



El Dorado Irrigation District

COMPREHENSIVE ANNUAL FINANCIAL REPORT

2
0
1
4



FOR THE YEARS ENDED DECEMBER 31, 2014 and 2013

EL DORADO
IRRIGATION
DISTRICT

PLACERVILLE,
CALIFORNIA

Mission Statement

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

Guiding Principles

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

Comprehensive Annual Financial Report

For the Years Ended December 31, 2014 and 2013



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

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

Prepared by the Finance Department

Cover photo: Jenkinson Lake

Jenkinson Lake is the main source of water for the District and its customers.

Table of Contents

2014 Comprehensive Annual Financial Report

Introductory Section

Letter of Transmittal	i
Major Water and Wastewater Facilities	xiv
Awards and Acknowledgements	xv
Government Finance Officers Association Award	xvi
Board of Directors, District Officials, and Acknowledgements	xvii
Organizational Chart	xviii

Financial Section

Independent Auditor's Report	1
Management's Discussion and Analysis	5
Basic Financial Statements	
Balance Sheets	22
Statements of Revenues, Expenses and Changes in Net Position	24
Statements of Cash Flows	25
Notes to the Basic Financial Statements (an essential part of the financial statements)	27

Required Supplementary Information

Schedule of Funding Progress of the Employee Retirement Plan (Unaudited)	54
Schedule of Funding Progress of the Other Postemployment Benefits Plan (Unaudited)	55

Supplemental Schedules

Combining Balance Sheet	58
Combining Schedule of Revenues, Expenses and Changes in Net Position	59
Combining Schedule of Revenues, Expenses and Changes in Net Position, Budget and Actual	60

Statistical Section

Index to Statistical Section	63
------------------------------------	----

Financial Trends

Net Position by Component, Last Ten Years: Table #1	66
Change in Net Position, Last Ten Years: Table #2	67
Operating Revenues by Source, Last Ten Years: Table #3, Chart #1	68
Nonoperating Revenues by Source, Last Ten Years: Table #4, Chart #2	69
Operating Expenses by Function, Last Ten Years: Table #5, Chart #3	70
Nonoperating Expenses by Function, Last Ten Years: Table #6, Chart #4	71

Revenue Capacity

Assessed Value and Actual Value of Taxable Property, Last Ten County Fiscal Years: Table #7	74
Direct and Overlapping Property Tax Rates, Last Ten County Fiscal Years: Table #8	75
Principal Property Tax Payers, Current Year and Nine Years Ago: Table #9	76
Property Tax Levies and Collections, Last Ten County Fiscal Years: Table #10, Chart #5	77
Equivalent Dwelling Unit (EDU) Sales, Last Ten Years: Table #11, Chart #6	78

Table of Contents

2014 Comprehensive Annual Financial Report

Statistical Section (continued)

Revenue Capacity (*continued*)

Water and Recycled Water Sales by Type of Customer, Last Ten Years: Table #12, Chart #7	79
Largest Water Customers, Current Year and Nine Years Ago: Table #13	80
Largest Wastewater Customers, Current Year and Nine Years Ago: Table #14	81
Water Rates, Last Ten Years: Table #15.....	82
Wastewater Rates, Last Ten Years: Table #16.....	88
Recycled Water Rates, Last Ten Years: Table #17.....	88
Water and Wastewater Rate Surcharges, Last Ten Years: Table #18.....	90
Water and Recycled Water Facility Capacity Charges (FCC), Last Ten Years: Table #19.....	91
Wastewater Facility Capacity Charges (FCC), Last Ten Years: Table #20.....	92
Installation and Inspection Fees, Last Ten Years: Table #21.....	93

Debt Capacity

Ratios of Outstanding Debt by Type, Last Ten Years: Table #22	96
Debt Service Coverage Refunding Revenue and Certificates of Participation Outstanding Debt, Water and Wastewater, Last Ten Years: Table #23.....	97

Demographic and Economic Information

Building Permit and Valuation Demographics for the District Service Area, Last Ten Years: Table #24.....	100
Principal Employers of El Dorado County, Current and Nine Years Ago: Table #25	101
El Dorado County Demographic and Economic Statistics, Last Ten Years: Table #26, Chart #8	102

Operating Information

Water System Demographics and Statistical Summary, Last Ten Years: Table #27.....	104
Water Supply and Demand Data, Last Ten Years: Table #28, Chart #9.....	105
Recycled Water System Demographics and Statistical Summary, Last Ten Years: Table #29.....	106
Wastewater System Demographics and Statistical Summary, Last Ten Years: Table #30, Chart #10.....	107
Recreation Demographics and Statistical Summary, Last Ten Years: Table #31, Chart #11.....	108
Full-time Equivalent Employees by Function / Program, Last Ten Years: Table #32	109
Rate Increase History, Last Ten Years: Table #33.....	110

Compliance Report

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	114
---	-----



El Dorado Irrigation District



Aloha Lake

**INTRODUCTORY
SECTION**



El Dorado Irrigation District



May 28, 2015

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

We are proud to submit to you El Dorado Irrigation District's (EID or District) Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 2014. We are pleased to report that financial results show the District had an excess of operating revenues over operating expenses for the current year. This positive outcome for the year of \$10.9 million was achieved even during this time of diminishing revenues and economic hardship. This calculation of net operating revenues does not include any non-cash charges for depreciation, which accounts for estimated wear and tear on property, plant, and equipment. The overall positive net revenue was \$0.6 million over what was budgeted for the year. This net revenue highlights the results of the District's diligent efforts to maximize non-rate revenues wherever possible, and to cut costs as much as is fiscally responsible, while continuing to provide safe and reliable service to customers. At the end of 2014, staffing was at approximately that of 1999, with 215 full-time filled positions, down from a high of 305 in 2007. Since 1999, customer accounts have increased by 68%.

This is the thirteenth year the District's CAFR has been prepared using the financial reporting requirements of Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. And it is also the ninth year the District's CAFR has been prepared using the statistical reporting requirements of GASB Statement No. 44, *Economic Condition Reporting: The Statistical Section—an amendment of NCGA Statement 1*. This letter of transmittal is designed to complement the Management Discussion and Analysis (MD&A) and should be read in conjunction with it.

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

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

While the independent auditors have expressed their opinion that the District's financial statements are presented in conformity with Generally Accepted Accounting Principles (GAAP), EID assumes full responsibility for the completeness and reliability of the information contained in this report. To provide a reasonable basis for making these representations, District management has established a comprehensive internal control structure that is designed to ensure the District's assets are protected from loss, theft, or misuse, and to ensure that adequate accounting data is compiled for the preparation of financial statements in conformity with GAAP. Since the cost of control should not exceed the projected benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. We believe the data is accurate and complete, in all material respects, for the annual period ending December 31, 2014. Based on the findings and results of the audit, the auditors have identified the District as fiscally sound.

PROFILE OF THE DISTRICT



El Dorado Irrigation District was organized in 1925 under the Irrigation District Act (Water Code §§20500, et seq.). The District provides water to a population of more than 100,000 people within its service area for municipal, industrial, and irrigation uses, as well as wastewater treatment, and recycled water services, to meet the growing needs of its customers. It also operates recreational facilities, largely as a condition of its Federal Energy Regulatory Commission (FERC) license. As

such, EID is one of the few California districts that provide a full complement of water services.

The District is located in El Dorado County on the western slope of the Sierra Nevada Mountains. The service area is bounded by Sacramento County to the west and the community of Strawberry to the east. The area north of the communities of Coloma and Lotus establishes the northern-most part of the service area, while the communities of Pleasant Valley and South Shingle Springs establish the southern boundary. The City of Placerville, located in the central part of the District, receives water from the District on a wholesale purchase basis.

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

Reporting Entity

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

District Formation and History

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

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

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

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

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

The District is currently fulfilling the 1960 Board's vision of using recycled water as a supplemental water supply with both the Deer Creek and El Dorado Hills wastewater plants being the sources. A separate piped system delivers the recycled water to front and back yards of about 4,000 homes, as well as to commercial and public landscapes.

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

During the life of EID, the population of El Dorado County has gone from about 6,400 to more than 182,000, and the District's service area has grown from 31,500 acres to 140,800. During this time, clean water originating in the high Sierra continues to shape the economic, agricultural, and cultural aspects of the county, and the District's commitment to provide customers with high-quality services and products has never wavered.

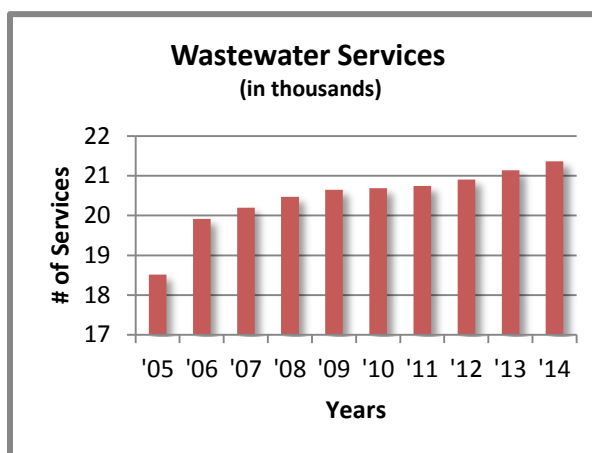
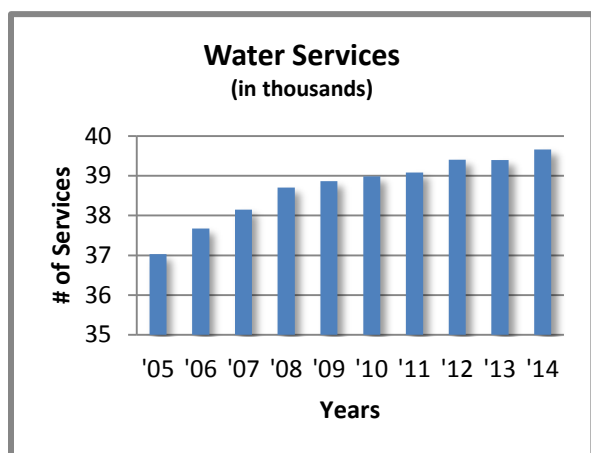
System Description

The District's contiguous service area spans 220 square miles and ranges from 500 feet in elevation, at the Sacramento County line, to more than 4,000 feet in elevation in the eastern part of the District. Two hundred pressure-regulating zones are required for reliable operation. The water system contains more than 1,295 miles of pipeline, 27 miles of ditches, 5 treatment plants, 34 storage tanks and reservoirs, and 38 pumping stations. The wastewater systems operate more than 560 miles of pipeline and force mains, 63 lift stations, and 4 treatment facilities. The El Dorado Hills and Deer Creek wastewater treatment facilities produce Title 22 recycled water, which is used at golf courses and other commercial entities, and for landscape irrigation at residences in areas where the service is available. The recycled water system operates more than 79 miles of pipeline, 5 storage reservoirs / tanks, and 5 pump stations. EID's recycled water program is in its fourth decade and is considered a leader in the recycled water industry in California. The recycled water program has won state and regional awards over the past 11 years.



The District owns and operates a 21-megawatt hydroelectric power generation system, known as El Dorado Project 184, which is licensed by FERC. The system consists of El Dorado Powerhouse and 5 reservoirs, including Echo Lake, Lake Aloha, Caples Lake, Silver Lake, and El Dorado Forebay; dams; 22.3 miles of flumes, canals, siphons, and tunnels. Project facilities are located east of Placerville in El Dorado, Alpine, and Amador counties.

The District also owns and operates Sly Park Recreation Area at its largest reservoir, Jenkinson Lake, in El Dorado County. Popular for both day visits and overnight camping serving over 600,000 guests during 2014, the park includes 640 surface acres of water, 10 picnic areas; 9 miles of shoreline, hiking, and equestrian trails; 2 boat ramps; 191 individual campsites; and 9 group camping areas.



Source of Water Supply

The American River Act of October 14, 1949, signed into law by President Harry Truman, authorized the construction of the Sly Park Unit by Reclamation. Sly Park was designed to augment the District’s existing water system. Originally, the District had a ditch conveyance system. The Sly Park Unit included the construction of Sly Park Dam and Reservoir, Camp Creek Diversion Dam and Tunnel, and conduits used to convey, treat, and store water delivered from Sly Park’s Jenkinson Lake. The project was completed in 1955 as a detached unit of the Central Valley Project. Sly Park was operated by EID under contract from 1955 until the District purchased it from the United States on December 23, 2003. The yield of this project is up to 20,920 acre-feet annually.

El Dorado Project 184’s Forebay Reservoir, located in Pollock Pines, is another primary source of water, using pre-1914 water rights that now provide the District up to 15,080 acre-feet annually. The District’s other sources of water supply are at Folsom Reservoir, where the District currently has a Reclamation water service contract for 7,550 acre-feet, a water right permit (#21112) for an additional 17,000 acre-feet to serve the El Dorado Hills community, and Warren Act contracts with Reclamation for half of the Permit 21112 water right and for four historic pre-1914 ditch water rights and Weber Reservoir supplies totaling 4,560 acre-feet.



