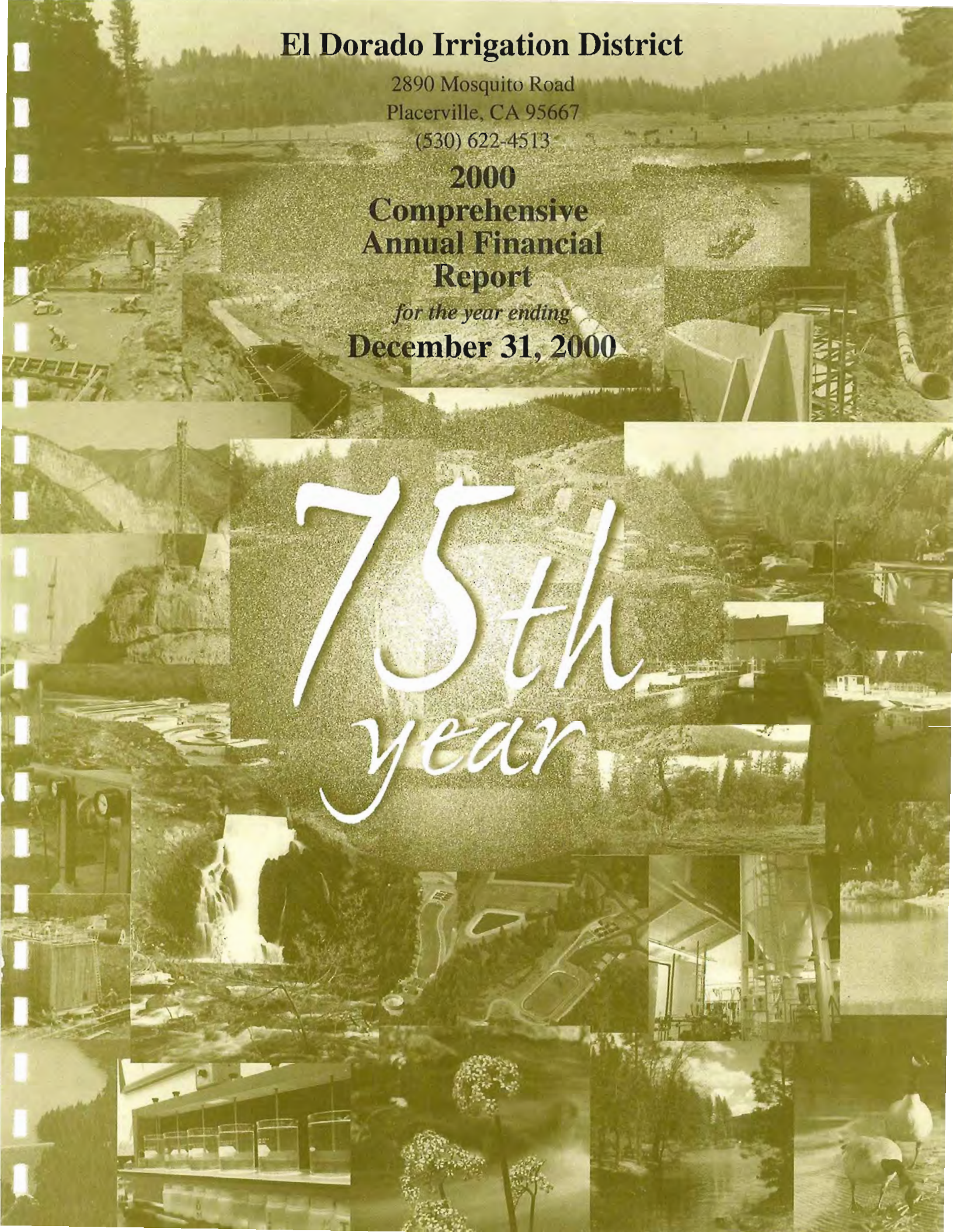


El Dorado Irrigation District

2890 Mosquito Road
Placerville, CA 95667
(530) 622-4513

2000 Comprehensive Annual Financial Report *for the year ending* December 31, 2000

75th year



The front cover features actual pictures taken throughout the El Dorado Irrigation District service area. The District was formed on October 5, 1925 and today covers a service area of 216 square miles.

El Dorado Irrigation District

2000 Comprehensive Annual Financial Report

**For the Year Ended
December 31, 2000**

**2890 Mosquito Road
Placerville, CA 95667
(530) 622-4513**

Prepared by the Finance Department

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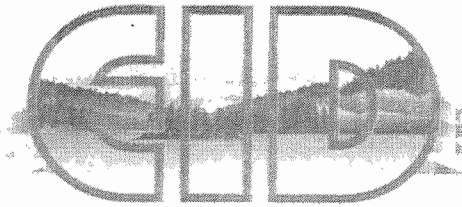
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El Dorado Irrigation District

July 16, 2001

Members of the Board
El Dorado Irrigation District

Directors and Customers:

We are pleased to transmit the 2000 *Comprehensive Annual Financial Report* of the El Dorado Irrigation District. EID continues to be one of a handful of local district's publishing this report, and this is the seventh edition. It is structured to enable the District to meet the annual reporting requirements demanded by the Securities Exchange Commission as well as Governmental Finance Officers Association and California Society of Municipal Finance Officers guidelines.

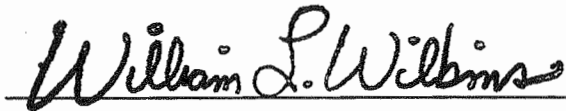
The District annually commissions an independent review of its books, consistent with the Board's fiduciary duty to preserve and protect District assets. The audit, performed by the Accounting Corporation of Maze & Associates, Certified Public Accountants, was conducted in accordance with generally accepted auditing standards. The auditor has no material discrepancies to report and states that the financial statements fairly represent the financial position of the District at December 31, 2000.

As portrayed in this report, 2000 was a generally up-beat year with the District making financial gains in almost all endeavors. In part, this was the result of specific strategies put into place in the past couple of years, and, in part, it is the luck of the draw – with both local market conditions favoring the sale of new connections and weather influencing the sale of additional water. While primarily fiscal in nature, this report is set in the context of the several issues affecting the District. Specifically:

- ◆ The District continues to explore the changing sewer discharge requirements imposed by the State and Regional Water Quality Control Boards. The outcome could necessitate costly capital construction.
- ◆ The District has successfully navigated the California Public Utilities and Federal Energy Regulatory Commissions' review of the transfer of the El Dorado Canal project to District ownership. While delaying the repair and productive operation of this facility, it has given the District possession of the facilities and water supply.

While the information presented herein is derived from many sources, the responsibility for the accuracy and completeness of the information presented rests with the District.

The assembly of this 2000 Comprehensive Annual Financial Report has been particularly intensive due to major turn-over of Finance Department staff in the last eight months. Thanks go to those that accepted the challenge and participated in building this document, particularly Robin Souza, Janet Pollard, Gary Buzby, and Leslie Keene.



William L. Wilkins
General Manager/Secretary



Kathleen A. Gibson
Finance Director/Treasurer



Mission Statement

The El Dorado Irrigation District is a public agency primarily dedicated to serving customer needs for water and sewer service in a cost efficient and responsible manner.

Goals:

- ◆ Maintain continuous, dependable water service and a clean, healthy water supply.
- ◆ Provide quality wastewater collection, treatment, and disposal service.
- ◆ Protect the natural environment.
- ◆ Ensure opportunities for quality recreation.

Values:

As a public agency, its employees and the Board of Directors represent EID. In fulfilling its mission, the District acknowledges its responsibility to positively contribute to the community's vitality and stability. To effectively respond to public needs, the District encourages community involvement and participation in decision making.

In serving the many needs of its customers, the District recognizes its primary responsibility of meeting the needs of existing ratepayers, its obligation to accommodate additional customers and its relationship to the many stakeholders who rely on the District in various ways. To perform in an efficient and responsible manner, employee participation, effective planning, and dedication to the process of continuous improvement are fundamental beliefs shared by the Board of Directors and employees alike.



The Reporting Entity

The El Dorado Irrigation District (EID) was formed on October 5, 1925 under California Government Codes specifically addressing EID. Its purpose was to provide domestic water to the City of Placerville and irrigation water to local farmers. The District assumed ownership of a system of *gold-rush* era mining ditches and the Weber Dam. A substantial part of its water supply is still delivered from four alpine lakes via a 25-mile long canal and flume called the El Dorado Project (Project 184). The District obtained ownership of this project, which also includes a hydroelectric power plant from Pacific, Gas & Electric (PG&E) in September 1999.

Even in the early days, the District had an immediate need to find sources of water to augment the water supply then available. After many years, this resulted in the U.S. Bureau of Reclamation's construction of the Sly Park Project as a non-contiguous part of the Central Valley Project in 1955. The project is operated by EID. Today, the District is pursuing the purchase of the Sly Park Project, an additional 17,000 acre-feet of water out of the El Dorado Project and 7,500 acre feet of USBR (Fazio) water from Folsom.

Over the years, EID has changed from its original agricultural focus to one that includes growing residential, commercial, and industrial sectors. This has resulted in a change in the District's "interim" water supply contract with the USBR. The Sly Park contract is now based on consumptive use at a higher cost, un-subsidized basis for non-agricultural water.

Today, EID provides municipal and industrial water (both retail and wholesale), irrigation water, wastewater treatment and reclamation, recreation, and hydroelectric services. As

such, EID is one of the few California Districts that provide the full complement of water-related services.

Services are provided to the historical California *gold-rush* area including the communities of Cameron Park, Camino, Diamond Springs, El Dorado, El Dorado Hills, Placerville, Pollock Pines, Shingle Springs, and many smaller communities.

The District's contiguous service area spans 215 square miles and ranges from 500 feet to over 4,000 feet in elevation. The system requires 181 pressure-regulating zones to operate reliably. The water system operates over 1,150 miles of pipe, 40 miles of ditches, 6 treatment plants, 33 storage reservoirs and 21 pumping stations. In addition, the wastewater system operates 57 lift stations, 300 miles of pipe and 5 treatment facilities. The El Dorado Hills and the Deer Creek wastewater treatment facilities now produce *Title 22* reclaimed water as the upgrade projects have been completed and brought on-line.



The Diversion Dam, part of Project 184, under construction.



Operating under the California Water and other Government codes, the District has no financial or other interdependence with El Dorado County or any of the communities serviced by the District. Most of the District's revenues are derived from sales of its water and wastewater services. It has broad powers to finance, construct, and operate a system for the transportation, treatment, and distribution of raw and treated water and wastewater. It has full authority to set rates for services without review of any governmental unit and is accountable only to its electors.

In addition to providing water and wastewater services, the District also operates the Sly Park Recreation Area at its main reservoir, Jenkinson Lake. Popular for both day visits and overnight camping, the park includes 9 miles of shoreline, 2 boat ramps, and 191 individual campsites. Group camping areas include: 5 adult, 2 youth, and 1 equestrian. There are also 9 miles of hiking trails and equestrian trails, and a Native American/historical museum that includes a self-guided, 1/2-mile trail for those who enjoy nature and wildlife viewing.

The El Dorado Project (Project 184) consists of 22 miles of canal, hydroelectric powerhouse and recreational facilities located at Silver, Caples and Echo Lakes and Forebay Reservoir. These recreational facilities are being operated and managed by Sly Park staff.

District Location



El Dorado Irrigation District located in Placerville, California

The District lies midway between the cities of Sacramento and South Lake Tahoe along the Highway 50 corridor. It is bounded by Sacramento County on the west and the town of Strawberry on the east. The community of El Dorado Hills is the west-most community served by the contiguous water system and Pollock Pines is the east most.

The area north of Coloma and Lotus establishes the north-most service area. The agrarian Pleasant Valley and South Shingle Springs communities anchor the south-most service area. The City of Placerville is located in the central part of the District and receives water from the District on a wholesale basis.



EID Operations

Board of Directors

Bill Bergmeister – District 1
Dirk Gillmeister – District 2
Richard Akin – District 3
Howard Kastan – District 4
Al Vargas – District 5

The District is governed by an elected five-member Board, each with four-year terms. The Board is the governing body of the District responsible for setting District policy. Each Director must be a resident of the district serviced and is elected by citizens of that district. Seven departments provide the District's operational services.

Administration Department

William L. Wilkins
General Manager/ District Secretary

This department organizes and directs District activities in accordance with the Board's policies. The General Manager is responsible for both coordinating and administering departmental affairs and maintains the District's inter-governmental and community liaisons.

Engineering Department

David Powell
Interim Director of Engineering

This department administers the capital improvement programs of the District. It provides engineering and technical services related to planning, designing, contracting and construction, and project management to implement these programs.

Finance Department

Bruce Adams
Director of Finance

This department manages the District's financial resources. It provides general financial control and administrative services for the District including accounting, treasury, customer services, purchasing, risk management, and financial services.

Hydroelectric Department

Vacant
Director of Hydroelectric

This department was created in September 1995 to coordinate the acquisition and renovation of the *El Dorado Canal and Hydroelectric Project*. The renovation work was completed in May 1996 and the department staffed up to operate the facility. In 1997, the New Year's Flood put the facility out of commission and in June of 1997 the cancellation of the Asset Sales Agreement by PG&E brought on negotiations and lawsuits. In the Fall of 1999, a settlement with PG&E was made and approved by the California Public Utility Commission.

Legal Department

Wm. "Sam" Neasham
District Counsel

This department organizes and directs District legal activities in accordance with the Board of Director's policies. The District Counsel is responsible for both coordinating and administering departmental affairs and reports directly to the Board of Directors.



Operations & Maintenance Department

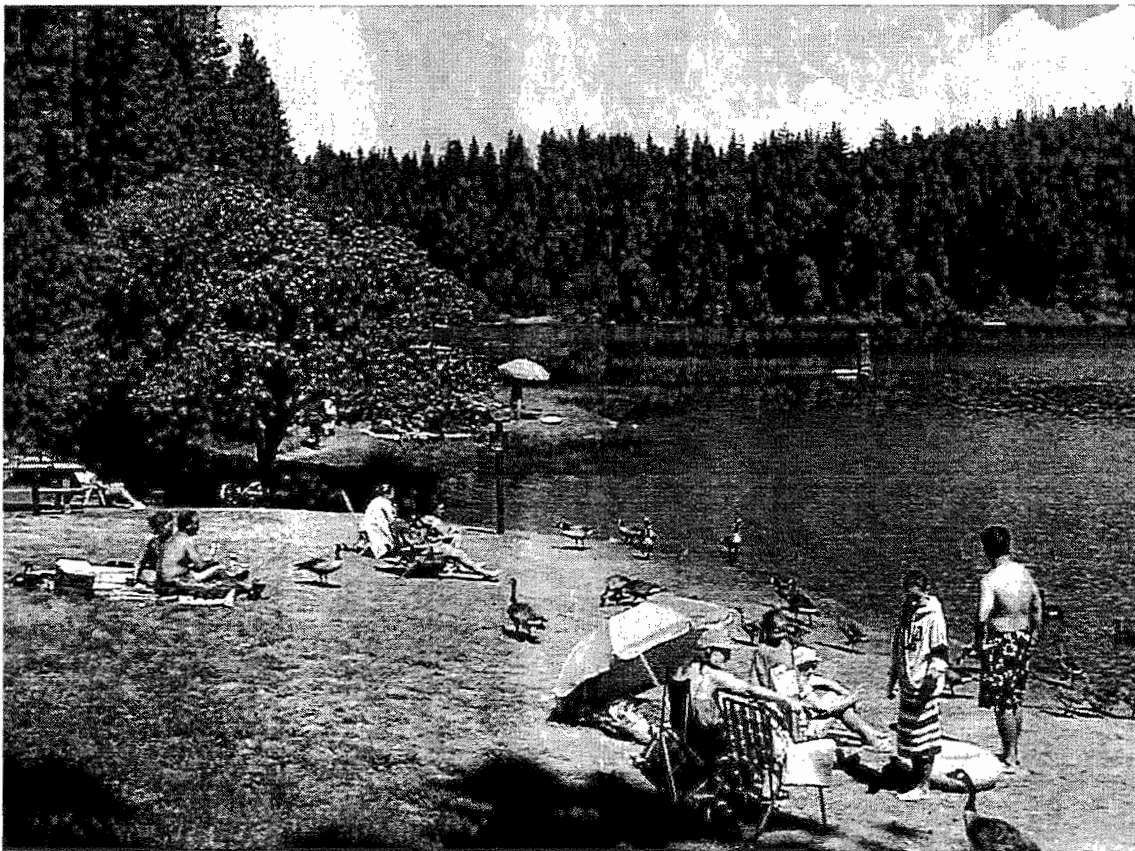
William Perley
Interim Director of Operations & Maintenance

This Department manages nearly half of the District's manpower resources. It operates and maintains the District's water and sewer systems including conveyance and treatment activities and Information Technology Services. It ensures that the appropriate water and sewer quality standards are maintained and reported, and that the operations are conducted in an effective, cost-conscious, safe, and consistent manner.

Recreation Department

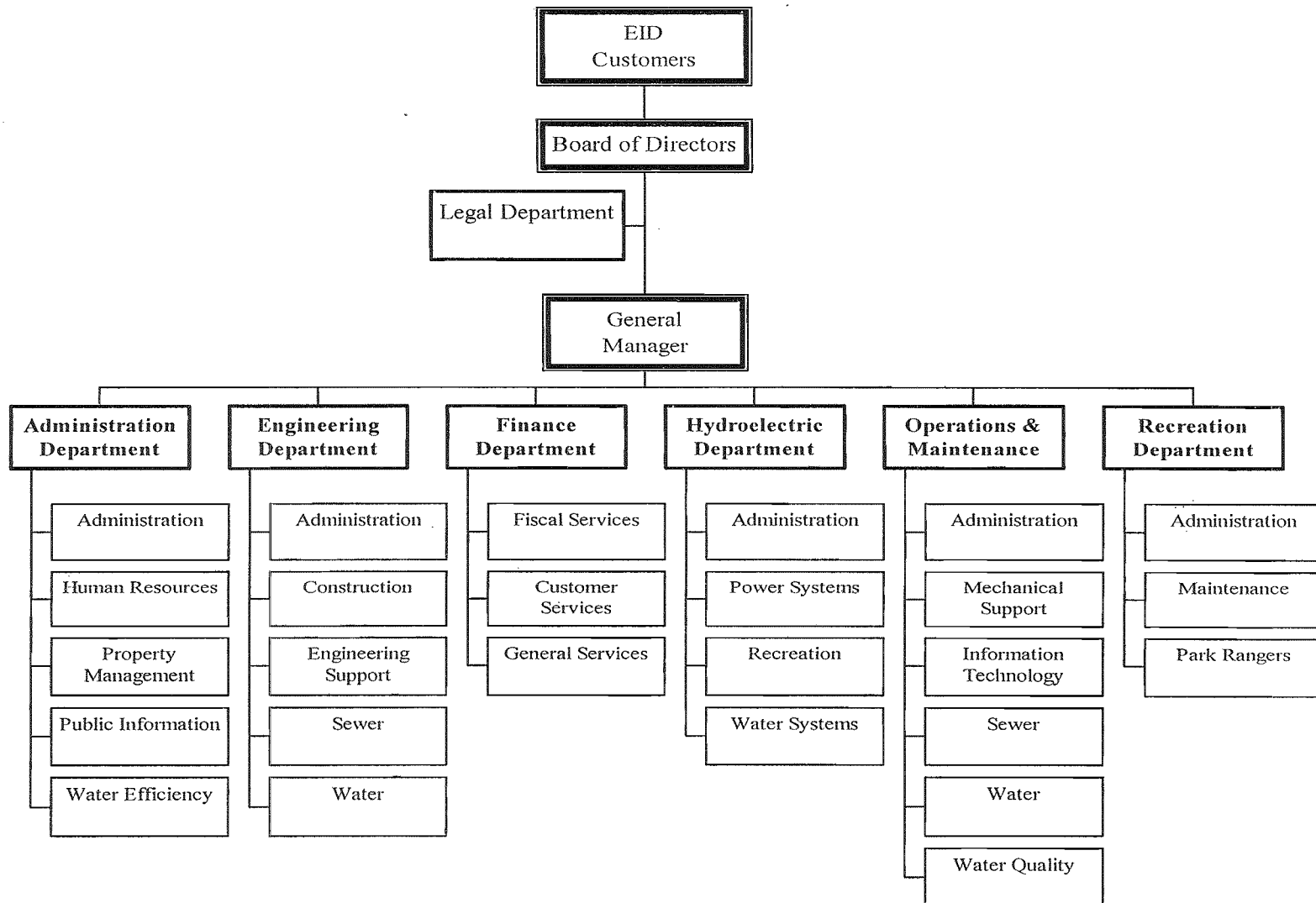
Don Pearson
Director of Recreation

The Department operates and maintains the Sly Park Recreation Area facility. Its primary mission is custodial over the USBR facilities. It provides camping, picnicking, water-use, hiking, equestrian, and outdoor facilities for the public's use. The Department also operates the El Dorado Projects recreational facilities. It plans improvements to facilities and coordinates their funding and development.



Visitors enjoying a day at Sly Park Recreation Area facility.

El Dorado Irrigation District Organization Chart





Economic Condition and Outlook

Population

In the last two decades the Sacramento/San Joaquin Valley basin has seen overall population growth and prosperity. This has spilled over into the neighboring foothill communities including the Western El Dorado County region served by EID. In the last 10 years, from 1991 to 2000, El Dorado County's population has increased by 19% to 156,299. During the same period, the population of the State of California increased by 12%. A more detailed account of population growth in El Dorado County and California can be found on page 81 of the Statistical Section of this report.

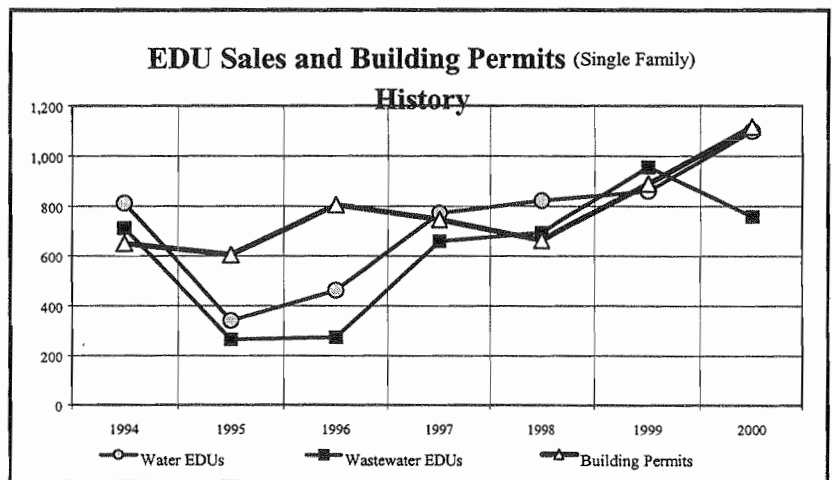
Economic Growth

The 1990's was a period of mixed economic growth with the recession slowing regional growth in the early part of the decade. However, the region has recovered in recent years and the long-run regional outlook shows a continued growing trend. The Sacramento Area Council of Governments (SACOG) projects that El Dorado County, excluding the Tahoe Basin, is projected to add 41,075 housing units between January 1, 1997 and July 1, 2020, an increase of 86.8%. Almost half of this growth will occur in El Dorado Hills area.¹

Single family building permits in EID's service area have averaged 782 per year over the last seven years from 1994 to 2000. As seen in the chart

below, water and sewer capital connections measured in Equivalent Dwelling Units (EDUs) sold by the District have averaged 738 and 622 annually respectively over the same period. The District is projecting EDU sales of 803 water and 740 sewer for 2001 and 796 water and 740 sewer for 2002. For more detailed information on historical EDU sales see page 79 and for building permits see page 80 of the Statistical Section of this report.

While the long-term regional forecast shows a continued demand for housing, the El Dorado County General Plan has been involved in a comprehensive challenge by growth control advocates, environmental groups and other entities. In February 1999 the Superior Court of California voided the County's certification of the Environmental Impact Report for the 1996 General Plan. The County must now repeat portions of its environmental review and re-adopt a General Plan. In the interim, most actions on discretionary permits have been suspended. This ruling will not affect existing development projects that were approved prior to the court action, however the District's future EDU sales for new projects could be affected in the near-term. EID is working with Economic Planning Systems to generate land use capacities



¹ Projections Summary for the Sacramento Region: Housing, Population & Employment - 1997-2022
Sacramento Area Council of Governments

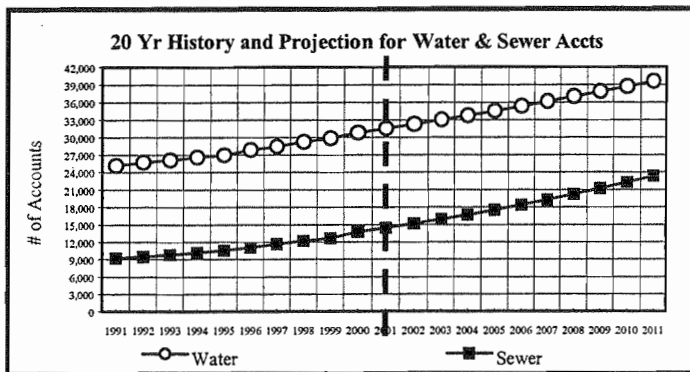


2000 Comprehensive Annual Financial Report

within District water and sewer service boundaries based on a revised General Plan. The data will be incorporated in the District's master planning efforts.

Account Growth

The chart below shows the growth in the District's water and sewer customer accounts from 1991 to 2000, along with



projected account growth through the year 2011.

During the ten-year period of 1991 to 2000 average annual account growth for water and sewer accounts was 2.7% and 4.1% respectively.

Service Area

In 2000 annexations added 74 acres to the District's service area (which now serves a total area of approximately 215 square miles). EID's sphere of influence encompasses a total of 626 square miles. However, much of this area is planned for rural agricultural use and not deemed appropriate for extensive water-based services. The total secured assessed valuation of the properties within the District's service area increased 8.1% in 2000 to \$2.36 billion. Property taxes and miscellaneous tax collections received from El Dorado County increased 4.1% in 2000 totaling \$4.43 million. The District allocates

75% of annual property tax revenues received toward its Capital Improvement Program, and 25% toward operations.

Employment

El Dorado County residents are employed in a variety of industries both inside and outside EID's service area as most residents are within commuting distance of the greater Sacramento metropolitan area. Traditionally dependent on the defense industry and State government for employment the region has emerged from the recession of the early 1990's to become much more diversified with the addition of major computer technology, financial services, healthcare and biotechnology employers.

