	77,691	9	0.25%			
Lake Forest Apts LLC	73,793	10	0.24%			
Visman Bros				8,829	8	0.05%
Visman, George C.				8,061	9	0.05%
El Dorado Orchard				5,688	10	0.03%
Largest Customers Total	\$ 1,443,651		4.67%	\$615,232		3.19%

^[1]Beginning in 2015 the ranking of water customers is based on annual revenue and is no longer based on consumption.

Source: El Dorado Irrigation District Customer Service Division

EL DORADO IRRIGATION DISTRICT

Table #14

Largest Wastewater Customers
Current Year and Nine Years Ago
(in dollars)

Wastewater Customers	2019 ^[1]			2010		
	Annual Revenue	Rank	% of Total Wastewater Sales	Annual Revenue	Rank	% of Total Wastewater Sales
Vineyards at Valleyview	\$136,642	1	0.61%	\$204,820	1	1.19%
Lake Oaks Mobile Home Park	136,029	2	0.61%	175,890	2	1.02%
Cameron Park Senior Living, A CA LLC	99,840	3	0.45%	\$97,405	6	0.57%
Wong Family Investors	93,024	4	0.42%			
RU ITW Sky Park LLC	92,499	5	0.42%			
Lake Forest Apts, LLC	88,456	6	0.40%	117,808	3	0.69%
Nugget Market LLC	84,245	7	0.38%			
Mercy Housing Calif XXII LP	76,833	8	0.35%	115,153	4	0.67%
Town Center East LP	76,500	9	0.34%			
Cimmatton/Cambridge LP	69,805	10	0.31%			
Fuller-Sunset Mobile Home Park				98,808	5	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 Park				82,970	9	0.48%
Crestview Mobile Home Park				55,617	10	0.32%
Largest Customers Total	\$953,873		4.29%	\$1,125,742		6.50%

^[1]Beginning in 2015, the ranking of Wastewater customers is based on annual revenue and is no longer based on consumption.
Source: El Dorado Irrigation District Customer Service Division

EL DORADO IRRIGATION DISTRICT
Table #15
Water Rates
Last Ten Years
(in dollars)

Category	Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Single Family Residential:										
Base Charge:										
5/8" - 3/4" Meter	\$ 61.68	\$ 59.88	\$ 59.88	\$ 58.14	\$ 55.37	\$ 55.37	\$ 52.73	\$ 47.50	\$ 25.89	\$ 22.51
1" Meter	90.32	87.69	87.69	85.14	81.09	81.09	77.23	69.58	30.06	26.14
1 1/2" Meter	184.52	179.15	179.15	173.93	165.65	165.65	157.76	120.05	40.51	30.35
2" Meter	237.74	230.82	230.82	224.10	213.43	213.43	203.27	183.13	54.60	47.48
3" Meter	499.85	485.29	485.29	471.16	448.72	448.72	427.35	385.00	73.60	64.00
4" Meter	880.69	855.04	855.04	830.14	790.61	790.61	752.96	678.34	99.20	86.26
6" Meter	1,933.15	1,876.84	1,876.84	1,822.17	1,735.40	1,735.40	1,652.76	1,488.97	133.70	116.26
8" Meter	3,311.57	3,215.12	3,215.12	3,121.48	2,972.84	2,972.84	2,831.28	2,550.70	155.22	134.97
10" Meter	5,244.72	5,091.96	5,091.96	4,943.65	4,708.24	4,708.24	4,484.04	4,039.68	180.19	156.69
12" Meter	6,900.51	6,699.52	6,699.52	6,504.39	6,194.66	6,194.66	5,899.68	5,315.03	209.20	181.91
Single Family Dual Plumbed Residential	37.12	36.04	36.04	34.99	33.32	33.32	31.73	27.50	n/a	n/a
Commodity Charge:										
All Meter Sizes, 0 - 1,800 cf ⁽¹⁾	1.50	1.45	1.45	1.41	1.35	1.35	1.28	1.15	n/a	n/a
All Meter Sizes, 1,801 - 4,500 cf ⁽¹⁾	1.81	1.75	1.75	1.70	1.62	1.62	1.55	1.39	n/a	n/a
All Meter Sizes, Over 4,500 cf ⁽¹⁾	2.12	2.06	2.06	1.99	1.90	1.90	1.81	1.63	n/a	n/a
All Meter Sizes, 0 - 1,500 cf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	1.31	1.14
All Meter Sizes, 1,501 - 4,500 cf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	1.58	1.37
All Meter Sizes, Over 4,500 cf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	1.85	1.61
Commercial and Retail Landscape:										
Base Charge: ⁽²⁾										
5/8" - 3/4" Meter	64.86	62.97	62.97	61.14	58.23	58.23	55.46	49.96	25.89	22.51
1" Meter	95.76	92.97	92.97	90.26	85.96	85.96	81.87	73.76	30.06	26.14
1 1/2" Meter	197.31	191.56	191.56	185.98	177.12	177.12	168.69	151.97	40.51	30.35
2" Meter	254.70	247.28	247.28	240.08	228.65	228.65	217.76	196.18	54.60	47.48
3" Meter	537.24	521.59	521.59	506.40	482.29	482.29	459.32	413.80	73.60	64.00
4" Meter	947.81	920.20	920.20	893.40	850.86	850.86	810.34	730.04	99.20	86.26
6" Meter	1,783.88	1,447.40	1,447.40	1,681.48	1,601.41	1,601.41	1,525.15	1,374.01	133.70	116.26
8" Meter	3,552.50	3,449.03	3,449.03	3,348.57	3,189.11	3,189.11	3,037.25	2,736.26	155.22	134.97
10" Meter	5,626.26	5,462.39	5,462.39	5,303.29	5,050.75	5,050.75	4,810.24	4,333.55	180.19	156.69
12" Meter	7,380.04	7,165.09	7,165.09	6,956.40	6,625.14	6,625.14	6,309.66	5,684.38	209.20	181.91
Commodity Charge:										
All Water Consumed	1.78	1.73	1.73	1.68	1.60	1.60	1.53	1.37	1.43	1.24

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

All services outside the District are billed at 1.5 times the standard District rate.

All base charges are bi-monthly.

All charges for meter sizes greater than 1" are for turbine meters.

Footnotes⁽¹⁾ to ⁽¹¹⁾: Can be found at the end of Table #15.

Source: El Dorado Irrigation District Customer Service Division

EL DORADO IRRIGATION DISTRICT
Table #15 (Continued)

Water Rates
Last Ten Years
(in dollars)

Category	Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Small Farms:										
Base Charge: ^[2]										
3/4" - 5/8" Meter	\$ 61.68	\$ 59.88	\$ 59.88	\$ 58.14	\$ 55.37	\$ 55.37	\$ 52.73	\$ 47.50	\$ 25.89	\$ 22.51
1" Meter	77.30	88.78	88.78	72.86	69.39	69.39	66.09	59.54	30.06	26.14
1 1/2" Meter	97.62	94.78	94.78	92.02	87.64	87.64	83.47	75.20	40.51	30.35
2" Meter	109.15	105.97	105.97	102.88	97.98	97.98	93.31	84.06	54.60	47.48
3" Meter	165.73	160.90	160.90	156.21	148.77	148.77	141.69	127.65	73.60	64.00
4" Meter	247.96	240.74	240.74	233.73	222.60	222.60	212.00	190.99	99.20	86.26
6" Meter	475.23	461.39	461.39	447.95	426.62	426.62	406.30	366.04	133.70	116.26
8" Meter	769.69	747.27	747.27	725.50	690.95	690.95	658.05	592.84	155.22	134.97
10" Meter	1,219.01	1,183.50	1,183.50	1,149.03	1,094.31	1,094.31	1,042.20	938.92	180.19	156.69
12" Meter	1,536.38	1,491.63	1,491.63	1,448.18	1,379.22	1,379.22	1,313.54	1,183.37	209.20	181.91
Commodity Charge: ^[3]										
0 - 1,800 cf	1.50	1.45	1.45	1.41	1.35	1.35	1.28	1.15	1.31	1.14
1,801 - 4,500 cf	1.81	1.76	1.76	1.70	n/a	n/a	n/a	n/a	n/a	n/a
Over 4,501cf	0.13	0.12	0.12	0.12	n/a	n/a	n/a	n/a	n/a	n/a
Over 1,801 cf	n/a	n/a	n/a	n/a	0.11	0.11	0.11	0.10	n/a	n/a
1,801-6,500 cf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0.12	0.10
6,501-50,000 cf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0.14	0.12
Over 50,000 cf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0.16	0.14
Domestic Irrigation:^[6]										
Base Charge:										
All Meter Sizes	n/a	n/a	n/a	n/a	n/a	n/a	n/a	74.66	71.10	61.83
Commodity Charge:										
0 - 6,500 cf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0.17	0.16	0.14
6,501 - 50,000 cf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0.19	0.18	0.16
Over 50,000 cf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0.25	0.24	0.21
Agriculture Metered Irrigation, With Residence:										
Base Charge:										
5/8" - 3/4" Meter	61.68	59.88	59.88	58.14	55.37	55.37	52.73	47.50	25.89	22.51
1" Meter	77.30	88.78	88.78	72.86	69.39	69.39	66.09	59.54	30.06	26.14
1 1/2" Meter	97.62	94.78	94.78	92.02	87.64	87.64	83.47	75.20	40.51	30.35
2" Meter	109.15	105.97	105.97	102.88	97.98	97.98	93.31	84.06	54.60	47.48
3" Meter	165.73	160.90	160.90	156.21	148.77	148.77	141.69	127.65	73.60	64.00
4" Meter	247.96	240.74	240.74	233.73	222.60	222.60	212.00	190.99	99.20	86.26
6" Meter	475.23	461.39	461.39	447.95	426.62	426.62	406.30	366.04	133.70	116.26
8" Meter	769.69	747.27	747.27	725.50	690.95	690.95	658.05	592.84	155.22	134.97
10" Meter	1,219.01	1,183.50	1,183.50	1,149.03	1,094.31	1,094.31	1,042.20	938.92	180.19	156.69
12" Meter	1,536.38	1,491.63	1,491.63	1,448.18	1,379.22	1,379.22	1,313.54	1,183.37	209.20	181.91
Commodity Charge: ^[4]										
0 - 1,800 cf	1.50	1.45	1.45	1.41	n/a	n/a	n/a	n/a	n/a	n/a
1,801 - 4,500 cf	1.81	1.76	1.76	1.70	n/a	n/a	n/a	n/a	n/a	n/a
Over 4,501cf	0.13	0.12	0.12	0.12	n/a	n/a	n/a	n/a	n/a	n/a
0-1,800 cf	n/a	n/a	n/a	n/a	1.35	1.35	1.28	1.15	1.31	1.14
Over 1,801 cf	n/a	n/a	n/a	n/a	0.11	0.11	0.11	0.10	n/a	n/a
1,801-30,000 cf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0.14	0.12
30,001-58,200 cf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0.16	0.14
Over 58,201 cf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