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

Water Quality

The California Department of Public Health requires water providers to conduct a source water assessment to help protect the quality of water supplies. To help ensure that safe water is delivered to our customers, the District’s water quality monitoring program includes taking samples of raw and treated water throughout the year from many locations within the service area. Analyses cover more than 100 different constituents. Analysis of the water is performed at state-certified commercial labs. The District takes great pride in the high quality of the drinking water we supplied to

its customers and strives to meet or exceed state and federal public health standards. Our latest Annual Water Quality Reports can be found on the District's website.

Water Recycling



In El Dorado County an adequate and safe supply of potable water is essential yet vulnerable to interruption by natural forces, such as prolonged drought. New supplies of potable water are becoming scarcer while demand is increasing. The use of recycled water for irrigation saves these valuable drinking water supplies. And recycling wastewater reduces the volume which would otherwise be treated and released into local creeks and streams, thereby upsetting natural flows. Currently, the District produces more than 1 billion gallons of recycled water annually and it is used by almost 4,000 customers and businesses in the greater El Dorado Hills community. This means over 1 billion gallons of water each year that is then available for human consumption uses such as drinking, cooking, bathing, and washing.

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

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

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

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

Public Outreach

The District conducts regular Board Meetings that are open to the public. They are normally held bi-monthly on the second and fourth Monday. The dates can be found in the events calendar on the District website.

The District's website, which has been recently been redesigned to be more informative, interactive, and easier to use, provides information about all of EID's activities. Archived documents are also available there. The website can be found at www.eid.org. Or, scan this QR image with your smart phone application.



QR Image

Tours of the water and wastewater treatment plants are held annually for groups of school children and members of the public. These tours give background and insight into the challenges and costs of treating drinking water and wastewater to comply with stringent state and federal regulations.

The *Waterfront* newsletter is published six times per year and is mailed to the District's customers along with their bills. The latest issue, as well as archived past issues, is available on the District's website. Customer surveys consistently show the *Waterfront* to be our customers' number-one source of information about the District and its activities.

The District's 2012 customer survey, which was sent to randomly-selected customers, showed that 90% of those customers are satisfied or very satisfied with the service provided when calls are made to EID, or that they had no reason to call in the first place. Field response was rated average to excellent by 92% of respondents.



To ensure that local communities are informed of the nature and timeline of construction and maintenance activities that could impact their neighborhoods, EID performs customer notification in several ways, including publication in the *Waterfront* and on the EID website, news release to local news sources, community meetings, mailers or door hanger notifications, and telephone contact with affected customers.

The District participates in many educational programs that benefit local students. One of these is the Career Technical Partnership program run by Folsom Lake College's El Dorado Center. Under this program a teacher learns about various aspects of District activity, and then incorporates what they learned into a curriculum or educational project in their classroom. The District also participates in PRO-Teens (Providing Real Opportunities for Teens) where the students learn skills on how to research, apply for, interview for, and maintain a job. The secondary focus is on motivating the student to continue on to higher education and increase their skills for future success in the workforce. In addition, educational materials are made available to all local school districts within the District's service area and the City of Placerville. These complimentary materials include interactive classroom booklets concerning water conservation, the water cycle, wastewater treatment, our environment, recycling, and water-themed coloring books. By working closely with community partners around the region, the District helps to provide various educational resources to teachers and students through programs such as Be Water Smart, Water Education for Teachers (WET), Media in Education, and Water Education Foundation.

Governance

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

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

ECONOMIC CONDITION OF THE DISTRICT

Economic Growth

While long-term regional forecasts, including the El Dorado County General Plan, show a rising demand for housing in El Dorado County, the regional and local housing market slowed during the second half of 2005, a trend that continued through 2013. With the slowdown in the housing market, the District has significantly reduced its Capital Improvement Plan (CIP) for projects that add expansion and future growth. The objective is to avoid over-building for the current housing market while, at the same time, maintaining the ability to serve customers with a reliable water supply and ample wastewater treatment facilities. The District reduced its 2008, 2009, 2010, and 2011 operating budgets, again, with the intent of maintaining current service levels. The 2012, 2013, and 2014 budgets had minimal increases necessary to maintain current service levels.

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

Population and Employment

In the last decade, the Sacramento region has generally seen a steady increase in population growth that has spilled into the neighboring western El Dorado County area served by the District. From 2013 to 2014, the population slightly increased to 182,404, remaining steady at 180,712 between 2012 and 2013. During 2010 and 2011, the population had remained steady with a reported estimate of 182,019 residents. The projected population of 225,439 by 2020, is according to the El Dorado County 2010-11 Economic and Demographic Profile.

El Dorado County residents employed within the District's service area work in a variety of industries, including government, health care, retail trade, education, construction, manufacturing, agriculture, professional businesses, recreation, and hospitality services. The largest employers in El Dorado County are in the public service, health care, retail, data processing, recreation, hospitality, and trade sectors.

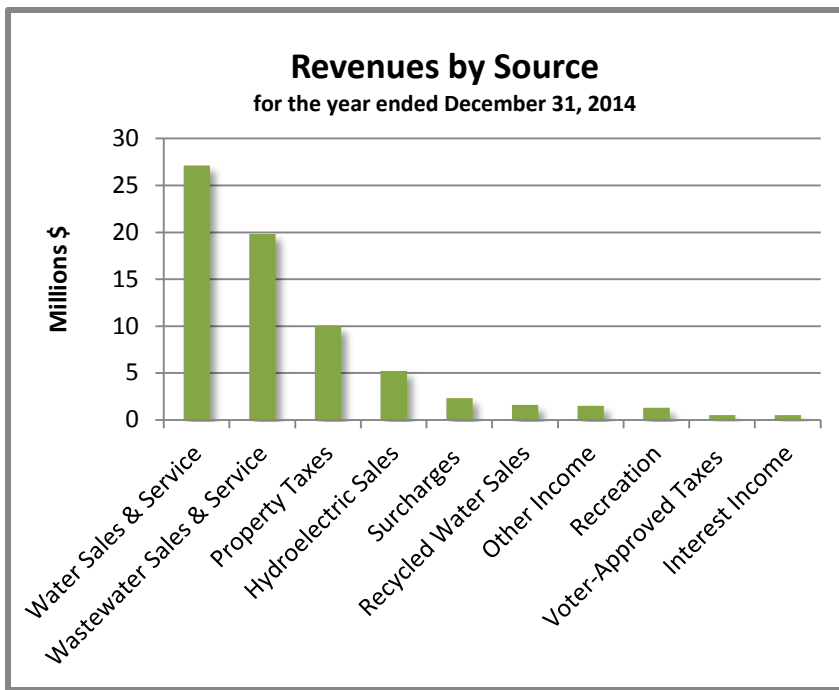
Most El Dorado County residents are within commuting distance of the greater Sacramento region, which offers employment in the defense and state government sectors, and more diversified employment opportunities such as computer technology, financial services, health care, and biotechnology. The largest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

The 2014 El Dorado County unemployment rate was 7.1%, a decrease from 8.5% in 2013.

El Dorado County General Plan and Measure Y Traffic Control Initiative

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

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



Property Tax Revenue

The total secured assessed valuation of the properties within the District’s 220 square-mile service area is approximately \$5.0 billion in 2014 and \$4.7 billion in 2013. The District’s property tax revenues have remained basically steady at between approximately \$9.3 million and \$10.0 million in 2010, 2011, 2012, 2013, and 2014.

Long-term Financial Planning

The District’s financial policy is to charge reasonable rates, fees, and other charges sufficient to pay for water and wastewater services, the costs of operation and maintenance of its facilities, the general expenses of

the District, and principal and interest on all bonds and other obligations of the District. In addition, it is District policy to fix rates and charges sufficient to maintain a debt service coverage ratio in accordance with its bond covenants.

In August, 2007, the District contracted with Bartle Wells Associates to conduct a new study of Facility Capacity Charges (FCCs). The study process included interaction with a community-based task force and District staff, and resulted in Board action that approved an updated FCC fee schedule in early 2008. In late spring of 2013, staff presented a draft update to the FCCs adopted in 2008. After additional work with a community-based task force, they were finalized in 2013.

During 2011, a cost of services study was completed, with participation by community members, along with District staff, which culminated in a rate structure change being adopted by the Board. The majority of the rate changes resulting from this study were effective April 1, 2012. One of the most significant changes, in the collection methodology for rate revenues, was to cease collecting 70 percent from commodity (user) charges and 30 percent from a fixed fee (base charge), and change to a 50-50 formula. This most recent cost of services study highlighted the need to increase revenues from base charges to provide a more stable funding stream to meet operating costs and debt service obligations, especially in wetter years, in order to meet the District’s obligations to its bond holders.

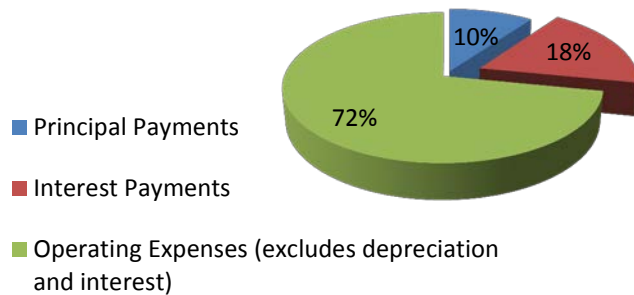
On April 30, 2008, the District issued Certificates of Participation (COPs) in the form of Variable Rate Demand Obligations (VRDOs) of \$110.7 million to refund the 2003B and 2004B issues, which were Auction Rate Securities (ARS). The ARS 2003B and 2004B issues were called May 5, 2008. Although in past years the interest incurred on the ARS issues was far below that of fixed rate debt, problems developed in late 2007 and 2008 in connection with the ARS market. It was in the District’s best economic interest to replace that ARS debt with VRDOs. Interest rates on this VRDO issue were much lower than the ARS rates prior to the refunding.



On January 23, 2009, the District issued fixed-rate COPs totaling \$132.3 million to finance capital improvements. Interest rates range from 3.50% to 6.25%, with an average true cost of 5.96%.

Annual Debt Service to Expenses

for the year ended December 31, 2014



On February 17, 2010, the District issued \$14.8 million of fixed-rate debt to refund (refinance) a portion of the 2003A debt issue for 2010, 2011, and 2012 principal payments.

On July 1, 2012, the District issued COPs in the form of fixed-rate debt (the majority of which are tax exempt) in the amount of \$50.7 million to fully refund the 2003A issue for 2013, 2014, 2015, and 2016 principal payments.

On March 5, 2014, in order to take advantage of low interest rates, the District issued debt which refunded a portion of its existing debt portfolio. The refunding of the remaining 2004A bond issue

outstanding and a portion of the 2009A bond issue outstanding resulted in \$27.0 million of cash flow savings with a present value savings of \$17.2 million.

Currently, Standard & Poor's (S&P) and Moody's assign the District a rating of "A+" and "A1", respectively. This is an increase from "A", during 2012, by S&P.

Additional information on the District's long-term liabilities can be found in Note 4 of the financial statements.

Because of the approximately \$10 million decline in FCC revenues in 2009, resulting from slowed construction in the District's service area, the calculated debt service ratio of net revenues to debt service payments for 2009 was 0.82, rather than the 1.25 required under the District's bond covenants. Therefore, the District took several steps to restore the debt service ratios to the covenanted levels in fiscal year 2010. The District raised rates, refinanced three years of debt payments into the future, cut operating expenses, deferred capital improvement projects, and entered into a new, more favorable hydroelectric power marketing agreement. The debt service ratio for 2014 is 2.00.

Accounting System and Internal Control Policies

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

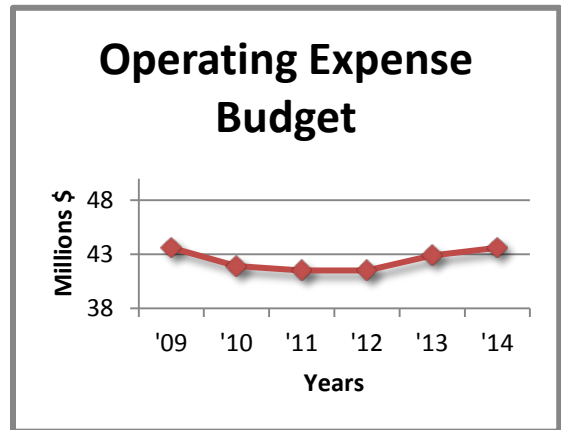
The District operates within a system of internal controls established and continually reviewed by management to provide reasonable assurance that assets are adequately safeguarded and transactions are recorded in accordance with District policies and procedures, and in accordance with sound accounting practices. In relation to these controls, management must consider the cost of the control and the value of the benefit derived from its utilization. Management normally maintains or implements only those controls for which its value adequately exceeds its costs. The 2014 audit did not note any weaknesses in internal controls.

Budgeting Policies

The two-year operating budget (consisting of total operations, operating projects, and debt service), and the five-year CIP budget (consisting of capital project expenditures), serve as the foundation for the District's financial planning and control. Budgets are adopted on a basis consistent with GAAP. Budgetary controls are set at the department level and maintained to ensure compliance with the budget as approved by the Board of Directors.