Residents employed within the District's service area work in a variety of industries including agriculture, construction, manufacturing, utilities, retail and wholesale trade, financial services, public service and other services. The County's largest employers are in the public service, computer technology, healthcare, and trade industries. For more detailed information on County employers and industries refer to page 83 in the Statistical Section of this report.

The 2000 average unemployment rate for El Dorado County was 3.9%. This compares to 4.9% for the State of California and 4.0% for the United States overall.

Current Water Supply

The District manages its water resources according to an established Water Supply and Demand model. This model is adjusted each March/April in the *Annual Update to the Water Supply and Demand Report*. This report projects the annual firm yield amount of water that will be available to the District



2000 Comprehensive Annual Financial Report

in the following demand year. For 2001 the overall system firm yield is 43,280 acre-feet. Using the firm yield of 43,280 acre-feet and subtracting the total potential demand of 38,437 acre-feet, the 2001 unallocated water supply, which is available for growth, for the overall district is calculated to be 4,843 acre-feet. This equates to 11,197 EDU's.

Unaccounted-for Water

The District has been able to more fully utilize its existing water resources by reducing the amount of unaccounted-for

water. Unaccounted-for water represents water taken into the system from all of EID's main sources, which is not billed to the consumer, or otherwise accounted for. The 2000 rate of unaccounted-for water was 11.5%, the lowest in EID's history. The industry goal for a rural system like EID's is 15%.

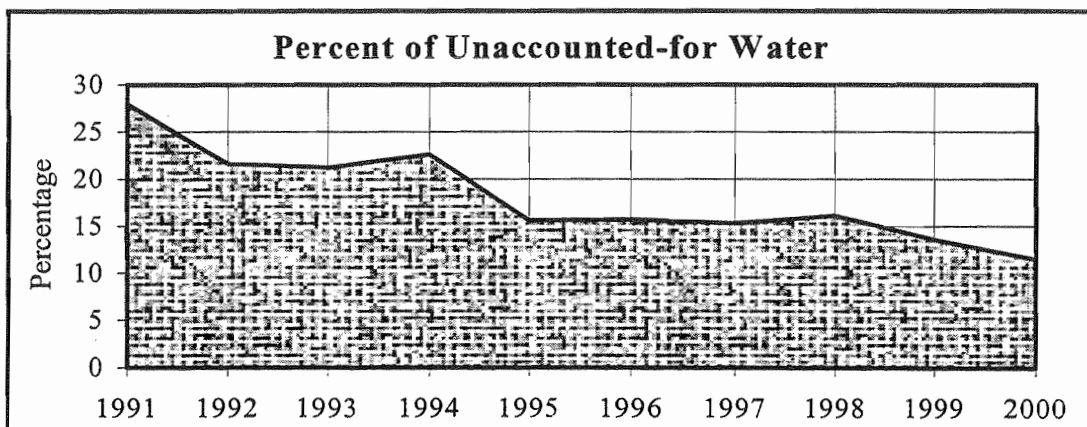
The chart below shows that unaccounted-for water has decreased from 28.0% in 1991 to 11.5% in 2000. This is a significant achievement resulting from expanded efforts in leak detection and repair, spill recovery, SCADA upgrades, and meter calibration and repair.

Water Supply	
	Acre Feet
System Firm Yield	43,280
Total Potential Demand	38,437
Unallocated Supply	4,843
Available Current Supply EDU's* (at 0.70 acre-feet for El Dorado Hills, 0.53 acre-feet for Western region and 0.38 acre-feet for Eastern region)	11,197

* Equivalent Dwelling Unit (EDU): The average water demand for a detached single family dwelling unit which is typically measured in gallons per day or acre-feet per year, but which does not include unaccounted-for-water.

Total raw water delivered in 2000 for the contiguous service was 34,881 acre-feet, which is a decrease of 615 acre-feet from 1999. The total consumption for the contiguous service area was 30,885 acre-feet including 870 acre-feet of beneficial uses. The resulting unaccounted-for water was 3,997 acre-feet or 11.5%, which is 2.1% lower than 1999.

A graphical representation of the District's water supply and demand trends from 1991 to 2000 can be found on page 78 of the Statistical Section of this report.





Water Efficiency

The District has long promoted the wise use of water resources. EID began implementing water conservation programs during the 1977 California drought. This effort led to the District's initial water conservation plan, the first by an irrigation district in California. In the same year, the District initiated the first Irrigation Management Service (IMS) program in the State. The IMS program provides irrigation water scheduling by combining weekly on-site moisture readings at local farms with weather data, resulting in a computer-generated crop-watering schedule for agricultural customers. This program saves an estimated 2,000 acre-feet of water per year.

In 1994, the District prepared a new water conservation plan to meet updated requirements from the U.S. Bureau of Reclamation (USBR), as a result of the passage of the Central Valley Project Improvement Act of 1992. This new plan was recognized by the USBR as an exemplary effort of outstanding planning and has been selected as a model for combination urban and agricultural districts within the western United States.

A formal water conservation program, implementing Best Management Practices (BMPs) is a prerequisite for new USBR water contracts as well as receiving new water rights from the State. Accordingly, the District has an expanded water efficiency program that meets all federal and state requirements.

To fully implement the program, the District has a separate Water Efficiency division. The major BMP programs include water audits for residential (interior and exterior), commercial, industrial and large landscape customers, ultra low-flush toilet (ULT) cash rebates, plumbing retrofits for older homes

and the agricultural IMS program. Each of these programs utilizes incentives to help achieve program goals.

Other BMPs include metering of all water, education programs, water waste prohibitions, and leak detection. Full implementation of the BMPs is estimated to conserve 3,000 acre-feet of water per year by the end of ten years.

Additional Water Supplies

The District is also pursuing additional water supplies from the following sources:

- ◆ 7,500 acre feet of USBR water delivered at Folsom Lake as authorized by public Law PL101-514 sponsored by Congressman Vic Fazio
- ◆ 17,000 acre feet of potentially consumptive water from EID's El Dorado Project.

These supplies, together with ongoing water-use efficiency measures are expected to supply all the water needed to serve the *El Dorado County General Plan* projected build out – to the year 2030 in the El Dorado Irrigation District.



El Dorado Hills Golf Course is assisting in water conservation efforts by using recycled water at their facility.



Financial Information

Debt Management

The District's general philosophy is to utilize pay-as-you-go funds to construct minor projects and to utilize debt service funds for major long-life, construction projects. This enables future users to share in the costs without over-burdening existing rate payers. The District's outstanding debt at year-end 2000 is shown in the table below.

2000 Outstanding Debt	
Debt Category	Millions
U.S. Bureau of Reclamation	\$14.4
Economic Development Admin (EDA)	\$1.9
State of California	\$1.6
1996 Revenue Bonds	\$62.3
1999 Revenue Bonds	\$13.7
County of El Dorado	\$1.5
Leases – Bank of America	\$0.8
TOTAL	\$96.2

The graph to the right illustrates the changes in average debt per customer account from 1991 to 2000 in both face value and constant dollar amounts. Constant dollars are calculated by discounting face dollar amounts by the average annual inflation rate of 3.1% over the period.

For information on debt capacity, see pages 62-66 in the statistical section.

Internal Control

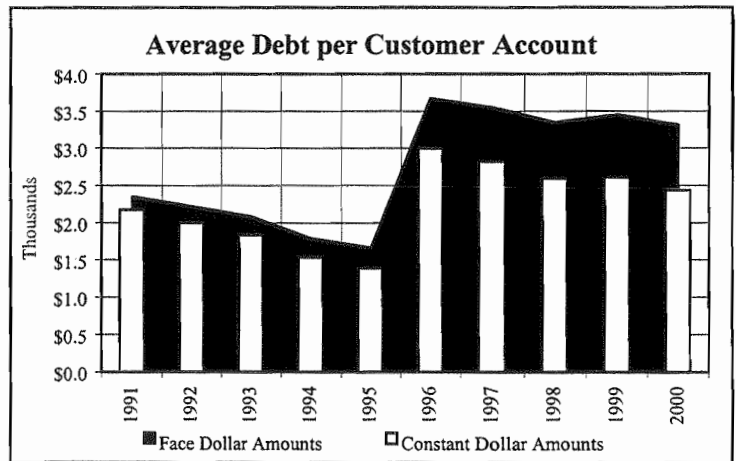
Internal control is provided by a formal District program administered by the District Internal Auditor. Over the years, EID has developed a system of accounting

policies and procedures to assure that assets of the District are protected from loss, theft, or misuse. These are reviewed periodically to assure their continuing compliance with generally accepted accounting principles. The District's annual financial audit also makes recommendations regarding internal control procedures.

The internal control structure provides reasonable, but not absolute assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived.

Budgetary Controls

Budgetary controls are set at the Department level. Department managers have the discretion to transfer appropriations between activities within their Departments, and two consenting Departments can transfer appropriations between their Departments when needed. The General Manager has limited ability to increase overall appropriations by moving funds from contingency funds to specific programs. Major contingency transfers and overall budget appropriation increases require Board approval.





2000 Comprehensive Annual Financial Report

In the past the District prepared two-year budgets. Year one serves to appropriate funds for expenditure. Year two is a planning year used to anticipate the funding levels to be needed.

This practice was discontinued for the 1999 and the 2000 budgets due to fiscal necessity. A true biennial budget will be implemented in 2001/2002. Operating and capital budgets are approved by resolution of the Board annually. EID earned the GFOA Distinguished Budget Presentation Award in 1995, 1996, 1997 1998, 1999 and again in 2000, along with the California Society of Municipal Finance Officer's Award for Excellence in Budgeting for its Annual Financial Plans. The District's Purchasing Manual provides specific limits for committing District resources.

Financial Reporting

EID received the GFOA Certificate of Achievement for Excellence in Financial Reporting in 1996, 1997, 1998 and 1999 for its Comprehensive Annual Financial Report, as well as the California Society of Municipal Finance Officer's Award for Outstanding Financial Report in 1999.

Cash and Investment Management

The District's cash is invested in certain eligible investments as defined by state law and the District's comprehensive *Investment Policy* (revised and adopted annually by the Board of Directors). The District earned a Certification of Excellence for its investment policy from the Municipal Treasurer's Association of the United States and Canada (MTA) in 1996 and 1999. The District submits its policy every 3 years for certification.

The District's general portfolio is passively managed. Securities are purchased with

maturities to match known monthly liabilities around a 5-year laddering process. Proceeds from the 1996 and 1999 revenue bonds are invested in separate portfolios. For the 1996 bonds, the remaining construction fund is invested in the State Treasurer's California Local Agency Investment fund. The reserve fund is invested in a guaranteed investment agreement that pays a stated rate of interest. The 2000 bond portfolio consists of Guaranteed Investment Contracts for both the construction and reserve funds. Trustee debt service accounts are also included in these portfolios.

The District's investment objectives are to provide liquidity and safety while maintaining a competitive yield. These objectives are *benchmarked* to maintain a yield at least equivalent to the one-year Treasury note. The Treasurer submits quarterly reports on investments to the Board of Directors who provide fiduciary oversight of this activity. As the table below shows, the District's cash and investments total to a market value of \$77.1 million as of December 31, 2000.

General Portfolio	
Type of Investment	Millions
Treasury bills and notes	\$6.0
Government Agency Securities	\$11.9
Corporate Securities	\$11.4
Local Agency Investment Fund (LAIF)	\$20.0
Municipal Securities	\$0.4
<i>TOTAL</i>	<i>\$49.7</i>
1996 Revenue Bond Portfolio	
LAIF	\$8.1
Guaranteed Investment Contracts	\$5.2
Trustee Debt Accounts	\$3.8
<i>TOTAL</i>	<i>\$17.1</i>
1999 Revenue Bond Portfolio	
Guaranteed Investment Contracts	\$9.6
Trustee Debt Accounts	\$0.7
<i>TOTAL</i>	<i>\$10.3</i>
TOTAL of THREE PORTFOLIOS	\$77.1



Risk Management

Risk management affairs are managed by the District's Risk Management Office using a combination of commercially purchased insurance, self-insurance, and risk transfer instruments to protect the District's assets.

The District currently carries the following types (and limits) of commercial insurance on its water, wastewater and recreation operations and separate insurance for the El Dorado Project (Project 184).

Insurance	
Property	\$15,000,000 for each occurrence
General Liability	\$11,000,000
Inland Marine (Construction Equip)	Blanket Coverage
Rented or Leased Equip.	Blanket Coverage
Auto Liability with Broad Form Endorsement	\$11,000,000
Auto Physical Damage – Per Schedule	\$500 ded. on collision
Error & Omissions Liability including Employment Practices Liability	\$11,000,000

El Dorado Project (Project 184) Insurance	
Property	\$50,000,000
Boiler & Machinery	\$50,000,000
Inland Marine	Blanket
General Liability	\$10,000,000
General Auto Liability	\$10,000,000

All contractors doing work for the District are required to furnish certificates of insurance for general liability, automotive liability, professional liability, and workers compensation. When appropriate they are

required to add the District to their policies as an additional insured.

Retirement

EID is a member of the State operated Public Employee Retirement System (PERS). This is an actuarially sound system, and the District's liabilities are fully covered. The District also provides a deferred compensation plan for all full time employees. Funds in this plan are invested on behalf of the employees through ICMA Retirement Corporation, in various instruments including mutual funds, market funds, and others.

Independent Audit

Bond covenants, state statute and good fiscal practice require an annual audit of the District's financial records. The Accountancy Corporation of Maze & Associates, Certified Public Accountants performed the 2000 annual financial audit in accordance with generally accepted auditing standards. Their report is included in the Financial Section of this report.

Enterprise Operations

The District is accounted for as an enterprise fund with subfunds that include activities for water, wastewater and hydroelectric operations, debt, capital improvements and recreation. This enables the District to operate these services much like a business representing its costs and revenues in both the appropriate time and allocation. EID has possessory interest in the recreation facilities at Jenkinson Lake (Sly Park Recreational Area) and operates them under a long-term contract with the United States Bureau of Reclamation.



Major Initiatives for 2001 and Beyond



General Plan Issues

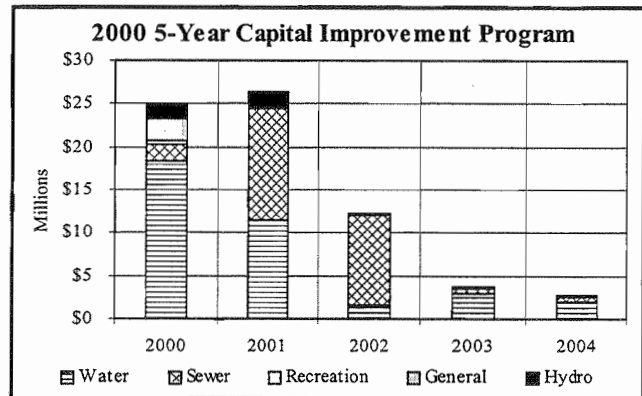
The District's master planning process and capital improvement programs are built upon the *El Dorado County General Plan*. Two significant issues, which emerged in 1998, seriously altered this process. The first was the adoption of *Measure Y – Traffic Control Initiative*, and the second was the successful legal challenge to the *County General Plan Environmental Impact Report*. El Dorado County has yet to resolve these issues.

EID's reliance upon the *General Plan* was discussed in the March 22, 2000 Annual Board Workshop. While unresolved, the District may, in fact, base its planning processes on its capability of providing service limited by its current water supplies and ability to provide service. The past policy, while not exactly a "build it and they will come" bias, was focused on meeting the County-controlled, General Planning process and the development schedules and direction prescribed by that plan. This anticipated the perfection of known water rights. The current bias is in restricting service to existing, available water rights. Both biases come with risks. In the first case, the risk is that facilities will be built that will not be fully utilized. In the second case, the facilities will not be sized to meet future utilization and additional facilities could need to be constructed, at additional cost.

District ratepayers could be placed in the position of assuming the costs already committed for added capacity facilities,

much like the "stranded costs" affecting the electrical utility deregulation process.

The District is working with Economic Planning Systems to generate land use capacities within District water and sewer service boundaries based on a revised general plan. The data will be incorporated in the District master planning efforts.



Water

The District continues to build on the initiatives started in 1997. These concern developing a long-term water supply strategy, renovating the Weber Dam, and establishing ownership of the District's water supplies. This has been achieved in part with the California Public Utilities Commission (CPUC) and Federal Energy Regulatory Commission (FERC) approval of the transfer of the El Dorado Canal Project to EID on September, 1999. Additionally, the District has been pursuing acquisition from the U.S. Bureau of Reclamation (USBR) of the Sly Park dam and reservoir and its related facilities, including associated water rights. The acquisition required legislative action. Legislation sponsored by our Congressman, John Doolittle, was signed into law on October 25, 2000. The actual transfer from the USBR will take about 24 months.



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Ditch System Conversions. A strategy evolving from the District's *Water Supply Master Plan* is to identify and utilize all of the District's existing water supplies. One strategy is to change the point of diversion for existing ditch water rights to move these waters from their former area of use for recapture into the District's potable water system at Folsom Reservoir. This will add between 600 and 4,300 acre feet of "firm-yield" water, and provide a six to ten year bridge to the District's perfecting of new water sources.

Uncovered Reservoirs. The covering of EID's treated water storage facilities was a major water initiative started in 1999. This was the result of a 1998 compliance order issued by the State Department of Health Services. After years of working with the District staff to find an effective potable water supply storage alternative, the State changed to an enforcement mode requiring the District to initiate program to cover its reservoirs in a three to four-year time period (1999 – 2002). The Federal/State revolving fund loan program will provide EID low-interest loans for the actual construction projects. These will be repaid from surcharges on existing customer accounts and could ramp up to slightly over \$4.00 per month.

Weber Dam. This \$4.5 million project is scheduled for 2001. The dam is scheduled for renovation in lieu of demolition. Additionally, the 1,200 acre-feet of water from this source is important to the overall scheme of future District water supplies. This facility could fit into a major, Weber Creek basin water supply scheme for the future.

El Dorado Canal. The District secured ownership of PG&E's former El Dorado Canal water conveyance and hydroelectric system in September 1999. This facility was critically damaged in the *1997 New Year's*

Day Flood, and has remained damaged pending the transfer. A temporary pipeline was constructed in the spring/summer of 1998 to enable EID's historical and critical, 15,080 acre feet supply from this source to be delivered to the District. Construction of the Mill Creek to Bull Creek Tunnel, considered the permanent repair needed based on environmental, reliability, and economic analyses for maintaining our existing 15,080 acre feet water supply from the El Dorado Forebay, will take place in 2001 and 2002.

Sewer

National Pollution Discharge Elimination Systems (NPDES) Compliance. The 1996 bond funded, \$40 million upgrade and expansion of the Deer Creek and El Dorado Hills wastewater treatment plant projects is all but completed. However, as the NPDES permit for the Deer Creek plant was being readied, the Regional Water Quality Control Board introduced new discharge criteria that were above and beyond the design standards built into the upgraded plants. The mid-range planning estimates indicate that the costs of meeting these new standards could be \$25.3 million for the Deer Creek facility including a \$5.8 million expansion phase now under construction. Similar scenarios are expected to be in the works for the El Dorado Hills plant. Staff efforts are focused to bring the discharge standards more in line with the technology governing the plants' design – based on science not politics. Worst case cost estimates range to \$118 million for both plants if all possible criteria are included.

General District

Administrative Facilities. The District continues to make progress in response to the City of Placerville's zoning enforcement



action. An architect was engaged and an assessment of needs was made. In April 1998, the District adopted a strategy of upgrading facilities at its existing site. Plans are complete and the construction RFP has been issued. Phase I of this 5-phase project involved obtaining the adjacent parcel for expansion followed by the design and construction of new facilities for customer services functions. Groundbreaking is anticipated to occur in August 2001 with occupancy scheduled for late 2002.

Rate Studies. The District is involved in series of actions designed to bring its rate structures into line with the costs of providing services, while simplifying the rate structures. Sewer FCC's are updated annually to include recent debt and expanded facility costs. In light of the pending NPDES process and its potential impacts on District rates and FCC's, EID commissioned an absorption study to test whether these rates would be accepted in the market. This study found that four development areas were approaching the 15% maximum backbone infrastructure cost-test.

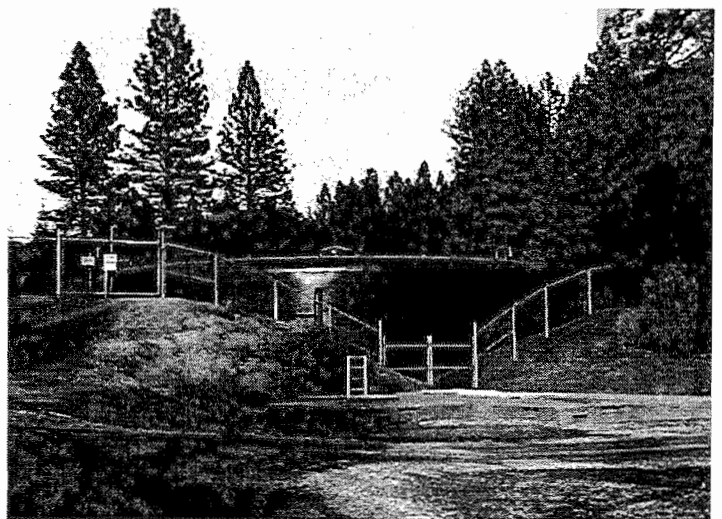
This "rule-of-thumb" indicates that the total cost of infrastructure should not exceed 15% of the total cost of a home. Costs exceeding this either drive the price of the home too high or make it non-economic for the developer if he absorbs the cost. This issue will become even more germane as the County explores options for implementing *Measure Y*. As proposed, the traffic impact fees will be assessed to new parcels.

Privatization. In 2000, the District was approached regarding contracting out of its sewer and hydroelectric functions. An operational audit was performed, and a Citizen's Committee was selected to make recommendations regarding the potential benefits of privatization. The Board of Directors received both the operational audit

results and the Committee's recommendations and made the decision to discontinue privatization discussions.



Reservoir A prior to construction.



Reservoir A after completion.



Results of Operations

Overview

The District annually commissions an independent review of its books, consistent with the Board of Director's fiduciary duty to preserve and protect District assets. Government Code 26909 requires governmental agencies to have periodic external financial reviews.

The audit, performed by the Accounting Corporation of Maze & Associates, Certified Public Accountants, was conducted in accordance with generally accepted auditing standards. The auditor has no material discrepancies to report and states that the financial statements fairly represent the financial position of the District at December 31, 2000.

The financial section of this report contains the annual audit of the District. It includes the financial statements showing the assets, liabilities, fund equity, income, and cashflow of the District together with the Auditor's notes. These reports provide a "snap-shot" of how things stood at December 31, 2000.

Comparative Balance Sheets

- ◆ Assets – increased by \$26.4 million to \$378.7 million
- ◆ Liabilities – decreased by \$6.2 million to \$113.5 million
- ◆ Fund Equity – increased by \$32.6 million to \$265.2 million

This statement discloses the net worth of the District in terms of what it owns and what it owes. In this equation, what the District owns (\$378.7 million) less what the District owes (\$113.5 million), results in a \$32.6

million increase in its net worth or fund equity of \$265.2 million.

Assets. This statement portrays an overall \$26.4 million increase in total assets – increasing from \$352.3 million to \$378.7 million. Primarily, this is the result of the transfer of PG&E's Project 184, increasing Hydroelectric Utility Plant assets from \$3.1 million to \$21.7 million. Construction in progress also increased substantially, from \$22.2 million to \$29.2 million. Current assets remained fairly stable, with cash and investments at \$77.1 million. Much of this reflects bond reserves, and remaining monies from the previous bond sales. The monies remaining from the 1999 bond issue include Weber Dam (\$4.0 million) and administrative facilities (\$3.3 million). At this time the only substantial balances in the 1996-bond project account are for the Sly Park purchase (\$3.9 million) and administrative facilities construction (\$3.7 million).

Liabilities. The *Comparative Balance Sheets* includes categorization of the money the District owes for long-term debt indentures. This includes the 1996 and 1999-revenue bonds and State revolving fund loans. The net result of debt incurred and debt paid-off is a net decrease in bonds payable of \$1.5 million to \$92.7 million in 2000.

The District's current liabilities decreased substantially. This was the result of reducing the "deferred revenue liability" as funds were expended to repair Project 184.

Fund equity. By definition, Fund Equity represents the net financial worth of the District (assets minus liabilities equals Fund equity). This increased \$32.6 million to \$265.2 million. Developer contributions to the District increased \$8.6 million to \$78.5 million, and the retained earnings of the



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District increased \$24.0 million to \$186.7 million. Enterprise agencies like EID “book” their assets at full value and expense them over their life as depreciation. General governments expense these in the year constructed and, therefore, have little in the way of “retained earnings”. Had the District been liquidated at full value at the end of 2000, this would have represented a \$8,693 dividend to each of the District’s 30,833 (water) customers.

Comparative Statements of Revenues and Expenses

- ◆ Operating Revenues – increased \$1.3 million to \$22.7 million
- ◆ Operating Expenses – increased \$4.8 million to \$33.5 million
- ◆ Operating Loss – increased \$3.5 million to \$10.8 million
- ◆ Non-operating Revenues (Expenses) – increased \$13.6 million to \$33.3 million
- ◆ Net Income – increased \$10.1 million to \$22.5 million
- ◆ Retained Earnings – increased \$24.0 million to \$186.7 million

This financial statement illustrates whether the District operated at a “profit” or “loss.” As noted, the bottom line shows a “net income” of \$22.5 million. This includes all District expenditures and earnings regardless of source. The major non-operating categories include \$4.5 million in property taxes, \$11.7 million in facility capacity charges, and \$5.2 million in investment earnings; these are posted in the “Non-operating Revenue/Expense” tally. Considering that the District’s 2000, 5-year CIP averages \$14.0 million per year, attention still needs to be directed to this issue. The Capital Facilities Financing Plan will assist the District with funding projects

as they are identified in the Water and Sewer Master Plans.

Including depreciation, the District suffered an “Operating Loss” of \$10.8 million; this compares with a loss of \$7.4 million in 1999. Discounting the “paper-cost” of depreciation, the District had a loss of \$1.3 million.

Operating Revenues. The District budget was exceeded by \$760,065, with actual water sales at \$12.0 million. This was a \$1.0 million increase over 1999 sales of \$11.0 million. Sewer sales reflect the first full year of the winter quarter average rate; sewer sales were up by \$301,000 over 1999 sales of \$8.4 million. Total operating revenues increased 6.3% to \$22.7 million.