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

All services outside the District are billed at 1.5 times the standard District rate.

All base charges are bi-monthly.

All charges for meter sizes greater than 1" are for turbine meters.

Footnotes^{[1] to [11]}: Can be found at the end of Table #15.

Source: El Dorado Irrigation District Customer Service Division

EL DORADO IRRIGATION DISTRICT
Table #15 (Continued)

Water Rates
Last Ten Years
(in dollars)

Category	Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Agriculture Metered Irrigation, Without Residence:										
Base Charge: ^[2]										
5/8" - 3/4" Meter	\$ 17.59	\$ 17.08	\$ 17.08	\$ 16.58	\$ 15.79	\$ 15.79	\$ 15.04	\$ 13.55	\$ 25.89	\$ 22.51
1" Meter	23.79	23.10	23.10	22.43	21.36	21.36	20.34	18.32	30.06	26.14
1 1/2" Meter	44.13	42.84	42.84	41.59	39.61	39.61	37.72	33.98	40.51	30.35
2" Meter	55.62	54.00	54.00	52.43	49.93	49.93	47.55	42.84	54.60	47.48
3" Meter	112.22	108.95	108.95	105.78	100.74	100.74	95.94	86.43	73.60	64.00
4" Meter	194.44	151.86	151.86	183.28	174.55	174.55	166.24	149.77	99.20	86.26
6" Meter	421.72	409.44	409.44	397.51	378.58	378.58	360.55	324.82	133.70	116.26
8" Meter	716.19	695.33	695.33	675.08	642.93	642.93	612.31	551.63	155.22	134.97
10" Meter	1,134.25	1,101.21	1,101.21	1,069.14	1,018.23	1,018.23	969.74	873.64	180.19	156.69
12" Meter	1,482.86	1,439.67	1,439.67	1,397.74	1,331.18	1,331.18	1,267.79	1,142.15	209.20	181.91
Commodity Charge: ^[5]										
All Water Consumed	0.13	0.12	0.12	0.12	0.11	0.11	0.11	0.10	n/a	n/a
0-58,200 cf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0.14	0.12
0-30,000 cf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
30,001-58,200	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Over 58,201 cf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0.16	0.14
Agriculture Metered Irrigation, IMS Participant:^[11]										
Base Charge: ^[2]										
5/8" - 3/4" Meter	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	25.89	22.51
1" Meter	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	30.06	26.14
1 1/2" Meter	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	40.51	30.35
2" Meter	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	54.60	47.48
3" Meter	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	73.60	64.00
4" Meter	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	99.20	86.26
6" Meter	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	133.70	116.26
8" Meter	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	155.22	134.97
10" Meter	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	180.19	156.69
12" Meter	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	209.20	181.91
Commodity Charge:										
0-1,800 cf, With Residence	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	1.31	1.14
1,801-30,000 cf, With Residence	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0.12	0.10
0-30,000 cf, Without Residence	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0.09	0.08
30,001-58,200 cf, With or Without Residence	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0.14	0.12
Over 58,200 cf, With or Without Residence	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0.16	0.14
Multi-family Residential:										
Base Charge: ^[2]										
All Meter Sizes	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	12.82	11.15
5/8" - 3/4" Meter	64.86	62.97	62.97	61.14	58.23	58.23	55.46	49.96	n/a	n/a
1" Meter	95.76	92.97	92.97	90.26	85.96	85.96	81.87	73.76	n/a	n/a
1 1/2" Meter	197.31	191.56	191.56	185.98	177.12	177.12	168.69	151.97	n/a	n/a
2" Meter	254.70	247.28	247.28	240.08	228.65	228.65	217.76	196.18	n/a	n/a
3" Meter	537.24	521.59	521.59	506.40	482.29	482.29	459.32	413.80	n/a	n/a
4" Meter	947.81	920.20	920.20	893.40	850.86	850.86	810.34	730.04	n/a	n/a
6" Meter	1,783.88	1,447.40	1,447.40	1,681.48	1,601.41	1,601.41	1,525.15	1,374.01	n/a	n/a
8" Meter	3,552.50	3,449.03	3,449.03	3,348.57	3,189.11	3,189.11	3,037.25	2,736.26	n/a	n/a
10" Meter	5,626.26	5,462.39	5,462.39	5,303.29	5,050.75	5,050.75	4,810.24	4,333.55	n/a	n/a
12" Meter	7,380.04	7,165.09	7,165.09	6,956.40	6,625.14	6,625.14	6,309.66	5,684.38	n/a	n/a
Commodity Charge: ^[5]										
All Water Consumed	1.78	1.73	1.73	1.68	1.60	1.60	1.53	1.37	n/a	n/a
0-1,500 cf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	1.43	1.24
1,501 - 20,000 cf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	1.43	1.24
Over 20,000 cf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	1.43	1.24

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

All services outside the District are billed at 1.5 times the standard District rate.

All base charges are bi-monthly.

All charges for meter sizes greater than 1" are for turbine meters.

Footnotes^[1] to ^[11]: Can be found at the end of Table #15.

Source: El Dorado Irrigation District Customer Service Division

EL DORADO IRRIGATION DISTRICT
Table #15 (Continued)
Water Rates
Last Ten Years
(in dollars)

Category	Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Recreational Turf										
Base Charge: ^[2]										
3/4" - 5/8" Meter	\$ 58.46	\$ 56.76	\$ 56.76	\$ 55.11	\$ 52.49	\$ 52.49	\$ 49.99	\$ 49.96	\$ 25.89	\$ 22.51
1" Meter	84.89	82.42	82.42	80.02	76.21	76.21	72.58	73.76	30.06	26.14
1 1/2" Meter	171.74	166.74	166.74	161.88	154.17	154.17	146.83	151.97	40.51	30.35
2" Meter	220.81	214.38	214.38	208.14	198.23	198.23	188.79	196.18	54.60	47.48
3" Meter	462.46	448.99	448.99	435.91	415.15	415.15	395.38	413.80	73.60	64.00
4" Meter	813.59	789.89	789.89	766.88	730.36	730.36	695.58	730.04	99.20	86.26
6" Meter	1,783.88	1,731.92	1,731.92	1,681.48	1,601.41	1,601.41	1,525.15	1,374.01	133.70	116.26
8" Meter	3,041.13	2,952.55	2,952.55	2,866.55	2,730.05	2,730.05	2,600.05	2,736.26	155.22	134.97
10" Meter	4,816.39	4,676.11	4,676.11	4,539.91	4,323.72	4,323.72	4,117.83	4,333.55	180.19	156.69
12" Meter	6,314.51	6,130.59	6,130.59	5,952.03	5,668.60	5,668.60	5,398.67	5,684.38	209.20	181.91
Commodity Charge: ^[10]										
All Water Consumed	1.78	1.73	1.73	1.68	1.60	1.60	1.53	n/a	n/a	n/a
0 - 13,300 cf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0.75	0.72	0.62
13,301 - 75,000 cf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0.77	0.74	0.64
Over 75,000 cf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0.96	0.92	0.80
Wholesale (City of Placerville):^[9]										
Base Charge:										
2" Meter		224.88	224.88	218.33	207.94	207.94	198.04	178.41	n/a	n/a
3" Meter		478.35	478.35	464.42	442.31	442.31	421.25	379.50	n/a	n/a
4" Meter		849.95	849.95	825.19	785.90	785.90	748.47	674.30	n/a	n/a
6" Meter		1,873.14	1,873.14	1,818.58	1,731.98	1,731.98	1,649.50	1,486.04	n/a	n/a
8" Meter		3,198.89	3,198.89	3,105.72	2,957.83	2,957.83	2,816.98	2,537.82	n/a	n/a
10" Meter		4,990.46	4,990.46	4,845.11	4,614.39	4,614.39	4,394.66	3,959.15	n/a	n/a
14" Meter		8,407.73	8,407.73	8,162.84	7,774.14	7,774.14	7,403.94	6,670.21	n/a	n/a
Commodity Charge: ^[5]										
All Water Consumed		0.59	0.59	0.57	0.54	0.54	0.52	0.47	n/a	n/a
0 - 295,500 cf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0.57	0.50
295,501 - 12,160,000 cf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0.65	0.56
Over 12,160,000 cf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0.74	0.64
Temporary Water Use:^[7]										
Base Charge	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	402.52	350.02
Commodity Charge	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	2.37	2.06
Ditches (Raw Water):										
Base Charge, Metered Lands, Irrig. All Meter Sizes: ^[2]										
5/8" - 3/4" Meter	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	80.38	70.29
1" Meter	17.59	17.08	17.08	16.58	15.79	15.79	15.04	13.55	n/a	n/a
1 1/2" Meter	23.79	23.10	23.10	22.43	21.36	21.36	20.34	18.32	n/a	n/a
2" Meter	44.13	42.84	42.84	41.59	39.61	39.61	37.72	33.98	n/a	n/a
3" Meter	55.62	54.00	54.00	52.43	49.93	49.93	47.55	42.84	n/a	n/a
4" Meter	112.22	108.95	108.95	105.78	100.74	100.74	95.94	86.43	n/a	n/a
6" Meter	194.44	151.86	151.86	183.28	174.55	174.55	166.24	149.77	n/a	n/a
8" Meter	421.72	409.44	409.44	397.51	378.58	378.58	360.55	324.82	n/a	n/a
10" Meter	716.19	695.33	695.33	675.08	642.93	642.93	612.31	551.63	n/a	n/a
12" Meter	1,134.25	1,101.21	1,101.21	1,069.14	1,018.23	1,018.23	969.74	873.64	n/a	n/a
Commodity Charge, Metered - All Water Consumed	1,482.86	1,439.67	1,439.67	1,397.74	1,331.18	1,331.18	1,267.79	1,142.15	n/a	n/a
	0.13	0.12	0.12	0.12	0.11	0.11	0.11	0.10	0.15	0.13