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

Several fiscal challenges continued to impact the District in 2014, including rising costs for essential materials and supplies, persistently low housing starts, the poor economy, and the state-wide drought. For the period 2009 to 2014, the operating budget has decreased 1.5%, with the 2014 budgeted change in operating expenses having increased less than 1%, compared to the prior year's budgeted operating expenses. The 2014 overall increase in expenses was mainly due to increases in repair, utility, and professional service costs. The approved 2015



budget funds the highest priority functions and tasks necessary to achieve our goals, while keeping our costs and projected rate increases as low as possible. During the budget process, the budget assumptions were scrutinized, prudent budget targets were established, and priorities were set with careful consideration. In addition, focus was placed on meeting our financial policies in order to retain our high bond ratings and low interest rates. The District believes the 2015 budget ensures that financial goals and objectives are being met.

Department directors have the discretion to transfer appropriations between activities within their departments. Two consenting departments can transfer appropriations between their departments. The General Manager has the authority to approve CIP budgets and overall appropriations and transfers up to \$50,000 per transaction and can approve construction change orders up to \$100,000. Budget transfers and overall budget appropriations greater than \$50,000 require Board approval through the budget amendment process.

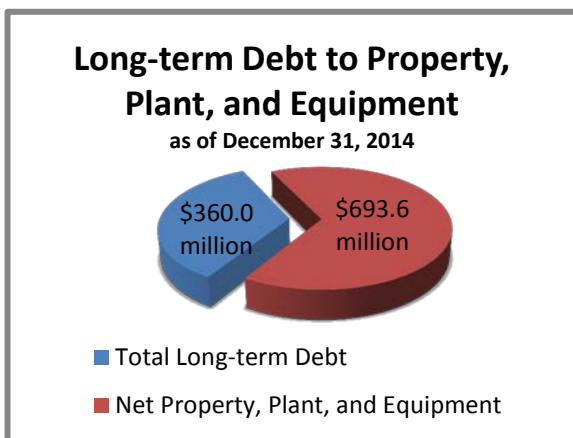
Cash Investment Policies

The District's cash is invested in securities, as allowed under the California State Government Code, and in compliance with the District's Investment Policy. The policy focuses on the goals of safety, liquidity, and yield, and seeks to minimize credit and market risks, while maintaining a competitive market yield. Though the market interest rates remained relatively stable in 2014 compared to 2013, the District's General Portfolio yield at year-end 2014 increased slightly to 0.53%, from 0.42% in 2013, with 2014 being 0.33 basis points higher than the one-year Treasury Note, due to the District's strategic investments made during the year.

Debt Policies

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

For 2014, the District's ratio of total long-term debt to net property, plant and equipment is within the moderate range for the District's industry, as defined by Standard and Poor's Global Credit Portal Ratings system.



Risk Policies

As part of a continuing effort to reduce costs and provide optimal protection from risk exposures, the District's risk management strategy is a combination of self-insurance and commercial insurance. For 2014, the deductible for Commercial General Liability coverage, including bodily injury and property damage, is \$10,000 per occurrence with a \$1 million per occurrence coverage limit and a \$3 million aggregate. In addition, the District has a \$10 million following form excess insurance policy, bringing the total per occurrence coverage to \$11 million, with a \$13 million aggregate. The Commercial Automobile liability coverage for owned, non-owned, and hired autos is \$1 million underlying combined single limit with no deductible and a \$10 million excess limit. There is physical damage coverage on scheduled high value vehicles. The District's Commercial Property insurance program provides a blanket coverage limit of \$94 million on scheduled premises, excluding the District's hydroelectric properties. The deductible is \$5,000. There is a \$3 million coverage extension with no deductible for Business Income, Extended Business Income, Extra Expense and Civil Authority. Limited flood coverage is provided with a \$1 million limit subject to a \$25,000 deductible per occurrence. The District's hydroelectric properties are covered under a separate policy with a \$50 million blanket limit with a \$50,000 deductible on non-generating premises and a \$250,000 deductible on the hydroelectric plant. The policy covers the flume and conveyance system including losses caused by earth movement and flood, subject to a sublimit of \$10 million. Insurance for the hydroelectric operations includes a \$7 million policy for business interruption. The District is self-insured for its Workers Compensation and employee dental and vision health benefit claims. The District continually evaluates its insurance programs for cost effectiveness and sufficient coverage.

MAJOR INITIATIVES

The most critical aspect of any water and wastewater system is the infrastructure. This infrastructure can be impaired due to reactive, rather than proactive, policy decisions. If this occurs, the costs necessary to make the system whole again are almost always significantly greater. The District prides itself on making proactive policy and asset management decisions. By taking this care, and looking to the future, we will ensure, not only that the water and wastewater systems are available to continue to provide quality services for our current customers, but that the systems we turn over to the next generation will be in top working order.



El Dorado/Shingle Springs and El Dorado Hills Service Areas

In 2014, the District replaced a large section of the Town Center Force Main, upgrading the section of sewer pipeline that was installed in 1979 to eliminate a series of corrosion failures. The District relocated the existing water, recycled water, and sewer facilities in support of the county's new Silva Valley Interchange project along Highway 50.

Esmeralda Tunnel Emergency Repair Project

In September of 2014 a portion of Project 184's Esmeralda Tunnel collapsed 47 feet downstream from the upstream portal, completely blocking the tunnel with earth and debris. The Board subsequently declared an emergency for repair of the tunnel and awarded a contract to Mining Construction, Inc. Work started on this multi-phased project immediately, with interim and temporary repairs completed and the tunnel placed back into service in March of 2015. Phase II of the repair project will occur during the regularly scheduled canal outage in the fall of 2015. The Esmeralda tunnel was constructed in 1930 and is 1,506 feet in length, approximately 7½ feet in height, and varies in width from 7 to 9 feet. Portions of the tunnel consist of wooden timber sets and lagging to provide structural support, while the remaining 1,000 feet is composed of hard competent rock that does not require reinforcement.



El Dorado Canal Flume Replacement Program

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

Each flume is unique because of factors such as location, access, landslide risks, construction methods, geological and geotechnical conditions, and environmental considerations, resulting in different levels of effort for design and construction. Common complexities among each flume include the need for helicopters for some portion of the work, limited staging areas, limited vehicular access, off-road travel, landslides, unstable geological conditions, tree hazards, intense labor needs, and locations on U.S. Forest Service lands.

During 2014, Flumes 41, 42/43, and 1,150 feet of Flume 45 were replaced. Rock Crusher Road, which was improved in 2013 to provide vehicle, heavy equipment, and maintenance access to Flumes 41, 42/43, and the upstream end of Flume 44, significantly reduced construction costs by providing access and eliminating the use of helicopters.

Flume 41 Replacement Project: The Flume 41 Replacement Project included the stabilization of a 140-year-old un-mortared, hand-stacked rock bench on which the flume rests, replacement of the degraded 65-year-old wooden flume with pre-cast concrete flume sections, replacement of the wooden spillway structure with a cast-in-place concrete spillway structure and pre-fabricated metal spillway building, and relining of 603 feet of canal downstream of the flume with a new shotcrete liner.

Flume 45 Replacement Project: Flume 45 is 1,900 feet in length. In 1991, PG&E replaced 750 feet of this flume. The Flume 45 Replacement Project consisted of replacing the remaining 1,150 feet of degraded wooden flume that was built in 1948 with a new wood flume built to meet current standards. In the near future, the Flume 45 Bench Stabilization Project will be designed to stabilize the portions of the bench that consist of an historic 140-year-old un-mortared, hand stacked rock bench on which the flume rests.

Interim improvements were also completed on Flume 44, which is a wooden flume built in 1948 and is 473 feet in length with three elevated sections. The interim improvements included placement of additional structural flume timber at key locations to extend the service life of the asset an additional 3-5 years until a full replacement can occur.

El Dorado Forebay Dam Remediation and Enlargement Program

The El Dorado Forebay Dam, located in Pollock Pines, is an off-stream reservoir that regulates both drinking water supplies and the water that flows to the El Dorado Powerhouse for hydroelectric power generation. The dam is 90 years old and does not meet modern dam safety engineering standards. The dam will be upgraded to meet regulatory standards, and raised. The project will increase emergency water storage from eight hours to six days, optimize hydroelectric operations, significantly improve drinking water reliability, and increase public safety. The additional hydroelectric generation revenue that this program will yield upon completion will help greatly to defray the associated capital costs. Design of the project proceeded during 2014. The construction phase is expected to begin in late 2016, or early 2017.



Other District Projects

During 2014, several other projects were completed, such as rehabilitation and recoating of the Reservoir 7B tank, Reservoir 9 tank, and Deer Creek Wastewater Treatment Plant tank.

Another phase of the Motherlode Forcemain replacement commenced in 2014 to replace sections of a failing, corroded large diameter sewerline in order to reduce the likelihood of future sanitary sewer spills.

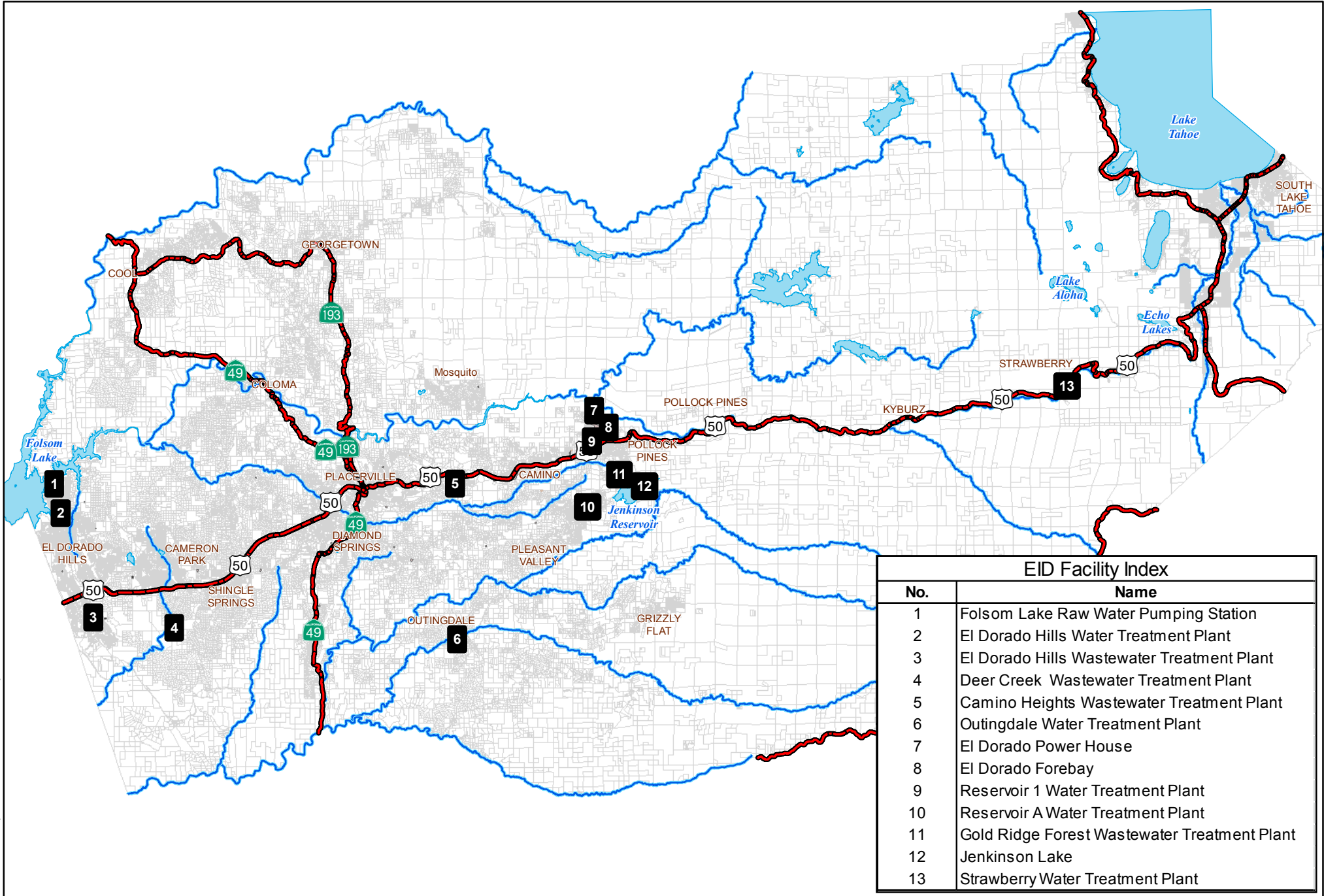
Major Water and Wastewater Facilities

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





El Dorado Irrigation District Major Water and Wastewater Facilities 2014



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

M:\J-MAPS\Major_Water\Water\WaterFac\Map-WaterWaste\Fac2014.mxd

AWARDS AND ACKNOWLEDGEMENTS

During 2014, the District was awarded the highest form of recognition for excellence in local government reporting:

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the El Dorado Irrigation District for its Comprehensive Annual Financial Report for the year ended December 31, 2013. This was the 18th consecutive year that the District has received this prestigious award. In order to be awarded a Certificate of Achievement, the District must publish an easily readable and efficiently organized comprehensive annual financial report. The report must satisfy both generally accepted accounting principles and accepted legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

In 2014, the District received other significant awards that recognize excellent performance in operational efficiency and industry practices. They include the following:

- The Association of California Water Agencies – Joint Power Insurance Authority - H.R. LaBounty Safety Award was received for the District's design and implementation of a safer and more cost-efficient chemical feed piping system which reduces the potential for exposure to hazardous materials. A second award was also received for the installation of permanently installed tubes in sewer vaults which eliminates a safety hazard.
- Special District Leadership Foundation – Transparency Certificate of Excellence Award – For EID's completion of eight essential governance transparency requirements, including conducting ethics training for all Board Members, properly conducting open and public meetings, and filing financial transactions and compensation reports to the State Controller in a timely manner.
- Mountain Democrat Newspaper - 2014 Readers' Choice Award for "Best Recreational Facility" for EID's Sly Park Recreation Area.