Operating Expenses			
In millions	2000	1999	Change
Administration	\$3.461	\$1.304	\$2.157
Legal	\$0.420	\$1.054	(\$0.634)
Finance	\$2.797	\$2.864	(\$0.067)
Engineering	\$1.593	\$1.520	\$0.073
O & M	\$10.004	\$9.956	\$0.048
Electricity	\$1.705	\$1.797	(\$0.092)
Water Purchases	\$1.422	\$0.654	\$0.768
Recreation	\$0.504	\$0.492	\$0.012
Hydroelectric	\$2.102	\$1.415	\$0.687
Depreciation	\$9.516	\$7.647	\$1.869
TOTAL	\$33.523	\$28.703	\$4.821

Operating Expenses. District operating expenditures increased \$4.8 million to \$33.5 million, \$945,647 less than budgeted (these savings are in addition to the savings achieved when staff cut their 2000 budget by \$1.8 million in October, 2000). Major areas of savings above the 2000 budget cuts include a decrease in legal costs charged to operations, salary savings in the Finance and Administration Departments due to position vacancies, and continued efforts to make District operations as efficient as possible.



Non-operating Revenue (Expenses)

These include those revenues and expenses that do not associate directly with operations. On the revenue side, this includes debt surcharges, facility capacity charges, property taxes, interest income and flood damage reimbursements. On the expenditure side, it includes debt interest expense, and reimbursable work-orders. District FCC sales increased 21.6% to \$11.7 million. Flood damage reimbursement of \$12.1 million was recognized. Investment income is up substantially from \$2.8 million to \$5.2 million as a result of the 1999 bond proceeds and PG&E payment.

Comparative Statement of Cashflows

- ◆ Cash Flows from Operating Activities – decreased to (\$5.4 million) compared to a \$11.2 million gain in 1999
- ◆ Cash Flows from Investing Activities – were increased by \$5.2 million in 2000 versus \$2.8 million in 1999
- ◆ Cash Flows from Noncapital Financing Activities – gained \$867,700 versus \$795,700 in 1999
- ◆ Cash Flows from Capital Financing Activities – showed a \$709,000 loss compared with a \$1.2 million gain in 1999
- ◆ Net Cash Flows – decreased to (\$100,544) from \$15.9 million.

This report is of limited value and reflects changes in cash position between the previous year and the current year (shown as 2000) and the change in cash position between 1998 and 1999 (shown as 1999).

The 2000 audit shows that the District began a significant “spend down” mode, due primarily to Project 184. However, the cash position was relatively unchanged at \$77.1 million at the end of 2000.

Cashflows from Operating Activities. The first bullet shows a \$5.4 million loss from operating activities. This is a major change from the prior year’s \$11.2 million increase in cash position. Concern remains, as operating revenues are barely sufficient to pay for the costs of operations – leaving little to contribute towards facility replacement. The District’s practice has been to utilize its property tax and interest earnings to meet this pay-as-you-go need, and it has had to resort to borrowed bond funds for major projects. The recent changes to District service charges have corrected this situation somewhat, but future capital needs substantially overshadow the annual property tax collection and interest earnings.

Cashflows from Investing Activities. The second bullet shows that investing activities gained \$5.2 million in 2000 versus a \$2.8 million gain in 1999. This was due to the 1999 bond proceeds and the PG&E payment of \$15 million.

Cashflows from Noncapital Financing Activities. The District’s property tax assessments and ad valorem debt collections are recorded here. The position remains relatively unchanged.

Cashflows from Capital Financing Activities. As noted, this shows a change to a spend-down from one of cash aggregation. This is primarily the result of additions to utility plant.

Debt (Note 6)

Note 6 reviews the District’s debt status. This shows that the District still owes \$93.3 million of an initial encumbrance of \$118.9 million of currently active debt. New debt totaling \$1.9 million was incurred and \$3.0 million was retired during 2000. The



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District still owes \$14.4 million for the low interest (from 0 to 3.5%) Bureau loans obtained in the 1960's and 1980's. The annual payment is projected to be \$7.7 million in 2001. The last \$500,000 annual payment for the Texas Hill properties was paid in 2000, however this is offset by the increase needed to fund the 1999 revenue bond. The District also shows an ongoing \$113,459 in lease purchase costs for the vehicle leases obligated in 2000.

Not represented in Note 6 is the impact of the pending State revolving fund debt for the line and cover project. In March 2000, the State issued 4 additional safe drinking water loans in the amount of \$4.8 million. An additional \$23.5 million is projected to be incurred in 2001 for Phase II, and \$1.4 million to be added for Phase III in 2002. The current residential \$0.70 per month water surcharge will need to increase to approximately \$4.23 to pay this debt at projected project costs and interest rates.

The Future

The current Board of Directors was elected on a platform of rate control, pay-as-you go financing, and operational accountability. The March 22, 2000 Board workshop helped frame this direction as the District's mission and goal statements were updated. The workshop enabled the Board and staff to reflect on past progress and to focus on upcoming challenges and to identify a common ground in the future.

Pending issues include the following:

Gaining ownership of EID's two primary, up-stream water supplies:

- ◆ The *Conditional Asset Transfer Agreement* negotiated in April 1998 with PG&E for the El Dorado Canal and Hydroelectric facility was

approved by FERC and the CPUC in September 1999. This affirmed District ownership over this facility; however, major repairs will be needed to bring it fully operational. Construction of the permanent repairs will begin in 2001 and continue through 2002.

- ◆ The acquisition of the Sly Park dam and reservoir and its related facilities, including associated water rights required legislation which was signed into law in October 2000. The actual transfer from the USBR will take about 2 years.

General direction has been made on acquiring and developing future water supplies:

- ◆ A general strategy of converting District-owned, ditch water rights for potable use has been approved by the Board. This will provide additional water for consumptive use in the range of 600 to 4,300 acre feet
- ◆ A minimum of 7,500 acre feet of USBR water enabled by PL 101-514 (Fazio) is being negotiated on behalf of the District by the El Dorado County Water Agency (a total of 15,000 acre feet is available)
- ◆ 17,000 acre feet of new consumptive water rights from Project 184 water is scheduled for the year 2009 or later pending completion of environmental and court challenges

The design and location of a safe and adequate District headquarters facilities has been given the "go ahead" – in an incremental expansion of the current site focusing first on customer service needs:

- ◆ A \$7.2 million, Phase I and II project providing for facilities for meeting customer services needs has been



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- ◆ Future phases for operations and fleet needs have been identified with the ultimate project totaling \$12.3 million.

A revised master facilities planning process has been initiated and staff assigned to continue the planning process:

- ◆ The *Water Supply Master Plan* was presented to the Board in August 2000, and the Wastewater master planning processes is scheduled to resume focusing on sewage collection system issues (completion is scheduled for Fall 2001).
- ◆ A generalized, performance measurement and accounting process to enable tracking of effectiveness compared with internal and external benchmarking is in development.
- ◆ The District Mission statement and its enabling goal statements were updated in the March 22, 2000 Board workshop. This will better point the direction to the future.

Conclusions

Overview

In general, 2000 was an up-beat year from a financial standpoint. From a consumer standpoint, water was delivered reliably and healthfully, at a competitive cost; sewage was removed and treated, but at a comparatively high cost. The increasing costs associated with the new sewage treatment processes leveled off, and with a more normalized operation, staff is reviewing all operational processes to make any reasonable savings consistent with discharge standards. Sewer rate structures are designed to fully recover operating and debt expenditures with a nominal capital replacement contribution.

A total of 1,099 water and 798 sewer connections were sold – substantially more than the level budgeted. The District now serves more than 13,800 sewer and 30,800 water accounts.

Sales

2000 was a slightly higher than normal rainfall year, similar to 1999, building up the District's water supplies. Summer demand was above normal with nearly 34,900 acre-feet of water delivered to customers. Water sales revenue was 9.3% greater than 1999 and 8.1% above budgeted levels. Sewer sales revenues increased 3.6%. The difference was a result of a 8.6% increase in new sewer customer accounts and the implementation of the winter quarter average sewer rate.

Compliance

The Department of Health Services uncovered reservoir compliance order resulted in added levels of water monitoring, water purchases, and water pumping to areas that otherwise would have flowed by gravity, all of which are performed at higher than usual costs. This will continue through 2002 as the reservoirs are converted to steel tanks and covered concrete reservoirs.

CIP

The District continues with an aggressive CIP/Capital Replacement Program (CRP). While reduced substantially from the 5-year forecast provided last year, this program still exceeds current revenue projections. It will require debt or other financing programs to totally bring on line in the time scheduled. The District is reviewing and adjusting its rate structures to prepare for this eventuality. Further, as noted, the current fiscally conservative policy direction may utilize this option only as a last resort – with the concurrence of the community. A "capital

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facility financing master plan” is scheduled for late 2001 following policy direction on the District’s facility planning processes.

Planning

Like many local entities, the District finds itself in a dynamic tension between growth and non-growth issues. This is manifested in initiatives, law suits, political haranguing, and general discord. El Dorado County’s *Measure Y – the Traffic Control Initiative*, together with the successful challenge of the *El Dorado County General Plan EIR* typifies this dilemma. Until these issues are resolved and until the District affirms how it will follow the *General Plan*, District plans will be remain in a state of flux.

The District’s 1998 business planning exercise explored a range of potential environmental strategies – issues arising out of the various compliance dictates coming down on the District. It found that the District was poised at a point where major administrative and policy action was necessary, and these were addressed. As a consequence, specific fund balances appear less dire, as the District has taken the administrative and rate-based actions to put it back on the track to fiscal solvency. The rate-setting exercises resulting from this task were based in the knowledge of the District’s and community’s capacity to absorb the major rate changes.



Sly Park Recreation Area facility in the winter.



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, 1999

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

The Government Finance Officers Association for the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to El Dorado Irrigation District for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 1999. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of a state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.



Anne Spray Kinsey
President

Jeffrey L. Essler
Executive Director

INDEPENDENT AUDITORS' REPORT

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

We have audited the general purpose financial statements of the El Dorado Irrigation District as of and for the years ended December 31, 2000 and 1999, as listed in the Table of Contents. These general purpose financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, the general purpose financial statements referred to above present fairly in all material respects the financial position of the El Dorado Irrigation District at December 31, 2000 and the results of its operations and cash flows for the year then ended, in conformity with generally accepted accounting principles.

Our audits were made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying supplemental information, which is also listed in the Table of Contents, is presented for purposes of additional analysis and is not a required part of the general purpose financial statements. Such supplemental information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and in our opinion is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

Maze + Associates

May 21, 2001

EL DORADO IRRIGATION DISTRICT
COMPARATIVE BALANCE SHEETS
DECEMBER 31, 2000 AND 1999

ASSETS	<u>2000</u>	<u>1999</u>
Utility Plant		
Water and wastewater facilities and improvements	\$318,066,491	\$292,889,500
Hydroelectric plant facilities and improvements	21,738,421	3,111,420
Buildings and structures	5,074,000	5,056,449
Equipment and furniture	<u>8,265,226</u>	<u>7,510,009</u>
Total Facilities and Equipment	353,144,138	308,567,378
Less Accumulated depreciation	<u>(97,301,135)</u>	<u>(70,703,810)</u>
Utility Plant in Service, net	255,843,003	237,863,568
Land	5,306,862	5,306,862
Construction in progress	<u>29,158,331</u>	<u>22,207,092</u>
Total Utilities Plant	<u>290,308,196</u>	<u>265,377,522</u>
Other Long-Term Assets		
Deferred debt issuance costs	1,000,131	1,030,226
Notes receivable	106,145	109,414
Interfund loans	<u>317,169</u>	<u> </u>
Total Long-Term Assets	<u>291,731,641</u>	<u>266,517,162</u>
Current Assets		
Cash and investments (Note 3)	77,148,715	77,249,259
Taxes receivable	5,308,719	2,549,792
Accounts receivable, net of allowance	2,528,955	2,532,072
Grants receivable		2,052,498
Interest receivable	1,366,964	988,663
Prepaid expenses	326,777	130,338
Parts and supplies	<u>296,375</u>	<u>292,398</u>
Total Current Assets	<u>86,976,505</u>	<u>85,795,020</u>
Total Assets	<u><u>\$378,708,146</u></u>	<u><u>\$352,312,182</u></u>

See accompanying notes to general purpose financial statements.

EL DORADO IRRIGATION DISTRICT
COMPARATIVE BALANCE SHEETS
DECEMBER 31, 2000 AND 1999

LIABILITIES AND FUND EQUITY	<u>2000</u>	<u>1999</u>
Long-Term Liabilities		
Contracts and bonds payable (Note 6)	\$92,706,439	\$94,199,212
Capital leases payable (Note 6)	594,570	353,324
Interfund loans	317,169	
	<hr/>	<hr/>
Total Long-Term Liabilities	93,618,178	94,552,536
	<hr/>	<hr/>
Current Liabilities		
Current portion of contracts, bonds payable and capital leases (Note 6)	3,241,829	2,959,771
Deposits	1,663,112	1,089,919
Accounts payable	3,538,940	2,310,504
Accrued salaries and benefits	421,388	441,588
Interest payable	1,818,119	1,627,553
Accrued vacation	503,230	470,780
Claims payable (Note 8)	2,233,000	358,000
Deferred revenue	6,448,648	15,902,377
	<hr/>	<hr/>
Total Current Liabilities	19,868,266	25,160,492
	<hr/>	<hr/>
Total Liabilities	113,486,444	119,713,028
	<hr/>	<hr/>
Fund Equity		
Contributed capital (Note 2C)	78,516,008	69,930,123
Retained earnings (Note 7)		
Reserved for:		
Debt service	9,608,811	10,179,105
Designated for:		
Facilities capacity charges	13,785,239	7,025,410
Insurance	1,250,314	747,531
Construction and capital replacement	37,889,534	32,045,246
Unreserved and undesignated	124,171,796	112,671,739
	<hr/>	<hr/>
Total Retained Earnings	186,705,694	162,669,031
	<hr/>	<hr/>
Total Fund Equity	265,221,702	232,599,154
	<hr/>	<hr/>
Total Liabilities and Fund Equity	<u>\$378,708,146</u>	<u>\$352,312,182</u>

See accompanying notes to general purpose financial statements

EL DORADO IRRIGATION DISTRICT
 COMPARATIVE STATEMENTS OF REVENUES,
 EXPENSES AND CHANGES IN RETAINED EARNINGS
 FOR THE YEARS ENDED DECEMBER 31, 2000 AND 1999

	<u>2000</u>	<u>1999</u>
OPERATING REVENUES		
Water sales	\$12,047,626	\$11,022,101
Reclaimed water reimbursement/sales	106,435	234,304
Wastewater sales	8,660,319	8,359,763
Wastewater services	40,561	36,344
Recreation fees	590,795	516,429
Water service	<u>1,250,229</u>	<u>1,180,124</u>
Total Operating Revenues	<u>22,695,965</u>	<u>21,349,065</u>
OPERATING EXPENSES		
Operations and maintenance	10,004,084	9,956,141
Depreciation	9,515,538	7,646,949
General and administrative	3,460,506	1,303,927
Finance	2,796,773	2,864,360
Legal	419,724	1,053,871
Engineering	1,593,153	1,519,994
Electricity	1,705,009	1,797,320
Hydroelectric operations	2,102,195	1,414,954
Purchase of water	1,422,119	653,534
Recreation operations	<u>503,962</u>	<u>492,498</u>
Total Operating Expenses	<u>33,523,063</u>	<u>28,703,548</u>
OPERATING (INCOME) LOSS	<u>(10,827,098)</u>	<u>(7,354,483)</u>
NONOPERATING REVENUE (EXPENSE)		
Property taxes	4,549,483	4,364,904
Investment income	5,157,355	2,786,610
Facility capacity charges	11,651,265	9,582,702
Surcharges	3,028,138	3,848,999
USBR voter-approved taxes	872,161	798,645
Flood damage reimbursement	12,149,722	2,546,789
Other income (Note 2S)	661,414	190,568
Interest expense	(4,471,684)	(4,094,840)
Amortization of deferred debt issuance costs	(233,576)	(222,357)
Other expense (Note 2S)	<u>(35,393)</u>	<u>(79,003)</u>
Net Nonoperating Revenues (Expenses)	<u>33,328,885</u>	<u>19,723,017</u>
Income Before Operating Transfers	<u>22,501,787</u>	<u>12,368,534</u>
OPERATING TRANSFERS		
Operating transfers in	16,668,385	27,675,948
Operating transfers out	<u>(16,668,385)</u>	<u>(27,675,948)</u>
NET INCOME	22,501,787	12,368,534
Add depreciation expense on contributed assets	<u>1,534,876</u>	<u>1,643,788</u>
Increase in retained earnings	24,036,663	14,012,322
RETAINED EARNINGS, BEGINNING OF YEAR	162,669,031	148,413,190
Prior Period Adjustment		<u>243,519</u>
RETAINED EARNINGS, END OF YEAR	<u>\$186,705,694</u>	<u>\$162,669,031</u>

See accompanying notes to general purpose financial statements

EL DORADO IRRIGATION DISTRICT
COMPARATIVE STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2000 AND 1999

	<u>2000</u>	<u>1999</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating loss	(\$10,827,098)	(\$7,354,483)
Adjustments to reconcile operating income loss to cash flows from operating activities:		
Depreciation and amortization	9,505,201	7,646,949
Decrease (increase) in:		
Accounts receivable	3,117	(1,115,757)
Grants receivable	2,052,498	(2,052,498)
Interest receivable	(378,301)	(240,455)
Prepaid expenses	(196,439)	46,488
Parts and supplies	(3,977)	(8,261)
Increase (decrease) in:		
Deposit payable	573,193	(264,977)
Accounts payable	1,228,436	1,446,012
Accrued salaries and benefits	(20,200)	3,743
Interest payable	190,566	(43,488)
Accrued vacation	32,450	35,571
Accrued liabilities	1,875,000	(1,841,951)
Deferred revenue	(9,453,729)	14,901,779
	<u>(5,419,283)</u>	<u>11,158,672</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Increase in notes receivable	3,269	3,086
Investment income	5,157,355	2,786,610
	<u>5,160,624</u>	<u>2,789,696</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Advalorum taxes received	867,698	795,695
	<u>867,698</u>	<u>795,695</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Additions to utility plant	(24,315,114)	(18,378,745)
Interfund transfers	(604,334)	
Deferred debt issuance costs	(203,481)	(486,335)
Principal payments on contracts and bonds payable	(2,886,673)	(10,379,356)
Proceeds from issuance of debt	2,112,250	14,182,022
Property and assessment taxes received	2,204,307	3,474,277
Facility capacity charges and surcharges	11,651,265	9,582,702
Water and wastewater surcharges	3,028,138	3,848,999
Other income	12,811,136	3,536,002
Interest paid	(4,471,684)	(4,094,840)
Other expense	(35,393)	(79,003)
	<u>(709,583)</u>	<u>1,205,723</u>
NET CASH FLOWS	(100,544)	15,949,786
Cash and cash equivalents at beginning of year	<u>77,249,259</u>	<u>61,299,473</u>
Cash and cash equivalents at end of year	<u><u>\$77,148,715</u></u>	<u><u>\$77,249,259</u></u>
Noncash Investing, Capital and Financing Activities		
Borrowing under capital leases	<u>\$446,819</u>	<u>\$497,022</u>
Receipt of contributed assets	<u>\$10,120,761</u>	<u>\$3,891,080</u>
Change in fair value of investments	<u>\$57,224</u>	<u>\$387,904</u>

See accompanying notes to general purpose financial statements

EL DORADO IRRIGATION DISTRICT
Notes to General Purpose Financial Statements

NOTE 1 - GENERAL

El Dorado Irrigation District (the District) is a political subdivision of the State of California, providing water and wastewater services to residents of the District and providing water-related services to recreational users. The District is governed by a Board of Directors, which is elected by the residents of the District.

The accounting principles of the District conform with generally accepted accounting principles as applicable to governmental type organizations. These financial statements present the District and its one component unit, an entity for which the District is considered to be financially accountable under the criteria set by Governmental Accounting Standards Board (GASB) Statement Number 14.

The District has created the Eldorado Public Agency Financing Authority to provide assistance to the District in the issuance of debt. Debt issued by the Authority is reflected as debt of the Irrigation District in these financial statements. The Authority has no other transactions and does not issue separate financial statements.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

A. *Basis of Accounting*

The District is a proprietary entity; it uses an enterprise fund format to report its activities for financial statement purposes. Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs and expenses, including depreciation, of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

An enterprise fund is used to account for activities similar to those in the private sector, where the proper matching of revenues and costs is important and the full accrual basis of accounting is required. With this measurement focus, all assets and all liabilities of the enterprise are recorded on its balance sheet, and under the full accrual basis of accounting all revenues are recognized when earned and all expenses, including depreciation, are recognized when incurred. Enterprise fund equity includes retained earnings and contributed capital.

B. *Utility Plant*

Utility Plant is stated at cost. Assets acquired through contributions are reported at estimated fair market value at the date of acquisition.

C. *Depreciation*

The purpose of depreciation is to spread the cost of fixed assets equitably among all customers over the life of the assets. The amount charged to depreciation expense each year represents that year's pro rata share of utility plant cost.

EL DORADO IRRIGATION DISTRICT
Notes to General Purpose Financial Statements

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Depreciation of fixed assets in service is provided 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 has assigned the useful lives listed below to fixed assets:

	<u>Useful Lives</u>
Facilities and improvements	30-50 years
Buildings and structures	40 years
Equipment and furniture	5 years

Depreciation on contributed assets is charged to contributed capital. Balance as of December 31, 2000 is as follows:

Balance, January 1, 2000	\$69,930,123
Contributions from customers and grants	10,120,761
Depreciation expense on contributed assets	(1,534,876)
Balance, December 31, 2000	\$78,516,008

D. Cash and Cash Equivalents

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

E. Accounts Receivable

Accounts receivable arise from billings to customers for water used, wastewater services and certain improvements made to customer's property. Substantially all of the District's sales are to customers located within the District's boundaries. Uncollectible amounts from individual customers have not been significant.

F. Parts and Supplies

Parts and supplies are used internally and are valued at cost, using the first-in, first-out method.

G. Deferred Debt Issuance Costs

The District amortizes these costs pro rata over the term of the related debt issues.

EL DORADO IRRIGATION DISTRICT
Notes to General Purpose Financial Statements

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. *Restricted Cash and Investments*

The District is required by its debt agreements and its contract with the United States Bureau of Reclamation (USBR) to restrict certain amounts of cash and investments for construction projects and payment of debt service.

I. *Retained Earnings*

The District has reserved a portion of retained earnings to meet costs incurred for certain facilities during periods of special stress caused by damaging droughts, storms, earthquakes, floods, or other emergencies threatening or causing interruption of water service.

J. *Compensated Absences*

The liability for vested vacation pay is recorded as an expense when the vacation is earned. At the end of the year, District employees can carry over up to 160 hours of unused vacation to the next fiscal year. Unused vacation leaves are paid at the time of termination from the District's employment. Unused sick leave is applied to California Public Employees' Retirement System service credits for retirement purposes.

K. *Self-Insurance*

The District is self-insured for vision and dental care benefits. Management is of the opinion that recorded liabilities for self-insured claims and incidents incurred but not reported at December 31, 2000 and 1999, are adequate. The District maintains general liability coverage from an insurance carrier in the amount of \$10,000,000 per occurrence, with a deductible of \$25,000.

L. *Revenue Recognition*

Revenues from water and wastewater services furnished to customers are recorded in the financial statements when billed. All customers are billed bi-monthly.

M. *Facility Capacity Charges and Surcharges*

Facility capacity charges and surcharges (FCCs) represent amounts charged to new customers to establish service at a location not previously served by the District. These charges are expected to provide financing for system capacity improvements.

N. *USBR Voter-Approved Taxes*

USBR voter-approved taxes represent amounts charged to cover U.S. Bureau of Reclamation debt service on borrowings used to construct certain District infrastructure.

O. *Property Taxes*

El Dorado County assesses properties and it bills, collects, and distributes property taxes to the District. The County remits the entire amount levied and handles all delinquencies, retaining interest and penalties. Secured and unsecured property taxes are levied on September 1 of the preceding fiscal year.

EL DORADO IRRIGATION DISTRICT
Notes to General Purpose Financial Statements

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

Secured property tax is due in two installments, on November 1 and March 1, and becomes a lien on those dates. Property taxes become delinquent on December 10 and April 10, respectively. Unsecured property tax is due on July 1, and becomes delinquent on August 31.

The term "unsecured" refers to taxes on personal property other than real estate, land and buildings. These taxes are secured by liens on the property being taxed. Property tax revenues are recognized by the District in the fiscal year they are levied provided they become available as defined above.

P. *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 approve transfers within their own Departmental Operations budget. Budget transfers between two Departments requires 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. Board may approve additional appropriations throughout the year as well.

Budgeted amounts reported in the accompanying financial statements include budgeted amounts originally adopted, plus amendments. Amendments were not material in relation to the original appropriations, which were amended.

Q. *Use of Estimates*

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions about future events that affect the reported amount of 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.

R. *Accounting Pronouncements*

The District applies all applicable Government Accounting Standards Board (GASB) pronouncements as well as certain Financial Accounting Standards Board (FASB) pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements. The District applies all FASB Statements and Interpretations issued after November 30, 1989, except for those that conflict with or contradict GASB pronouncements.

S. *Other Income and Expenses*

The other income account includes funds collected by the District for rental activity, surplus sales, service fees charged, warehouse sales, and sales of plans, specs and copies. The other expense account represents amounts incurred by the District for bad debts and warehouse costs.

EL DORADO IRRIGATION DISTRICT
Notes to General Purpose Financial Statements

NOTE 3 - CASH AND INVESTMENTS

A. Categorization of Credit Risk

The District invests in individual investments and in an investment pool in accordance with the District's investment policy and bond indentures. Individual investments are evidenced by specific identifiable pieces of paper called securities instruments, or by electronic entry registering the owner in the records of the institution issuing the security, called the book entry system. In order to maximize security, the District employs the Trust Department of a bank as the custodian of its investments with the U.S. Government or its agencies, regardless of their form.

The District categorizes its individual securities instruments in ascending order to reflect the relative risk of loss of these instruments. This risk is called Credit Risk, the lower the number, the lower the risk. The three levels of risk prescribed by generally accepted accounting principles are described below:

Category 1 – Securities instruments in this category are in the District's name and are in the possession of the Trust Department of the bank employed by the District solely for this purpose. The District is the registered owner of securities held in book entry form by the bank's Trust Department.

Category 2 – Securities instruments and book entry form securities in this category are in the bank's name but are held by its Trust Department in a separate account in the District's name.