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

All services outside the District are billed at 1.5 times the standard District rate.

All base charges are bi-monthly.

All charges for meter sizes greater than 1" are for turbine meters.

Footnotes^{[1] to [11]}: Can be found at the end of Table #15.

Source: El Dorado Irrigation District Customer Service Division

EL DORADO IRRIGATION DISTRICT
Table #15 (Continued)
Water Rates
Last Ten Years
(in dollars)

Category	Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Ditches (Raw Water): ^[8]										
Base Charge, Non-metered:										
1/2" Flow	\$ 80.77	\$ 78.41	\$ 78.41	\$ 76.13	\$ 72.50	\$ 72.50	\$ 69.05	\$ 62.21	\$ 74.51	\$ 64.79
1" Flow	161.55	156.84	156.84	152.27	145.02	145.02	138.11	124.42	165.49	143.90
2" Flow	323.09	313.66	313.66	304.52	290.02	290.02	276.21	248.84	330.98	287.81
4" Flow	646.18	627.31	627.31	609.04	580.04	580.04	552.42	497.68	661.94	575.60
Commodity Charge, Non-metered - All Water Consumed	0.13	0.12	0.12	0.12	0.11	0.11	0.11	0.10	0.09	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 the standard District rate.
All base charges are bi-monthly.
All charges for meter sizes greater than 1" are for turbine meters.

^[1] Beginning in 2012, Single Family Residential tier 1 maximum use was increased.

^[2] Beginning in 2012, base charge is determined by size and service class.

^[3] Beginning in 2012, tier 2 was increased to cover all use above tier 1. Beginning in 2016, tier 3 was added back in.

^[4] Beginning in 2012, tier 3 omitted and was added back in beginning with 2016.

^[5] Beginning in April 2012, tiered use rates were changed to one rate for all water consumed.

^[6] Effective 1/1/2013 this rate class was eliminated.

^[7] Previously known as Fire Hydrant / Construction, it was removed from rate class status effective April 2012. It is now covered under the fees and charges table.

^[8] 1 miners inch = 11.22 gallons per minute; 1 miners inch per day (MID)= 2,160 cubic feet.

^[9] No longer a part of the general District rate schedule. This rate is determined subject to ad-hoc negotiations with the City of Placerville.

^[10] Beginning in 2013, tiered use rates were changed to one rate for all water consumed.

^[11] Beginning in 2012, this rate class was eliminated.

Source: El Dorado Irrigation District Customer Service Division

EL DORADO IRRIGATION DISTRICT
Table #16
Wastewater Rates
Last Ten Years
(in dollars)

Category	Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Small Farm / Recreational Turf / Domestic Irrigation (Flat Rate):										
Base Charge	\$ 140.78	\$ 138.01	\$ 138.01	\$ 134.00	\$ 141.75	\$ 141.75	\$ 135.00	\$ 135.98	\$ 129.50	\$ 112.61
Single Family Residential:										
Base Charge	75.59	74.11	74.11	71.95	71.95	71.95	68.52	65.26	77.33	67.24
Commodity Charge	4.07	3.99	3.99	3.88	3.88	3.88	3.69	3.52	2.90	2.52
Commercial / Industrial: ^[1]										
Base Charge	80.80	79.22	79.22	76.91	76.91	76.91	73.25	69.76	69.76	60.66
Laundromat / Commercial-Low	4.68	4.59	4.59	4.46	4.46	4.46	4.25	4.04	3.85	3.35
Market / Commercial-Medium/Low	6.75	6.62	6.62	6.42	6.42	6.42	6.12	5.83	5.80	5.04
Repair Shop / Service Station / Commercial-Medium	10.06	9.87	9.87	9.58	9.58	9.58	9.12	8.69	7.76	6.75
Light Industrial / Commercial-Medium/High	15.65	15.35	15.35	14.90	14.90	14.90	14.19	13.50	8.32	7.23
Restaurant / Commercial-High	34.10	33.43	33.43	32.45	32.45	32.45	30.91	29.44	10.73	9.33
Other (No Longer Exists)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	4.97	4.32
Commercial Without Water Service (Sewer Only):										
Base Charge	125.87	123.40	123.40	119.81	119.81	119.81	114.10	108.67	81.64	70.99
Each Additional Unit	125.87	123.40	123.40	119.81	119.81	119.81	114.10	108.67	93.16	81.01
School Wastewater, Yearly:										
Base Charge, Per Student	12.39	12.15	12.15	11.80	11.80	11.80	11.24	10.70	5.52	4.80
Septage Transfer:										
Base Charge, per 1,000 Gallons	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	197.14	171.43

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

All base charges are bi-monthly.

^[1] Beginning in 2012, all Commercial / Industrial classes changed pursuant to the cost of services study.

Source: El Dorado Irrigation District Customer Service Division

EL DORADO IRRIGATION DISTRICT

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

Category	Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Dual Plumbed Residential: ^[2]										
Base Charge:	\$ 24.56	\$ 23.84	\$ 23.84	\$ 23.15	\$ 22.05	\$ 22.05	\$ 21.00	\$ 20.00	n/a	n/a
0 - 3,000 cf	0.71	0.69	0.69	0.67	0.64	0.64	0.61	0.58	\$ 0.57	\$ 0.50
3,001 - 4,500 cf	1.20	1.16	1.16	1.13	1.08	1.08	1.02	0.98	0.65	0.56
Over 4,500 cf	1.80	1.75	1.75	1.70	1.62	1.62	1.54	1.47	0.74	0.64
Commodity Charge	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0.83	0.72
Commercial / Industrial: ^[2]										
Base Charge ^[3] :										
All Meter Sizes	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	143.84	125.08
Base Charge, 3/4" - 5/8" Meter	33.19	32.22	32.22	31.28	29.79	29.79	28.37	27.02	n/a	n/a
Base Charge, 1" Meter	48.18	46.78	46.78	45.42	43.26	43.26	41.20	39.24	n/a	n/a
Base Charge, 1 1/2" Meter	97.49	94.65	94.65	91.89	87.51	87.51	83.34	79.37	n/a	n/a
Base Charge, 2" Meter	125.33	121.68	121.68	118.14	112.51	112.51	107.15	102.05	n/a	n/a
Base Charge, 3" Meter	262.47	254.83	254.83	247.41	235.63	235.63	224.41	213.72	n/a	n/a
Base Charge, 4" Meter	461.77	448.32	448.32	435.26	414.53	414.53	394.79	375.99	n/a	n/a
Base Charge, 6" Meter	1,012.48	982.99	982.99	954.36	908.91	908.91	865.63	824.41	n/a	n/a
Base Charge, 8" Meter	1,726.06	1,675.79	1,675.79	1,626.98	1,549.50	1,549.50	1,475.71	1,405.44	n/a	n/a
Base Charge, 10" Meter	2,733.63	2,654.01	2,654.01	2,576.71	2,454.01	2,454.01	2,337.15	2,225.86	n/a	n/a
Base Charge, 12" Meter	3,583.93	3,479.54	3,479.54	3,378.19	3,217.32	3,217.32	3,064.11	2,918.20	n/a	n/a
Commodity Charge	0.98	0.95	0.95	0.92	0.88	0.88	0.83	0.79	0.83	0.72
Recreational Turf: ^[2]										
Base Charge ^[3] :										
All Meter Sizes	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	143.84	125.08
Base Charge, 3/4" - 5/8" Meter	33.19	32.22	32.22	31.28	29.79	29.79	28.37	27.02	n/a	n/a
Base Charge, 1" Meter	48.18	46.78	46.78	45.42	43.26	43.26	41.20	39.24	n/a	n/a
Base Charge, 1 1/2" Meter	97.49	94.65	94.65	91.89	87.51	87.51	83.34	79.37	n/a	n/a
Base Charge, 2" Meter	125.33	121.68	121.68	118.14	112.51	112.51	107.15	102.05	n/a	n/a
Base Charge, 3" Meter	262.47	254.83	254.83	247.41	235.63	235.63	224.41	213.72	n/a	n/a
Base Charge, 4" Meter	461.77	448.32	448.32	435.26	414.53	414.53	394.79	375.99	n/a	n/a
Base Charge, 6" Meter	1,012.48	982.99	982.99	954.36	908.91	908.91	865.63	824.41	n/a	n/a
Base Charge, 8" Meter	1,726.06	1,675.79	1,675.79	1,626.98	1,549.50	1,549.50	1,475.71	1,405.44	n/a	n/a
Base Charge, 10" Meter	2,733.63	2,654.01	2,654.01	2,576.71	2,454.01	2,454.01	2,337.15	2,225.86	n/a	n/a
Base Charge, 12" Meter	3,583.93	3,479.54	3,479.54	3,378.19	3,217.32	3,217.32	3,064.11	2,918.20	n/a	n/a
Commodity Charge	1.15	1.12	1.12	1.09	1.03	1.03	0.99	0.94	n/a	n/a
Fire Hydrant / Temporary Water Use: ^[1]										
Base Charge	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	434.27	377.63
Commodity Charge	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	1.07	0.93

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

All base charges are bi-monthly.