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

We thank each member of the Board of Directors and commend them for their dedication, leadership, and support toward achieving excellence in financial management that ultimately made the preparation of this report possible.

Respectfully submitted,



Jim Abercrombie
General Manager



Mark Price
Director of Finance



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**El Dorado Irrigation District
California**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2013

Executive Director/CEO

El Dorado Irrigation District



2014 Comprehensive Annual Financial Report For the Year Ended December 31, 2014

BOARD OF DIRECTORS

Division 1 – George W. Osborne, President
Division 2 – Greg Prada
Division 3 – William (Bill) L. George
Division 4 – Dale Coco, MD
Division 5 – Alan Day

DISTRICT OFFICIALS

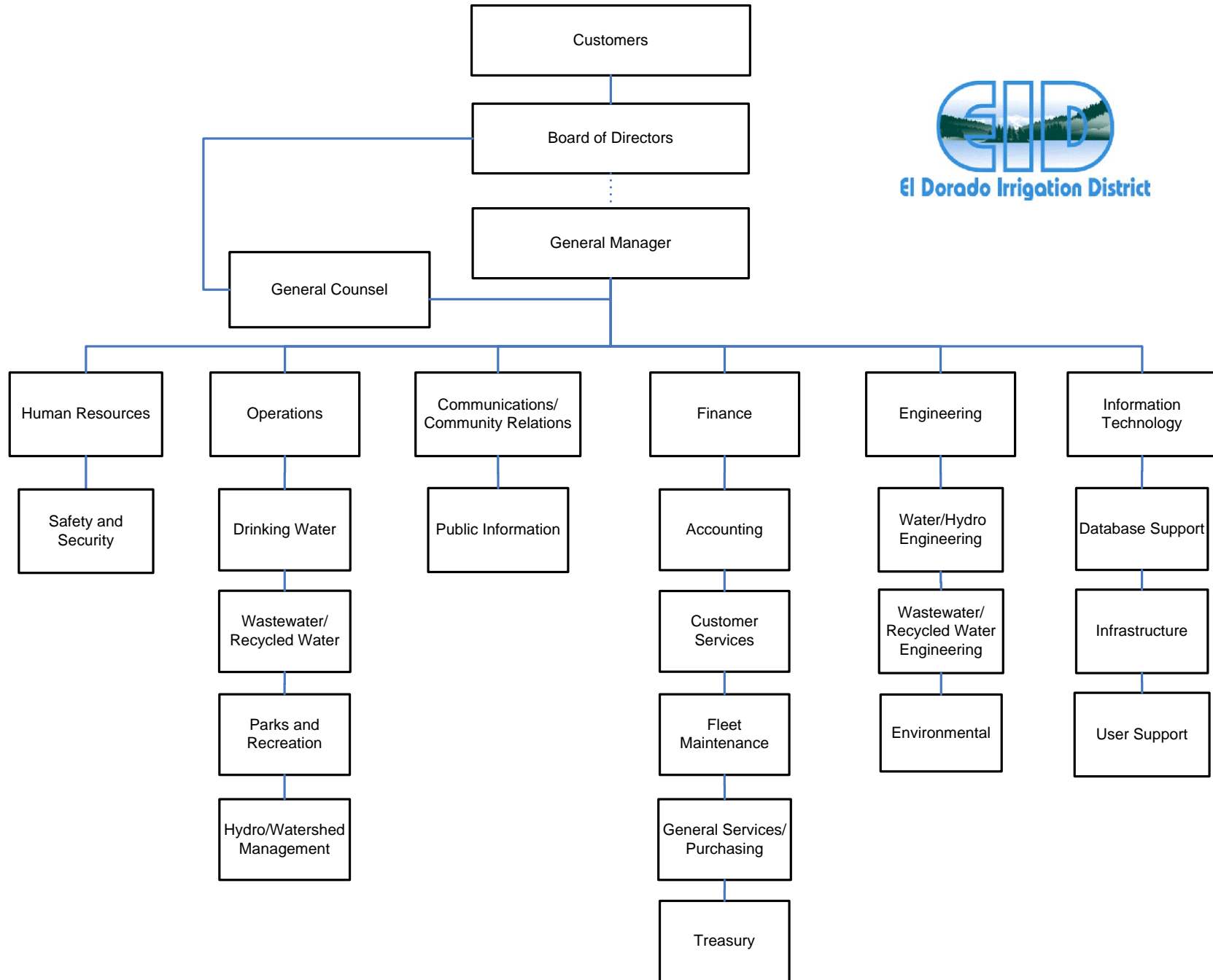
Jim Abercrombie, General Manager
Thomas D. Cumpston, General Counsel
Mary Lynn Carlton, Director of Communications/Community Relations
Mark T. Price, CPA, Director of Finance
Brian Mueller, Director of Engineering
Jose C. Perez, Manager, Human Resources
Tim Ranstrom, Director of Information Technology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

ACKNOWLEDGMENTS

Prepared by the EID Finance Department

El Dorado Irrigation District Organizational Chart

December 31, 2014







El Dorado Irrigation District



Folsom Lake

**FINANCIAL
SECTION**



El Dorado Irrigation District

Independent Auditor's Report

Richardson & Company, LLP

550 Howe Avenue, Suite 210
Sacramento, California 95825

Telephone: (916) 564-8727
FAX: (916) 564-8728

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the El Dorado Irrigation District (the District) as of and for the years ended December 31, 2014 and 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

To the Board of Directors
El Dorado Irrigation District

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the District as of December 31, 2014 and 2013 and the results of its operations and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America as well as accounting systems prescribed by the State Controller's Office and state regulations governing special districts.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of funding progress of the employee retirement plan and schedule of funding progress of the other postemployment benefits plan, as listed in the accompanying table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The supplemental schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplemental schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 28, 2015 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on internal control over financial

To the Board of Directors
El Dorado Irrigation District

reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Richardson & Company, LLP

May 28, 2015

Management's Discussion and Analysis

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2014

The following discussion and analysis of the El Dorado Irrigation District's (EID or District) financial performance provides an overview of the District's financial activities for the fiscal years ended December 31, 2014 and 2013. This discussion and analysis should be read in conjunction with the basic financial statements and accompanying notes, which follow this section.

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

- Organization and Business
- Overview of the Basic Financial Statements
- Financial Analysis of the District
- Capital Assets and Debt Administration
- Economic Factors and Next Year's Budgets and Rates
- Requests for Information

ORGANIZATION AND BUSINESS

The District provides water to a population of more than 100,000 people within its service area for municipal, industrial, and irrigation uses, as well as wastewater treatment, and recycled water services, to meet the growing needs of its customers. The District is one of the few California districts that provide a full complement of water, wastewater, recycled water, hydroelectric generation, and recreation services. The District's service area consists of 220 square miles, which includes El Dorado County from the Sacramento County line to the west, the community of Strawberry to the east, the communities of Coloma and Lotus to the north, and the communities of Pleasant Valley and South Shingle Springs to the south. The water system collects, transmits, treats, and distributes high-quality water to residential, commercial, and industrial customers, utilizing more than 1,295 miles of pipeline, 27 miles of ditches, 5 treatment plants, 34 storage tanks and reservoirs, and 38 pumping stations. The wastewater system intercepts and treats wastewater from residences and commercial customers, using more than 560 miles of pipeline and force mains, 63 lift stations, and 4 treatment facilities. The recycled water system utilizes more than 79 miles of pipeline, 5 storage reservoirs / tanks, and 5 pump stations. The hydroelectric system operates a 21-megawatt hydroelectric power generation system, known as Project 184, which consists of the El Dorado Powerhouse, 5 reservoirs (Echo Lake, Lake Aloha, Caples Lake, Silver Lake, and El Dorado Forebay) and dams, and 22.3 miles of flumes, canals, siphons, and tunnels. Project 184 facilities are located east of Placerville in El Dorado, Alpine, and Amador counties. The District also owns and operates Sly Park Recreation Area at its main reservoir, Jenkinson Lake, in El Dorado County. The park includes 640 surface acres of water, 10 picnic areas, 9 miles of shoreline, hiking, and equestrian trails, 2 boat ramps, 191 individual campsites, and 9 group camping areas. The District recovers costs of service primarily through user fees.

OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

The District's Basic Financial Statements are designed to provide readers with a broad overview of the finances of the El Dorado Irrigation District. There are five components to the Basic Financial Statements: (1) Financial Statements, (2) Notes to the Basic Financial statements, (3) Required Supplementary Information, (4) Optional Supplemental Schedules, and (5) Compliance Report.

The El Dorado Irrigation District operates as a utility enterprise and maintains its accounting records in accordance with generally accepted accounting principles for proprietary funds as prescribed by the Government Accounting Standards Board (GASB). The required financial statements include the Balance Sheet, Statements of Revenues, Expenses and Changes in Net Position, and Statements of Cash Flows. The financial statements, except for the cash flow statements, are prepared using the accrual basis of accounting, which means that revenues are recorded when earned and expenses are recorded when incurred, regardless of the timing of cash receipts or payments. The cash flow statements are an exception because those statements show the receipt, and payment, of cash for operating, non-capital, capital and related financing, and investing activities.

REQUIRED FINANCIAL STATEMENTS

The Basic Financial Statements of the District report information about the District using accounting methods similar to those used by companies in the private sector. These statements offer short and long-term financial information about its activities.

The *Balance Sheet* includes all of the District's assets, deferred outflows, liabilities, and deferred inflows, which provide information about the nature, and amounts, of investments in assets and obligations to District creditors. They also provide the basis for computing rates of return, evaluating the capital structure of the District, and assessing the liquidity and financial flexibility of the District.

All of the current year's revenues and expenses are accounted for in the *Statement of Revenues, Expenses and Changes in Net Position*. This statement measures the District's operations over the past year and can be used to determine the extent to which the District has successfully recovered its costs through its rates, fees, facility capacity charges, and other charges. The District's profitability and credit worthiness can also be determined from these statements. They are prepared using the accrual basis of accounting by recognizing revenues in the period they are earned and expenses in the period they are incurred, without regard to the period of cash receipt or payment.

The final required financial statement is the *Statement of Cash Flows*. The primary purpose of this statement is to provide information about the District's cash receipts and payments during the reporting period, as well as net changes in cash resulting from operations, investing, and financing activities, while excluding such non-cash accounting measures as depreciation or amortization of assets. The statements explain where cash came from, where cash was used, and the change in the cash balance during the reporting period.

NOTES TO BASIC FINANCIAL STATEMENTS

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

OTHER INFORMATION

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

FINANCIAL ANALYSIS OF THE DISTRICT

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

During 2011, the District completed a new cost of services study and brought the results to the Board of Directors and the public for discussion. The Board directed staff to proceed through the Proposition 218 process, which culminated in a rate structure change which was adopted by the Board. The majority of the rate changes resulting from the study became effective April 1, 2012. One of the most significant changes, in the collection methodology for water rate revenues, was to move from collecting 70 percent from commodity charges and 30 percent from a fixed fee base charge to a 50/50 collection formula. This cost of services study highlighted the need to increase revenues from base charges in an attempt to provide for a more stable funding stream to meet operating costs and debt service obligations, especially in years with high rainfall. The Board adopted water rate increases of 11% for 2012 and 2013, and 5% for 2014. The Board also approved rate increases for wastewater and recycled water of 5% for each of years 2012, 2013, and 2014.

In 2014, the District has continued the work on the many projects that comprise the Capital Improvement Program (CIP). This program includes wastewater lift stations improvements and various Project 184 flume remediations. The Board's adopted CIP budget for 2014 was \$17.3 million, a 12.6% reduction from the 2013 budget of \$19.8 million.

This year's financial statements reflect a continued strong and stable fiscal position for the District.