Category 3 – At December 31, 2000 none of the District's investments are in this category, which would include only District-owned securities instruments or book entry form securities which were not in the District's name or which were not held by the bank's Trust Department.

Pooled Investments – Pooled investments are not categorized because of their pooled, rather than individual, nature.

Investments are carried at fair value and categorized as follows at December 31, 2000:

	2000		Total	1999
	Cash and investment	Restricted Cash		
Individual Investments (Category 1):				
US treasury bills and notes	\$6,501,406		\$6,501,406	\$4,954,688
Agency securities	11,873,114		11,873,114	12,964,357
Corporate notes and bonds	11,463,990		11,463,990	8,641,757
Pooled Investments (Non Categorized):				
Mutual Funds (U.S. Securities)	246,938	\$4,500,657	4,747,595	4,514,393
Local Agency Investment Fund	20,032,395	8,177,728	28,210,123	26,860,288
Investment Agreement		14,857,427	14,857,427	18,521,859
Total Investments	<u>50,117,843</u>	<u>27,535,812</u>	<u>77,653,655</u>	<u>76,457,342</u>
Cash held by District	(504,940)		(504,940)	791,917
Total Cash and Investments	<u>\$49,612,903</u>	<u>\$27,535,812</u>	<u>\$77,148,715</u>	<u>\$77,249,259</u>

EL DORADO IRRIGATION DISTRICT
Notes to General Purpose Financial Statements

NOTE 3 - CASH AND INVESTMENTS (Continued)

B. Cash Deposits

Cash in banks is entirely insured (Category 1) or collateralized by the institution holding the deposit (Category 2). California law requires banks and savings and loan institutions to pledge government securities with a market value of 110% of the deposit or first trust deed mortgage notes with a value of 150% of the deposit as collateral for all public agency deposits. This collateral remains with the institution but is considered to be held in the District's name and places the District ahead of general creditors of the institution. The District has waived collateral requirements for the portion of deposits covered by federal deposit insurance.

The carrying amount of the District's cash deposits was (\$504,940) at December 31, 2000. Bank balances before reconciling items were \$111,386 at that date, of which \$103,014 was insured (Category 1) and \$8,372 was collateralized (Category 2) as discussed above.

C. Authorized Investments

The District's investment policy and the California Government Code allow the District to invest in the following types of investments:

- Local Agency Investment Fund
- U.S. Treasury Issues
- Government Agency Obligations
- Banker's Acceptance
- Commercial Paper
- Medium Term Corporate Notes
- Negotiable Certificates of Deposit
- Repurchase Agreements
- Mutual Funds
- Collateralized Negotiable Investments

Bond proceeds may also be investments in accordance with the statutory provisions governing the issuance of those bonds. The District's investments are carried at fair market value as required by generally accepted accounting principles. The District adjusts the carrying value of its investments to reflect their fair market value at each fiscal year end, and it includes the effects of these adjustments in income for that year.

The District is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The District reports its investment in LAIF at the fair value amount provided by LAIF, which at December 31, 2000 was \$69,704 less than the District's cost. The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. Included in LAIF's investment portfolio are collateralized mortgage obligations, mortgage-backed securities, other asset-backed securities, loans to certain state funds, and floating rate securities issued by federal agencies, government-sponsored enterprises and corporations.

EL DORADO IRRIGATION DISTRICT
Notes to General Purpose Financial Statements

NOTE 4 - DISTRICT EMPLOYEES RETIREMENT PLAN

A. CALPERS Miscellaneous Employees Plan

Substantially all District employees are eligible to participate in pension plans offered by California Public Employees Retirement System (CALPERS) an agent multiple employer defined benefit pension plan which acts as a common investment and administrative agent for its participating member employers. CALPERS provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. The District's employees participate in the Miscellaneous Employee Plans.

Benefit provisions under the Plan are established by State statute and District resolution. Benefits are based on years of credited service, equal to one year of full time employment. Funding contributions for the Plan are determined annually on an actuarial basis as of June 30 by CALPERS; the District must contribute these amounts. The Plan's provisions and benefits in effect at June 30, 1999 are summarized below:

	Miscellaneous
Benefit vesting schedule	5 years service
Benefit payments	monthly for life
Retirement age	50
Monthly benefits, as a % of annual salary	1.426 – 2.418%
Required employee contribution rates	7%
Required employer contribution rates	0%
Actuarially required contributions and net pension cost paid by the District.	\$207,598

The District pays one half of the employee contributions as well as the employer contributions.

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

CALPERS uses the market related value method of valuing the Plan's assets. An investment rate of return of 8.25% is assumed, including inflation at 3.5%. Annual salary increases are assumed to vary by duration of service. Changes in liability due to plan amendments, changes in actuarial assumptions, or changes in actuarial methods are amortized as a level percentage of payroll on a closed basis over twenty years. Investment gains and losses are accumulated as they are realized and ten percent of the net balance is amortized annually.

EL DORADO IRRIGATION DISTRICT
Notes to General Purpose Financial Statements

NOTE 4 - DISTRICT EMPLOYEES RETIREMENT PLAN (Continued)

The Plans' actuarial value (which differs from market value) and funding progress over the past three years is set forth below at their actuarial valuation date of June 30:

Miscellaneous Plan:

Actuarial						
Valuation Date	Entry Age Accrued Liability	Value of Assets	Unfunded (Overfunded) Liability	Funded Ratio	Annual Covered Payroll	Unfunded (Overfunded) Liability as % of Payroll
1997	\$17,643,629	\$20,667,251	(\$3,023,622)	117.14%	\$8,221,897	(36.78%)
1998	20,766,920	24,988,418	(4,221,498)	120.33%	8,125,576	(51.95%)
1999	22,545,226	28,354,548	(5,809,322)	125.80%	8,845,874	(65.67%)

Audited annual financial statements and ten year trend information for the fiscal year ended June 30, 1999, the most recent available, are available from CALPERS at P.O. Box 942709, Sacramento, CA 94229-2709.

PERS has reported that the net assets in the Plans held for pension benefits changed as follows during the year ended June 30, 1999

Actuarial value of assets as of June 30, 1998	\$24,988,418
Contributions received	630,886
Benefits and refunds	(769,526)
Transfers and miscellaneous adjustments	(13,113)
Expected investment earnings	2,055,409
Expected actuarial value of assets as of June 30, 1999	\$26,892,074
Market value of assets as of June 30, 1999	\$31,279,495
Actuarial values of assets as of June 30, 1999	\$28,354,548

Actuarially required contributions for fiscal years 2000, 1999 and 1998 were \$207,598, \$237,755 and \$156,776, respectively. The District made these contributions as required, together with certain immaterial amounts required as the result of the payment of overtime and other additional employee compensation.

Additional disclosures will be included when made available by PERS.

B. Social Security

The Omnibus Budget Reconciliation Act of 1990 (OBRA) mandates that public sector employees who are not members of their employer's existing system as of January 1, 1992 be covered by either Social Security or an alternative plan.

All employees are covered under Social Security, which requires these employees and the District to each contribute 7.65% of the employees' pay. Total contributions to Social Security during the year ended December 31, 2000 amounted to \$1,445,342 of which the District paid half.

EL DORADO IRRIGATION DISTRICT
Notes to General Purpose Financial Statements

NOTE 5 - DEFERRED COMPENSATION PLAN

District employees may defer a portion of their compensation under a District sponsored Deferred Compensation Plan created in accordance with Internal Revenue Code Section 457. Under this plan, participants are not taxed on the deferred portion of their compensation until distributed to them; distributions may be made only at termination, retirement, death or in an emergency as defined by the Plan.

The laws governing deferred compensation plan assets require plan assets to be held by a Trust for the exclusive benefit of plan participants and their beneficiaries. Since the assets held under these plans are not the District's property and are not subject to District control, they have been excluded from these financial statements.

NOTE 6 - LONG TERM DEBT

A. Current Year Transactions and Balances

The District's debt issues and transactions are summarized below and discussed in detail thereafter.

	Original Issue Amount	Balance Dec 31, 1999	Additions	Retirements	Bond Discount & Advance Funding Costs on Defeasance	Balance Dec 31, 2000
General Long Term Debt:						
Liability to the United States Government						
0-3.5%, due through 2028	\$25,000,000	\$15,136,106		\$758,953		\$14,377,153
EDA Loan, 5%, due 7/1/2017	2,306,000	2,001,175		77,868		1,923,307
State of California Loans						
2.3200-3.2205%, due through 2018-2020	1,654,137	151,998	\$1,470,387	5,912		1,616,473
County of El Dorado Note, 5%, due when construction financing has been obtained and construction has commenced						
	5,878,360	1,935,039		402,039		1,533,000
Revenue Bonds						
1996 Series, 3.65-5.6%, due 2/15/21	69,415,000	65,650,000		1,685,000	\$1,626,186	62,338,814
1999 Series, 4.4%-6.375%, due 2/15/25	13,685,000	13,685,000			32,561	13,652,439
Motor Vehicles Capital Leases, 4.56%, due 8/1/05						
	938,573	441,141	446,819	113,459		774,501
	<u>\$118,877,070</u>	<u>99,000,459</u>	<u>\$1,917,206</u>	<u>\$3,043,231</u>	<u>\$1,658,747</u>	<u>96,215,687</u>
Add: Revenue bonds arbitrage liability		334,747				327,151
Less: Current portion of long-term debt		2,959,771				3,241,829
Total Long-Term Liability		<u>\$96,375,435</u>				<u>\$93,301,009</u>

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

Liability to the United States Government – The U.S. Bureau of Reclamation constructed the original infrastructure of the District. That construction was financed with the issuance of United States Government debt. Under its agreement with the Bureau, the District is responsible for funding the repayment of this debt. Approximately 86% of the debt is related to construction for agricultural use, 12% of the debt issuance does not bear any interest, and the remaining debt bears interest at 3.5%.

EDA Loan – On August 22, 1977, the District borrowed \$2,306,000 from the Economic Development Administration, US Department of Commerce, under the Community Emergency Drought Relief Program.

EL DORADO IRRIGATION DISTRICT
Notes to General Purpose Financial Statements

NOTE 6 - LONG TERM DEBT (Continued)

State of California Loans – The State of California Department of Water Resources issued several Safe Drinking Water loans to finance water filtration and other water quality projects. In 1999, the District repaid two of the three outstanding loans. Loan payments for the remaining loan are due semi-annually on April 1 and October 1. In March 2000, the State of California Department of Water Resources issued the District four additional safe water drinking loans in the aggregate amount of approximately \$4,843,500, of which \$1,470,387 was drawn down prior to December 31, 2000.

County of El Dorado Note – On February 6, 1996, the District purchased the Texas Hill property from the County under an installment purchase, which called for five annual payments of \$500,000 commencing September 1, 1996. An additional payment of \$3,378,368 is due if the District obtains construction financing for and commences construction on the Texas Hill Reservoir. In the event that the property is sold or used for any purpose inconsistent with the development of the Texas Hill Reservoir, any funds received must be used to fund the development of increased water supplies or increased waste water capacity for the benefit of customers or potential customers of the District, but no additional payment is due the County.

1996 Revenue Bonds -- On April 1, 1996, the District issued the 1996 Revenue Bonds in the amount of \$69,415,000. Proceeds from these bonds were used to refund the District's outstanding certificates of participation and to finance the costs of improvements to the District's water supply, wastewater treatment and hydroelectric facilities. The Bonds are secured by a lien on the net revenue of these facilities. Principal payments are payable annually on February 15 and interest payments semi-annually on February 15 and August 15.

1999 Revenue Bonds -- On December 3, 1999, the District issued the 1999 Revenue Bonds in the amount of \$13,685,000. Proceeds from these bonds were used to finance certain improvements to the District's sewer and water systems and facilities. The Bonds are secured by a lien on the net revenue of these facilities. Commencing August 15, 2000, principal payments are payable annually on February 15 and interest payments semi-annually on February 15 and August 15.

C. *Motor Vehicles Capital Lease*

In 1999 and 2000, the District leased motor vehicles under an agreement calling for payment of the cost of the vehicles plus interest at an adjustable rate over a sixty-month period from the acquisition date of the vehicles. Since the District becomes the owner of the vehicles at the end of the lease, it has recorded the lease liability as debt.

EL DORADO IRRIGATION DISTRICT
Notes to General Purpose Financial Statements

NOTE 6 - LONG TERM DEBT (Continued)

D. Debt Service Requirements

Annual debt service requirements are shown below for all long-term debt except equipment leases:

For the Year Ending December 31	United States Government Bonds	EDA Loan	State of California Loans	County of El Dorado Note	Revenue Bonds	Capital Leases	Totals
2001	\$788,290	\$161,102	\$302,775		\$6,221,859	\$207,052	\$7,681,078
2002	829,660	161,102	304,066		6,217,690	207,052	7,719,570
2003	853,015	161,102	304,066		6,216,496	207,052	7,741,731
2004	891,476	161,102	304,066		6,217,970	151,153	7,725,767
2005	708,321	161,102	304,066		6,211,036	95,322	7,479,847
Thereafter	11,128,240	1,933,074	914,201	\$3,378,360	102,980,162		120,334,037
	15,199,002	2,738,584	2,433,240	3,378,360	134,065,213	867,631	158,682,030
Less amount representing interest	821,849	815,277	816,767	1,845,360	56,415,213	93,130	60,807,596
Outstanding principal balance	\$14,377,153	\$1,923,307	\$1,616,473	\$1,533,000	\$77,650,000	\$774,501	97,874,434
						Less bond discount	(1,440,469)
						Less advance funding costs on insubstance defeasance	(218,278)
						Total outstanding debt balance	\$96,215,687

NOTE 7 - RETAINED EARNINGS

A. Reserves

Reserves are restrictions placed by outside entities, such as other governments, which restrict the expenditures of the reserved funds to the purpose intended by the entity which provided the funds. The District cannot remove these restrictions or reserves. At December 31, 2000, reservations included:

Reserve for **debt service** represents the portion of retained earnings legally restricted for the payment of principal and interest on long term liabilities.

B. Designations

Designations are imposed by the Board of Directors to reflect future spending plans or concerns about the availability of future resources. Designations may be modified, amended or removed by Board action. At December 31, 2000, designations included:

Designated for **insurance** represents a portion of the retained risk, or deductible amount under the District's liability insurance policy.

Designated for **facilities capacity charges** represents the amount set aside for system capacity improvements.

EL DORADO IRRIGATION DISTRICT
Notes to General Purpose Financial Statements

NOTE 7 – RETAINED EARNINGS (Continued)

Designated for **construction and capital replacement** represents the amount set aside for the funding of planned capital expenditures.

NOTE 8 – HYDROELECTRIC OPERATIONS

Under a Conditional Asset Transfer Agreement dated April 6, 1998, with Pacific Gas & Electric Company, the District has assumed responsibility for a hydroelectric facility known as Project 184. This Project comprises diversion dams, canals and hydroelectric generating equipment, which was damaged in 1997 and requires extensive work to become operable. On April 2, 1999, the Federal Energy Regulatory Commission issued its order transferring the Project power generation license to the District. On September 7, 1999, the California Public Utility Commission approved the transfer.

At December 31, 1999, the District had taken ownership of the Project and as part of this transaction had received \$15,000,000 from PG&E. The \$15,000,000 was paid to relieve Pacific Gas & Electric Company ratepayers of their obligation to pay for decommissioning the project and their obligation for consumptive water delivery under the 1919 contract. As of December 31, 2000, the District had expended \$9,299,736 to renovate the facility.

NOTE 9 - RISK MANAGEMENT

A. Coverage

The District purchased commercial general liability insurance, which includes coverage against the following types of loss risks:

Type of Coverage	Coverage Limit	Deductible
Personal Injury	\$1,000,000	\$25,000 per occurrence
Auto liability	1,000,000	1,000 per occurrence
Blanket building, boiler & machinery, Earthquake, Flood	11,000,000	5,000 per occurrence
Contractor's equipment	500,000	1,000 per occurrence
Borrowed/rented/leased equipment	1,000,000	1,000 per occurrence

EL DORADO IRRIGATION DISTRICT
Notes to General Purpose Financial Statements

The District also purchases commercial insurance for its hydroelectric plant. The District carries insurance from the State Compensation Insurance Fund against workers' compensation claims. This insurance covers up to the statutory limit and the District does not have a deductible.

The District also provides group vision and dental coverage to employees through programs, which are administered by a service agent. The District is self-insured for both coverages.

EL DORADO IRRIGATION DISTRICT
Notes to General Purpose Financial Statements

NOTE 9 - RISK MANAGEMENT (Continued)

B. Liability for Uninsured Claims

Municipalities are required to record their liability for uninsured claims and to reflect the current portion of this liability as expenditures or expenses in their financial statements. As discussed above, the District has coverage for such claims, but it has retained the risk for the deductible, or uninsured portion of these claims.

The District's liability for uninsured claims, based on claims history, was computed as follows:

	2000			1999
	General	Dental and Vision	Total	Total
Beginning balance	\$344,238	\$13,762	\$358,000	\$2,199,951
Liability for current year claims	67,189	233,842	301,031	229,638
Increase (decrease) in estimated liability for prior year claims and claims incurred but not reported	(264,970)	(484,660)	(749,630)	395,999
Claims paid	72,781	250,818	323,599	(2,467,588)
Ending balance	<u>\$219,238</u>	<u>\$13,762</u>	<u>\$233,000</u>	<u>\$358,000</u>

The District has not exceeded its insurance coverage limits in any of the last three years.

NOTE 10 - COMMITMENTS AND CONTINGENT LIABILITIES

The District has made application to the State Water Resources Control Board for consumptive use of 17,000 acre-feet of hydroelectric water rights after the water is used by the District and others for power production along the North Fork of the American River (the "El Dorado Project"). The District is a defendant in a legal action, which challenges the Environmental Impact Report (EIR) related to this application. The petitioners prevailed in Superior Court and have requested attorneys' fees for approximately \$278,000 in aggregate. In addition, the same plaintiffs have filed a case to challenge the District's EIR for canal repairs to the El Dorado Project, the District's lack of environmental review for the asset transfer agreement with PG&E relating to the El Dorado Project, and certain District water rights and the public trust. The environmental review challenges have been dismissed by court and the case is narrowed to a regular trial on water rights and public trust.

The District is also a defendant in a legal action, which challenges the EIR of an application for 17,000 acre-feet of water from Project 184. The District is currently attempting to work out certain mitigation with the plaintiff.

EL DORADO IRRIGATION DISTRICT
Notes to General Purpose Financial Statements

NOTE 10 – COMMITMENTS AND CONTINGENT LIABILITIES (Continued)

The District has filled a petition, which challenges the conditions of the Deer Creek Sewage Treatment Plant wastewater permit issued in 1997 by the California Regional Water Quality Control Board (CRWQCB). A hearing was held in September 1999 to reconsider the permit conditions. The CRWQCB granted the same permit conditions staff recommended to their Board. The permit will be appealed again. If the District's challenge is unsuccessful, it will need to construct an additional estimated \$19 million in improvements to the Deer Creek Sewage Treatment Plant to bring it into regulatory compliance. If, as anticipated, the same regulatory requirements are imposed on the El Dorado Hills Sewage Treatment Plant and legal challenges thereto are unsuccessful, an additional estimated \$26 million in improvements to that facility will be required. Such improvements to the Deer Creek and El Dorado Hills Plants may require the issuance of additional debt by the District. If the District fails to make such improvements, the CRWQCB could impose a moratorium on new connections to be serviced by the two Plants, which could affect the ability of the District to generate facility connection charge revenues.

EL DORADO IRRIGATION DISTRICT
Supplemental Schedule -- Combining Balance Sheet by Subfunds
DECEMBER 31, 2000 AND 1999

ASSETS	Operating	Capital Improvement	Debt Service	Eldorado Public Agency Financing Authority	Recreation	Hydroelectric	Totals
Utility Plant							
Water and wastewater facilities and improvements	\$317,915,751				\$150,740		\$318,066,491
Hydroelectric plant facilities and improvements	1,674,333					\$20,064,088	21,738,421
Buildings and structures	1,926,290				2,888,537	259,173	5,074,000
Equipment and furniture	7,776,300				275,258	213,668	8,265,226
Total Facilities and Equipment	329,292,674				3,314,535	20,536,929	353,144,138
Less Accumulated depreciation	(77,609,794)				(975,290)	(18,716,051)	(97,301,135)
Utility Plant in Service, net	251,682,880				2,339,245	1,820,878	255,843,003
Land	5,280,389				26,473		5,306,862
Construction in progress	1,328,592	\$12,522,086			224,539	15,083,114	29,158,331
Total Utilities Plant	258,291,861	12,522,086			2,590,257	16,903,992	290,308,196
Other Long-Term Assets							
Deferred debt issuance costs				\$1,000,131			1,000,131
Notes receivable	106,145						106,145
Interfund loans	317,169						317,169
Total Long-Term Assets	258,715,175	12,522,086		1,000,131	2,590,257	16,903,992	291,731,641
Current Assets							
Cash and investments	23,246,753	26,805,896	\$293,337	20,053,426	481,057	6,268,246	77,148,715
Taxes receivable	4,405,291		814,739		88,689		5,308,719
Accounts receivable, net of allowance	1,311,538		1,158,986	58,431			2,528,955
Grants receivable							
Interest receivable	821,160		1,040	544,764			1,366,964
Prepaid expenses	146,510		159,071	4,360		16,836	326,777
Parts and supplies	296,375						296,375
Intrafund receivable/payable	1,333,837	(1,333,837)					
Total Current Assets	31,561,464	25,472,059	2,427,173	20,660,981	569,746	6,285,082	86,976,505
Total Assets	\$290,276,639	\$37,994,145	\$2,427,173	\$21,661,112	\$3,160,003	\$23,189,074	\$378,708,146

See accompanying notes to general purpose financial statements.

EL DORADO IRRIGATION DISTRICT
Supplemental Schedule -- Combining Balance Sheet by Subfunds
DECEMBER 31, 2000 AND 1999

LIABILITIES AND FUND EQUITY	Operating	Capital Improvement	Debt Service	Eldorado Public Agency Financing Authority	Recreation	Hydroelectric	Totals
Long-Term Liabilities							
Contracts and bonds payable			\$18,408,035	\$74,298,404			\$92,706,439
Capital leases payable			594,570				594,570
Interfund loans					\$317,169		317,169
Total Long-Term Liabilities			19,002,605	74,298,404	317,169		93,618,178
Current Liabilities							
Current portion of contracts, bonds payable and capital leases	\$1		1,221,828	2,020,000			3,241,829
Deposits payable	1,080,520	\$582,592					1,663,112
Accounts payable	515,527	665,533		9,851	5,687	\$2,342,342	3,538,940
Accrued salaries and benefits	372,805	14,639			4,046	29,898	421,388
Interest payable			84,455	1,733,664			1,818,119
Accrued vacation	459,986				22,790	20,454	503,230
Accrued liabilities	2,233,000						2,233,000
Deferred revenue	132,713				16,517	6,299,418	6,448,648
Total Current Liabilities	4,794,552	1,262,764	1,306,283	3,763,515	49,040	8,692,112	19,868,266
Total Liabilities	4,794,552	1,262,764	20,308,888	78,061,919	366,209	8,692,112	113,486,444
Fund Equity							
Contributed capital	75,729,901	375,010			2,411,097		78,516,008
Retained earnings (Note 7)							
Reserved for:							
Debt service				9,608,811			9,608,811
Designated for:							
Facilities capacity charges	7,243,282		6,541,957				13,785,239
Insurance	1,250,314						1,250,314
Construction and capital replacement	3,250,664	18,089,466			357,215	16,192,189	37,889,534
Unreserved and undesignated	198,007,926	18,266,905	(24,423,672)	(66,009,618)	25,482	(1,695,227)	124,171,796
Total Retained Earnings	209,752,186	36,356,371	(17,881,715)	(56,400,807)	382,697	14,496,962	186,705,694
Total Fund Equity	285,482,087	36,731,381	(17,881,715)	(56,400,807)	2,793,794	14,496,962	265,221,702
Total Liabilities and Fund Equity	\$290,276,639	\$37,994,145	\$2,427,173	\$21,661,112	\$3,160,003	\$23,189,074	\$378,708,146

See accompanying notes to general purpose financial statements

EL DORADO IRRIGATION DISTRICT
Supplemental Schedule - Combining Statements of
Revenues, Expenses and Changes in Retained Earnings by Subfunds
FOR THE YEAR ENDED DECEMBER 31, 2000

	Operating	Capital Improvement	Debt Service	Eldorado Public Agency Financing Authority	Recreation	Hydroelectric	Totals
OPERATING REVENUES							
Water sales	\$11,267,626					\$780,000	\$12,047,626
Reclaimed water reimbursement/sales	106,435						106,435
Wastewater sales	8,660,319						8,660,319
Wastewater services	40,561						40,561
Recreation fees					\$554,418	36,377	590,795
Water service	1,250,229						1,250,229
Total Operating Revenues	21,325,170				554,418	816,377	22,695,965
OPERATING EXPENSES							
Operations and maintenance	9,992,954				2,889	8,241	10,004,084
Depreciation	9,393,862				95,187	26,489	9,515,538
General and administrative	3,458,398				2,034	74	3,460,506
Finance	2,796,773						2,796,773
Legal	419,724						419,724
Engineering	1,591,252					1,901	1,593,153
Electricity	1,697,650				7,328	31	1,705,009
Hydroelectric operations						2,102,195	2,102,195
Purchase of water	1,422,119						1,422,119
Recreation operations					503,962		503,962
Total Operating Expenses	30,772,732				611,400	2,138,931	33,523,063
OPERATING INCOME (LOSS)	(9,447,562)				(56,982)	(1,322,554)	(10,827,098)
NONOPERATING REVENUE (EXPENSE)							
Property taxes	4,459,057				90,426		4,549,483
Investment income	2,632,975		\$46,655	\$2,369,971	49,632	58,122	5,157,355
Facility capacity charges	5,801,095			5,850,170			11,651,265
Surcharges	965,569		656,620	1,405,949			3,028,138
USBR voter-approved taxes			872,161				872,161
Flood damage reimbursement	2,606,703					9,543,019	12,149,722
Other income	622,580				6,622	32,212	661,414
Interest expense			(416,849)	(4,041,298)	(13,537)		(4,471,684)
Amortization of deferred debt issuance costs				(233,576)			(233,576)
Other expense	(35,240)				(153)		(35,393)
Net Nonoperating Revenues (Expenses)	17,052,739		1,158,587	5,351,216	132,990	9,633,353	33,328,885
Income (Loss) Before Operating Transfers	7,605,177		1,158,587	5,351,216	76,008	8,310,799	22,501,787
OPERATING TRANSFERS							
Operating transfers in	11,203,522	\$1,573,192	783,820	1,833,539	45,580	1,228,732	16,668,385
Operating transfers out	(195,046)	(12,395,742)	(1,833,539)		(180,972)	(2,063,086)	(16,668,385)
NET INCOME (LOSS)	18,613,653	(10,822,550)	108,868	7,184,755	(59,384)	7,476,445	22,501,787
Add depreciation expense on contributed assets	1,534,876						1,534,876
Increase in retained earnings	20,148,529	(10,822,550)	108,868	7,184,755	(59,384)	7,476,445	24,036,663
RETAINED EARNINGS, BEGINNING OF YEAR	189,603,657	47,178,921	(17,990,583)	(63,585,562)	442,081	7,020,517	162,669,031
RETAINED EARNINGS, END OF YEAR	\$209,752,186	\$36,356,371	(\$17,881,715)	(\$56,400,807)	\$382,697	\$14,496,962	\$186,705,694