^[1] Temporary water use was removed from rate class status effective April 2012. It is now covered under the fees and charges table.

^[2] Single Family, Commercial, Agricultural Irrigation, Small Farms, and Recreational Turf classifications were previously combined in one class.

^[3] Beginning in 2012, base charge is determined by meter size.

Source: El Dorado Irrigation District Customer Service Division

EL DORADO IRRIGATION DISTRICT

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

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

Note: Single Family Residential, Domestic Irrigation, Agricultural Meter Irrigation, and Small Farms surcharge is based on a 3/4" meter, regardless of size.

For meter type: D=Displacement, C=Compound, P=Propeller, and T=Turbine.

All charges are reported as bi-monthly.

^[1] Phase I (LCS) was adopted February 1, 1999, was first effective February 7, 1999, and expired effective October 2009.

Phase II was adopted on November 1, 2001, and expires October 31, 2021.

Phase III was adopted March 10, 2008, was first effective April 1, 2008, and expires March 31, 2028.

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

^[2] Wastewater rate surcharges remained the same for the ten year reporting period. They expire March 1, 2028

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

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

Source: El Dorado Irrigation Customer Service Division

EL DORADO IRRIGATION DISTRICT

Table #19

Water and Recycled Water
Facility Capacity Charges (FCC)

Last Ten Years
(in dollars per EDU)

Category	Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
El Dorado Hills / Cameron Park ^[1] Residential / Commercial and Retail Landscape (Potable Only):										
Potable Water FCC	\$20,289	\$19,621	\$18,921	\$18,369	\$17,930	\$17,578	\$17,578	\$15,751	\$15,751	\$15,751
Gabbro Soils	345	345	345	345	345	345	345	345	345	345
Line & Cover 2	118	118	118	118	118	118	118	118	118	118
Line & Cover 3	325	325	325	325	325	325	325	325	325	325
Total	\$21,077	\$20,409	\$19,709	\$19,157	\$18,718	\$18,366	\$18,366	\$16,539	\$16,539	\$16,539
El Dorado Hills / Cameron Park ^[1] Residential (Dual Plumbed):										
Potable Water FCC	\$13,239	\$12,804	\$12,347	\$11,988	\$11,700	\$11,471	\$11,471	\$6,631	\$6,631	\$6,631
Gabbro Soils	345	345	345	345	345	345	345	345	345	345
Line & Cover 2	118	118	118	118	118	118	118	118	118	118
Line & Cover 3	325	325	325	325	325	325	325	325	325	325
Recycled Water FCC	3,515	3,399	3,278	3,183	3,107	3,046	3,046	4,553	4,553	4,553
Total	\$17,542	\$16,991	\$16,413	\$15,959	\$15,595	\$15,305	\$15,305	\$11,972	\$11,972	\$11,972
El Dorado Hills / Cameron Park ^[1] Commercial / Industrial (Recycled Water):										
Recycled Water FCC	\$3,515	\$3,399	\$3,278	\$3,183	\$3,107	\$3,046	\$3,046	\$4,553	\$4,553	\$4,553
Total	\$3,515	\$3,399	\$3,278	\$3,183	\$3,107	\$3,046	\$3,046	\$4,553	\$4,553	\$4,553
El Dorado Hills Residential - AFA, with Entitlement (Potable Only): ^[2]										
Potable Water FCC	n/a	n/a	n/a	\$15,038	\$14,679	\$14,391	\$14,391	\$12,361	\$12,361	\$12,361
Gabbro Soils	n/a	n/a	n/a	345	345	345	345	345	345	345
Line & Cover 2	n/a	n/a	n/a	118	118	118	118	118	118	118
Line & Cover 3	n/a	n/a	n/a	325	325	325	325	325	325	325
Total	n/a	n/a	n/a	\$15,826	\$15,467	\$15,179	\$15,179	\$13,149	\$13,149	\$13,149
El Dorado Hills Residential - AFA, with Entitlement (Dual Plumbed): ^[2]										
Potable Water FCC	n/a	n/a	n/a	\$10,655	\$10,400	\$10,196	\$10,196	\$5,512	\$5,512	\$5,512
Gabbro Soils	n/a	n/a	n/a	345	345	345	345	345	345	345
Line & Cover 2	n/a	n/a	n/a	118	118	118	118	118	118	118
Line & Cover 3	n/a	n/a	n/a	325	325	325	325	325	325	325
Recycled Water FCC	n/a	n/a	n/a	3,183	3,107	3,046	3,046	4,553	4,553	4,553
Total	n/a	n/a	n/a	\$14,626	\$14,295	\$14,030	\$14,030	\$10,853	\$10,853	\$10,853
El Dorado Hills Residential - AFA, with No Entitlement (Potable Only): ^[3]										
Potable Water FCC	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$12,361	\$12,361
Gabbro Soils	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	345	345
Line & Cover 2	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	118	118
Line & Cover 3	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	325	325
AFA / Weber Fee	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	4,000	4,000
Total	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$17,149	\$17,149

Note: An Equivalent Dwelling Unit (EDU) represents the water usage equivalent of a typical single family dwelling with a 3/4" meter.

^[1] Cameron Park included with El Dorado Hill FCC effective February 25, 2008.

^[2] AFA With Entitlements agreement expired April 2011.

^[3] AFA With No Entitlements agreement expired April 2016.

Source: El Dorado Irrigation Engineering Department

EL DORADO IRRIGATION DISTRICT
Table #19 (Continued)
Water and Recycled Water
Facility Capacity Charges (FCC)
Last Ten Years
(in dollars per EDU)

Category	Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
El Dorado Hills Residential - AFA With No Entitlement (Dual Plumbed): ^[2]										
Potable Water FCC	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$5,512	\$5,512
Gabbro Soils	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	345	345
Line & Cover 2	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	118	118
Line & Cover 3	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	325	325
AFA / Weber Fee	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	2,000	2,000
Recycled Water FCC	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	4,553	4,553
Total	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$12,853	\$12,853
General District / Satellites (Potable Only):										
Potable Water FCC	\$20,289	\$19,621	\$18,921	\$18,369	\$17,930	\$17,578	\$17,578	\$16,305	\$16,305	\$16,305
Gabbro Soils	\$345	345	345	345	345	345	345	345	345	345
Line & Cover 2	\$118	118	118	118	118	118	118	118	118	118
Line & Cover 3	325	325	325	325	325	325	325	325	325	325
Total	\$21,077	\$20,409	\$19,709	\$19,157	\$18,718	\$18,366	\$18,366	\$17,093	\$17,093	\$17,093

Note: An Equivalent Dwelling Unit (EDU) represents the water usage equivalent of a typical single family dwelling with a 3/4" meter.

^[1] Cameron Park included with El Dorado Hill FCC effective February 25, 2008.

^[2] AFA With No Entitlements agreement expired April 2011.

Source: El Dorado Irrigation Engineering Department

Table #20
Wastewater
Facility Capacity Charges (FCC)
Last Ten Years
(in dollars per EDU)

Category	Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
El Dorado Hills:										
Wastewater Buy-in	\$6,947	\$6,719	\$6,479	\$6,290	\$6,140	\$6,020	\$6,020	\$4,967	\$4,967	\$4,967
Recycled Costs Share		-	-	-	-	-	-	1,538	1,538	1,538
Future Capital Projects	7,897	7,638	7,365	7,150	6,979	6,842	6,842	6,936	6,936	6,936
Total	\$14,844	\$14,357	\$13,844	\$13,440	\$13,119	\$12,862	\$12,862	\$13,441	\$13,441	\$13,441
Cameron Park:										
Wastewater Buy-in	\$6,947	\$6,719	\$6,479	\$6,290	\$6,140	\$6,020	\$6,020	\$7,425	\$7,425	\$7,425
Recycled Costs Share		-	-	-	-	-	-	1,538	1,538	1,538
Future Capital Projects	7,897	7,638	7,365	7,150	6,979	6,842	6,842	486	486	486
Total	\$14,844	\$14,357	\$13,844	\$13,440	\$13,119	\$12,862	\$12,862	\$9,449	\$9,449	\$9,449
Motherlode:										
Wastewater Buy-in	\$6,947	\$6,719	\$6,479	\$6,290	\$6,140	\$6,020	\$6,020	\$10,114	\$10,114	\$10,114
Recycled Costs Share		-	-	-	-	-	-	1,538	1,538	1,538
Future Capital Projects	7,897	7,638	7,365	7,150	6,979	6,842	6,842	1,751	1,751	1,751
Total	\$14,844	\$14,357	\$13,844	\$13,440	\$13,119	\$12,862	\$12,862	\$13,403	\$13,403	\$13,403
Satellite Areas:										
Wastewater Buy-in	\$6,947	\$6,719	\$6,479	\$6,290	\$6,140	\$6,020	\$6,020	\$9,120	\$9,120	\$9,120
Future Capital Projects	7,897	7,638	7,365	7,150	6,979	6,842	6,842	777	777	777
Total	\$14,844	\$14,357	\$13,844	\$13,440	\$13,119	\$12,862	\$12,862	\$9,897	\$9,897	\$9,897

Note: An Equivalent Dwelling Unit (EDU) represents the water usage equivalent of a typical single family dwelling with a 3/4" meter.