FINANCIAL HIGHLIGHTS FOR FISCAL YEAR 2014

- At December 31, 2014, the District's total assets exceeded total liabilities by \$387.5 million. This figure, referred to as the net position, was \$4.7 million higher than the 2013 year-end balance.
- Capital assets, net of accumulated depreciation, totaled \$693.6 million, which were \$5.8 million higher than the prior year due to capital asset additions offset by accumulated depreciation.
- Operating revenue decreased \$5.8 million or 9.5%, to \$55.0 million with a majority of the decrease being from lower water sales and hydroelectric sales as a result of water use conservation efforts by ratepayers and reduced water flows through the District's powerhouse due to the prolonged drought experienced throughout California.
- Water sales and services revenue decreased \$3.3 million or 10.9% from the prior year.
- Hydroelectric sales decreased \$2.7 million or 34.2% from the prior year.
- Property tax revenue increased \$0.8 million or 8.7% from the prior year.
- Operating expenses, not including depreciation, increased \$1.0 million or 2.3% to \$44.1 million from the prior year.
- Facility Capacity Charges (FCCs) and developer contributions increased \$5.9 million or 66.3%, to \$14.8 million from the prior year.
- Debt Service Coverage ratio for 2014 was 2.00; exceeding the 1.25 level required by the bond investors.

Operating and Nonoperating Results versus Budget

- Actual operating revenues of \$55.0 million were below the 2014 budget of \$58.9 million by \$3.9 million, or 6.7%. The unfavorable variance can be attributed to \$1.2 million lower than expected Water Sales and \$2.8 million lower than expected Hydroelectric Sales due to impacts of the prolonged drought.
- Actual operating expenses of \$43.0 million, not including the non-budgeted non-cash postemployment benefits year-end accrual of \$1.1 million, were favorable to the 2014 budget of \$43.6 million by \$0.5 million, or 1.2%. Primary drivers to the favorability were due to personnel expense savings and unused contingency.
- Facility Capacity Charges (FCCs) revenue of \$4.5 million were \$1.5 million higher than the 2014 budget of \$3.0 million primarily due to development growth as a result of an improving real estate market.
- Interest expense of \$11.2 million was favorable to the 2014 budget of \$15.8 million by \$4.7 million due to lower interest rates on the 2008A bond issue variable debt. In 2014, the average interest rate for the variable debt was 0.05%.

BALANCE SHEETS

The District's Condensed Balance Sheets are displayed below.

Table A-1
Condensed Balance Sheets
(in millions)

	December 31,		
	<u>2014</u>	<u>2013</u>	<u>2012</u>
Current Assets	\$ 56.7	\$ 62.6	\$ 72.0
Noncurrent Assets	37.6	39.9	31.4
Capital Assets, Net of Accumulated Depreciation	693.6	687.8	693.3
Deferred Outflows ¹	6.2	5.3	5.8
Total Assets and Deferred Outflows	<u>\$794.1</u>	<u>\$795.6</u>	<u>\$802.5</u>
Current Liabilities	\$ 17.4	\$ 17.9	\$ 18.2
Noncurrent Liabilities	384.0	390.0	401.2
Deferred Inflows ²	5.2	4.9	4.8
Net Position	<u>387.5</u>	<u>382.8</u>	<u>378.3</u>
Total Liabilities, Deferred Inflows, and Net Position	<u>\$794.1</u>	<u>\$795.6</u>	<u>\$802.5</u>
Detail of Net Position:			
Net Investment in Capital Assets	\$315.7	\$303.8	\$297.2
Restricted for New Facilities	1.5	0.9	0.0
Restricted for Debt Service	13.4	20.2	20.0
Unrestricted	56.9	57.9	61.1
Total Net Position	<u>\$387.5</u>	<u>\$382.8</u>	<u>\$378.3</u>

¹ Represents deferred amount on refunding of debt.

² Represents deferred property tax revenue.

Analytical Review of Current Assets

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

Fiscal Year 2014 Compared to 2013: At December 31, 2014, current assets totaled \$56.7 million and were \$5.9 million lower than the prior year. The primary driver to the decrease was the District reducing short-term cash and cash equivalents to take advantage of higher market interest rates by investing \$4.2 million into long-term investments.

Fiscal Year 2013 Compared to 2012: At December 31, 2013, current assets totaled \$62.6 million and were \$9.4 million lower than the prior year. The primary driver to the decrease was the District reducing short-term cash and cash equivalents to take advantage of higher market interest rates by investing \$14.0 million into long-term investments. This was partially offset by a \$5.0 million increase in property taxes receivable.

Analytical Review of Noncurrent Assets

Noncurrent assets include restricted cash, investments and deposits.

Fiscal Year 2014 Compared to 2013: At December 31, 2014, noncurrent assets totaled \$37.6 million and were \$2.3 million lower than the prior year primarily due to the before-mentioned increase in long-term investments offset by a reduction of \$5.7 million of restricted investments. The \$5.7 million decrease was due to the use of invested reserves held with fiscal agent as a source of funds for the refunding of the 2004A and 2009A bond issues.

Fiscal Year 2013 Compared to 2012: At December 31, 2013, noncurrent assets totaled \$39.9 million and were \$8.5 million higher than the prior year primarily due to the before-mentioned increase in long-term investments and restricted cash reclassification.

Analytical Review of Net Capital Assets

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

Fiscal Year 2014 Compared to 2013: At December 31, 2014, net capital assets totaled \$693.6 million or 87.3% of total assets and deferred outflows, which was \$5.8 million higher than the prior year. This net increase primarily represents the District's continued expenditures on the capital investment plan (CIP) and asset additions, offset by depreciation and amortization.

Fiscal Year 2013 Compared to 2012: At December 31, 2013, net capital assets totaled \$687.8 million, or 86.5 % of total assets and deferred outflows, which is \$5.5 million lower than the prior year. This net decrease primarily represents asset additions, offset by depreciation and amortization, and removal of the Texas Hill property land portion related to prior year's contingent liability of \$1.5 million due to El Dorado County.

Analytical Review of Current Liabilities

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

Fiscal Year 2014 Compared to 2013: At December 31, 2014, current liabilities totaled \$17.4 million, which were \$0.5 million lower than the prior year, due primarily to lower accrued interest payable and accounts payable at year-end offset by an increase in the current portion of long-term liabilities.

Fiscal Year 2013 Compared to 2012: At December 31, 2013, current liabilities totaled \$17.9 million, which were \$0.3 million lower than the prior year, due primarily to reduced unearned revenue and current portion of long-term liabilities offset by an increase in accounts payable at year-end.

Analytical Review of Noncurrent Liabilities

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

Fiscal Year 2014 Compared to 2013: At December 31, 2014, noncurrent liabilities totaled \$384.0 million and were \$6.0 million lower than the prior year. Primary drivers to the decrease are due to paydown of bond principal through debt service and refunding of the 2004A and 2009A bond issues.

Fiscal Year 2013 Compared to 2012: At December 31, 2013, noncurrent liabilities totaled \$390.0 million and were \$11.2 million lower than the prior year. Primary drivers to the decrease include paydown of bond principal, removal of the Texas Hill contingent liability, and reduction of the noncurrent portion of the FERC license liability due to the completion of planned projects.

Analytical Review of Deferred Inflows

Deferred Inflows are classified as an acquisition of resources that is applicable to a future reporting period. For the District, they include deferred property taxes due to the method used to accrue property tax revenue under GASB Statement No. 33. The entire receivable is accrued when levied and the portion levied for the period after year-end is deferred.

Fiscal Year 2014 Compared to 2013: At December 31, 2014, deferred property taxes totaled \$5.2 million, which were \$0.2 million higher than the prior year.

Fiscal Year 2013 Compared to 2012: At December 31, 2013, deferred property taxes totaled \$4.9 million, which were \$0.1 million higher than the prior year.

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

While the Balance Sheets show assets, deferred outflows, liabilities, deferred inflows, and net position at a specific point in time, the Statements of Revenues, Expenses and Changes in Net Position show the results of operations for the year. The table below displays a condensed version of the Statements of Revenues, Expenses and Changes in Net Position for the years ended December 31, 2014, 2013, and 2012. The District's Net Position in 2014 increased by \$4.7 million to \$387.5 million, an indicator of another strong financial year.

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

	December 31,		
	<u>2014</u>	<u>2013</u>	<u>2012</u>
Operating Revenues	\$ 55.0	\$ 60.8	\$ 52.2
Nonoperating Revenues	14.8	13.4	14.5
Total Revenues	<u>69.8</u>	<u>74.2</u>	<u>66.7</u>
Operating Expenses	44.1	43.1	41.5
Depreciation and Amortization	21.8	21.4	21.4
Nonoperating Expenses	14.0	14.1	15.4
Total Expenses	<u>79.9</u>	<u>78.6</u>	<u>78.3</u>
Net Loss Before Capital Contributions	(10.1)	(4.4)	(11.6)
Capital Contributions	14.8	8.9	5.4
Change in Net Position	<u>4.7</u>	<u>4.5</u>	<u>(6.2)</u>
Beginning Net Position	<u>382.8</u>	<u>378.3</u>	<u>384.5</u>
Total Net Position	<u><u>\$387.5</u></u>	<u><u>\$382.8</u></u>	<u><u>\$378.3</u></u>

Analytical Review of Operating Revenues

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

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

	December 31,		
	<u>2014</u>	<u>2013</u>	<u>2012</u>
Water Sales & Services	\$27.1	\$30.4	\$24.4
Wastewater/Recycled Water Sales & Services	21.4	21.2	19.9
Recreational Revenues	1.3	1.3	1.1
Hydroelectric Revenues	5.2	7.9	6.8
Total Operating Revenues	<u>\$55.0</u>	<u>\$60.8</u>	<u>\$52.2</u>

Fiscal Year 2014 Compared to 2013: Fiscal year 2014 operating revenues were \$55.0 million or \$5.8 million lower than the prior year, primarily due to lower water sales and hydroelectric sales as a result of the prolonged draught. Reduced revenue earned from water sales can be attributed to the District imposing a voluntary water consumption conservation effort on the ratepayers.

Fiscal Year 2013 Compared to 2012: Fiscal year 2013 operating revenues were \$60.8 million or \$8.6 million higher than the prior year, primarily due to higher water sales and services resulting from a Board adopted 11% rate increase and a dry weather year causing an increase in water consumption. The increase of \$1.3 million in wastewater/recycled water sales and services can primarily be attributed to the Board adopted 5% rate increase.

Analytical Review of Nonoperating Revenues

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

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

	December 31,		
	<u>2014</u>	<u>2013</u>	<u>2012</u>
Surcharges	\$ 2.3	\$ 2.3	\$ 2.2
Voter-approved Taxes	0.5	0.5	0.5
Property Taxes	10.0	9.2	9.3
Interest Income	0.5	0.4	0.7
Other Income	1.5	1.0	1.8
Total Nonoperating Revenues	<u>\$14.8</u>	<u>\$13.4</u>	<u>\$14.5</u>

Fiscal Year 2014 Compared to 2013: Nonoperating revenues for fiscal year 2014 totaled \$14.8 million and were \$1.4 million higher than the prior year, primarily due to an increase in property taxes.

Fiscal Year 2013 Compared to 2012: Nonoperating revenues for fiscal year 2013 totaled \$13.4 million and were \$1.1 million lower than the prior year, primarily due to a reduction in interest and other income.

Analytical Review of Operating Expenses, Excluding Depreciation

The District’s operating expenses fall into the primary cost areas shown below. The majority of the District’s operating expenses are personnel expenses; accounting for approximately 61% of the total. Note that the personnel expenses below for 2014, 2013, and 2012 include a non-cash charge of \$1.1 million, \$1.2 million, and \$1.7 million, respectively, for postemployment benefits year-end accrual.

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

	December 31,		
	<u>2014</u>	<u>2013</u>	<u>2012</u>
Personnel Expense	\$27.0	\$26.8	\$26.6
Operating Supplies	4.0	3.6	3.4
Chemicals	0.8	1.0	0.9
Administration	3.2	3.1	2.8
Utilities	3.9	4.0	4.1
Professional Services	3.5	3.3	2.7
Repair Services	1.2	0.8	0.6
Insurance	0.5	0.5	0.4
Total Operating Expenses, Excluding Depreciation and Amortization	\$44.1	\$43.1	\$41.5

Fiscal Year 2014 Compared to 2013: Total operating expenses, excluding depreciation and amortization for 2014 were \$44.1 million or \$1.0 million higher than the prior year, primarily due to an increase in operating supplies and repair services within the Water utility operations.

Fiscal Year 2013 Compared to 2012: Total operating expenses, excluding depreciation and amortization for 2013 were \$43.1 million or \$1.6 million higher than the prior year, primarily due to an increase in materials and professional services to pay for previously forgone operating maintenance and repairs costs. Additionally, unplanned costs to repair the Caples Lake dam gates contributed to the slight increase in professional services.

Analytical Review of Nonoperating Expenses

The District's primary nonoperating expense is debt service interest expense. The other expense category includes expenditures such as line of credit fees and remarketing fees for the variable debt, fiscal agent fees, and miscellaneous expenses.

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

	December 31,		
	<u>2014</u>	<u>2013</u>	<u>2012</u>
Interest Expense	\$11.2	\$12.8	\$13.4
Debt Issuance Costs	1.3	0.0	0.9
Other Expense	1.5	1.3	1.1
Total Nonoperating Expenses	<u>\$14.0</u>	<u>\$14.1</u>	<u>\$15.4</u>

Fiscal Year 2014 Compared to 2013: Fiscal year 2014 nonoperating expenses of \$14.0 million were \$0.1 million lower than the prior year, primarily due to reduced interest expense offset by issuance costs incurred on the 2014A bond issue.