See accompanying notes to general purpose financial statements

EL DORADO IRRIGATION DISTRICT
Supplemental Schedule - Combining Statements of
Cash Flows by Subfunds
FOR THE YEAR ENDED DECEMBER 31, 2000

	Operating	Capital Improvement	Debt Service	Eldorado Public Agency Financing Authority	Recreation	Hydroelectric	Combined Total
CASH FLOWS FROM OPERATING ACTIVITIES							
Operating loss	(\$9,447,562)				(\$56,982)	(\$1,322,554)	(\$10,827,098)
Adjustments to reconcile operating income loss to cash flows from operating activities:							
Depreciation and amortization	9,383,525				95,187	26,489	9,505,201
Decrease (increase) in:							
Accounts receivable	2,386,503	(\$1,333,837)	(\$1,101,412)	\$50,571		1,292	3,117
Grants receivable	2,052,498						2,052,498
Interest receivable	(142,215)		(1,040)	(235,046)			(378,301)
Prepaid expenses	(44,172)		(159,071)	(4,360)		11,164	(196,439)
Parts and supplies	(3,977)						(3,977)
Interfund receivables	(1,325,684)	1,333,837			(8,153)		
Increase (decrease) in:							
Deposits payable	(8,024)	582,592			(1,375)		573,193
Accounts payable	(26,118)	(87,329)		(3,149)	6,019	1,339,013	1,228,436
Accrued salaries and benefits	(19,874)	1,866			(1,475)	(717)	(20,200)
Interest payable			(17,240)	207,806			190,566
Accrued vacation	30,364				(118)	2,204	32,450
Accrued liabilities	1,875,000						1,875,000
Deferred revenue	(28,276)				(4,462)	(9,420,991)	(9,453,729)
Cash Flows from Operating Activities	<u>4,681,988</u>	<u>497,129</u>	<u>(1,278,763)</u>	<u>15,822</u>	<u>28,641</u>	<u>(9,364,100)</u>	<u>(5,419,283)</u>
CASH FLOWS FROM INVESTING ACTIVITIES							
Decrease in notes receivable	3,269						3,269
Investment income	2,632,975		46,655	2,369,971	49,632	58,122	5,157,355
Net Cash Used for Investing Activities	<u>2,636,244</u>		<u>46,655</u>	<u>2,369,971</u>	<u>49,632</u>	<u>58,122</u>	<u>5,160,624</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES							
Ad valorem taxes received			867,698				867,698
Cash Flows from Noncapital Financing Activities			<u>867,698</u>				<u>867,698</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
Additions to utility plant	(17,273,480)	2,277,457			(72,374)	(9,246,717)	(24,315,114)
Interfund transfers	11,008,476	(10,822,550)	(1,654,053)	1,833,539	(135,392)	(834,354)	(604,334)
Deferred debt issuance costs			(156,556)	(46,925)			(203,481)
Principal payments on contracts and bonds payable			(1,201,673)	(1,685,000)			(2,886,673)
Proceeds from issuance of debt			2,112,250				2,112,250
Property and assessment taxes received	2,160,656				43,651		2,204,307
Facility capacity charges and surcharges	5,801,095			5,850,170			11,651,265
Water and wastewater surcharges	965,569		656,620	1,405,949			3,028,138
Other income	3,229,283				6,622	9,575,231	12,811,136
Interest paid			(416,849)	(4,041,298)	(13,537)		(4,471,684)
Other expense	(35,240)				(153)		(35,393)
Cash Flows from Capital and Related Financing Activities	<u>5,856,359</u>	<u>(8,545,093)</u>	<u>(660,261)</u>	<u>3,316,435</u>	<u>(171,183)</u>	<u>(505,840)</u>	<u>(709,583)</u>
NET CASH FLOWS	<u>13,174,591</u>	<u>(8,047,964)</u>	<u>(1,024,671)</u>	<u>5,702,228</u>	<u>(92,910)</u>	<u>(9,811,818)</u>	<u>(100,544)</u>
Cash and cash equivalents at beginning of year	<u>10,072,162</u>	<u>34,853,860</u>	<u>1,318,008</u>	<u>14,351,198</u>	<u>573,967</u>	<u>16,080,064</u>	<u>77,249,259</u>
Cash and cash equivalents at end of year	<u>\$23,246,753</u>	<u>\$26,805,896</u>	<u>\$293,337</u>	<u>\$20,053,426</u>	<u>\$481,057</u>	<u>\$6,268,246</u>	<u>\$77,148,715</u>

See accompanying notes to general purpose financial statements

EL DORADO IRRIGATION DISTRICT
Supplemental Schedule - Combined Statements of
Revenues and Expenses - Budget and Actual
FOR THE YEAR ENDED DECEMBER 31, 2000

	<u>Actual</u>	<u>Budget</u>	Variance Favorable (Unfavorable)
OPERATING REVENUES			
Water sales	\$12,047,626	\$11,143,200	\$904,426
Reclaimed water reimbursement/sales	106,435	153,600	(47,165)
Wastewater sales	8,660,319	9,476,300	(815,981)
Wastewater services	40,561	45,500	(4,939)
Recreation fees	590,795	505,500	85,295
Water service	<u>1,250,229</u>	<u>611,800</u>	<u>638,429</u>
Total Operating Revenues	<u>22,695,965</u>	<u>21,935,900</u>	<u>760,065</u>
OPERATING EXPENSES			
Operations and maintenance	10,004,084	11,425,496	1,421,412
General and administrative	3,460,506	1,613,119	(1,847,387)
Finance	2,796,773	3,030,539	233,766
Legal	419,724	1,060,606	640,882
Engineering	1,593,153	2,188,211	595,058
Electricity	1,705,009	1,615,000	(90,009)
Hydroelectric operations	2,102,195	1,909,843	(192,352)
Purchase of water	1,422,119	1,577,840	155,721
Recreation operations	<u>503,962</u>	<u>532,518</u>	<u>28,556</u>
Total Operating Expenses	<u>24,007,525</u>	<u>24,953,172</u>	<u>945,647</u>
OPERATING INCOME (LOSS)	<u>(1,311,560)</u>	<u>(3,017,272)</u>	<u>1,705,712</u>
NONOPERATING REVENUE (EXPENSE)			
Property taxes	4,549,483	4,261,500	287,983
Investment income	5,157,355	3,276,150	1,881,205
Facility capacity charges	11,651,265	6,050,810	5,600,455
Surcharges	3,028,138	2,534,500	493,638
USBR voter-approved taxes	872,161	773,921	98,240
Flood damage reimbursement	12,149,722	3,716,200	8,433,522
Other income	661,414	147,850	513,564
Interest expense	(4,471,684)		(4,471,684)
Amortization of bond costs and advance funding costs	<u>(233,576)</u>		<u>(233,576)</u>
Net Nonoperating Revenues (Expenses)	<u>33,364,278</u>	<u>20,760,931</u>	<u>12,603,347</u>
Excess of Budgeted Revenues Over Budgeted Expenses	<u>32,052,718</u>	<u>\$17,743,659</u>	<u>\$14,309,059</u>
Non-Budgeted Items			
Other expenses	(35,393)		
Depreciation	<u>(9,515,538)</u>		
NET INCOME (LOSS)	<u>\$22,501,787</u>		

See accompanying notes to general purpose financial statements

El Dorado Irrigation District
Adjusted Budget for the Fiscal Years ending
December 31, 1997, 1998, 1999 & 2000

	2000	1999	1998	1997
OPERATING REVENUES:				
Water Sales	\$11,143,200	\$10,752,000	\$10,123,049	\$9,111,505
Water Services	611,800	503,400	333,125	226,730
Wastewater sales and service	9,521,800	8,509,800	5,643,183	5,266,941
Reclaimed Water Reimbursement	153,600	67,000	63,650	0
Recreation Fees	505,500	505,500	460,000	529,400
Hydroelectric Power & Water Sales	0	0	0	3,315,000
Hydro - revenue loss reimbursement	<u>0</u>	<u>500,000</u>	<u>971,878</u>	<u>0</u>
Total Operating Revenue	\$21,935,900	\$20,837,700	\$17,594,885	\$18,449,576
Total Operating Expenses[1]:				
Operations and Maintenance	\$11,425,496	\$11,648,980	\$10,808,386	\$8,043,346
General and Administrative	1,613,119	1,561,306	1,532,002	3,115,509
Finance	3,030,539	3,066,748	3,232,059	2,899,623
Legal	1,060,606	947,349	683,465	0
Engineering	2,188,211	2,410,561	2,373,611	1,832,115
Hydroelectric Operations	1,909,843	2,003,182	995,371	2,560,204
Electricity	1,615,000	1,864,150	1,773,141	1,489,078
Purchase of Water	1,577,840	757,700	650,700	478,000
Recreation	<u>532,518</u>	<u>567,176</u>	<u>517,199</u>	<u>522,008</u>
Total Operating Expenses	\$24,953,172	\$24,827,152	\$22,565,934	\$20,939,883
OPERATING LOSS	(\$3,017,272)	(\$3,989,452)	(\$4,971,049)	(\$2,490,307)
OTHER INCOME (EXPENSE)				
FCC's	\$6,050,810	\$6,076,200	\$4,126,322	\$4,384,137
Water & Sewer Debt Surcharges [2]	2,534,500	3,480,400	3,185,091	2,143,559
USBR voter-approved taxes [3]	773,921	714,600	673,181	613,486
Property Taxes	4,261,500	3,999,300	3,772,380	3,686,525
Interest Revenue	3,276,150	3,086,600	3,935,984	3,827,900
Penalty / Interest on Assessments	0	0	409,000	418,900
Other Income	147,850	0	99,810	113,975
Flood Damage Reimbursement	3,716,200	2,508,100	0	0
Interest Expense	<u>0</u>	<u>(4,108,325)</u>	<u>(4,406,668)</u>	<u>(4,350,981)</u>
Total Other Income	\$20,760,931	\$15,756,875	\$11,795,100	\$10,837,501
NET INCOME	\$17,743,659	\$11,767,423	\$6,824,051	\$8,347,194
DEBT SERVICE (Principal Only)				
Federal Loans [4]	\$779,027	\$713,210	\$665,525	\$599,951
State Loans	95,593	252,438	244,154	236,135
Assessment District Bonds	0	0	2,545,000	935,000
Debt 96-1	1,685,000	1,615,000	1,550,000	600,016
Texas Hill	<u>402,039</u>	<u>382,666</u>	<u>364,227</u>	<u>500,000</u>
Total Debt Service-Principal	\$2,961,659	\$2,963,314	\$5,368,906	\$2,871,102
NET INCOME AFTER DEBT SERVICE	\$14,782,000	\$8,804,109	\$1,455,145	\$5,476,092

[1] Operating expenses include CIP offset.

[2] Represent surcharges assessed in connection with water and sewer debt.

[3] Represents voter-approved property taxes collected for payment of obligations to the U.S. Bureau of Reclamation for construction of the Sly Park Unit and EID's main distribution system.

[4] Includes U.S. Bureau of Reclamation loans and Economic Development Administration loan.

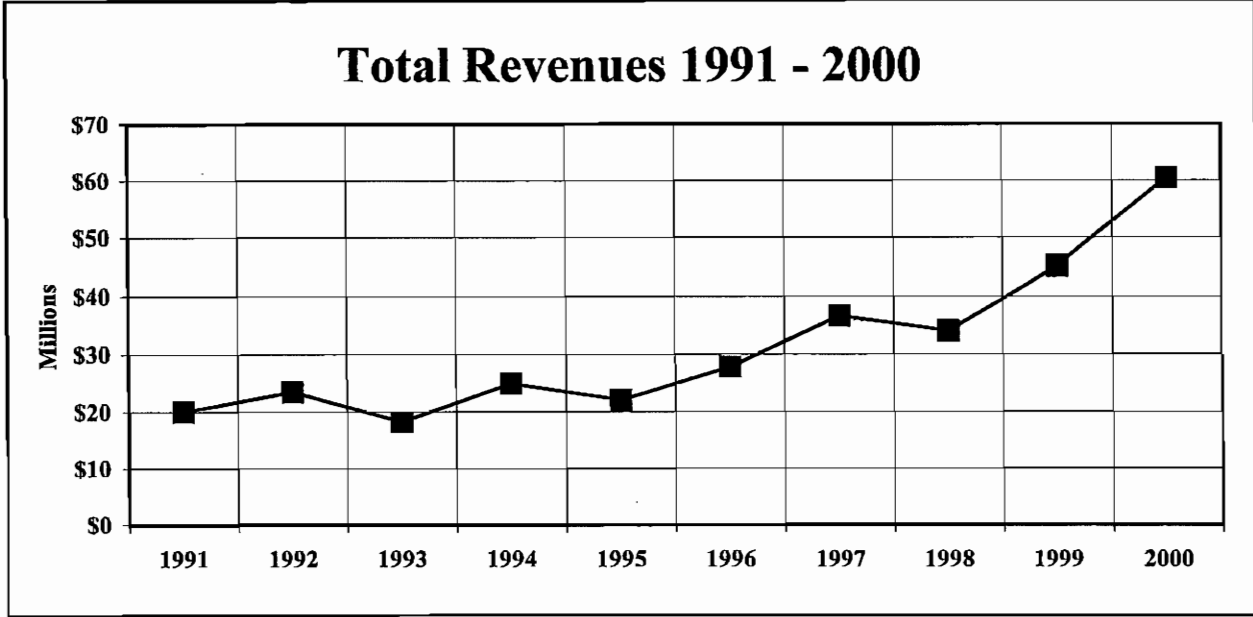
2000 5-year CIP Budget					
	2000	2001	2002	2003	2004
WATER					
Weber Dam Reconstruction	\$4,000,000			\$500,000	
Reservoir Program	\$8,450,000	\$4,600,000			
Shingle Springs Area		\$500,000		\$500,000	
Bass Lake Storage	\$5,500,000				
Water Dist. System Improve		\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Water Facilities Improve	\$400,000	\$500,000	\$500,000	\$500,000	\$500,000
Reservoir 13 Storage Tank		\$4,000,000			
Sly Park Intertie Lining	\$1,000,000				
Other Water Projects	\$1,019,000	\$780,300	\$167,300	\$391,600	\$470,300
Total Water	\$20,369,000	\$11,380,300	\$1,667,300	\$2,891,600	\$1,970,300
WASTEWATER					
DCWWTP Phase II		\$10,620,000	\$8,900,000		
Mother Lode Force Main	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000
EDHWWTP Corr Action	\$266,061	\$500,000	\$500,000		
Collection System I & I	\$300,000	\$200,000	\$200,000	\$200,000	\$200,000
Strolling Hills Sewer		\$1,000,000			
Other Sewer Projects	\$1,251,300	\$606,600	\$492,600	\$225,000	\$207,500
Total Wastewater	\$2,017,361	\$13,126,600	\$10,292,600	\$625,000	\$607,500
GENERAL DISTRICT					
New Headquarters Facility	\$2,500,000				
Other Gen District Projects	\$65,000	\$50,000	\$50,000	\$50,000	\$50,000
Total General District	\$2,565,000	\$50,000	\$50,000	\$50,000	\$50,000
RECREATION					
Parking and Trailhead	\$120,000				
Water System Upgrade	\$80,000				
Other Recreation Projects	\$82,500				
Total Recreation	\$282,500	\$0	\$0	\$0	\$0
HYDROELECTRIC					
FERC Relicensing	\$1,000,000	\$350,000	\$150,000	\$135,000	\$135,000
Permanent Repairs	\$341,000	\$1,606,300			
Other Hydroelectric Projects	\$290,000				
Total Hydroelectric	\$1,631,000	\$1,956,300	\$150,000	\$135,000	\$135,000
TOTAL 2000 5-YR CIP	\$26,864,861	\$26,513,200	\$12,159,900	\$3,701,600	\$2,762,800

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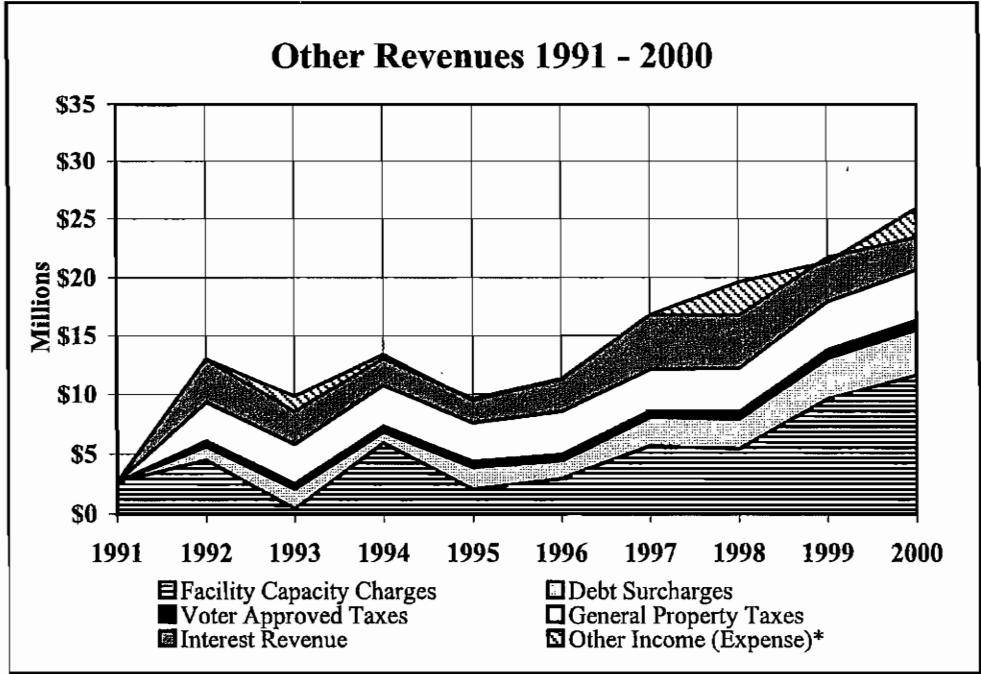
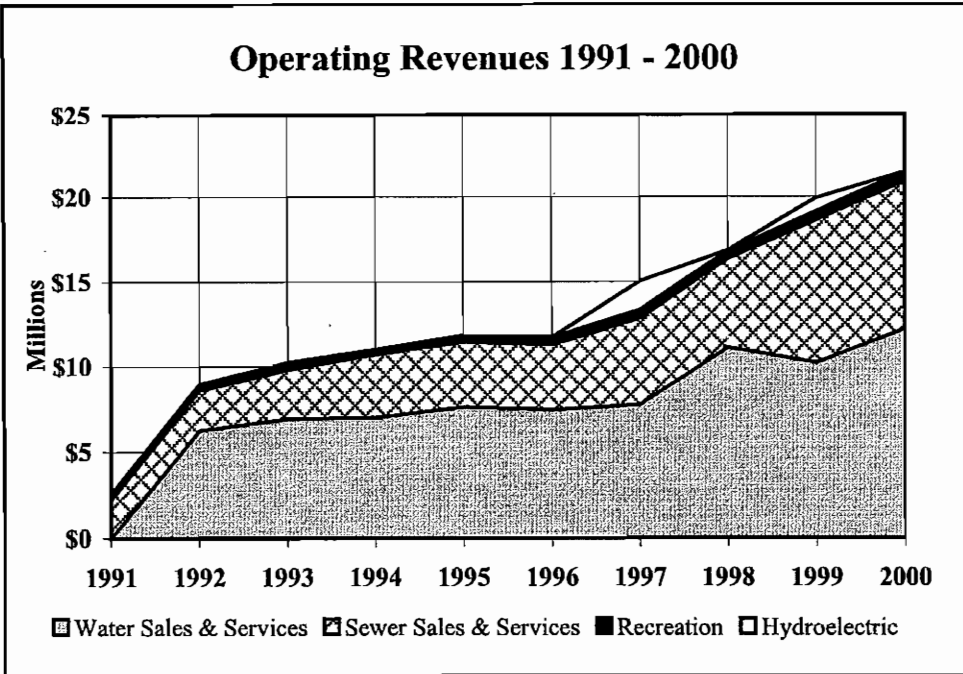
Total Actual Revenue by Source 1991-2000

Revenue Source	2000	1999	1998	1997	1996	1995	1994	1993	1992	1991
Water Sales & Services	\$13,297,855	\$12,202,225	\$10,209,773	\$11,089,042	\$7,726,939	\$7,427,931	\$7,600,236	\$6,991,262	\$6,914,903	\$6,246,973
Sewer Sales & Services	\$8,700,880	\$8,396,107	\$5,268,633	\$5,084,984	\$3,829,133	\$3,837,561	\$3,697,672	\$2,902,214	\$2,324,091	\$2,242,758
Reclaimed Water Reimburse	\$106,435	\$234,304	\$106,045	-	-	-	-	-	-	-
Recreation	\$590,795	\$516,429	\$460,905	\$502,170	\$441,223	\$405,774	\$315,726	\$437,842	\$383,643	\$346,233
Hydroelectric	-	-	\$789,542	\$36,451	\$1,717,509	-	-	-	-	-
Facility Capacity Charges	11,651,265	9,582,702	\$5,404,752	\$5,691,123	\$2,954,937	\$2,054,747	\$5,927,901	\$443,815	\$4,502,616	\$2,671,502
Debt Surcharges	\$3,028,138	\$3,848,999	\$3,503,528	\$2,471,779	\$2,357,220	\$1,477,168	\$1,833,862	\$917,436	\$1,653,941	\$1,147,327
Voter Approved Taxes	\$872,161	\$798,645	\$714,551	\$592,834	\$530,160	\$512,160	\$476,160	\$458,789	\$440,363	\$440,160
General Property Taxes	\$4,549,483	\$4,364,904	\$4,116,097	\$3,774,466	\$3,577,668	\$3,599,549	\$3,233,334	\$3,472,111	\$3,285,692	\$3,258,635
Investment Income	\$5,157,355	\$2,786,610	\$3,796,313	\$4,492,656	\$4,613,297	\$2,811,719	\$2,035,855	\$2,318,402	\$2,718,890	\$3,679,524
Other Income (Expense) [1]	\$12,542,167	\$2,435,997	(\$375,486)	\$2,870,345	\$37,299	(\$58,042)	(\$152,702)	\$330,975	\$1,301,049	\$35,225
TOTAL REVENUE	\$60,496,534	\$45,166,922	\$33,994,653	\$36,605,850	\$27,785,385	\$22,068,567	\$24,968,044	\$18,272,846	\$23,525,188	\$20,068,337

[1] Other Income (Expense) consists of the following: Other income, penalties & interest on assessments, Flood damage reimbursement, less: Amortization of bond costs and advance funding costs, less: other expense

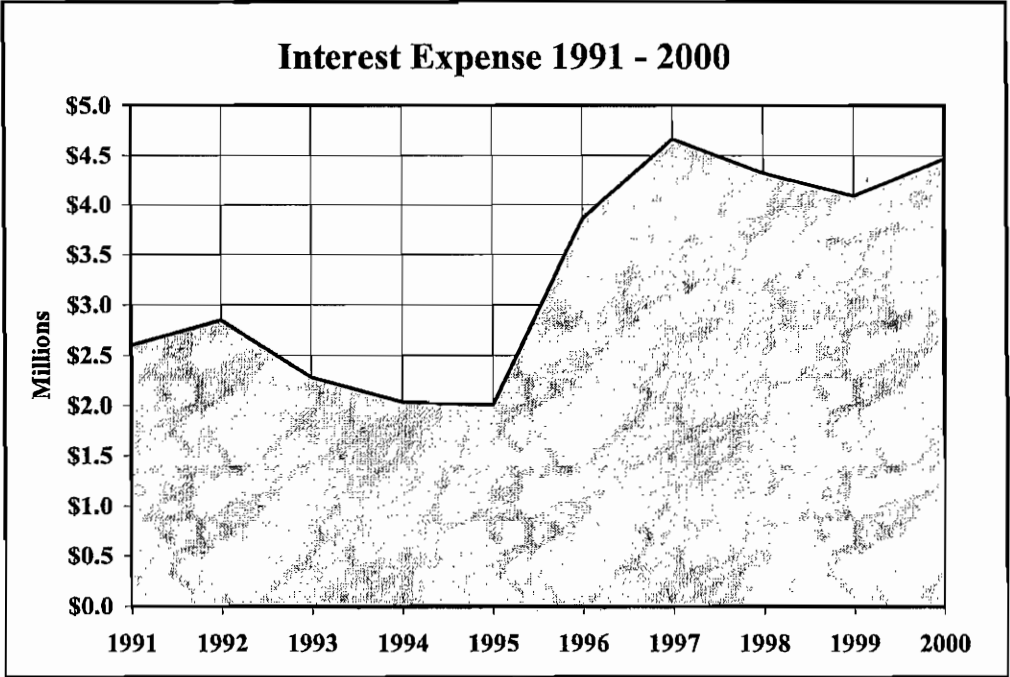
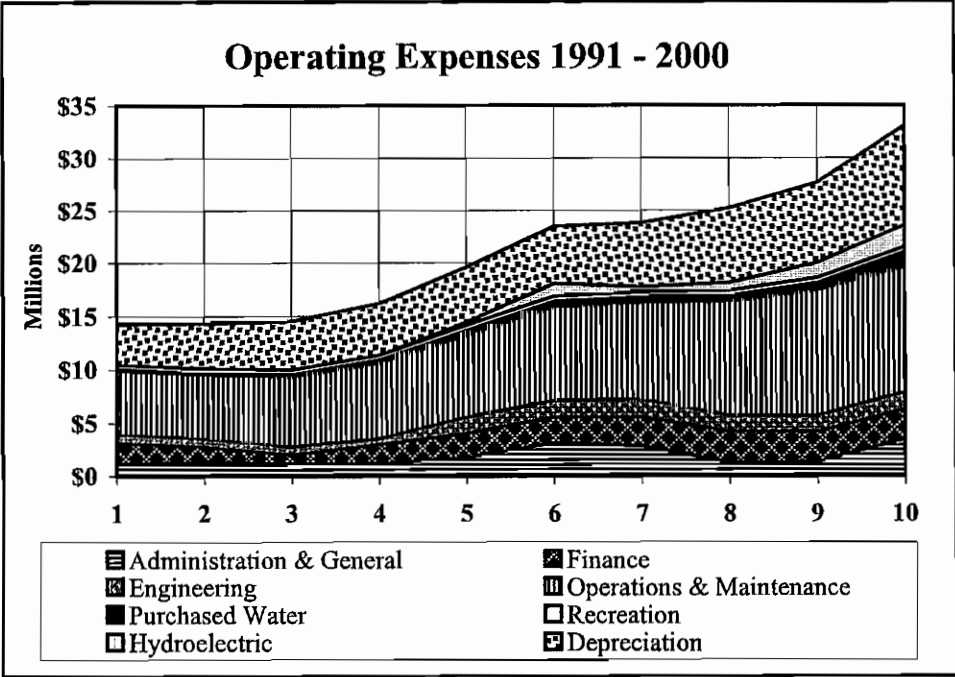