Source: El Dorado Irrigation Engineering Department

EL DORADO IRRIGATION DISTRICT
 Table #21
 Installation and Inspection Fees
 Last Ten Years
 (in dollars)

Category	Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011 ^[1]	2010
Water Meter Installation Fees:										
3/4" Meter, With Pressure Regulator	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 792	\$ 760
3/4" Meter, Without Pressure Regulator	\$ 611	\$ 611	\$ 546	\$ 605	\$ 607	\$ 605	\$ 609	\$ 560	560	521
1" Meter, With Pressure Regulator	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	979	920
1" Meter, Without Pressure Regulator	713	713	625	788	789	704	704	669	669	598
Recycled Water Meter Installation Fees:										
3/4" Commercial and Residential	642	642	566	612	613	612	615	594	594	792
Wastewater Inspection Fees:										
Commercial (Per Cleanout)	85	85	70	70	70	70	70	70	70	70
Residential	175	175	145	145	145	145	145	145	145	145
Recycled Water Plan Check & Inspection Fees:										
Front Yard Only, Done by Developer (Per Lot)	400	400	400	400	400	400	400	400	400	400
Front and Back Yard, Done by Developer (Per Lot)	325	325	325	325	325	325	325	325	325	325

^[1] Pressure regulators not included in price effective January 1, 2012.
 Source: El Dorado Irrigation Engineering Department



Debt Capacity

EL DORADO IRRIGATION DISTRICT
 Table #22
 Ratios of Outstanding Debt by Type
 Last Ten Years
 (in thousands of dollars, except per capita and population)

	Year									
	2019	2018	2017	2016	2015	2014 ^[2]	2013	2012	2011	2010
State of California Loans	\$10,172	\$11,354	\$12,076	\$13,211	\$14,319	\$15,401	\$16,456	\$17,485	\$18,491	\$19,472
County of El Dorado Note	-	-	-	-	-	-	-	1,533	1,533	1,533
COPs	38,600	56,570	59,660	62,630	155,958	158,719	293,005	298,182	358,046	364,940
GO Bonds	-	245	485	940	1,406	1,850	2,260	2,670	3,065	3,450
Refunding Revenue Bonds	266,861	280,333	293,115	305,486	179,513	184,051	50,505	50,685	-	-
Total	\$315,633	\$348,502	\$365,336	\$382,267	\$351,196	\$360,021	\$362,226	\$370,555	\$381,135	\$389,395
Percentage of Personal Income	n/a ^[1]	2.73%	3.07%	3.40%	3.26%	3.46%	3.48%	3.76%	4.19%	4.58%
Per Capita	\$1,670	\$1,844	\$1,988	\$2,080	\$1,925	\$1,974	\$2,004	\$2,051	\$2,094	\$2,212
Personal Income, Per Capita	n/a ^[1]	\$67,464	\$64,673	\$61,206	\$59,145	\$56,965	\$57,520	\$54,533	\$49,967	\$48,240
Population	188,993	188,993	183,750	183,750	182,404	182,404	180,712	180,712	182,019	176,075

Note: The District is not subject to any legal debt limitations.

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

^[1] Personal income for year 2019 unavailable at time of report.

^[2] Beginning in 2014, outstanding debt by type is stated net of related premiums, discounts, and adjustments.

Source: El Dorado Irrigation District Accounting Division

EL DORADO IRRIGATION DISTRICT
Table #23
Debt Service Coverage
Refunding Revenue and Certificates of Participation Outstanding Debt
Water and Wastewater^[1]
Last Ten Years
(in dollars)

Category	Revenues ^[2]	Expenses ^[3]	Net Revenues	Pre-existing Obligations (State Loans) ^[6]	Net Revenues Available for Debt Service	Senior Debt Service	Senior Debt Service Coverage ^[4]
Water							
2010	\$ 36,473,001	\$ 22,352,243	\$ 14,120,758	\$ 1,067,395	\$ 13,053,363	\$ 8,608,947	1.52
2011 ^[5]	45,464,271	24,029,159	21,435,112	1,079,317	20,355,795	10,506,089	1.94
2012	41,643,945	24,518,620	17,125,325	1,079,317	16,046,008	8,453,844	1.90
2013	49,455,360	27,218,400	22,236,960	1,079,317	21,157,643	8,657,235	2.44
2014	44,472,670	27,511,675	16,960,995	1,079,317	15,881,678	7,995,712	1.99
2015	50,398,717	27,958,179	22,440,538	1,079,317	21,361,221	8,239,745	2.59
2016	54,259,570	29,023,156	25,236,414	1,079,317	24,157,097	8,345,725	2.89
2017	66,855,734	29,780,622	37,075,112	1,079,317	35,995,795	13,603,893	2.65
2018	60,893,341	32,541,765	28,351,576	1,079,317	27,272,259	13,835,498	1.97
2019	65,889,061	35,586,262	30,302,799	1,079,317	29,223,482	13,830,444	2.11
Wastewater							
2010	\$ 25,034,969	\$ 16,931,624	\$ 8,103,345	-	\$ 8,103,345	\$ 6,456,346	1.26
2011 ^[5]	27,092,724	15,640,269	11,452,455	-	11,452,455	8,279,821	1.38
2012	26,998,692	16,443,083	10,555,609	-	10,555,609	8,243,700	1.28
2013	29,857,466	16,208,390	13,649,076	-	13,649,076	6,669,813	2.05
2014	29,409,459	17,069,712	12,339,747	-	12,339,747	6,114,269	2.02
2015	34,235,885	17,293,178	16,942,707	-	16,942,707	6,193,805	2.74
2016	33,406,086	17,948,583	15,457,503	-	15,457,503	6,116,588	2.53
2017	37,009,708	17,954,875	19,054,833	-	19,054,833	8,523,539	2.24
2018	40,164,798	18,177,661	21,987,137	-	21,987,137	8,670,956	2.54
2019	37,648,668	19,271,292	18,377,376	-	18,377,376	8,667,073	2.12
Total							
2010	\$ 61,507,970	\$ 39,283,867	\$ 22,224,103	\$ 1,067,395	\$ 21,156,708	\$ 15,065,293	1.40
2011 ^[5]	72,556,995	39,669,428	32,887,567	1,079,317	31,808,250	18,785,910	1.69
2012	68,642,637	40,961,703	27,680,934	1,079,317	26,601,617	16,697,544	1.59
2013	79,312,826	43,426,790	35,886,036	1,079,317	34,806,719	15,327,048	2.27
2014	73,882,129	44,581,387	29,300,742	1,079,317	28,221,425	14,109,981	2.00
2015	84,634,602	45,251,357	39,383,245	1,079,317	38,303,928	14,433,550	2.65
2016	87,665,656	46,971,739	40,693,917	1,079,317	39,614,600	14,462,313	2.74
2017	103,865,442	47,735,497	56,129,945	1,079,317	55,050,628	22,127,432	2.49
2018	101,058,139	50,719,426	50,338,713	1,079,317	49,259,396	22,506,454	2.19
2019	103,537,729	54,857,554	48,680,175	1,079,317	47,600,858	22,497,517	2.12

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

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

^[2] Revenues include all District operating revenues and non-operating revenues, excluding interest earnings from the 2003 bond proceeds and developer contributions. Flood damage reimbursements received in 2008 are included.

^[3] Total expenses include both operating and non-operating expenses, except depreciation and interest expense.

^[4] Debt service coverage of 1.25 times is required for both water and wastewater for the Revenue COPs.

^[5] Expenses are restated for prior period adjustment to correct year-end compensated balances liability.

^[6] During the year-ended December 31, 2013, the debt service coverage calculation was changed to match the calculation methodology per the bond covenants as presented in the Official Statements. The State Revolving Fund loans are pre-existing indebtedness payable from net Revenues prior to the District's senior debt. Revised calculations are restated back to 2009.

Source: El Dorado Irrigation District Accounting Division - COP Coverage Requirement Analysis



Demographic and Economic Information

EL DORADO IRRIGATION DISTRICT
 Table #24
 Building Permit and Valuation Demographics
 for the District Service Area
 Last Ten Years

Year	Issued Permit Valuations (in thousands of dollars)		New Dwelling Units Issued Permits		New Construction Finals Issued		
	Residential	Non- residential	Single Family	Multi-family	Single Family	Multi-family	Commercial
2010	49,309	13,825	69	-	79	-	28
2011	63,164	26,016	92	-	60	-	24
2012	100,240	12,253	172	40	151	-	20
2013	153,178	22,230	282	6	246	145	30
2014	159,466	14,659	287	4	265	-	34
2015	251,472	30,149	491	2	304	4	27
2016	283,080	21,020	627	-	527	-	34
2017	308,757	35,661	690	-	662	-	21
2018	n/a ^[1]	n/a ^[1]	n/a ^[1]	n/a ^[1]	n/a ^[1]	n/a ^[1]	n/a ^[1]
2019	n/a ^[1]	n/a ^[1]	n/a ^[1]	n/a ^[1]	n/a ^[1]	n/a ^[1]	n/a ^[1]

^[1] Information unavailable at time of report.