Fiscal Year 2013 Compared to 2012: Fiscal year 2013 nonoperating expenses of \$14.1 million were \$1.3 million lower than the prior year, primarily due to \$0.6 million less interest expense and the elimination of annual amortized debt issuance costs as required by the GASB No. 65 pronouncement. GASB No. 65 requires debt issuance costs that were once allowed to be amortized over the life of the bond, to be expensed as incurred.

Analytical Review of Net Operating Income, Excluding Depreciation and Amortization

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

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

	December 31,		
	<u>2014</u>	<u>2013</u>	<u>2012</u>
Operating Revenues	\$ 55.0	\$ 60.8	\$ 52.2
Operating Expenses	(44.1)	(43.1)	(41.5)
Net Operating Income, Excluding Depreciation and Amortization	<u>\$ 10.9</u>	<u>\$ 17.7</u>	<u>\$ 10.7</u>

Fiscal Year 2014 Compared to 2013: Fiscal year 2014 net operating income, excluding depreciation and amortization was \$10.9 million or \$6.8 million lower than the prior year, primarily due to a decrease in operating revenues as discussed earlier. Operating expenses remained relatively flat to the prior year.

Fiscal Year 2013 Compared to 2012: Fiscal year 2013 net operating income, excluding depreciation and amortization was \$17.7 million or \$7.0 million higher than the prior year, primarily due to an increase in operating revenues.

CAPITAL ASSETS AND DEBT ADMINISTRATION

CAPITAL ASSETS

Additions and deletions to capital assets encompass a broad range of infrastructure, including water and wastewater plants in service, recycled water facilities, construction in progress, and other assets such as vehicles, equipment, office equipment, and furniture.

All capital asset increases are consistent with the District's implementation of its capital improvement program.

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

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

	December 31,		
	<u>2014</u>	<u>2013</u>	<u>2012</u>
Capital Assets Not Being Depreciated:			
Land and Easements	\$ 7.1	\$ 7.1	\$ 8.6
Water Rights	2.5	2.5	2.5
Construction in Progress	39.9	37.9	28.2
Total Capital Assets Not Being Depreciated	49.5	47.5	39.3
Capital Assets Being Depreciated:			
Water Plant in Service	504.4	496.3	489.8
Wastewater Plant in Service	327.4	316.7	314.0
General Plant	37.6	37.8	39.2
Recycled Water Facility	31.4	29.1	27.3
FERC License	49.0	49.0	49.0
Total Capital Assets Being Depreciated	949.7	928.9	919.3
Less Accumulated Depreciation	(305.7)	(288.6)	(265.3)
Net Capital Assets Being Depreciated	644.1	640.3	654.0
Total Capital Assets, Net of Accumulated Depreciation	\$693.6	\$687.8	\$693.3

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

Fiscal Year 2014 Compared to 2013: Net capital assets totaled approximately \$693.6 million and increased by \$5.8 million over the prior year, primarily due to water and wastewater capital asset additions offset by \$17.1 million accumulated depreciation and amortization.

The major capital asset additions for the current year included:

- \$4.1 million for improvements to wastewater lift stations.
- \$1.3 million for the construction of the Motherlode Forcemain.
- \$1.0 million for improvements to flumes related to Project 184.

Fiscal Year 2013 Compared to 2012: Net capital assets totaled approximately \$687.8 million and decreased by \$5.5 million over the prior year, primarily due to \$23.3 million accumulated depreciation and amortization offsetting new construction activity and capital asset additions.

LONG-TERM DEBT AND LOANS

At December 31, 2014, the District had \$360.0 million long-term debt and loans outstanding net of bond premium, compared to \$369.3 million at the end of 2013.

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

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

	December 31,		
	<u>2014</u>	<u>2013</u>	<u>2012</u>
State of California Loans	\$ 15.4	\$ 16.4	\$ 17.5
Revenue Certificates of Participation	158.7	293.0	298.2
Refunding Revenue Bonds	168.6	50.5	50.7
General Obligation Bonds	1.8	2.3	2.6
Total Principal Outstanding	344.5	362.2	369.0
Bond Premium and Discounts	15.5	7.1	7.7
Total Debt and Loans	<u>\$ 360.0</u>	<u>\$ 369.3</u>	<u>\$ 376.7</u>
Decrease From Prior Year	\$ (9.3)	\$ (7.4)	\$ (6.6)
Percent Change	-2.5%	-2.0%	-1.7%

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

Fiscal Year 2014 Compared to 2013: At December 31, 2014, there was \$360.0 million in debt and loans outstanding, a net decrease of \$9.3 million or 2.5% from the prior year. The decrease was due to scheduled bond and loans principal debt service, the refunding of the 2004A and 2009A bond issues, and \$2.9 million prepayment on the 2014A bond issue March 1, 2015 debt service.

Fiscal Year 2013 Compared to 2012: At December 31, 2013, there was \$369.3 million in debt and loans outstanding, a net decrease of \$7.4 million or 2.0% from the prior year. The decrease was primarily due to the scheduled bond and loans principal debt service and \$2.9 million prepayment on the 2004A bond issue March 1, 2014 debt service.

Currently Standard and Poor’s (S&P) and Moody’s have assigned the District a rating of “A+” and “A1”, respectively. This is an increase from the “A” rating assigned by S&P during 2012.

COST OF CAPITAL

At December 31, 2014, the District's weighted average cost of capital was approximately 4.8%. The outstanding debt and loans principal with varying maturities and interest rates are outlined below.

	<u>Debt</u> <u>Balance</u> <u>12/31/2014</u>	<u>Average Coupon</u> <u>Rate</u>
State of California Loans	\$ 15.4	2.32% to 2.60%
2008A Certificate of Participation	110.7	varies*
2009A Certificate of Participation	33.2	3.5% to 6.25%
2010A Certificate of Participation	14.8	4.25% to 5.75%
2012A Refunding Revenue Bonds	48.9	4.00% to 5.00%
2012B Refunding Revenue Bonds	1.4	1.13% to 3.63%
2014A Refunding Revenue Bonds	118.3	3.00% to 5.25%
2003 General Obligation Bonds	1.8	2.00% to 4.50%

* The average weekly variable interest rate for the 2008A issue in 2014 was 0.05%.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

ECONOMIC FACTORS

Current El Dorado County economic projections continue to show gradual improvement in economic growth. This improvement has presented itself by increased development in the county specifically within the western portion of the District in El Dorado Hills. As a result, the District has been experiencing increased contributed capital in the form of Facility Capacity Charges (FCCs) and developer capital contributions in 2015, continuing a trend from the fourth quarter 2014. While the county has seen improved economic growth, there are still pressures on the budget. These include:

- Inflation (CPI) has increased thus far in 2015. Nationwide average inflation as of March 2015 was a 1.8% increase over one year ago, with the Northern California region trending at around the same rate.
- Statewide drought. Governor Brown has issued an executive order mandating that all water providers achieve a statewide 25% reduction in water use. As a result, the District is required to reduce its water usage by 28% from 2013 levels (in 2014, District customers reduced usage from 2013 by 24%) and mandatory watering restrictions are in effect. State Board regulations prohibit:
 - Irrigation of ornamental turf on public street medians with potable water.
 - Outside irrigation for newly constructed homes and buildings unless watered using drip or microspray systems.
 - Using potable water to wash sidewalks and driveways.
 - Using hoses with no shutoff nozzles.
 - Irrigating outdoors during and within 48 hours after measurable rainfall.
 - Restaurants from serving water unless upon request.

After years of negotiations with the United States Bureau of Reclamation (USBR), the District secured 8,500 acre feet (AF) of permit 21112 water out of Folsom Reservoir. This new water creates a surplus supply in Folsom

Reservoir that can't be delivered to most of the District, which allows the District to transfer surplus supplies to a third party on an annual basis and earn one-time revenues. In 2015, the District is working on obtaining regulatory approval to transfer approximately 3,000 AF of water to Westlands Water District in Fresno, California at \$700/AF which could yield the District an additional \$2.1 million in 2015 revenue.

NEXT YEAR'S BUDGETS AND RATES

The District closed the fiscal year in a positive financial position, with a \$4.7 million increase in net position. While the District remains in a positive position, the District continues to act in a fiscally responsible manner when budgeting and ensuring costs are managed to meet or exceed expectations.

- **2015 Operating Expenses:** In preparing for the 2015 operating budget, staff was directed to keep their budget relatively flat to the adopted 2014 budget though inflation is expected to be around 2% in 2015. The adopted 2015 operating budget of \$43.6 million reflects diligent cuts made by staff, which is \$0.4 million higher than the 2014 adopted operating budget.
- **2015 Rate Revenue:** The Board of Directors approved a zero percent rate increase for all utilities - water, wastewater, and recycled water. Due to the prolonged drought that is expected to continue through 2015, the District is forecasting water rate revenue to be below the \$27.9 million budget by approximately \$1.5 million, and hydroelectric revenues to be below the \$5.0 million budget by approximately \$3.5 million.

REQUESTS FOR INFORMATION

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



Basic Financial Statements

EL DORADO IRRIGATION DISTRICT

BALANCE SHEETS

December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 40,237,040	\$ 45,897,843
Accounts Receivable, Net	5,288,791	5,887,890
Due from Other Governmental Agencies	11,055	93,316
Interest Receivable	92,371	197,900
Taxes Receivable	10,463,751	9,877,624
Inventory	406,058	387,654
Prepaid Expenses and Other Current Assets	231,832	259,825
Total Current Assets	<u>56,730,898</u>	<u>62,602,052</u>
NONCURRENT ASSETS		
Restricted and Other Noncurrent Assets:		
Restricted Cash and Cash Equivalents	8,151,967	9,061,847
Restricted Investments	8,996,470	14,724,053
Investments	16,213,602	12,113,495
Hydroelectric Deposit	4,170,000	4,000,000
Total Restricted and Other Noncurrent Assets	<u>37,532,039</u>	<u>39,899,395</u>
Capital Assets:		
Nondepreciable	49,527,085	47,463,667
Depreciable, Net	644,072,556	640,293,860
Total Capital Assets, Net	<u>693,599,641</u>	<u>687,757,527</u>
Total Noncurrent Assets	<u>731,131,680</u>	<u>727,656,922</u>
TOTAL ASSETS	<u>787,862,578</u>	<u>790,258,974</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Amount on Refunding of Debt	<u>6,232,030</u>	<u>5,352,482</u>
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>6,232,030</u>	<u>5,352,482</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 794,094,608</u>	<u>\$ 795,611,456</u>

EL DORADO IRRIGATION DISTRICT

BALANCE SHEETS (CONTINUED)

December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION		
CURRENT LIABILITIES		
Accounts Payable	\$ 2,501,715	\$ 3,195,910
Deposits	282,543	262,257
Accrued Compensated Absences	1,468,460	1,447,836
Accrued Payroll and Benefits Payable	912,126	845,257
Unearned Revenue	2,216,229	2,735,512
Accrued Interest Payable	3,646,149	4,688,689
Reserve for Claims and Claims Expenses	833,000	1,143,000
Noncurrent Liabilities - Current Portion	4,691,672	2,925,507
FERC License Liability - Current Portion	786,000	673,437
Total Current Liabilities	<u>17,337,894</u>	<u>17,917,405</u>
NONCURRENT LIABILITIES		
Noncurrent Liabilities	360,702,993	370,644,469
FERC License Liability - Noncurrent Portion	23,288,047	19,321,909
Total Noncurrent Liabilities	<u>383,991,040</u>	<u>389,966,378</u>
TOTAL LIABILITIES	<u>401,328,934</u>	<u>407,883,783</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred Property Taxes	<u>5,231,875</u>	<u>4,961,037</u>
NET POSITION		
Net Investment in Capital Assets	315,736,927	303,832,235
Restricted for New Facilities	1,495,929	896,777
Restricted for Debt Service	13,436,279	20,153,611
Unrestricted	56,864,664	57,884,013
TOTAL NET POSITION	<u>387,533,799</u>	<u>382,766,636</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u>\$ 794,094,608</u>	<u>\$ 795,611,456</u>

The notes to the basic financial statements are an integral part of this statement.