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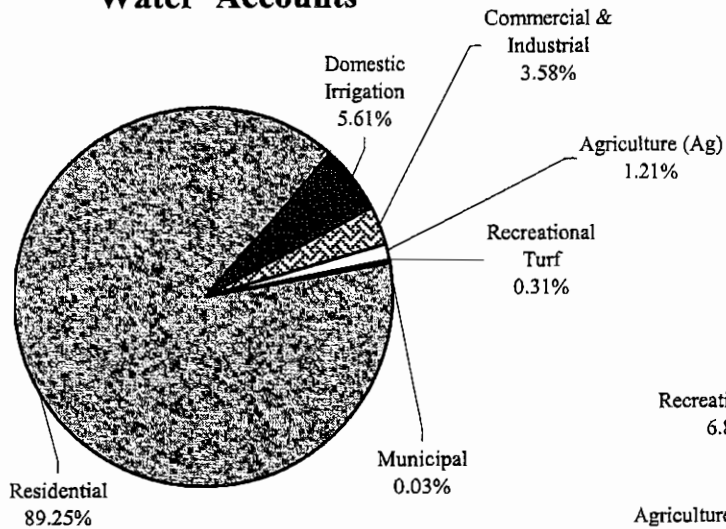


Total Actual Expenses by Function 1991-2000

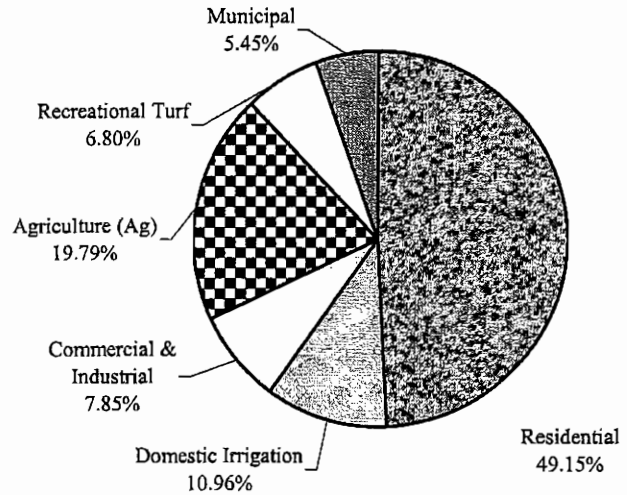
Expense Source	2000	1999	1998	1997	1996	1995	1994	1993	1992	1991
Administration & General	\$3,460,506	\$1,303,927	\$1,227,012	\$2,802,000	\$3,130,000	\$1,728,000	\$1,160,000	\$1,159,000	\$1,324,000	\$1,177,000
Finance	\$2,796,773	\$2,864,360	\$2,940,271	\$2,735,000	\$2,399,000	\$2,302,000	\$1,829,000	\$810,000	\$1,402,000	\$1,956,000
Engineering	\$1,593,153	\$1,519,994	\$1,509,079	\$1,637,000	\$1,560,000	\$1,541,000	\$571,000	\$836,000	\$844,000	\$860,000
Operations & Maintenance (includes electricity)	\$11,709,093	\$11,753,461	\$10,653,760	\$9,066,000	\$8,741,000	\$7,649,000	\$7,012,000	\$6,533,000	\$5,947,000	\$5,935,000
Purchased Water	\$1,422,119	\$653,534	\$585,393	\$499,000	\$560,000	\$492,000	\$377,000	\$215,000	\$157,000	\$169,000
Recreation	\$503,962	\$492,498	\$484,448	\$521,000	\$469,000	\$467,000	\$418,000	\$445,000	\$447,000	\$411,000
Legal	\$419,724	\$1,053,871	\$1,331,507	-	-	-	-	-	-	-
Hydroelectric	\$2,102,195	\$1,414,954	\$735,171	\$483,000	\$1,213,000	\$286,000	-	-	-	-
Depreciation	\$9,515,538	\$7,646,949	\$7,101,032	\$6,075,000	\$5,410,000	\$5,130,000	\$4,837,000	\$4,556,000	\$4,224,000	\$3,765,000
Interest Expense	\$4,471,684	\$4,094,840	\$4,324,879	\$4,667,000	\$3,866,000	\$2,008,000	\$2,035,000	\$2,281,000	\$2,851,000	\$2,605,000
TOTAL EXPENSE	\$37,994,747	\$32,798,388	\$30,892,552	\$28,486,000	\$27,348,000	\$21,603,000	\$18,239,000	\$16,835,000	\$17,196,000	\$16,878,000



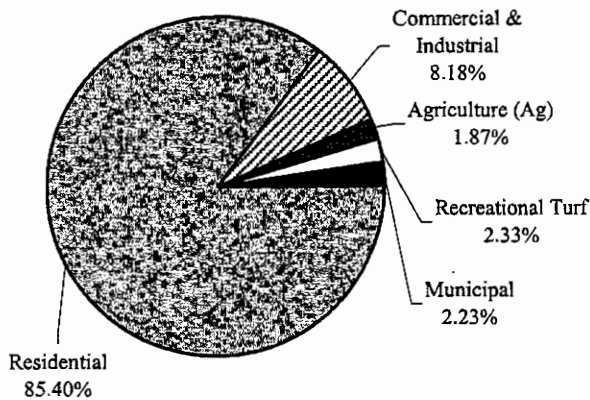
Water Accounts



Water Consumption (Acre Feet)



Sales Revenues



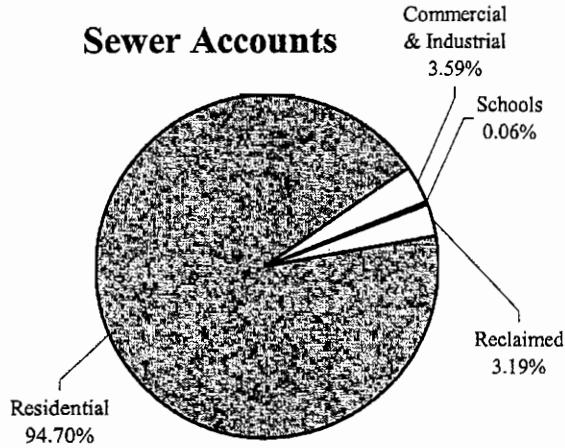
Water Customer Accounts For Fiscal Year Ended December 31, 2000

	Water Accounts	% of Total Water Accounts	Water Consumption (Acre Feet)	% of Total Consumption	Sales Revenues	% of Total Revenues
Residential	27,519	89.25%	14,773	49.15%	\$9,498,922 ^[1]	85.40%
Domestic Irrigation	1,731	5.61%	3,295	10.96%	-	-
Commercial & Industrial	1,104	3.58%	2,361	7.85%	909,501	8.18%
Agriculture (Ag)	372	1.21%	5,950	19.79%	207,651	1.87%
Recreational Turf	97	0.31%	2,044	6.80%	259,420	2.33%
Municipal	10	0.03%	1,637	5.45%	247,828	2.23%
TOTAL	30,833	100.00%	30,060	100.00%	\$11,123,322	100.00%

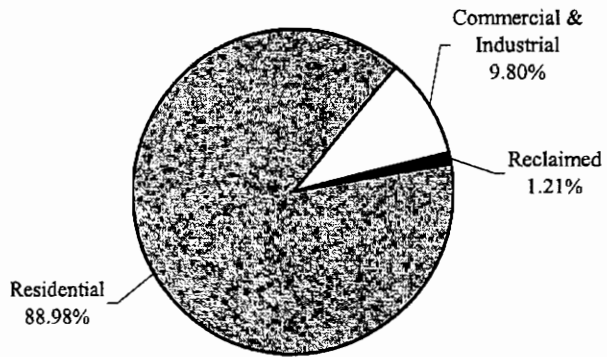
^[1] Sales Revenues for Residential includes Domestic Irrigation

Sources: EID Consumption Report by Zone & User Category, and Year-end Revenue Report (unaudited)

Sewer Accounts



Sewer Revenues



Sewer Customer Accounts For Fiscal Year Ended December 31, 2000

Category	Sewer Accounts	% of Total Sewer Accounts	Sewer Revenues	% of Total Revenues
Residential	13,264	93.16%	\$7,801,061	88.98%
Commercial & Industrial	511	3.59%	\$859,258 ^[1]	9.80%
Schools	9	0.06%	-	-
Sub Total	13,784	96.81%	\$8,660,319	98.78%
Reclaimed	454	3.19%	\$106,435	1.21%
TOTAL	14,238	100.00%	\$8,766,754	100.00%

^[1] Schools included in Commercial & Industrial category

Source: EID Year End Revenue Report (unaudited), EID Sewer Liability Report

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Summary of Net Revenue and Debt Service Coverage – All Debt

Fiscal Year	Gross Revenue [1]	Operating Costs [2]	Net Revenue Available for Debt Service	Annual Debt Service[3]	Coverage
1991	\$20,068,337	\$14,275,844	\$5,792,493	\$ 4,283,262	1.35
1992	\$23,525,188	\$14,347,846	\$9,177,342	\$ 4,454,137	2.06
1993	\$18,272,846	\$14,557,618	\$3,715,228	\$ 4,087,684	0.91
1994	\$24,968,044	\$16,208,282	\$8,759,762	\$ 8,212,075 [4]	1.07
1995	\$22,068,567	\$19,598,055	\$2,470,512	\$ 3,851,258	0.64
1996	\$27,785,385	\$23,486,330	\$4,299,055	\$ 3,660,032	1.17
1997	\$36,605,850	\$23,819,502	\$12,786,348	\$ 6,067,473	2.11
1998	\$33,888,608	\$26,567,673	\$7,320,935	\$ 7,186,396	1.02
1999	\$45,166,922	\$28,703,548	\$16,463,374	\$15,167,148 [5]	1.09
2000	\$47,314,756	\$30,319,675	\$16,995,081	\$ 7,458,650	2.28

Source: Summary of Net Revenue and Debt Service Coverage, El Dorado Irrigation District

- [1] Gross Revenues include Operating Revenues, Facility Capacity Charges, Debt Surcharges, Taxes, Investment Income, and other non-operating income.
- [2] Operating costs include Operations and Maintenance, General/Administrative, Finance, Engineering, Hydroelectric, Purchased water, Recreation and depreciation costs.
- [3] Annual debt service includes principal and interest on United States Bureau of Reclamation, State of California, U.S. Dept. of Commerce, El Dorado County Water Agency, El Dorado Irrigation District Certificates of Participation and 1996 and 1999 Revenue Bonds (of which a portion were issued to refund the COP's) and payments made to El Dorado County for Texas Hill properties.
- [4] This amount includes a \$4.6 million of early payoff of State Safe Drinking Water Bond Law loans. Excluding the early paid debt, the ratio of total debt service to total operating expenses would be 2.43%.
- [5] This amount includes an \$8.3 million early pay-off of State Safe Drinking Water Bond Law loans. Excluding the early paid debt, the ratio of total debt service to total operating expenses would be 2.19%.

Debt Capacity

While the District is not subject to any legal debt limitations, it does observe a series of prudent debt issuance practices and evaluates its debt capacity relative to new financing needs. However, no single measure exists to gauge the amount of debt an agency can support. Individual characteristics such as size, nature of service area (mature, stable or growing), the age of existing facilities and capital project needs all contribute to the appropriate level of debt. The District observes Moody's published median water and wastewater industry ratios as a general guideline by which to evaluate overall debt capacity and debt service coverage performance.

The table below presents Moody's 1995 median debt service ratios for the water and wastewater industry along with EID's corresponding ratios for 1997, 1998, 1999, 2000 and 2001 budgeted. The medians serve as broad indicators of debt servicing capacity. Variations from the medians do not necessarily indicate credit quality, but rather highlight an enterprise's particular characteristics.

Ratio Water and Sewer Utility	Moody's Median Water & Sewer 1995	EID Actual 1997	EID Actual 1998	EID Actual 1999	EID Actual 2000	EID Budgeted 2001
Interest Coverage	4.8	3.9	2.8	5.2	7.4	4.3
Debt Service Coverage	2.3	2.7	1.7	1.4	3.1	2.5
Debt Service Safety Margin (%)	20.5%	31.4%	15.0%	13.2%	34.5%	28.1%
Debt Ratio (%)	24.1%	34.5%	31.5%	28.7%	26.1%	25.6%

The ratios are calculated on a total debt basis exclusive of Recreation and Hydroelectric related assets, revenues and expenses, and any extraordinary events. Property tax revenues are included at 25% of total and the other 75% is allocated for Capital Improvement Projects. Debt service coverage on the 1996 and 1999 Revenue Bonds is calculated separately per the 1.15 times coverage covenant required on these debt issues and is presented in the Debt Service Coverage 1996 and 1999 Revenue Bonds table on pages 65 and 66. Debt Service Coverage for all debt (including Hydroelectric) is presented in the table on page 62.

The Interest Coverage and Debt Service Coverage ratios demonstrate current and future debt repayment ability. The District was close to the median coverage ratios in 1997. In 1998, the 2.8 and 1.7 coverage ratios were below median as revenues declined slightly while operating expenses increased significantly due to the additional staffing and operational costs of the newly upgraded wastewater treatment plants. In addition, EID defeased the remaining \$2.5 million in outstanding bonds on its Assessment District #3. In 1999 the Interest Coverage Ratio rose to 5.2 from higher revenues due to a significant sewer rate increase and increased water consumption. However, the Debt Service Coverage Ratio declined in that year to 1.4 resulting from the District's early pay-off of \$8.3 million in State of California Safe Drinking Water Bond Law loans. Both the Interest Coverage Ratio and the Debt Service Coverage increased significantly in 2000 due to flood damage reimbursements received.

The Debt Service Safety Margin indicates an additional level of debt service payment ability. It is the ratio of revenues less operating expenses and annual debt service to gross revenue and income. In 1997 the margin increased significantly to 31.4% due to an increase in revenues from a rate increase in late 1996. By 1998 the ratio declined to 15.0%, due to the increase in operating expenses discussed above. The Debt Service Safety Margin fell to 13.2% in 1999 due to the State loan pay-off but rose to 34.5% in 2000 due to significant flood damage reimbursements in that year.

The Debt Ratio represents the District's current reliance on debt financing and its capacity to support additional debt. It is the ratio of the District's funded debt (net of reserves) to its fixed assets and net working capital. EID has been above the Moody's median from 1997 through 2000. However, this is not a major concern because the District is expanding and meeting its needs to finance new and upgraded infrastructure. In 1996 EID began a major financing program with the issuance of \$69.4 million in revenue bonds for wastewater treatment plant improvements and other significant capital projects. Even with the issuance of an additional \$13.7 million in revenue bonds in 1999, this ratio has been declining since 1996 due to the other reductions in overall debt discussed earlier.

Debt Service Coverage 1996 and 1999 Revenue Bonds

	Budget 1999	Actual 1999	Budget 2000	Actual 2000
Revenues [1]	\$33,254,700	\$37,199,967	\$33,743,850	\$42,996,125
Operating Expenses [2]	\$21,668,720	\$19,494,700	\$23,376,587	\$20,040,257
Pre-existing Indebtedness [3]	<u>\$695,871</u>	<u>\$8,574,384</u>	<u>\$10,758</u>	<u>\$10,758</u>
Total Operating Expenses & Pre-existing Debt	\$22,364,591	\$28,069,084	\$23,873,345	\$20,051,015
Net Revenues Before Depreciation and 1996 & 1999 Bonds Debt Service	\$10,890,109	\$9,130,883	\$10,356,506	22,945,110
1996 Bond Debt Service	\$5,161,213	\$5,161,213	\$5,159,420	\$4,133,065
1999 Bond Debt Service			\$566,878	\$1,082,418
SRF Loans				\$167,237
EDA Loan	_____	<u>\$161,102</u>	<u>\$161,102</u>	<u>\$161,102</u>
Total Revenue Bond and Parity Debt	\$5,161,213	\$5,322,315	\$5,887,400	\$5,543,822
Net Revenues After 1996 & 1999 Bonds Debt Service	\$5,728,896	\$3,808,568	\$6,039,433	\$17,401,288
Debt Service Coverage on 1996 & 1999 Bonds [4]	2.11	1.72	1.71	4.14

Source: EID 1996 Revenue Bonds Coverage Requirement Analysis

- [1] Revenues include District operating revenues and other income net of property tax and recreation revenue.
- [2] Operating expenses include all maintenance and operations costs less the portion of property taxes applied to offset O & M costs in accordance with the bonds' Installment Purchase Contract. Capitalized costs in connection with Capital Improvement Plan projects are also credited against operating expenses.
- [3] Pre-existing indebtedness included State of California Safe Drinking Water Bond Law loans and U.S. Economic Development Department EDA loan prior to 1999. Except for the Strawberry Loan, the existing State Loans were paid off 10/1/99. The EDA loan is now also on parity with the Revenue Bonds.
- [4] Debt service coverage of 115%, or 1.15 times, is the required per covenant for the 1996 and 1999 Revenue Bonds. Coverage represents the ratio of net revenues before depreciation and debt service to 1996 and 1999 bonds Debt Service.

Projected Debt Service Coverage 1996 and 1999 Revenue Bonds

	Budgeted 2000	Escalating Factor	2001	2002	2003	2004
Revenues						
Water Sales	\$11,143,200	2.30% ⁽¹⁾	11,399,494	\$11,661,682	\$11,929,901	\$12,204,288
Water Service	611,800	2.30% ⁽¹⁾	625,871	640,266	654,993	670,057
Wastewater Sales and Service	9,521,800	4.91% ⁽¹⁾	9,989,320	10,479,796	10,994,354	11,534,177
Recycled Water Sales	153,600	4.91% ⁽¹⁾	161,142	169,054	177,354	186,062
Hydroelectric		⁽²⁾	0	1,249,729	1,987,852	2,057,206
Water FCCs	3,821,800	2.30% ⁽¹⁾	3,909,701	3,999,625	4,091,616	4,185,723
Sewer FCCs	3,296,510	4.91% ⁽¹⁾	3,458,369	3,628,175	3,806,318	3,993,208
Sewer Surcharges	1,157,590	4.91% ⁽¹⁾	1,214,428	1,274,056	1,336,612	1,402,240
Water Surcharges	661,000	2.30% ⁽¹⁾	676,203	691,756	707,666	723,942
Interest Income	3,232,450	varies	3,200,000	3,300,000	3,500,000	3,400,000
Other Income	144,100	0.00%	170,800	140,000	140,000	125,100
Total Revenues	\$33,743,850		\$34,805,328	\$37,234,138	\$39,326,666	\$40,482,004
Maintenance and Operation Costs						
Operations and Maintenance	\$14,618,336	3.00%	\$15,056,886	\$15,508,593	\$15,973,850	\$16,453,066
General and Administrative	1,613,119	3.00%	1,661,513	1,711,358	1,762,699	1,815,580
Finance	3,030,539	3.00%	3,121,455	3,215,099	3,311,552	3,410,898
Legal	1,060,606	3.00%	1,092,424	1,125,197	1,158,953	1,193,721
Engineering	2,188,211	3.00%	2,253,857	2,321,473	2,391,117	2,462,851
Hydroelectric	1,909,843	3.00%	2,501,175	2,576,210	2,653,497	2,733,101
Property Taxes	(1,044,068)	4.00% ⁽³⁾	(1,120,890)	(1,165,726)	(1,212,355)	(1,260,849)
Total Maintenance and Operation Costs	\$23,376,586		\$24,566,420	\$25,292,204	\$26,039,313	\$26,808,369
NET REVENUES BEFORE DEPRECIATION AND DEBT SERVICE	\$10,367,264		\$10,238,908	\$11,941,934	\$13,287,353	\$13,673,636
Debt Service						
1996 Bond Debt Service	\$5,159,420		\$5,152,863	\$5,150,711	\$5,147,448	\$5,147,984
1999 Bond Debt Service	566,878		1,068,996	1,066,979	1,069,049	1,069,986
EDA Loan	161,102		161,102	161,102	161,102	161,102
State Loan Principal and Interest	162,790		314,824	314,824	314,824	314,824
Total Debt Service	\$6,050,190		\$6,697,784	\$6,693,616	\$6,692,422	\$6,693,895
Funds Available after Debt Service	\$4,317,074		\$3,541,123	\$5,248,318	\$6,594,931	\$6,979,740
DEBT SERVICE COVERAGE	1.71		1.53	1.78	1.99	2.04
Subordinate Debt Service						
Texas Hill Land Purchase ⁽⁴⁾	\$500,000					
Funds Available for Capital Improvements Rate Stabilization and Other Lawful Purposes	\$3,817,074		\$3,541,123	\$5,248,318	\$6,594,931	\$6,979,740

⁽¹⁾ Percent escalation is based on 2000 Annual Financial Plan.

⁽²⁾ Source: Revenue Analysis May 2002 Through December 2004, Barakat Consulting, June, 2001 (Average Weather Option).

⁽³⁾ Per Board policy, 2% of the property tax revenues go to the Recreation Fund; of the remaining, 25% is allocated to offset operations.

⁽⁴⁾ Debt service of \$3,378,360 due on FY 2025 is subject to commencement of construction and District obtaining financing for the Texas Hill Reservoir.

Status of 1996 Revenue Bond Financed Projects as of December 31, 2000

Project Description and Status	96' Bonds Proceeds Funding [1]	Capital Expenditures	% of Bond Funding
Project 184 – The El Dorado Project			
<p>The El Dorado Project consists of the acquisition of FERC Project 184, the El Dorado Project, from PG&E pursuant to an asset sales agreement and the renovation performed in 1995/1996 on the basic facilities of the project used to convey water and produce power. The project is comprised of five lakes, 22 miles of canal, and a 21-megawatt hydroelectric power plant. Renovations include repair and upgrading of the hydroelectric generation facility, 810 lineal feet of wood stave pipe replacement with steel and lining, and corrosion removal and polyurethane lining of the high pressure section of pipe between the surge tank and power house. Construction on this project was completed in June 1996.</p> <p><small>Note: This project also received \$1 million in capitalization interest from the 1996 Revenue Bonds</small></p>	\$5,800,000	\$5,800,000	100.0%
Deer Creek Wastewater Treatment Plant			
<p><i>1996 Upgrade:</i> The 1996 upgrade includes renovation and upgrading of the wastewater treatment plant at its existing rated capacity. This project is designed to bring the plant into reliable compliance with the National Pollution Discharge Elimination System requirements. Construction on the project began in July 1996 and was completed in January of 1998.</p> <p><i>Corrective Action Plan:</i> The East Street lift station was constructed as a component of the Corrective Action Plan for the Deer Creek/Mother Lode Collection System at a cost of \$220,884. The Corrective Action Plan project included the upgrade of a total of eight lift stations and the replacement of approximately 12,000 feet of line. The balance of \$879,116 was spent on this project along with an additional \$900,000 of prior bond proceed funding for a total project cost of \$2,000,000.</p>	\$20,832,600	\$20,771,745	99.7%
El Dorado Hills Wastewater Treatment Plant Expansion			
<p>This renovation and expansion project replaced the existing treatment plant with an activated sludge, aeration process similar to that of the upgraded Deer Creek Wastewater Treatment Plant. Tertiary-level filtration systems, disinfection systems, and back-up power to enable reliable operation have been added. The plant's capacity is being expanded from its existing 1.6 mgd rated capacity to 3.0 mgd. Detailed design of this project was completed in January 1996.</p> <p>Construction of the plant was completed in December 1998. Construction of the new tertiary treatment system was completed in December 1996 and is fully operational to a capacity of 1.6 mgd. The expansion of the plant to 3.0 mgd was completed in June 1998. A third tertiary filter was constructed at the plant and was completed in April 2000.</p>	\$20,000,000	\$19,985,173	99.9%

Status of 1996 Revenue Bond Financed Projects as of December 31, 2000

Project Description and Status	'96 Bonds Proceeds Funding [1]	Capital Expenditures	% of Bond Funding
<p>Sly Park Reservoir Project</p> <p>This project consists of the acquisition by the District from the U.S. Bureau of Reclamation (USBR) of the Sly Park dam and reservoir and its related facilities, including associated water rights. The acquisition required legislative action by the Congress and President. Legislation sponsored by our Congressman, John Doolittle, was signed into law on October 25, 2000. Actual transfer will take about 24 months.</p>	\$4,000,000 [2]	\$112,279	2.8%
<p>Cameron Park Airport Interceptor Project</p> <p>This project consists of the construction of a sewer interceptor parallel to an existing interceptor that is nearing capacity. The project will allow for further development of lands to the east and northeast of Cameron Park Country Club. Construction began in September 1997, and was completed in November 1998. Remaining funds will be allocated to the other projects per Board direction.</p>	\$948,000	\$703,255	74.2%
<p>East Street – Phase II Project</p> <p>\$1,100,000 of the 1996 Revenue Bond proceeds were originally allocated for this project. However, the original project changed in scope. Please see discussion under Deer Creek Wastewater Treatment Plant on the previous page.</p>			
<p>Administration Facilities Project</p> <p>This project consists of the expansion and upgrading of administrative facilities at the Deer Creek and El Dorado Hills Wastewater Treatment Plants and at the District's headquarters site. Design and construction of a water quality lab and administrative facility at the El Dorado Hills Wastewater Treatment Plant was completed in March 1999. The Deer Creek Administrative facilities were also completed in March 1999. A master plan for the headquarters facilities was completed in October 1998. Design work is complete, a construction RFP has been issued, and construction is expected to start in the Fall of 2001.</p>	\$5,550,673 [3]	\$2,348,353	42.3%

- [1] In addition to projects listed above, the 1996 bond revenue issuance also included \$9,260,504 in advanced refunding of COP's, \$1,015,000 in capitalized interest, \$2,529,808 in issuance costs and \$3,669,178 in reserves. The total proceeds for the 1996-1 revenue bonds were \$69,415,000.
- [2] Original funding for this project totaled \$2,659,9410 in bond proceeds. The project subsequently received \$1,340,090 in interest earnings for a total project funding of \$4,000,000.
- [3] Original funding for this project totaled \$2,700,000 in bond proceeds. The project subsequently received \$2,850,673 in interest earnings for a total funding of \$5,550,673.