Source: El Dorado County Development Services Division, Building Services

EL DORADO IRRIGATION DISTRICT

Table #25

Principal Employers
of El Dorado County

Current Year and Nine Years Ago

Employer	2018 ^[2]			2010		
	Employees	Rank	Percent of Total County Employment	Employees	Rank	Percent of Total County Employment
El Dorado County	1,700	1	1.91%	1,583	2	2.04%
Marshall Medical Center	1,648	2	1.85%	1,145	3	1.47%
Blue Shield of California	1,424	3	1.60%	1,719	1	2.21%
Red Hawk Casino	1,300	4	1.46%			
Barton Healthcare Systems (Hospital)	944	5	1.06%	495	8	0.64%
U.S. Government	773	6	0.87%			
El Dorado Union High School District	750	7	0.84%			
State of California	631	8	0.71%	685	6	0.88%
Safeway, Inc.	604	9	0.68%			
Sierra-at-Tahoe ^[1]	500	10	0.56%	752	5	0.97%
Raley's, Inc.	480	11	0.54%	540	7	0.69%
Buckeye Union Elementary School District	475	12	0.53%			
Lake Tahoe Unified School District	330	13	0.37%			
Roebbelen Contracting, Inc. ^[1]	320	14	0.36%	263	10	0.34%
Weckworth Electric Group	245	15	0.28%			
Lake Tahoe Resort Hotel/Embassy Suites	230	16	0.26%			
El Dorado Irrigation District	217	17	0.24%	222	11	0.29%
City of South Lake Tahoe	209	18	0.23%			
Doug Veerkamp General Engineering, Inc. ^[1]	200	19	0.22%			
Aerometals	160	20	0.18%			
DST Output				850	4	1.09%
Camp Richardson Resort ^[1]				400	9	0.51%
El Dorado County Office of Education				210	12	0.27%
Doug Veerkamp Engineering, Inc. ^[1]				200	13	0.26%
Embassy Suites Lake Tahoe Resort				200	13	0.26%
Lake Tahoe Community College				198	15	0.25%
Total	13,140		14.76%	9,462		11.92%

^[1] Peak season employment.

^[2] Information for the current year was not available yet as of the publication of this document.

Source: Sacramento Business Journal, May 10, 2019 and April 2, 2010, for 2018 and 2010, respectively

EL DORADO IRRIGATION DISTRICT
Table #26
El Dorado County Demographic and Economic Statistics
Last Ten Years

Year	County Population	Annual % Change	Civilian Labor Force	Employed	Unemployment Rate	Personal Income (in thousands of dollars - estimated)	Per Capita Personal Income (in dollars)	School Enrollment
2010	182,019	1.8%	90,800	79,400	12.6%	\$8,738,665	\$48,240	29,601
2011	182,019	0.0%	91,000	80,300	11.8%	9,040,926	49,967	29,972
2012	180,712	-0.7%	90,700	81,400	10.3%	9,846,504	54,533	29,780
2013	180,712	0.0%	89,300	81,700	8.5%	10,458,523	57,520	29,441
2014	182,404	0.9%	84,900	83,100	7.1%	10,429,619	56,965	27,237
2015	182,404	0.9%	89,200	84,300	5.5%	10,909,324	59,145	26,960
2016	183,750	0.7%	89,700	85,200	5.1%	11,361,318	61,206	26,987
2017	183,750	0.0%	90,600	87,500	3.5%	12,222,262	64,673	27,021
2018	188,993	2.9%	92,300	89,000	3.6%	12,863,893	67,464	27,875
2019	188,993	0.0%	92,300	89,500	3.1%	n/a ^[1]	n/a ^[1]	28,221

^[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.

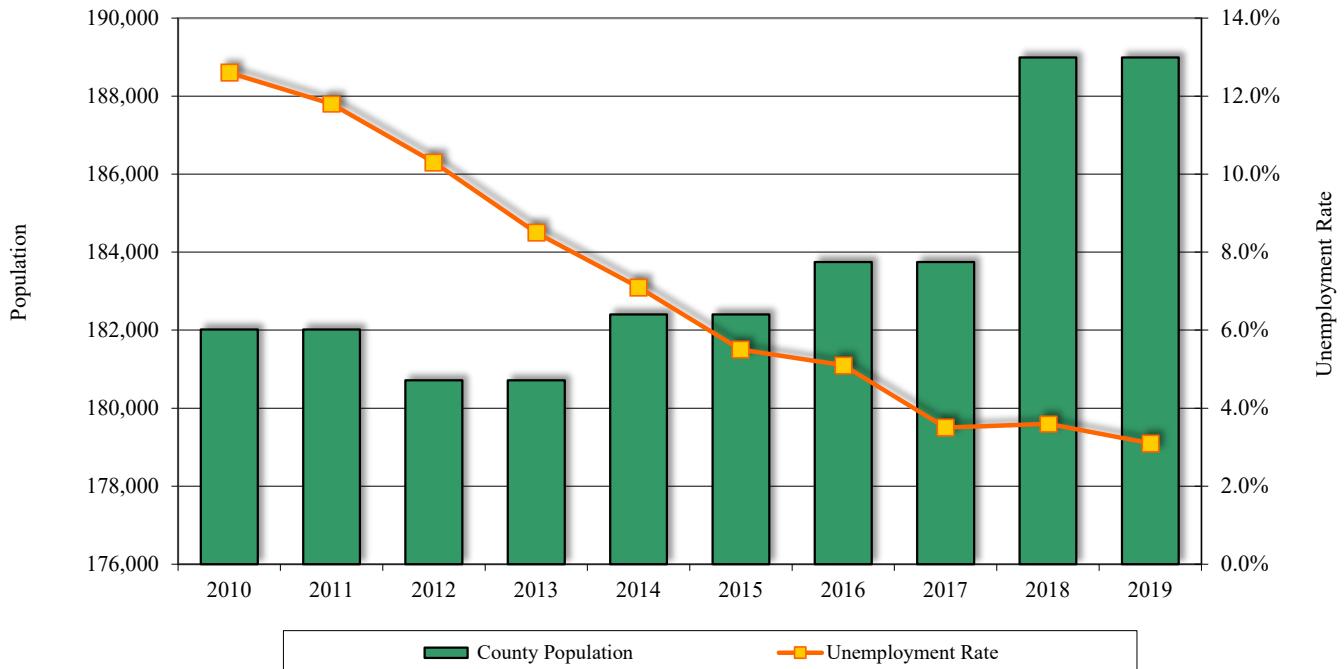
All annual numbers have been changed in the current year reporting to maintain consistency in trending.

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
County Population vs. Unemployment Rate



Operating Information

EL DORADO IRRIGATION DISTRICT
Table #27
Water System
Demographics and Statistical Summary
Last Ten Years

Category	Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Facilities:										
Miles of Main Line (Estimated) ^[8]	1,106	1,105	1,093	1,314	1,298	1,298	1,298	1,298	1,298	1,298
Miles of Ditches (Estimated)	27	27	27	27	27	27	27	27	27	27
Number of Treatment Plants	5	5	5	5	5	5	5	5	5	6
Total Plant Capacity (mgd)	102.59	102.59	102.59	102.59	102.59	102.59	102.59	102.59	102.59	102.59
# of Pumping Stations	38	38	38	38	38	38	38	38	38	38
# of Storage Tanks / Reservoirs	36	36	36	36	36	34	34	34	34	33
Supply Allocated (Acre Feet):										
Jenkinson Reservoir	20,920	20,920	20,920	20,920	20,920	20,920	20,920	20,920	20,920	20,920
Reclamation-Folsom Lake ^[1]	29,110	29,110	29,110	29,110	29,110	29,110	29,110	29,110	29,110	29,110
Forebay - Project 184	15,080	15,080	15,080	15,080	15,080	15,080	15,080	15,080	15,080	15,080
Total Water Allocations	65,110	65,110	65,110	65,110	65,110	65,110	65,110	65,110	65,110	65,110
Supply Delivered (Acre Feet):										
Jenkinson Reservoir	20,489	22,399	21,453	18,668	16,532	15,876	21,975	22,084	20,600	20,844
Reclamation-Folsom Lake	6,622	6,131	6,471	5,956	5,666	5,203	5,700	6,976	5,785	6,409
Forebay - Project 184	4,494	5,539	4,557	5,511	5,612	8,705	11,807	7,520	7,069	8,424
Total Water Deliveries	31,605	34,069	32,481	30,135	27,810	29,784	39,482	36,580	33,454	35,677
Consumption (Acre Feet)^[2]:										
Residential ^[3]	14,681	14,681	14,953	13,774	12,460	13,983	18,318	19,006	17,215	18,147
Commercial and Industrial ^[4]	2,421	2,391	2,325	2,199	2,040	2,236	2,662	2,610	2,402	2,478
Agricultural ^[5]	4,197	4,872	4,717	4,552	4,358	4,766	5,954	5,385	4,307	4,896
Recreational Turf	834	834	903	844	812	867	1,207	1,144	973	1,073
Municipal	1,000	1,000	1,496	1,307	909	1,114	1,331	1,269	1,097	1,166
Total Water Consumption	23,133	23,778	24,394	22,676	20,579	22,966	29,473	29,414	25,994	27,760
Customer Services^[2,6]:										
Residential ^[3]	39,315	38,805	38,537	38,329	37,270	36,805	36,509	37,126	36,738	36,882
Commercial and Industrial ^[4]	1,797	1,784	1,768	1,756	1,734	1,738	1,779	1,507	1,737	1,480
Agricultural ^[5]	653	681	701	745	897	944	978	648	479	497
Recreational Turf	113	112	113	113	113	115	117	107	112	112
Municipal	14	14	14	14	14	14	15	15	16	16
Total Water Services	41,892	41,396	41,133	40,957	40,028	39,616	39,398	39,403	39,082	38,987
Gallons Per Capita Daily (GPCD)^[7]	225	226	212	200	195	209	243	244	223	253

^[1] Folsom now includes Bureau of Reclamation (Reclamation) water service contract for 7,550 AF, Water Right permit 21112 for 17,000 AF, a subcontract with the El Dorado County Water Agency for 7,500 AF, and Warren Act Contract for 4,560 AF.