EL DORADO IRRIGATION DISTRICT

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

For the Years Ended December 31, 2014 and 2013

	2014	2013
OPERATING REVENUES		
Water Sales	\$ 26,170,261	\$ 29,284,316
Water Services	977,583	1,100,849
Reclaimed Water Reimbursements/Sales	1,568,582	1,860,147
Wastewater Sales	19,715,764	19,309,506
Wastewater Services	74,421	74,959
Recreation Fees	1,301,719	1,266,333
Hydroelectric Sales	5,205,980	7,878,903
Total Operating Revenues	55,014,310	60,775,013
OPERATING EXPENSES		
Personnel Expenses	26,996,667	26,892,273
Operating Supplies	3,986,142	3,578,116
Chemicals	849,371	963,165
Administration	3,173,634	3,127,343
Utilities	3,937,344	3,969,310
Professional Services	3,551,502	3,283,652
Repair Services	1,169,578	849,482
Insurance	454,941	457,679
Depreciation and Amortization	21,751,796	21,419,843
Total Operating Expenses	65,870,975	64,540,863
NET LOSS FROM OPERATIONS	(10,856,665)	(3,765,850)
NONOPERATING REVENUES (EXPENSES)		
Surcharges	2,270,694	2,295,145
Voter-approved Taxes	512,896	477,766
Property Taxes	10,026,368	9,231,002
Interest Income	498,756	410,084
Other Income	1,528,538	1,028,939
Other Expenses	(1,548,628)	(1,362,888)
Debt Issuance Costs	(1,337,587)	
Interest Expense	(11,182,611)	(12,812,463)
Total Nonoperating Revenues (Expenses)	768,426	(732,415)
NET LOSS BEFORE CAPITAL CONTRIBUTIONS	(10,088,239)	(4,498,265)
CAPITAL CONTRIBUTIONS		
Facility Capacity Charges	4,543,463	5,453,083
Developer Contributions	10,311,939	3,474,909
Total Capital Contributions	14,855,402	8,927,992
CHANGE IN NET POSITION	4,767,163	4,429,727
NET POSITION, BEGINNING OF YEAR	382,766,636	378,336,909
NET POSITION, END OF YEAR	\$ 387,533,799	\$ 382,766,636

The notes to the basic financial statements are an integral part of this statement.

EL DORADO IRRIGATION DISTRICT

STATEMENTS OF CASH FLOWS

For the Years Ended December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers and Users	\$ 55,168,144	\$ 60,450,061
Payments to Suppliers	(18,424,322)	(16,098,130)
Payments to Employees	(25,822,754)	(25,417,864)
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>10,921,068</u>	<u>18,934,067</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Property Taxes Received	10,223,975	4,792,181
Operating Grants and Reimbursements	1,528,538	1,148,497
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	<u>11,752,513</u>	<u>5,940,678</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Advance Refunding of Long-term Debt	(135,128,422)	
Long-term Debt Issued	131,467,923	
Purchases of Capital Assets	(13,532,455)	(17,681,414)
Interest Payments on Long-term Debt	(12,470,682)	(13,134,830)
Principal Payments on Long-term Debt	(6,235,249)	(6,796,726)
Facility Capacity Charges Received	4,543,463	5,453,083
Surcharges Received	2,278,937	2,303,388
Debt Issuance Costs Paid	(2,229,540)	(1,096,031)
Hydroelectric Deposit Paid	(170,000)	
Capital Grants Received		306,009
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(31,476,025)</u>	<u>(30,646,521)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Investments	(11,999,500)	(16,236,250)
Proceeds from Sales and Maturities of Investments	13,732,304	2,000,000
Interest Received	498,957	553,620
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>2,231,761</u>	<u>(13,682,630)</u>
DECREASE IN CASH AND CASH EQUIVALENTS	<u>(6,570,683)</u>	<u>(19,454,406)</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>54,959,690</u>	<u>74,414,096</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 48,389,007</u>	<u>\$ 54,959,690</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE BALANCE SHEETS		
Cash and Cash Equivalents	\$ 40,237,040	\$ 45,897,843
Restricted Cash and Cash Equivalents	8,151,967	9,061,847
TOTAL CASH AND CASH EQUIVALENTS	<u>\$ 48,389,007</u>	<u>\$ 54,959,690</u>

(Continued)

EL DORADO IRRIGATION DISTRICT

STATEMENTS OF CASH FLOWS (CONTINUED)

For the Years Ended December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
RECONCILIATION OF NET LOSS FROM OPERATIONS TO		
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
Net Loss From Operations	\$ (10,856,665)	\$ (3,765,850)
Adjustments to Reconcile Net Loss From Operations to Net Cash Provided (Used) by Operating Activities:		
Depreciation and Amortization	21,751,796	21,419,843
Changes in Operating Assets and Liabilities:		
Accounts Receivable, Net	590,856	158,401
Due from Other Governmental Agencies	82,261	145,189
Inventory	(18,404)	(63,288)
Prepaid Expenses and Other Current Assets	27,993	83,655
Accounts Payable	(694,195)	877,862
Deposits	20,286	(128,339)
Accrued Compensated Absences	20,624	221,042
Accrued Payroll and Benefits Payable	66,869	76,691
Unearned Revenue	(519,283)	(628,542)
Reserve for Claims and Claims Expense	(310,000)	(310,000)
FERC License Liability	(327,490)	(329,273)
Other Postemployment Benefits Liability	<u>1,086,420</u>	<u>1,176,676</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u><u>\$ 10,921,068</u></u>	<u><u>\$ 18,934,067</u></u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES		
Changes in Estimates of FERC Liability	\$ (4,406,191)	\$ 3,371,428
Receipt of Contributed Assets	10,204,252	3,474,909
Change in Fair Value of Investments	105,328	(166,444)
Abandoned projects written off	(656,675)	
Write-off of Texas Hill Liability and Related Cost of Land		1,533,000

The notes to the basic financial statements are an integral part of this statement.

Notes to the Basic Financial Statements

EL DORADO IRRIGATION DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

December 31, 2014 and 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. General

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

B. Financial Reporting Entity

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

The District is a member of the El Dorado Water and Power Authority (the Authority), which was created under a Joint Powers Agreement between the District, El Dorado County and El Dorado County Water Agency. The District's Board of Directors serves as five of the sixteen members of the Authority's Board of Directors and, therefore, the District does not control the activities of the Authority. The District has only a residual equity interest in the Authority is not responsible for the liabilities of the Authority under the Agreement. The District provides a yearly contribution to the Authority for operations. The District's contributions for the years ended December 31, 2014 and 2013 were \$196,875 and \$281,250, respectively. The Authority does not issue separate financial statements. More information about the Authority may be found at: <http://www.edcgov.us/waterandpower/index.html>.

C. Basis of Presentation

The basic financial statements of the District have been prepared in conformity with generally accepted accounting principles as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The District is accounted for as an enterprise fund and applies all applicable GASB pronouncements in its accounting and reporting. In addition, the District follows Financial Accounting Standards Board pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements. The more significant of the District's accounting policies are described below.

The accounts of the District are organized and operated as one enterprise fund. The operation of a fund is accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, revenues and expenses.

EL DORADO IRRIGATION DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)

December 31, 2014 and 2013

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

D. Basis of Accounting

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

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

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

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

Operating revenues and expenses consists of those revenues and expenses that result from the ongoing principal operations of the District. Operating revenues consist primarily of charges for services. Nonoperating revenues and expenses consist of those revenues and expenses that are related to financing and investing types of activities and result from nonexchange transactions or ancillary activities.

E. Measurement Focus

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

F. Cash and Cash Equivalents

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

EL DORADO IRRIGATION DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)

December 31, 2014 and 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. *Restricted Assets*

The District's restricted assets consisted of \$1,495,929 and \$1,345,891 of unspent facility capacity charges restricted for new facilities at December 31, 2014 and 2013, respectively, and \$1,159,400 of developer fees restricted for Webber Dam improvements at December 31, 2014 and 2013. The remaining restricted assets at December 31, 2014 and 2013 represented debt proceeds restricted for future debt service payments by the related debt agreements.

H. *Investments*

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

I. *Hydroelectric Deposit*

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

J. *Receivables*

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

K. *Budgets and Budgetary Accounting*

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

L. *Property Taxes*

The District receives property taxes from El Dorado County. The property taxes are generally levied and become a lien on the property on July 1 and are based on the assessed value of the property as of the previous January. Secured property taxes are levied on July 1 and are due in two installments, on November 1 and February 1. They become delinquent on December 10 and April 10, respectively. Unsecured property taxes are levied on July 1, and are due in one installment by January 1. They become delinquent on August 31, approximately ten months after being levied. The District elected to receive the property taxes from the County under the Teeter Bill. Under this program the District receives 100% of the levied property taxes in periodic payments, with the County assuming responsibility for delinquencies.

EL DORADO IRRIGATION DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)

December 31, 2014 and 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

M. Bond Discounts, Issuance Costs and Deferred Amounts on Refunding

Bond discounts, premiums, and deferred amounts on refunding are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond discounts and premiums. Deferred amounts on refunding are reported as deferred outflows of resources on the balance sheet. Issuance costs are expensed as incurred under GASB Statement No. 65.

N. Compensated Absences

The District's policy allows employees to accumulate earned but unused personal time off (PTO). PTO is divided into Bank A that is payable at termination and Bank B that is allowed to be converted to PERS service credit upon separation or may otherwise be used only in a catastrophic event. The hours earned by employees range from 176 to 296 hours per year, based on the number of years of service. Bank A hours are limited to 160 to 280 hours, depending on years of service. Any hours exceeding the Bank A limit are included in Bank B. Only Bank A is accrued as compensated absences and the entire balance is considered to be current based on historical usage patterns. Bank B is included in the District's pension plan under GASB Statement No. 16 since it is rarely used for time off and is typically converted to PERS service credit. The cost of PTO is recognized in the period it is earned. Activity in current compensated absences was as follows for the year ended December 31:

Balance at January 1, 2014	Additions	Payments	Balance at December 31, 2014	Due Within One Year
\$ 1,447,836	\$ 1,700,248	\$ (1,679,624)	\$ 1,468,460	\$ 1,468,460

Balance at January 1, 2013	Additions	Payments	Balance at December 31, 2013	Due Within One Year
\$ 1,226,794	\$ 1,872,888	\$ (1,651,846)	\$ 1,447,836	\$ 1,447,836

O. Use of Estimates

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

EL DORADO IRRIGATION DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)

December 31, 2014 and 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

P. Inventory

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

Q. Reserves for Claims and Claims Expense

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

R. Reclassifications

Noncurrent liabilities - current portion at December 31, 2013 included a debt principal payment due on January 1, 2015 that the District traditionally pays on December 31, or within one year of the balance sheet date. The current portion of long-term liabilities as of December 31, 2013 was revised to include only the payment due within one year of the balance sheet date. The payment due on January 1, 2015 was reclassified to noncurrent liabilities as of December 31, 2013. A loss on disposal of capital assets was also reclassified from other income to other expenses for the year ended December 31, 2013. These reclassifications had no effect on total assets, liabilities, net position or change in net position as of and for the year ended December 31, 2013.

S. New Pronouncements

In June 2012, the GASB approved Statement No. 68, *Accounting and Financial Reporting for Pensions*. This Statement requires governments providing defined benefit pension plans to recognize their long-term obligation for pension benefits as a liability on the statement of net position and to more comprehensively and comparably measure the annual costs of pension benefits. This Statement also requires revised and new note disclosures and required supplementary information (RSI) to be reported by employers. The implementation of this Statement will result in the District accruing a pension plan liability and will result in significant new footnote and required supplementary information disclosures and is effective for the District's December 31, 2015 financial statements.

In November 2013, the GASB approved Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*. GASB Statement No. 68 requires a state or local government employer to recognize a net pension liability measured as of measurement date no earlier than the end of its prior fiscal year. This Statement requires that, at transition, a government recognize a beginning deferred outflow of resources for its pension contributions made subsequent to the measurement date of the beginning net pension liability. This Statement is required to be implemented simultaneously with Statement No. 68.

In February 2015, the GASB approved Statement No. 72, *Fair Value Measurement and Application*. This Statement addresses accounting and financial reporting issues related to fair value measurements and will require additional disclosures about assets and liabilities measured at fair value. This Statement is effective for periods beginning after June 15, 2015.

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

EL DORADO IRRIGATION DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)

December 31, 2014 and 2013

NOTE 2 - CASH AND INVESTMENTS

A. Policies

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

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

The District is in compliance with the Board approved investment policy and California Government Code requirements.

B. Classification

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

	<u>2014</u>	<u>2013</u>
Cash and Cash Equivalents	\$ 40,237,040	\$ 45,897,843
Restricted Cash and Cash Equivalents	8,151,967	9,061,847
Restricted Investments	8,996,470	14,724,053
Investments	<u>16,213,602</u>	<u>12,113,495</u>
Total Cash and Investments	<u>\$ 73,599,079</u>	<u>\$ 81,797,238</u>

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

	<u>2014</u>	<u>2013</u>
Cash on Hand	\$ 3,975	\$ 4,075
Deposits with Financial Institutions	<u>3,936,848</u>	<u>2,601,069</u>
Total Cash	<u>3,940,823</u>	<u>2,605,144</u>
California Local Agency Investment Fund (LAIF)	35,249,923	39,169,687
U.S. Agency Securities	18,947,730	13,859,060
California Asset Management Program	4,758,453	7,755,301
Money Market Mutual Funds	4,439,808	5,429,558
Medium Term Corporate Notes	5,012,860	4,996,723
Certificates of Deposit	1,249,482	1,249,462
Guaranteed Investment Contracts	<u>6,732,303</u>	<u>6,732,303</u>
Total Investments	<u>69,658,256</u>	<u>79,192,094</u>
Total Cash and Investments	<u>\$ 73,599,079</u>	<u>\$ 81,797,238</u>

EL DORADO IRRIGATION DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)

December 31, 2014 and 2013

NOTE 2 - CASH AND INVESTMENTS (Continued)

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

The District's investment policy and the California Government Code allow the District to invest in the following, provided the credit ratings of the issuers are acceptable to the District and approved percentages and maturities are not exceeded. The table below also identifies certain provisions of the California Government Code, or the District's investment policy where the District's investment policy is more restrictive. This table does not address investments of debt proceeds held by bond trustee that are governed by the provisions of the debt agreement and not the provisions of the California Government Code or the District's investment policy.