Status of 1999 Revenue Bond Financed Projects as of December 31, 2000

Project Description and Status	'99 Bonds Proceeds Funding [1]	Capital Expenditures	% of Bond Funding
<p>Weber Dam Reconstruction</p> <p>The Federal Regulatory Commission (FERC) and the Division of Safety of Dams (DSOD) has directed the District to correct certain safety deficiencies at Weber Dam, which is the source of 1,200 acre-feet of District water supplies. The District contracted with URS Engineers to prepare construction plans to reinforce the dam with roller compacted concrete. Bids for construction are expected to be opened in March 2001 with construction expected to commence in the Spring of 2001.</p>	\$4,000,000	\$0	0%
<p>Deer Creek Wastewater Treatment Plant – Expansion/Compliance</p> <p>This project consists of expanding the existing Deer Creek Wastewater Treatment Plant to accommodate increased flows from anticipated growth in the District's service area. The existing plant, which has a design capacity of 2.5 million gallons per day (mgd) average dry weather flow (ADWF), will be expanded by this construction to a capacity of 3.6 mgd ADWF. The construction work to be performed generally includes construction and renovation of sewage treatment plant facilities to include a grit washer, a secondary clarifier, gravity sludge thickeners, sludge storage facility improvements, sludge de-watering belt press installation, installation of lime sludge stabilization equipment, a metal building, related pumps and equipment, instrumentation and controls, and electrical power installations. The work also includes excavation, fill concrete, piping, electrical, instrumentation, building construction, paving, fencing and site restoration. Detailed design of the Deer Creek Wastewater Treatment Plant expansion was completed in August 1999. Bids for construction for the project were opened on September 22, 1999 and a construction contract was awarded in November 1999. Construction began in November 1999 and is expected to be completed in 2001.</p>	\$5,800,000	\$4,459,829	76.9%
<p>Administrative Facilities Project</p> <p>The Administrative Facilities project consists of the expansion and upgrading of office facilities at the Deer Creek and El Dorado Hills Wastewater Treatment Plants and at the District's headquarters site. Existing facilities at the plant were not sufficient to support the current and anticipated future administrative activities of the plant operators and maintenance personnel. The Deer Creek and El Dorado Hills Wastewater Treatment Plant projects were completed in 1998. In addition, the Administrative Facilities project will provide improved communications and coordination between the plants and the District's headquarters. The total estimated cost of the headquarters phase of the Administrative Facilities project (including engineering, architectural, legal and administrative costs and contingencies) is \$7.2 million, \$5.6 million of which will be funded with proceeds of the 1996 Bonds. The balance will be funded from proceeds of the 1999 Bonds. A Master Plan of the Headquarters Facilities was completed in May 1999. Final design commenced in October 1999, with completion expected in early 2001. Construction should be completed in 2002.</p>	\$3,001,181 ^[2]	\$0	0%

[1] The 1999 revenue bond issuance also included \$1,025,012 in reserves and \$359,988 in issuance costs.

[2] Original funding for the administrative facilities project was \$2,500,000 in bond proceeds. This project subsequently received \$501,181 in interest earnings for a total funding of \$3,001,181.

El Dorado County
Secured Assessed Valuation and Tax Collection Record
County Fiscal Years Ending June 30, 1991 – 2001

Fiscal Year	Total Secured Assessed Valuation	Secured Property Tax Levy	Taxes Collected	Rate of Tax Collections	District Allocations in Corresponding Calendar Year [1]
1990-91	\$7,375,753,132	\$82,680,762	\$82,098,105	99.30%	\$2,624,023
1991-92	\$8,290,353,197	\$92,645,476	\$91,172,077	98.41%	\$3,258,635
1992-93	\$8,893,792,624	\$99,608,422	\$97,183,833	97.57%	\$3,285,692
1993-94	\$9,351,606,616	\$104,753,902	\$101,441,288	96.84%	\$3,472,111
1994-95	\$9,664,511,963	\$107,871,117	\$103,478,008	95.93%	\$3,233,334
1995-96	\$10,157,754,128	\$113,010,913	\$107,227,524	94.88%	\$3,599,549
1996-97	\$11,994,630,489 [2]	\$117,283,071	\$112,502,657	95.92%	\$3,569,577
1997-98	\$12,399,937,664	\$121,608,340	\$117,694,334	96.78%	\$3,772,380
1998-99	\$13,046,611,112	\$125,970,813	\$123,055,507	97.69%	\$3,993,168
1999-00	\$13,778,393,947	\$133,633,826	\$129,697,830	97.05%	\$4,261,469
2000-01	\$14,657,565,287	\$143,148,392	-	-	\$4,434,471

Source: El Dorado County Auditor-Controller, Sec. Collection Ledger report and Tax Extension (TRJ636/TRB140).
 Except District Allocations (provided by El Dorado Irrigation District)

- [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 in this column represents El Dorado County's "Annual Final Estimate" of property taxes allocated to EID net of the estimated County Property Tax Administration Reimbursement Fee. Other assessments and charges collected by the County for EID are not included here.
- [2] 1996-97 Total Secured Assessed Valuation dollar amount was adjusted in 1998 per El Dorado County Auditor-Controller.

Note: Per Board policy the District allocates 75% of General Property Taxes received to Capital Improvement projects, and the remaining 25% to operations. Property taxes are also allocated among funds. For tax year 1999-2000 this allocation was 56% to the Water Fund, 42% to the Sewer Fund and 2% to the Recreation Fund.

Note: Taxes Collected & Rate of Tax Collections for Fiscal Year 2000-01 were not available at the time this report was published.

Voter Approved Debt Tax Levy Net of Overlapping Debt ^[1]

Tax Year	Secured Land Assessed Value District Boundaries	Tax Rate per \$100 Assessed Value ^[2]	Collections/ Debt Payments ^[3]
1989-90	\$1,025,680,424	.0597	\$611,859
1990-91	\$1,331,361,036	.0396	\$527,591
1991-92	\$1,540,803,410	.0352	\$542,612
1992-93	\$1,648,307,494	.0327	\$538,331
1993-94	\$1,717,548,030	.0322	\$552,701
1994-95	\$1,749,892,198	.0324	\$566,246
1995-96	\$1,834,187,711	.0327	\$599,115
1996-97	\$1,918,745,953	.0320	\$613,486
1997-98	\$1,961,706,510	.0343	\$673,181
1998-99	\$2,064,162,072	.0346	\$714,551
1999-00	\$2,182,158,839	.0366	\$798,646
2000-01	\$2,359,446,490	.0345	\$813,558

Source: El Dorado Irrigation District; Deputy Treasurer

- [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 U.S. Bureau of Reclamation (USBR) for the construction of the Sly Park Unit of the Central Valley Project, and the District's distribution system therefor. 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 the USBR for this debt totaled approximately \$24.2 million.
- [2] The District's payments to the USBR 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.
- [3] Collections/Debt Payments include debt service principal and interest, and a pro-rata allocation of the County Property Tax Administrative Reimbursement Fee.

Special Assessment District Collections ^[1]

Fiscal Year	Assessment District #3 ^[5]	Assessment District #4 ^[6]	Improvement Districts ^[2]	Maintenance Collections ^[3]	Miscellaneous Collections ^[4]
1989-90	\$1,399,446	\$93,872	\$23,061	\$10,363	\$8,490
1990-91	\$1,361,547	\$94,489	\$17,850	\$13,640	\$26,011
1991-92	\$1,131,877	\$92,392	\$15,795	\$15,782	\$3,860
1992-93	\$1,326,955	\$91,390	\$1,994	\$17,449	\$19,910
1993-94	\$792,226	\$36,825	-	\$15,952	\$15,989
1994-95	\$1,303,962	\$69,750	-	\$8,771	\$26,545
1995-96	\$1,281,270	\$64,870	-	\$7,448	\$17,789
1996-97	\$1,263,518	\$73,038	-	\$8,091	\$13,072
1997-98	\$1,238,147	\$72,457	-	\$2,086	\$63,190
1998-99	-	-	-	\$3,208	\$81,128
1999-00	-	-	-	\$2,909	\$50,188
2000-01	-	-	-	\$9,486	\$93,031

Source: El Dorado Irrigation District, Deputy Treasurer

- [1] The District generally received 100% of special assessments as a result of its diligent collection process. The District has the legal authority to place a lien on the property to assure collection.
- [2] Improvement Districts: 017, 023, 120, 131, 133, 141, 148, 151, 156, 165, 166, 169, 171, 173, 175, 184, 198, 102, 206, 207. By 1990, only Improvement District 207 remained. The District currently has no Improvement Districts.
- [3] Maintenance Districts: Singleton Ranch Reservoir – 34M, Clear Creek – 97M and Knolls Reservoir – 30M. Only the latter two districts remain active currently.
- [4] Miscellaneous Collections: Swansboro Surcharge, Water Accounts, Wastewater Accounts, Bond Segregations, Sundry and Lien Release Fees.
- [5] Assessments District #3's outstanding bonds were paid in full in 1998.
- [6] Assessment District #4's bonds matured in 1998.

**Total Tax Burden ^[1]
All Overlapping Governments Per \$100
of Assessed Valuation**

County Fiscal Years Ending June 30, 1991 – 2001

Fiscal Year	General Property Tax Levy	State Assessed Unitary Value Properties	School Districts	Special Districts	EID Voter Approved Tax [2]	EID Sanitation Districts [3]	Total
1990-91	1.000%	.0461%	.0387%	.0550%	.0396%	.0256%	1.2050%
1991-92	1.000%	.0407%	.0498%	.0370%	.0352%	.0212%	1.1839%
1992-93	1.000%	.0414%	.0250%	.0355%	.0327%	.02035%	1.1549%
1993-94	1.000%	.0482%	.0161%	.0352%	.0322%	.0214%	1.1531%
1994-95	1.000%	.0484%	.0101%	.0313%	.0324%	.0207%	1.1429%
1995-96	1.000%	.0478%	.0022%	.0288%	.0327%	-	1.1115%
1996-97	1.000%	.0462%	.0003%	.0283%	.0320%	-	1.1068%
1997-98	1.000%	.0473%	.0147%	.0243%	.0343%	-	1.1206%
1998-99	1.000%	.0648%	.0397%	.0213%	.0346%	-	1.1604%
1999-00	1.000%	.0751%	.0349%	.0252%	.0366%	-	1.1718%
2000-01	1.000%	.0842%	.0348%	.0081%	.0345%	-	1.1616%

Source: El Dorado County Auditor – Controller
Tax Rate Area Listing (TRX620/TRB110)

[1] This table represents the 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 U.S. Bureau of 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.

[3] Sanitation Districts – Includes Sanitation Districts #1 and #2. Ownership of these Sanitation Districts was transferred to EID in fiscal year 1988-89. The County continued to collect taxes for repayment of the debt used to construct the treatment plants until its maturity in fiscal year 1994-95.

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Demographics and Statistical Summary

Water	2001 <small>Projected</small>	2000	1999	1998	1997	1996
Facilities:						
Miles of Main Line (estimated)	1,160	1,150	1,111	1,111	1,100	1,000
Miles of Ditches (estimated)	40	40	50	50	70	70
Number of Treatment Plants	6	6	6	6	7	7
Total Plant Capacity (cfs)	169	147	123	123	123	123
Number of Pumping Stations	21	21	21	21	21	21
Number of Storage Reservoirs	33	33	26	26	26	26
Supply (Acre Feet Delivered):						
USBR-Sly Park Reservoir	18,108	17,492	19,163	18,421	30,934 [1]	17,357
USBR-Folsom Lake	5,430	6,436	6,138	4,960	4,579	4,185
Forebay	9,413	10,253	9,495	5,947	1,220 [1]	11,957
Crawford Ditch	700	700	700	700	700	700
Total Supply	33,651	34,881	35,496	30,028	37,433	34,199
Water Customer Accounts:						
<i>Contiguous Zones</i>						
Residential	29,599	28,934	27,928	27,349	26,413	25,863
Commercial & Industrial	1,124	1,099	1,067	1,035	1,003	968
Agricultural	381	372	356	331	337	331
Recreational Turf	99	97	93	92	88	83
Municipal	10	10	9	9	9	9
Total Contiguous	31,213	30,512	29,453	28,816	27,850	27,254
<i>Satellite Zones</i>						
Residential [2]	323	316	312	313	546	548
Commercial	5	5	5	5	5	5
Agricultural	0	0	3	3	10	10
Total Satellites	328	321	320	321	561	563
Total Accounts	31,541	30,833	29,790	29,137	28,411	27,817
Consumption (acre feet):						
<i>Contiguous Zones</i>						
Residential	18,446	18,031	18,059	14,673	17,711	16,713
Commercial & Industrial	2,407	2,353	2,447	1,976	2,379	2,099
Agriculture	6,087	5,950	6,153	5,255	6,595	6,492
Recreational Turf	2,091	2,044	2,028	1,270	1,884	1,977
Municipal	1,675	1,637	1,575	1,464	1,548	1,467
Total Contiguous	29,031	28,378	28,687	23,174	28,569	27,281
<i>Satellite Zones</i>						
Residential [1]	38	37	43	36	105	98
Agricultural	8	8	35	26	35	30
Commercial	0	0	4	5	5	14
Total Satellites	46	45	82	67	145	142
Total Consumption	29,077	28,423	28,769	23,241	28,714	27,423

Source: EID Consumption Report, Water Delivery Report and Engineering Dept.

[1] Due to Jan. 1997 Floods, water delivery will be different than in past years.

[2] In 1998, the area of Swansboro was put on EID's contiguous system.

Demographics and Statistical Summary

Wastewater	2001 <small>Projected</small>	2000	1999	1998	1997	1996
Facilities:						
Miles of Sewer Line	300	300	300	300	300	300
Number of Treatment Plants	5	5	5	5	5	5
Plant Capacity-Dry Weather (mgd)	6.60	6.60	4.20	4.20	4.20	4.20
Plant Capacity-Wet Weather (mgd)	7.50	7.50	7.50	7.50	7.50	7.50
Avg. Dry Weather Daily Plant Flow (mgd)	4.84	4.74	3.50	3.50	3.70	3.70
El Dorado Hills Plant (mgd)	1.84	1.79	2.30	2.30	1.40	1.50
Deer Creek Plant (mgd)	3.00	2.95	2.30	2.30	2.30	2.20
Number of Lift Stations	60	57	50	50	50	50
Customer Accounts (Active):						
Residential	13,914	13,264	12,130	11,765	11,221	10,764
Commercial & Industrial	536	511	550	453	435	422
Schools	20	19	20	19	17	20
Total Wastewater Accounts	14,470	13,794	12,700	12,237	37,433	11,206
Total Recycled Water Accounts	476	454	106	41	43	42
Beginning in 1999, residential construction of a "dual pipe" system in the El Dorado Hills community of Serrano features water, sewer and recycled for each home.						
Source: EID Sewer Liability Report and Engineering Dept.						

Recreation	2001 <small>Projected</small>	2000	1999	1998	1997	1996
Number of Day Visits	87,000	85,735	83,206	80,688	89,491	82,923
Number of Overnight Campers	85,000	99,700	77,903	62,516	64,291	61,830
Boat Use	12,000	11,278	11,090	12,444	15,038	14,600
Museum Visitors	1,500	1,475	1,360	1,340	1,280	1,000
Guided Hikes	12	11	10	22	32	32
Fish Plants	8	6	6	8	7	6
Volunteer Hours	4,500	4,000	3,800	5,520	13,600	8,500
Museum Volunteer Hours	520	515	500	500	445	475
Facilities at Sly Park Recreation Area:						
Jenkinson Lake Shoreline			9 Miles			
Boat Ramps			2			
Individual Camp Areas			166			
Adult Group Camping Areas			5			
Youth Group Camping Areas			2			
Equestrian Group Camping Areas			1			
Hiking Trails			9 Miles			
Equestrian Trails			9 Miles			
Nature Trail			1/2 Mile			
Native American/Historical Museum			1			
Source: Sly Park						

Average Daily Flow of District Wastewater Facilities

Average Daily Dry Weather Flow (mgd) [1]			
Year	Total	2.5 permit rating Deer Creek	1.6 permit rating El Dorado Hills
1992	2.73	1.85	0.88
1993	2.95	1.94	1.01
1994	3.40	2.35	1.05
1995	3.71	2.51	1.20
1996	3.73	2.20	1.53
1997	3.72	2.30	1.42
1998	3.85	2.46	1.39
1999	3.64	2.19	1.45
2000	4.74	2.95	1.79

Source: EID Sewer Liability Report

[1] Flows adjusted based upon updated meter calibration. (mgd) – Millions of Gallons Per Day.

Annual District Water Allocations and Actual Deliveries

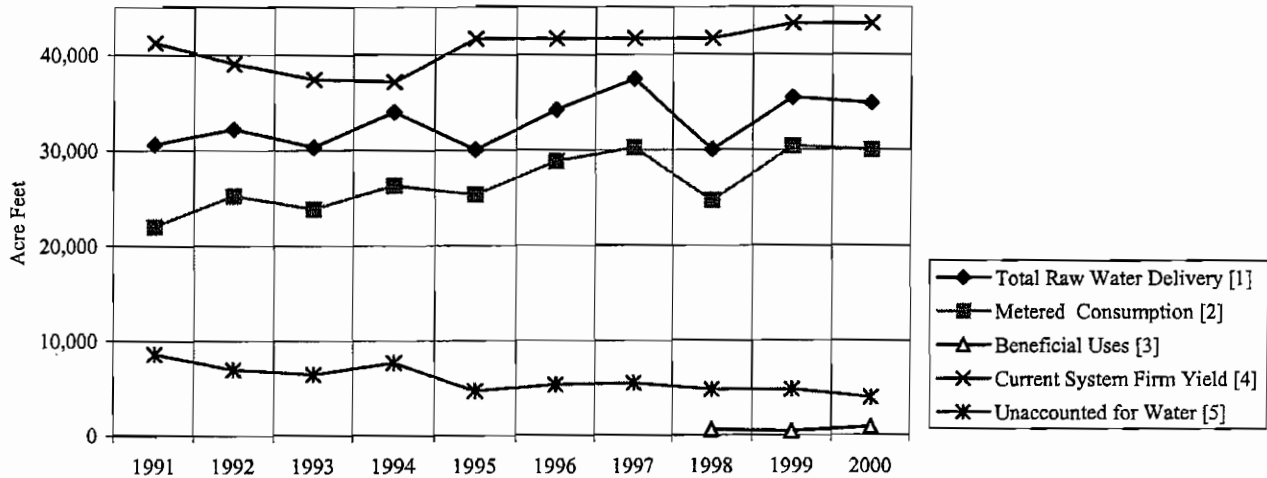
Year ending Dec 31	Acre-Feet Allocated					Acre-Feet Delivered				
	Sly Park	Folsom	Crawford	Forebay	Total	Sly Park	Folsom	Crawford	Forebay	Total
1991	23,000	1,875 ^[1]	700	15,080	40,655	13,971	2,020	700	13,951	30,642
1992	23,000	2,266 ^[1]	700	15,080	41,046	16,968	2,306	700	12,246	32,220
1993	23,000	7,550	700	15,080	46,330	26,353	2,066	700	1,205	30,324
1994	23,000	2,266 ^[1]	700	15,080	41,046	14,924	2,695	700	15,651	33,970
1995	23,000	7,550	700	15,080	46,330	19,602	4,357	700	5,402	30,061
1996	23,000	7,550	700	15,080	46,330	17,657	4,185	700	11,957	34,199
1997	23,000	7,550	700	15,080	46,330	29,247 ^[2]	4,579	700	1,222 ^[2]	35,748
1998	23,000	7,550	700	15,080	46,300	18,420	4,960	700	5,947	30,027
1999	23,000	7,550	700	15,080	46,300	19,163	6,138	700	9,495	35,496
2000	23,000	7,550	700	15,080	46,300	17,492	6,436	700	10,253	34,881

Source: EID Monthly Raw Water Delivery Report

[1] Allocated amounts were less than normal due to water shortage in those years

[2] Due to January 1997 floods, water delivery was different than in past years.

Water Supply and Demand Trends 1991-2000



Water Supply and Demand Data in Acre Feet

Year	Total Raw Water Delivery [1]	Metered Consumption [2]	Beneficial Uses [3]	Current System Firm Yield [4]	Unaccounted for Water [5]
1991	30,642	22,053		41,300	8,589
1992	32,220	25,273		39,050	6,947
1993	30,324	23,897		37,400	6,427
1994	33,970	26,307		37,150	7,663
1995	30,062	25,373		41,700	4,689
1996	34,199	28,846		41,700	5,353
1997	37,438	30,263		41,700	5,485
1998	30,027	24,733	560	41,700	4,829
1999	35,496	30,389	405	43,280	4,829
2000	34,881	30,015	870	43,280	3,997

Source: EID 2001 Update to the Water Supply & Demand Report.

- [1] Raw water diverted from all District water sources, including metered consumption, beneficial uses and unaccounted for water.
- [2] Potable or raw water metered or measured and billed to District customers in the contiguous service area.
- [3] Water utilized for operational flushing, sewage lift station and collection system flushing, private fire services, construction meters and aesthetics maintenance.
- [4] The System Firm Yield is calculated using the Abraham Model (a custom computer model). The model determines the annual quantity of water the integrated water supply system can theoretically make available 95% of the time, per District Regulation No. 2.
- [5] Any water diverted into the piped or ditch systems that was not measured and billed to customers or otherwise accounted for.

Historic Rate Increases ^[1]

Year	Water	Wastewater
1991	5.6%	5.6%
1992	0.0%	0.0%
1993	0.0% ^[2]	25.0%
1994	0.0%	25.0%
1995	0.0%	0.0%
1996	25.4%	19.3%
1997	0.0%	0.0%
1998	0.0%	0.0%
1999	0.0%	62.4%
2000	0.0%	0.0%

Source: El Dorado Irrigation District

[1] Percentage increases shown are for Residential Accounts.

[2] Although water rates were adjusted in 1993, the overall adjustment was revenue neutral.

District Growth History of New Equivalent Dwelling Units (EDU's) ^[1]

Year	Water	Wastewater
1991	504	200
1992	839	712
1993 ^[2]	202	72
1994	811	711
1995	341	265
1996	461	274
1997	771	658 ^[3]
1998	821	692
1999	860	956
2000	1099	798

Source: EID Customer Service Division of Finance Department

[1] An Equivalent Dwelling Unit represents the water usage equivalent to a typical single family dwelling.

[2] Recession year, lowest year, lull in construction.

[3] Starting in 1997, includes reclaimed water EDU's.

Building Permit Valuations for EID Service Area

	1994	1995	1996	1997	1998	1999	2000
Valuations (in thousands):							
Residential	\$106,079	\$100,606	\$152,555	\$138,377	\$169,862	\$239,861	\$303,556
Non-Residential	<u>\$19,159</u>	<u>\$21,378</u>	<u>\$15,374</u>	<u>\$20,193</u>	<u>\$19,739</u>	<u>\$36,517</u>	<u>\$34,408</u>
Total	\$125,238	\$121,984	\$167,929	\$158,570	\$189,601	\$276,378	\$337,964
New Dwelling Units (Issued):							
Single Family	649	604	805	745	662	890	1,117
Multi-Family	<u>6</u>	<u>0</u>	<u>300</u>	<u>0</u>	<u>152</u>	<u>140</u>	<u>4</u>
Total	655	604	1,105	745	814	1,030	1,121

Source: El Dorado County Land Mgmt. Information System

New Construction Finals for EID Service Area

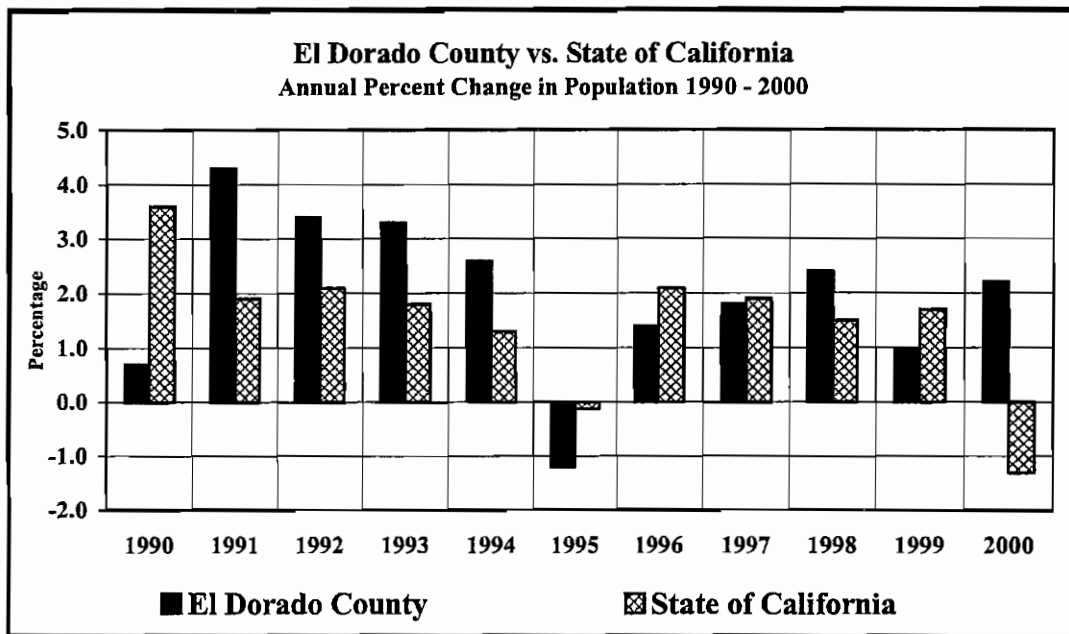
	1994	1995	1996	1997	1998	1999	2000
Single Family	742	620	645	727	659	690	748
Multi-Family	4	2	82	169	141	136	72
Commercial	<u>95</u>	<u>10</u>	<u>54</u>	<u>61</u>	<u>63</u>	<u>59</u>	<u>61</u>
Total	841	632	781	957	863	885	881

Source: El Dorado County Land Mgmt. Information System

Population

Year	El Dorado County	Annual % Change	Decennial % Change	State Of California	Annual % Change	Decennial % Change
1960	29,300		-	15,717,204		-
1970	43,833		49.6%	19,971,069		27.1%
1980	85,812		95.8%	23,668,145		18.5%
1985	104,707	-		26,072,000	-	
1986	108,100	3.1%		26,694,000	2.3%	
1987	113,200	4.5%		27,331,000	2.3%	
1988	116,700	3.0%		27,996,000	2.4%	
1989	125,100	7.2%		28,701,000	2.5%	
1990	125,995	0.7%	46.8%	29,760,021	3.6%	25.7%
1991	131,700	4.3%		30,321,000	1.9%	
1992	136,300	3.4%		30,982,000	2.1%	
1993	140,900	3.3%		31,552,000	1.8%	
1994	144,600	2.6%		31,952,000	1.3%	
1995	142,900	-1.2%		31,910,000	-1.3%	
1996	144,905	1.4%		32,609,000	2.1%	
1997	147,600	1.8%		33,252,000	1.9%	
1998	151,300	2.4%		33,765,000	1.5%	
1999	152,900	1.0%		34,336,000	1.7%	
2000	156,299	2.2%	24.1%	33,871,648	-1.3%	13.8%

Source: U.S. Census for 1960, 1970, 1980, 1990 and 2000, State of California, Census County Rankers (estimates) for all other years.