^[2] Includes data for both the contiguous and satellite zones.

^[3] Includes Single Family Residential, Multi-family Residential, and Dual Plumbed Residential.

^[4] Includes commercial and commercial landscape services.

^[5] Includes Agricultural Metered Irrigation, Small Farm, and Potable Ditches.

^[6] Connections previously reported incorrectly as accounts. (Rev. 11/19/15)

^[7] Per the 2015 Urban Water Management Plan (UWMP) the District's water use target has been established at 241GPCD by 2020. Beginning in 2016, the methodology used to determine the GPCD was changed to be consistent with the 2015 UWMP. This change includes the use of a 1.03% average inter-annual growth estimate. Reporting of the GPCD was not required prior to 2010.

^[8] For 2017 all lateral lengths have been removed from this total. In prior years, miles of mains included approximately 220 miles of laterals.

Source: El Dorado Irrigation District Engineering Department - Diversion Report, Annual Consumption Report, and Water

EL DORADO IRRIGATION DISTRICT

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]
2010	63,500	35,677	27,099	1,740	379	6,459
2011	63,500	33,453	25,358	1,861	277	5,957
2012	63,500	36,906	29,254	2,118	596	4,938
2013	63,500	39,482	29,473	2,664	534	6,811
2014	63,500	29,784	22,966	1,818	117	4,883
2015	63,500	27,810	20,571	1,828	198	5,213
2016	63,500	30,134	22,775	1,752	571	5,036
2017	63,500	32,470	24,394	1,905	511	5,660
2018	63,500	34,069	24,519	2,564	576	6,410
2019	63,500	31,906	23,133	2,564	612	5,811

^[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.

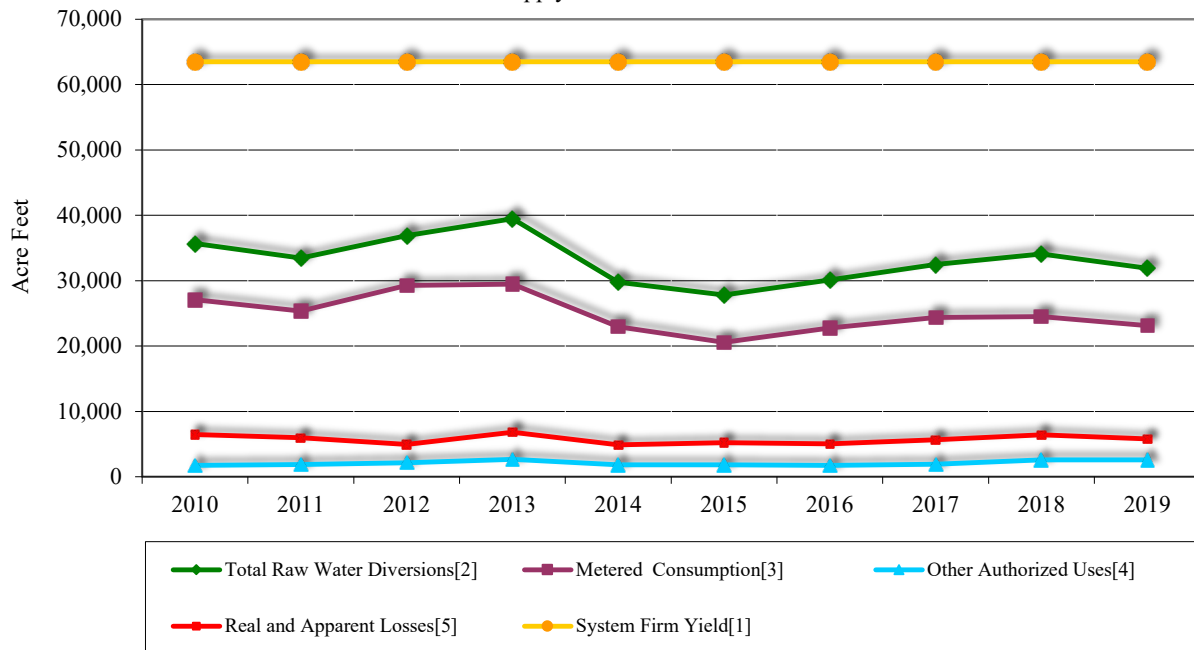
^[3] Authorized uses of potable water that are metered and billed to EID customers.

^[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 paper losses, such as under-registration of large meters. Real and apparent losses can be attributed to 1,106 miles of pipeline, 3 miles of open ditch, and over 41,000 service connections.

Source: El Dorado Irrigation District Engineering Department - Water Resources and Service Reliability Report

Chart #9
Water Supply and Demand Trends



EL DORADO IRRIGATION DISTRICT
 Table #29
 Recycled Water System
 Demographics and Statistical Summary
 Last Ten Years

Category	Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Facilities:										
Miles of Recycled Mains	94	93	93	93	79	79	79	79	79	54
Number of Treatment Plants	2	2	2	2	2	2	2	2	2	2
Plant Capacity (mgd)	3	3	3	3	3	3	3	3	3	3
Storage Reservoirs / Tanks	5	5	5	5	5	5	5	5	5	5
Number of Pump Stations	5	5	5	5	5	5	5	5	5	5
Consumption (Acre Feet):										
Residential ^[1,2]	2,079	2,205	1,879	1,576	1,393	1,374	1,850	1,685	1,372	1,328
Commercial and Industrial ^[3]	778	789	730	608	530	542	737	624	538	546
Recreational Turf	456	489	474	450	426	497	588	544	337	189
Total Recycled Water Consumption	3,313	3,483	3,083	2,634	2,349	2,413	3,175	2,853	2,247	2,063
Customer Services^[4]:										
Residential ^[1,2]	5,350	5,298	5,269	5,030	4,744	4,403	4,167	3,918	3,928	3,924
Commercial and Industrial ^[3]	175	169	165	167	160	153	152	147	155	143
Recreational Turf	12	12	12	12	12	12	12	12	12	12
Total Recycled Water Services^[4]	5,537	5,479	5,446	5,209	4,916	4,568	4,331	4,077	4,095	4,079

^[1] Residential includes both Single Family and Multi-family accounts.

^[2] Beginning in the 1990's, 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 and Industrial includes temporary water use meters.

^[4] Connections previously reported incorrectly as accounts.

Source: El Dorado Irrigation District Engineering Department - Diversion Report, Annual Consumption Report, and Water Resources & Service Reliability Report; and El Dorado Irrigation District Customer Services Division

EL DORADO IRRIGATION DISTRICT
Table #30
Wastewater System
Demographics and Statistical Summary
Last Ten Years

Category	Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Facilities:										
Miles of Sewer Mains ^[1]	450	446	443	445	396	396	396	396	396	396
Number of Treatment Plants	4	4	4	4	4	4	4	4	4	4
Permitted Average Dry Weather Flow (mgd) ^[2]	7.6	7.6	7.6	7.6	7.6	7.6	7.6	7.6	7.6	7.6
Total Plant Capacity (mgd)	23	23	23	23	23	23	23	23	23	23
Average Dry Weather Daily Plant Flow (mgd) ^[3]	4.61	4.52	4.41	4.01	3.71	3.93	4.27	4.41	4.61	4.91
El Dorado Hills Plant ^[3]	2.50	2.60	2.50	2.30	1.80	1.85	2.07	2.17	2.12	2.13
Camino Heights Plant ^[3]	0.013	0.016	0.011	0.009	0.009	0.011	0.012	0.014	0.015	0.018
Deer Creek Plant ^[3]	2.10	1.90	1.90	1.70	1.90	2.07	2.19	2.23	2.47	2.45
Number of Lift Stations	60	61	61	61	61	63	64	64	64	64
Customer Services:^[4]										
Residential ^[5]	22,786	22,284	22,040	21,189	20,767	20,506	20,285	20,065	19,911	19,871
Commercial and Industrial	841	882	831	827	828	834	827	816	809	793
Schools	25	25	25	25	25	25	25	25	24	23
Total Wastewater Services	23,652	23,191	22,896	22,041	21,620	21,365	21,137	20,906	20,744	20,687

[1] In 2015, changes were made to reflect District owned laterals. To remain consistent with other reporting requirements effective in 2016 the District has returned to reporting only main line length. Increased accuracy using a new GIS database has resulted in minor recalculations for the 2016 values.

[2] The Permitted Average Dry Weather Flow includes the flow for EDHWWTP and DCWWTP only.