Civilian Labor Force Employment & Unemployment

Year and Area	Civilian Labor Force	Employment	Unemployment	Unemployment Rate (%)
1991:				
County of El Dorado	66,900	62,700	4,200	6.3
California	14,833,500	13,714,000	1,119,400	7.5
United States	125,303,000	116,877,000	8,426,000	6.6
1992:				
County of El Dorado	68,000	62,500	5,500	8.1
California	15,187,000	13,805,000	1,382,000	9.1
United States	126,982,000	117,598,000	9,384,000	7.4
1993:				
County of El Dorado	66,900	61,100	5,800	8.6
California	15,187,000	13,883,900	1,415,900	9.3
United States	130,667,000	121,971,000	8,696,000	6.7
1994:				
County of El Dorado	69,400	64,200	5,200	7.5
California	15,471,000	14,141,000	1,330,000	8.6
United States	131,056,000	123,060,000	7,996,000	6.1
1995:				
County of El Dorado	72,000	67,000	5,000	7.0
California	15,415,500	14,205,900	1,209,600	7.8
United States	132,304,000	124,900,000	7,405,000	5.6
1996:				
County of El Dorado	73,400	68,700	4,700	6.4
California	15,508,146	14,382,777	1,132,095	7.3
United States	133,943,000	126,708,000	7,236,000	5.4
1997:				
County of El Dorado	76,000	72,100	3,900	5.1
California	16,098,400	15,173,700	924,700	5.7
United States	137,169,000	130,778,000	6,392,000	4.7
1998:				
County of El Dorado	79,100	75,700	3,400	4.3
California	16,421,300	15,452,900	968,400	5.9
United States	137,673,000	131,463,000	6,210,000	4.5
1999:				
County of El Dorado	82,100	78,800	3,300	4.1
California	16,703,100	15,802,200	900,900	5.4
United States	139,368,000	133,488,000	5,880,000	4.2
2000				
County of El Dorado	82,500	79,300	3,200	3.9
California	17,090,800	16,245,600	845,200	4.9
United States	140,863,000	135,208,000	5,655,000	4.0

Source: Bureau of Labor Statistics; State of California, Employment Development Department, Labor Market Information Division

El Dorado County Major Employers

Company Name	Location	Type of Business	# of Emp
K-9 School Employees	El Dorado County	Public Service	3116
County of El Dorado	Placerville/S. Lake Tahoe	Public Service	1724
Output Technology Solutions	El Dorado Hills	Data Processing	1650
Marshall Hospital	Placerville	Healthcare	860
County Office of Education	Placerville	Public Service	595
U.S. Forest Service	El Dorado County	Public Service	488
Raley's	Placerville/El Dorado Hills	Grocery	450
<i>El Dorado Irrigation District</i>	<i>Placerville</i>	<i>Public Utilities</i>	<i>209</i>
K-Mart	Placerville	Retail	170
Doug Veerkamp Gen. Eng.	Placerville	Construction	170
Sierra Pacific Industries	Camino	Lumber	142
P.W. Pipe	Cameron Park	Extruded Pipe	120

Note: Listing is only a sampling of El Dorado County major employers.
Number of employees verified by phone

Number of Employees by Industry in El Dorado County

Industry	# of Emp
Services	13,600
Trade	10,100
Retail Trade	9,100
Government	8,900
Construction & Mining	3,500
Finance, Insurance & Real Estate	1,700
Manufacturing	1,500
Transportation	1,300
Farming	300

Source: 1999 EDD Annual Avg. Labor Force and Industry Employment Report.
Year 2000 statistics not available per EDD and Census reports.

Water Rates

SINGLE FAMILY RESIDENTIAL		
Gravity	Bi-Monthly Basic Charge	\$20.06 Minimum
(WA) Water Service, (SG) Gravity- Dual	0 – 1,500 cf	0.75 Per 100 Cubic Feet
(Dual-see (RC) Recycled) (EG) Gravity-	1,501 – 20,000 cf	0.81 Per 100 Cubic Feet
(Based on EDU's) Condos, Mobile Homes-Separate Meters	20,001 – Excess cf	0.95 Per 100 Cubic Feet
Pumped	Bi-Monthly Basic Charge	\$22.58 Minimum
(WA) Water Service, (SP) Pumped, (SD)Pumped-	0 – 1,500 cf	0.83 Per 100 Cubic Feet
Dual, (Dual-see (RC) Recycled) (EP) Pumped-	1,501 – 20,000 cf	0.89 Per 100 Cubic Feet
(Based on EDU's) Condos, Mobile Homes-Separate Meters	20,001 – Excess cf	1.06 Per 100 Cubic Feet
Strawberry – Pumped (29)	Bi-Monthly Basic Charge	\$27.16 Minimum
MULTI-FAMILY RESIDENTIAL		
Gravity	Bi-Monthly Basic Charge	\$11.22 Minimum
(WA) Water Service	0 – 1,200 cf	0.66 Per 100 Cubic Feet
(MG) Gravity – Master Meter	1,201 – 25,000 cf	0.69 Per 100 Cubic Feet
	25,001 – Excess cf	0.83 Per 100 Cubic Feet
Pumped	Bi-Monthly Basic Charge	\$12.28 Minimum
(WA) Water Service	0 – 750 cf	0.85 Per 100 Cubic Feet
(MP) Pumped – Master Meter	751 – 23,000 cf	0.89 Per 100 Cubic Feet
	23,001 – Excess cf	1.07 Per 100 Cubic Feet
These ranges represent an average for one unit, and will be increased proportionately to the number of units per account.		
DOMESTIC IRRIGATION		
Gravity	Bi-Monthly Basic Charge	\$38.20 Minimum
(WA) Water Service, (DG) Gravity,	0 – 6,500 cf	0.08 Per 100 Cubic Feet
(FG) Gravity (small farm)-	6,501 – 100,000 cf	0.09 Per 100 Cubic Feet
Approved by Ag Commission 3 year Contract	100,001 – Excess cf	0.12 Per 100 Cubic Feet
Pumped	Bi-Monthly Basic Charge	\$42.64 Minimum
(WA) Water Service, (DP) Pumped	0 – 4,500 cf	0.19 Per 100 Cubic Feet
(FP) Pumped (small Farm)-	4,501 – 46,500 cf	0.21 Per 100 Cubic Feet
Approved by Ag Commission 3 year Contract	46,501 – Excess cf	0.27 Per 100 Cubic Feet
AGRICULTURAL METERED IRRIGATION (AMI)		
Gravity	Bi-Monthly Basic Charge	\$38.24 Minimum
(WA) Water Service, (AG) Gravity	0 – 16-Inches Per acre	0.06 Per 100 Cubic Feet
(See (RW) Raw Water)	16.01 – 47-Inches Per acre	0.07 Per 100 Cubic Feet
	47.01 – Excess Per acre	0.08 Per 100 Cubic Feet
Pumped	Bi-Monthly Basic Charge	\$43.26 Minimum
(WA) Water Service	0 – 16-Inches Per acre	0.06 Per 100 Cubic Feet
(AP) Pumped	16.01 – 47-Inches Per acre	0.07 Per 100 Cubic Feet
	47.01 – Excess Per acre	0.08 Per 100 Cubic Feet
AMI – Billed Base Charge and 1 st step only. At the end of irrigation season in October, these accounts will be re-billed by acreage.		

Water Rates Continued on next page

Note: Complicated tiered rate structures resulted from United States Bureau of Reclamation mandate.

Water Rates

DITCHES - Metered Landscape Irrigation		
	Bi-Monthly Basic Charge	\$39.78 Minimum
(LS) Irrigation Service Raw Water (see (AG/RW) Raw Water)		0.702 Per 100 Cubic Feet
DITCHES - Metered Landscape Irrigation (Outside District)		
	Bi-Monthly Basic Charge	\$59.74 Minimum
(LS) Irrigation Service Raw Water (See (AG/RW) Raw Water)		1.028 Per 100 Cubic Feet
DITCHES - Raw Water (effective 11/1/96; Resolution No. 96-73)		
	Bi-Monthly Basic Charge	Commodity Charge
½-inch Flow (AG) (RW)	36.66	
1-inch Flow (AG) (RW)	81.44	
**Continuous Flow (AG) (RW)	62.98	.0470 Per 100 Cubic Feet
** Continuous Flow-Outside District (AG) (RW)	94.46	.0706 Per 100 Cubic Feet
Metered (Garden) Irrigation (LS) (RW)	38.20	.093 Per 100 Cubic Feet
Metered (Agricultural) Irrigation (LS) (RW)	38.24 N/A No Accts	.064 Per 100 Cubic Feet
RECREATIONAL TURF SERVICES - Gravity (Average/Bi-Monthly)		
	Bi-Monthly Basic Charge	\$76.50 Minimum
(LS) Landscape Irrigation Service (RG) Gravity	0 – 13,300 cf	0.28 Per 100 Cubic Feet
¾-inch, 1-inch, 1 ½-inch meter	13,301 – 75,000 cf	0.29 Per 100 Cubic Feet
	75,001 – Excess	0.34 Per 100 Cubic Feet
RECREATIONAL TURF SERVICES - Gravity (Annual Ranges)		
	Bi-Monthly Basic Charge	\$459.00 Minimum
(LS) Landscape Irrigation Service (RP) Pumped	0 – 80,000 cf	0.28 Per 100 Cubic Feet
¾-inch, 1-inch, 1 ½-inch meter	80,001 – 450,000 cf	0.29 Per 100 Cubic Feet
	450,001 – Excess	0.34 Per 100 Cubic Feet
RECREATIONAL TURF SERVICES - Pumped (Average/Bi-Monthly)		
	Bi-Monthly Basic Charge	\$86.52 Minimum
(LS) Landscape Irrigation Service, (RP) Pumped	0 – 25,000 cf	0.49 Per 100 Cubic Feet
¾-inch, 1-inch, 1 ½-inch meter	25,001 – 62,500 cf	0.50 Per 100 Cubic Feet
	62,501 – Excess	0.58 Per 100 Cubic Feet
RECREATIONAL TURF SERVICES - Pumped (Annual Ranges)		
	Bi-Monthly Basic Charge	\$519.12 Minimum
(LS) Landscape Irrigation Service, (RP) Pumped	0 – 150,000 cf	0.49 Per 100 Cubic Feet
¾-inch, 1-inch, 1 ½-inch meter	150,001 – 375,000 cf	0.50 Per 100 Cubic Feet
	375,001 – Excess	0.58 Per 100 Cubic Feet
RECREATIONAL TURF SERVICES - Gravity (Average/Bi-Monthly)		
	Bi-Monthly Basic Charge	\$76.50 Minimum
(LS) Landscape Irrigation Service, (RG) Gravity	0 – 37,500 cf	0.28 Per 100 Cubic Feet
2-inch, 3-inch meter	37,501 – 166,700 cf	0.29 Per 100 Cubic Feet
	166,701 – Excess	0.34 Per 100 Cubic Feet
RECREATIONAL TURF SERVICES - Gravity (Annual Ranges)		
	Bi-Monthly Basic Charge	\$459.00 Minimum
(LS) Landscape Irrigation Service, (RG) Gravity	0 – 225,000 cf	0.28 Per 100 Cubic Feet
2-inch, 3-inch meter	225,01 – 1,000,000 cf	0.29 Per 100 Cubic Feet
	1,000,001 – Excess	0.34 Per 100 Cubic Feet

Water Rates Continued on next page

Note: Complicated tiered rate structures resulted from United States Bureau of Reclamation mandate.

Water Rates

RECREATIONAL TURF SERVICES - Pumped (Average/Bi-Monthly)		
Pumped	Bi-Monthly Basic Charge	\$86.52 Minimum
(LS) Landscape Irrigation Service, (RP) Pumped	0 – 50,000 cf	0.49 Per 100 Cubic Feet
2-inch, 3-inch, 4-inch meter	50,001 – 333,300 cf	0.50 Per 100 Cubic Feet
	333,301 – Excess	0.58 Per 100 Cubic Feet
RECREATIONAL TURF SERVICES - Pumped (Annual Ranges)		
Pumped	Bi-Monthly Basic Charge	\$519.12 Minimum
(LS) Landscape Irrigation Service, (RP) Pumped	0 – 300,000 cf	0.49 Per 100 Cubic Feet
2-inch, 3-inch, 4-inch	300,001 – 2,000,000 cf	0.50 Per 100 Cubic Feet
	2,000,001 – Excess	0.58 Per 100 Cubic Feet
RECREATIONAL TURF SERVICES - Gravity (Average/Bi-Monthly)		
Gravity	Bi-Monthly Basic Charge	\$76.50 Minimum
(LS) Landscape Irrigation Service, (RG) Gravity	0 – 500,000 cf	0.28 Per 100 Cubic Feet
4-inch, 6-inch, 8-inch, "other" meter	500,001 – 1,666,700 cf	0.29 Per 100 Cubic Feet
	1,666,701 – Excess	0.34 Per 100 Cubic Feet
RECREATIONAL TURF SERVICES - Gravity (Annual Ranges)		
Gravity	Bi-Monthly Basic Charge	\$459.00 Minimum
(LS) Landscape Irrigation Service, (RG) Gravity	0 – 3,000,000 cf	0.28 Per 100 Cubic Feet
4-inch, 6-inch, 8-inch, "other" meter	3,000,001 – 10,000,000 cf	0.29 Per 100 Cubic Feet
	10,000,001 - Excess	0.34 Per 100 Cubic Feet
COMMERCIAL / INDUSTRIAL - Gravity (Average/Bi-Monthly)		
Gravity	Bi-Monthly Basic Charge	\$31.36 Minimum
(WC) Water Comm/Ind/Rts Service, (see (RC) Recycled)	0 – 3,000 cf	0.49 Per 100 Cubic Feet
(LS) Landscape Service, (CG) Gravity	3,001 – 4,200 cf	0.51 Per 100 Cubic Feet
5/8-inch, 3/4-inch meter	4,201 – Excess	0.62 Per 100 Cubic Feet
COMMERCIAL / INDUSTRIAL – Gravity (Annual Ranges)		
Gravity	Bi-Monthly Basic Charge	\$188.16 Minimum
(WC) Water Comm/Ind/Rts Service, (LS) Landscape Irrigation	0 – 18,000 cf	0.49 Per 100 Cubic Feet
Service (see (RC) Recycled), (CP) Pumped	18,001 – 250,000 cf	0.51 Per 100 Cubic Feet
5/8-inch, 3/4-inch meter	250,001 – Excess	0.62 Per 100 Cubic Feet
COMMERCIAL / INDUSTRIAL - Pumped (Average/Bi-Monthly)		
Pumped	Bi-Monthly Basic Charge	\$35.12 Minimum
(WC) Water Comm/Ind/Rts Service, (LS) Landscape	0 – 4,200 cf	0.88 Per 100 Cubic Feet
Service (see (RC) Recycled), (CP) Pumped	4,201 – 45,800 cf	0.92 Per 100 Cubic Feet
5/8-inch, 3/4-inch meter	45,801 – Excess	1.12 Per 100 Cubic Feet
COMMERCIAL / INDUSTRIAL - Pumped (Annual Ranges)		
Pumped	Bi-Monthly Basic Charge	\$210.72 Minimum
(WC) Water Comm/Ind/Rts Service, (LS) Landscape	0 – 25,000 cf	0.88 Per 100 Cubic Feet
Service, (see (RC) Recycled), (CP) Pumped	25,001 – 275,000 cf	0.92 Per 100 Cubic Feet
5/8-inch, 3/4-inch meter	275,001 – Excess	1.12 Per 100 Cubic Feet

Water Rates Continued on next page

Note: Complicated tiered rate structures resulted from United States Bureau of Reclamation mandate.

Water Rates

COMMERCIAL / INDUSTRIAL – Gravity (Average/Bi-Monthly)

Gravity	Bi-Monthly Basic Charge	\$31.36 Minimum
(WC) Water Comm/Ind/Rts Service, (LS) Landscape	0 – 7,800 cf	0.49 Per 100 Cubic Feet
Service (see (RC) Recycled), (CG) Gravity	7,801 – 100,000 cf	0.51 Per 100 Cubic Feet
1-inch, 1 ½-inch meter	100,001 – Excess	0.62 Per 100 Cubic Feet

COMMERCIAL / INDUSTRIAL – Gravity (Annual Ranges)

Gravity	Bi-Monthly Basic Charge	\$188.16 Minimum
(WC) Water Comm/Ind/Rts Service, (LS) Landscape Irrigation	0 – 47,000 cf	0.49 Per 100 Cubic Feet
Service (see (RC) Recycled), (CG) Gravity	47,001 – 600,000 cf	0.51 Per 100 Cubic Feet
1-inch, 1 ½-inch meter	600,001 – Excess	0.62 Per 100 Cubic Feet

COMMERCIAL / INDUSTRIAL – Pumped (Average/Bi-Monthly)

Pumped	Bi-Monthly Basic Charge	\$35.12 Minimum
(WC) Water Comm/Ind/Rts Service, (LS) Landscape Irrigation	0 – 11,700 cf	0.88 Per 100 Cubic Feet
Service (see (RC) Recycled), (CP) Pumped	11,701 – 100,000 cf	0.92 Per 100 Cubic Feet
1-inch, 1 ½-inch meter	100,001 – Excess	1.12 Per 100 Cubic Feet

COMMERCIAL / INDUSTRIAL – Pumped (Annual Ranges)

Pumped	Bi-Monthly Basic Charge	\$210.72 Minimum
(WC) Water Comm/Ind/Rts Service, (LS) Landscape Irrigation	0 – 70,000 cf	0.88 Per 100 Cubic Feet
Service, (see (RC) Recycled), (CP) Pumped	70,001 – 600,000 cf	0.92 Per 100 Cubic Feet
1-inch, 1 ½-inch meter	600,001 – Excess	1.12 Per 100 Cubic Feet

COMMERCIAL / INDUSTRIAL – Gravity (Average/Bi-Monthly)

Gravity	Bi-Monthly Basic Charge	\$31.36 Minimum
(WC) Water Comm/Ind/Rts Service, (LS) Landscape Service	0 – 25,000 cf	0.49 Per 100 Cubic Feet
(see (RC) Recycled), (CG) Gravity	25,001 – 133,300 cf	0.51 Per 100 Cubic Feet
2-inch, 3-inch, 4-inch, 6-inch meter	133,301 – Excess	0.62 Per 100 Cubic Feet

COMMERCIAL / INDUSTRIAL – Gravity (Annual Ranges)

Gravity	Bi-Monthly Basic Charge	\$188.16 Minimum
(WC) Water Comm/Ind/Rts Service, (LS) Landscape Service	0 – 150,000 cf	0.49 Per 100 Cubic Feet
(see (RC) Recycled), (CG) Gravity	150,001 – 800,000 cf	0.51 Per 100 Cubic Feet
2-inch, 3-inch, 4-inch, 6-inch meter	800,001 – Excess	0.62 Per 100 Cubic Feet

COMMERCIAL / INDUSTRIAL – Pumped (Average/Bi-Monthly)

Gravity	Bi-Monthly Basic Charge	\$35.12 Minimum
(WC) Water Comm/Ind/Rts Service, (LS) Landscape Irrigation	0 – 20,800 cf	0.88 Per 100 Cubic Feet
Service (see (RC) Recycled), (CP) Pumped	20,801 – 133,300 cf	0.92 Per 100 Cubic Feet
2-inch, 3-inch, 4-inch, 6-inch meter	133,301 – Excess	1.12 Per 100 Cubic Feet

COMMERCIAL / INDUSTRIAL – Pumped (Annual Ranges)

Gravity	Bi-Monthly Basic Charge	\$210.72 Minimum
(WC) Water Comm/Ind/Rts Service, (LS) Landscape Irrigation	0 – 125,000 cf	0.88 Per 100 Cubic Feet
Service (see (RC) Recycled), (CP) Pumped	125,001 – 800,000 cf	0.92 Per 100 Cubic Feet
2-inch, 3-inch, 4-inch, 6-inch meter	800,001 – Excess	1.12 Per 100 Cubic Feet

Water Rates Continued on next page

Note: Complicated tiered rate structures resulted from United States Bureau of Reclamation mandate.

Water Rates

MUNICIPAL

	Bi-Monthly Basic Charge	\$00.0 Minimum
(WA) Water Service	0 – 295,500 cf	0.31 Per 100 Cubic Feet
(MU) City of Placerville	295,501 – 12,160,000 cf	0.35 Per 100 Cubic Feet
	12,160,001 - Excess	0.40 Per 100 Cubic Feet

FIRE HYDRANT (effective 11/1/96; Resolution No. 96-73)

	Bi-Monthly Basic Charge	\$50.16 Minimum
(FH) Fire Hydrant/Construction		\$1.00 Per 100 Cubic Feet

PRIVATE FIRE SERVICE

	Bi-Monthly Basic Charge	Minimum
(PF) Private Fire Service	N/A	N/A

Source: EID Customer Service's Rates & Regulations Manual

Note: Complicated tiered rate structures resulted from United States Bureau of Reclamation mandate.

Wastewater Rates		
Rate Classification	Bi-Monthly Basic Charge	Commodity Charge (*Per CCF)
Small Farm/Recreational Turf (SW) Domestic Irrigation/ Sewer Only	\$90.49	
Single Family Residential Multi Family (SQ) (effective 5/1/00) * If no water consumption during winter quarter the rate is \$90.49 per billing period	\$45.25	\$1.61
Commercial/Industrial		
Basic Charge	\$38.75	
Laundromat (SL) (effective 1/1/98)		\$1.10
Market (SM) (effective 1/1/98)		\$1.95
Repair Shop/Service Station (SV) (effective 1/1/98)		\$1.95
Light Industrial (SI) (effective 1/1/00)		\$2.63
Restaurant (SR) (effective 1/1/00)		\$4.17
Other (CG) (effective 1/1/98)		\$1.64
Commercial (Without Water Service)		
Basic Charge (CW)	\$45.34	
Each Additional Unit	\$51.74	
School Wastewater Yearly (CW)	\$6.06	Per Student & Staff
Septage Transfer (SW)	\$109.59	Per 1000 Gallon Load
Recycled Water (RC) (effective 5/15/99)		
Gravity (CG)	\$77.86	\$0.45
Gravity – Dual (SC)	N/A	\$0.45
Pumped (CP)	\$77.86	\$0.45
Pumped – Dual (SD)	N/A	\$0.45

Source: EID Customer Service's Rules & Regulations Manual

Facility Capacity Charges, Surcharges and Supplemental Charges for 2000

Area	Water	Wastewater
El Dorado Hills		
FCC (water effective 6/13/92, sewer effective 3/21/00)	\$ 4,646.00	\$ 5,943.00
Gabbro Soil	\$ 345.00	-
Reservoir Cover Project	\$ 168.00	-
AD#3 Supplemental Charge	\$ 1501.00	\$ -
TOTAL	\$ 6,660.00	\$ 5,943.00
Cameron Park		
FCC (water effective 6/13/92, sewer effective 3/20/00)	\$ 3,396.00	\$ 7,315.00
Gabbro Soil	\$ 345.00	-
Reservoir Cover Project	\$ 168.00	-
Gold Hill Surcharge	\$ 1,250.00	-
TOTAL	\$ 5,159.00	\$ 7,315.00
Mother Lode		
FCC (water effective 6/13/92, sewer effective 3/20/00)	\$ 4,646.00	\$ 8,686.00
Gabbro Soil	\$ 345.00	-
Reservoir Cover Project	\$ 168.00	-
TOTAL	\$ 5,159.00	\$ 8,686.00
Strawberry		
FCC (effective 6/13/92)	\$ 3,865.00	
Gabbro Soil	\$ 345.00	N/A
Reservoir Cover Project	\$ 168.00	
Strawberry Surcharge	\$ 781.00	
TOTAL	\$ 5,159.00	
Outingdale (Inside Subdivision)		
FCC (effective 6/13/92)	\$ 235.00	
Gabbro Soil	\$ 345.00	N/A
Reservoir Cover Project	\$ 168.00	
Outingdale Surcharge	\$ 4,411.00	
TOTAL	\$ 5,159.00	
Outingdale (Outside Subdivision)		
FCC (effective 6/13/92)	\$ 2,133.00	
Gabbro Soil	\$ 345.00	N/A
Reservoir Cover Project	\$ 168.00	
Outingdale Surcharge	\$ 2,513.00	
TOTAL	\$ 5,159.00	
Swansboro		
FCC (effective 6/13/92)	\$ 4646.00	
Gabbro Soil	\$ 345.00	N/A
Reservoir Cover Project	\$ 168.00	
Swansboro Surcharge	\$ 975.00	
TOTAL	\$ 6,134.00	
All Other Areas		
FCC (water effective 6/13/92, sewer effective 4/1/00)	\$ 4646.00	\$ 5,208.00
Gabbro Soil	\$ 345.00	N/A
Reservoir Cover Project	\$ 168.00	-
TOTAL	\$ 5,159.00	\$ 5,208.00

Source: EID, Customer Service's Rules & Regulations Manual

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