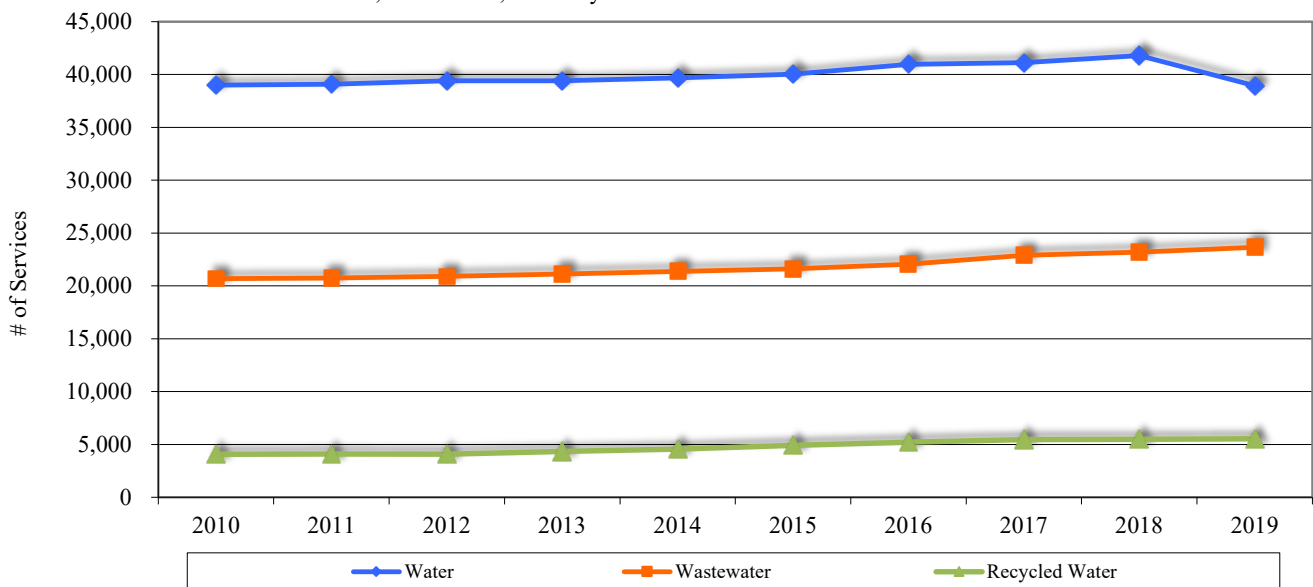
[3] The Average Dry Weather Daily Plant Flow is the flow recorded in the months of July - September.

[4] Connections previously reported as accounts.

[5] Residential includes multi-family accounts.

Source: El Dorado Irrigation District Engineering Department and Operations Department - Sewer Capacity Report, and Finance Department

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



EL DORADO IRRIGATION DISTRICT
Table #31
Recreation Demographics and Statistical Summary
Last Ten Years

	Year									
	2019	2018	2017	2016	2015	2014	2013	2012 ^[1]	2011	2010
Day Visitors	545,318	526,764	567,741	527,299	497,584	547,870	538,358	508,492	332,324	388,207
Overnight Campers	124,629	124,738	118,965	105,839	102,657	101,515	107,218	99,912	82,760	90,824
Boat Use	36,037	37,245	37,204	37,843	36,920	41,172	50,408	52,865	65,922	47,165
Guided Hikes	n/a	n/a	n/a	n/a	n/a	244	98	145	136	15
Fish Plants	5	4	4	4	1	4	15	8	1	5
Volunteer Hours	1,200	1,200	1,000	1,000	1,000	1,000	4,040	850	800	1,500

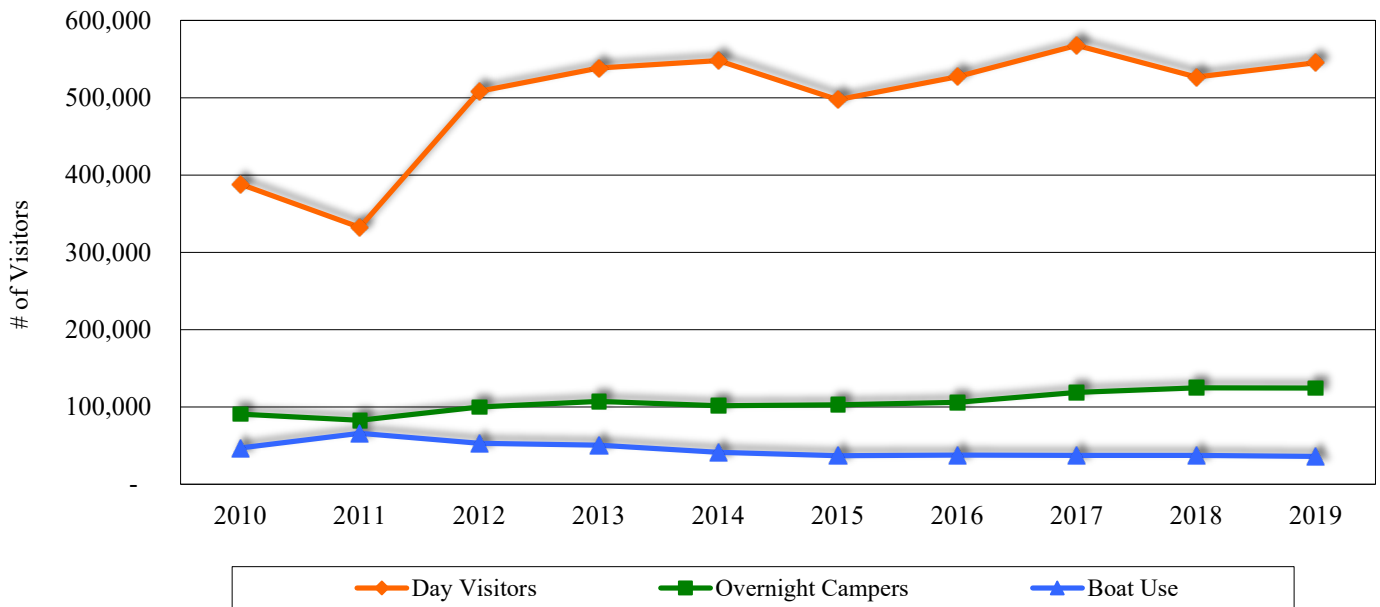
^[1] Beginning in 2012, data includes Silver Lake and Caples Lake, as well as Jenkinson Lake at Sly Park Recreation Area.

Source: El Dorado Irrigation District Recreation Department

Facilities at Sly Park Recreation Area:

Jenkinson Lake Shoreline	9 miles
Boat Ramps	2
Day Use Areas	10
Individual Camp Areas	191
Adult Group Camping Areas	7
Youth Group Camping Areas	1
Equestrian Group Camping Areas	1
Hiking Trails	9 miles
Equestrian Trails	9 miles
Nature Trail	1/2 mile

Chart #11
Recreation Visitor Statistics



EL DORADO IRRIGATION DISTRICT
 Table #32
 Full-time Equivalent Employees^[1] by Function / Program
 Last Ten Years

Function/Program	Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Office of the General Manager ^[2,3,4]	9	9	9	9	9.5	9	5.5	5.5	8	10
Information Technology	7	7	6.5	6.5	7	7	7	8	10	11
Operations	123	119	118	125	124.5	123.5	118.5	125.5	119.5	121.5
Finance ^[4,5]	38.5	38.5	38.5	39.5	40.5	42.5	45	45	45	44
Human Resources	6	5	5	5	4.5	4	5.5	5.5	6	6
Communications / Community Relations	2	2	2	2	2	2	3	3	3	3
Engineering ^[3,5]	33	32	29	31	29	27	29	29	29.5	30.5
Total	218.5	212.5	208	218	217	215	213.5	221.5	221	226

[1] Positions reported are actual filled positions and not budgeted positions.

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

[3] Records Management was moved from Engineering to Office of General Manager 2014.

[4] Contracts Administration was moved from Finance to Office of General Manager in 2014.

[5] A portion of Development Services was moved from Finance to Engineering in 2015.

Source: El Dorado Irrigation District Human Resources Department - Position Control Report

EL DORADO IRRIGATION DISTRICT

Table #33
Rate Increase History
Last Ten Years

Year	Water	Wastewater
2010	18% ^[1]	18% ^[1]
2011	15% ^[2]	15% ^[2]
2012	11% ^[3]	5% ^[3]
2013	11%	5%
2014	5%	5%
2015	0% ^[4]	0% ^[4]
2016	5%	0% ^[4]
2017	3% ^[5]	3% ^[5]
2018	0% ^[6]	0% ^[6]
2019	3%	2% ^[7]

^[1] An 18% rate increase was applied to all services.

^[2] A 15% rate increase was applied to all services.

^[3] The Recreational Turf class increases were not implemented until January 1, 2013.

^[4] A 5% rate increase that had been approved during the 2012 Proposition 218 notice was not adopted.

^[5] A 3% rate increase was adopted instead of the 5% rate increase that had been approved during the 2015 Proposition 218 notice.

^[6] A 4% rate increase that had been approved during the 2015 Proposition 218 notice was not adopted.

^[7] A 2% wastewater rate increase was adopted instead of the 3% rate increase that had been approved during the 2015 Proposition 218 notice.

Source: El Dorado Irrigation District Customer Service Division





El Dorado Irrigation District



Compliance Report

Compliance Report



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

To the Board of Directors
El Dorado Irrigation District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and each major fund of the El Dorado Irrigation District (the District), as of and for the years ended December 31, 2019 and 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated May 29, 2020.

Internal Control over Financial Reporting

In planning and performing our audits of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

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

Compliance and Other Matters

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

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Purpose of this Report

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

HUDSON HENDERSON & COMPANY, INC.

A handwritten signature in blue ink that reads "Hudson Henderson & Company, Inc." in a cursive script.

Fresno, California
May 29, 2020



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