Authorized Investment Type	Maximum Maturity	Minimum Credit Quality	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
U.S. Treasury Obligations	5 years	N/A	75%	None
U.S. Agency Securities	5 years	N/A	80%	30%
Bankers' Acceptances	180 days	N/A	40%	30%
Commercial Paper	180 days	A1,P1	15%	10%
Negotiable Certificates of Deposit	5 years	N/A	25%	None
Repurchase Agreements	90 days	N/A	None	None
Medium Term Corporate Notes	5 years	A,A2	30%	10%
Money Market Mutual Funds	N/A	A1,P1	20%	10%
California Local Agency Investment Fund (LAIF)	N/A	N/A	75%	\$50,000,000
Collateralized Certificates of Deposit	5 years	N/A	None	None
Collateralized Negotiable Investments	5 years	N/A	None	None
California Asset Management Program (CAMP)	N/A	N/A	75%	None

D. Investments Authorized by Debt Agreements

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

E. Interest Rate Risk

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

EL DORADO IRRIGATION DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)

December 31, 2014 and 2013

NOTE 2 - CASH AND INVESTMENTS (Continued)

Information about the sensitivity of the fair values of the District's investments (including investments held by bond trustees) to market interest rate fluctuations is provided by the following table that shows the distribution of the District's investments by maturity or earliest call date as of December 31, 2014:

Investment Type	Total	Remaining Maturity		
		12 Months or Less	13 to 24 Months	25 to 60 Months
California Local Agency Investment Fund	\$ 35,249,923	\$ 35,249,923		
U.S. Agency Securities	9,951,260			\$ 9,951,260
California Asset Management Program	4,758,453	4,758,453		
Medium Term Corporate Notes	5,012,860	2,006,600		3,006,260
Certificates of Deposit	1,249,482	1,001,318		248,164
Held by Trustee:				
U.S. Agency Securities	8,996,470		\$ 1,998,250	6,998,220
Money Market Mutual Funds	4,439,808	4,439,808		
Total	\$ 69,658,256	\$ 47,456,102	\$ 1,998,250	\$ 20,203,904

F. Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code, the District's investment policy, or debt agreements, and the actual rating as of December 31, 2014 for each investment type.

	Minimum Legal Rating	Total	Ratings as of Year-end					Unrated
			AAA/Aaa	Aa1/AA+	A1/A+	A2/A	A3/A-	
California Local Agency Investment Fund	N/A	\$ 35,249,923						\$ 35,249,923
U.S. Agency Securities	N/A	9,951,260		\$ 9,951,260				
California Asset Management Program	N/A	4,758,453						4,758,453
Medium Term Corporate Notes	A/A2	5,012,860			\$ 2,997,980	\$ 1,005,370	\$ 1,009,510	
Certificates of Deposit	N/A	1,249,482						1,249,482
Held by Trustee:								
U.S. Agency Securities	AAA/Aaa	8,996,470		8,996,470				
Money Market Mutual Funds	AAA/Aaa	4,439,808	\$ 4,439,808					
Total		\$ 69,658,256	\$ 4,439,808	\$ 18,947,730	\$ 2,997,980	\$ 1,005,370	\$ 1,009,510	\$ 41,257,858

EL DORADO IRRIGATION DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)

December 31, 2014 and 2013

NOTE 2 - CASH AND INVESTMENTS (Continued)

G. Concentration of Credit Risk

The investment policy of the District limited the amount that can be invested in any one issuer to the amount stipulated in the table at Note 2.C above. As of December 31, 2014, the District invested in the following investments which each represent more than 5% of its total investment in any one issuer (other than U.S. Treasury obligations, mutual funds and external investment pools):

Issuer	Investment Type	Amount
Federal Home Loan Mortgage Corporation	U.S. Agency Securities	\$ 11,985,450

H. Custodial Credit Risk

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

At December 31, 2014 and 2013, the carrying amount of the District's deposits was \$3,935,710 and \$2,601,069 and the balance in financial institutions was \$4,715,646 and \$3,895,878, respectively. Of the balance in financial institutions, \$337,110 and \$265,865 was covered by federal depository insurance and \$4,378,536 and \$3,630,013 was collateralized by securities pledged by the financial institution, respectively.

As of December 31, 2014 and 2013, all of the District's securities were held by the District's agent in the District's name and were not exposed to custodial credit risk.

Investment in LAIF: LAIF is stated at fair value. LAIF is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The total fair value amount invested by all public agencies in LAIF is \$60,268,887,722 that is managed by the State Treasurer. Of that amount, 98.92 percent is invested in non-derivative financial products and 1.08 percent is invested in derivative financial products and structured financial instruments. The Local Investment Advisory Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by State Statute. The District records on its books the fair value of its

EL DORADO IRRIGATION DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)

December 31, 2014 and 2013

NOTE 2 - CASH AND INVESTMENTS (Continued)

pro-rata share of the value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. The weighted average maturity of investments held by LAIF was 200 and 209 days at December 31, 2014 and 2013, respectively.

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

NOTE 3 – CAPITAL ASSETS

A. Summary

Capital assets are stated at historical cost if purchased or constructed. The District capitalizes all assets with a historical cost of at least \$5,000 and a useful life of at least three years. The cost of additions to utility plant and major replacements of property are capitalized. Capitalized costs include material, direct labor, transportation and such indirect items as engineering, supervision, employee fringe benefits and interest on net borrowed funds related to plant under construction, if material. Easements with indefinite lives are capitalized as part of land and easements, which is not depreciable. Contributed property is recorded at estimated fair market value at the date of donation. Repairs, maintenance and minor replacements of capital assets are expensed.

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

Capital assets are depreciated using the straight line method, which means the cost of the asset is divided by its expected useful life in years and the result is charged to expense each year until the asset is fully depreciated. The District's water rights and FERC license are intangible assets. Water rights have an indefinite useful life and are not amortized under GASB Statement No. 51. The District has assigned the useful lives listed below to capital assets and intangible assets:

<u>Description</u>	<u>Estimated Life</u>
Facilities and Improvements	30 – 50 years
Buildings and Structures	40 – 100 years
Equipment and Furniture	5 – 10 years
FERC License	40 years

EL DORADO IRRIGATION DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)

December 31, 2014 and 2013

NOTE 3 – CAPITAL ASSETS (Continued)

B. FERC License Intangible Asset and FERC License Liability

On October 16, 2006, the Federal Energy Regulatory Commission (FERC) issued an order renewing the license for the El Dorado Hydroelectric Project No. 184, effective October 1, 2006. The FERC license is recorded as an intangible asset under GASB Statement No. 51. The cost basis of the FERC license is made up of historical expenses of \$7,856,145 incurred for studies, legal counsel and consultants through the date the license was issued in 2006 as well as an asset recorded when the FERC license liability described below was recorded, which had a balance of \$41,120,059 at December 31, 2014 and 2013. The license is being amortized over the forty year license term, which ends in 2046. The historical expenses are amortized in the amount of \$196,404 per year using the straight line method.

The FERC license liability reported on the balance sheet represents the present value of future expenses that are required to be incurred by the District as part of the license agreement, including improving and maintaining a number of campgrounds, constructing a boat launch facility, making modifications to the outlets of dams, improving trailheads and monitoring environmental issues.

The liability is reduced each year as required tasks are completed and the liability is also adjusted for changes in cost estimates of the individual tasks making up the liability as they become known. The completed tasks included in the original FERC license liability are removed from the liability when paid. After consulting with the GASB, the District records any changes in estimates that are removed from the liability as amortization in the capital asset roll-forward. The remaining FERC license basis (\$41,120,059 original cost less accumulated amortization) at the beginning of each year is amortized using the straight line method over the remaining license term. The change in the FERC license liability and the current portion related to tasks expected to be completed within one year were as follows at December 31:

Balance at January 1, 2014	Payments	Change in Estimate	Balance at December 31, 2014	Current Portion
<u>\$ 19,995,346</u>	<u>\$ (327,491)</u>	<u>\$ 4,406,192</u>	<u>\$ 24,074,047</u>	<u>\$ 786,000</u>
Balance at January 1, 2013	Payments	Change in Estimate	Balance at December 31, 2013	Current Portion
<u>\$ 23,696,047</u>	<u>\$ (329,275)</u>	<u>\$ (3,371,426)</u>	<u>\$ 19,995,346</u>	<u>\$ 673,437</u>

EL DORADO IRRIGATION DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)

December 31, 2014 and 2013

NOTE 3 – CAPITAL ASSETS (Continued)

C. Additions and Retirements

Capital assets balances and activity are summarized below:

	Balance at January 1, 2014	Additions	Deletions	Transfers	Balance at December 31, 2014
Capital Assets not Being Depreciated:					
Land and Easements	\$ 7,082,232	\$ 45,053			\$ 7,127,285
Water Rights	2,516,865				2,516,865
Construction in Progress	37,864,570	13,306,952	\$ (656,675)	\$ (10,631,912)	39,882,935
Total Capital Assets not Being Depreciated	<u>47,463,667</u>	<u>13,352,005</u>	<u>(656,675)</u>	<u>(10,631,912)</u>	<u>49,527,085</u>
Capital Assets Being Depreciated:					
Water Plant in Service	496,309,329	4,123,828	(39,275)	4,037,020	504,430,902
Wastewater Plant in Service	316,705,303	4,054,167		6,594,892	327,354,362
General Plant	37,764,527	56,910	(229,083)		37,592,354
Reclaimed Water Facility	29,137,670	2,257,484			31,395,154
FERC License	48,976,204				48,976,204
Total Capital Assets Being Depreciated	<u>928,893,033</u>	<u>10,492,389</u>	<u>(268,358)</u>	<u>10,631,912</u>	<u>949,748,976</u>
Less Accumulated Depreciation and Amortization for:					
Water Plant in Service	(150,536,199)	(10,283,657)	39,275		(160,780,581)
Wastewater Plant in Service	(89,587,092)	(7,927,085)			(97,514,177)
General Plant	(18,279,220)	(1,987,874)	229,083		(20,038,011)
Reclaimed Water Facility	(7,420,809)	(740,557)			(8,161,366)
FERC License	(22,775,853)	3,593,568			(19,182,285)
Total Accumulated Depreciation	<u>(288,599,173)</u>	<u>(17,345,605)</u>	<u>268,358</u>		<u>(305,676,420)</u>
Total Capital Assets Being Depreciated, Net	<u>640,293,860</u>	<u>(6,853,216)</u>		<u>10,631,912</u>	<u>644,072,556</u>
Total Capital Assets, Net	<u>\$ 687,757,527</u>	<u>\$ 6,498,789</u>	<u>\$ (656,675)</u>	<u>\$ -</u>	<u>\$ 693,599,641</u>

EL DORADO IRRIGATION DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)

December 31, 2014 and 2013

NOTE 3 – CAPITAL ASSETS (Continued)

	Balance at January 1, 2013	Additions	Deletions	Transfers	Balance at December 31, 2013
Capital Assets not Being Depreciated:					
Land and Easements	\$ 8,615,232		\$ (1,533,000)		\$ 7,082,232
Water Rights	2,516,865				2,516,865
Construction in Progress	28,156,974	\$ 17,403,609	(266,857)	\$ (7,429,156)	37,864,570
Total Capital Assets not Being Depreciated	<u>39,289,071</u>	<u>17,403,609</u>	<u>(1,799,857)</u>	<u>(7,429,156)</u>	<u>47,463,667</u>
Capital Assets Being Depreciated:					
Water Plant in Service	489,823,940	1,485,703	(135,364)	5,135,050	496,309,329
Wastewater Plant in Service	313,988,108	527,965		2,189,230	316,705,303
General Plant	39,206,594		(1,442,067)		37,764,527
Reclaimed Water Facility	27,293,748	1,739,046		104,876	29,137,670
FERC License	48,976,204				48,976,204
Total Capital Assets Being Depreciated	<u>919,288,594</u>	<u>3,752,714</u>	<u>(1,577,431)</u>	<u>7,429,156</u>	<u>928,893,033</u>
Less Accumulated Depreciation and Amortization for:					
Water Plant in Service	(140,561,156)	(9,990,849)	15,806		(150,536,199)
Wastewater Plant in Service	(81,899,964)	(7,687,128)			(89,587,092)
General Plant	(17,576,442)	(2,144,845)	1,442,067		(18,279,220)
Reclaimed Water Facility	(6,741,766)	(679,043)			(7,420,809)
FERC License	(18,486,447)	(4,289,406)			(22,775,853)
Total Accumulated Depreciation	<u>(265,265,775)</u>	<u>(24,791,271)</u>	<u>1,457,873</u>		<u>(288,599,173)</u>
Total Capital Assets Being Depreciated, Net	<u>654,022,819</u>	<u>(21,038,557)</u>	<u>(119,558)</u>	<u>7,429,156</u>	<u>640,293,860</u>
Total Capital Assets, Net	<u>\$ 693,311,890</u>	<u>\$ (3,634,948)</u>	<u>\$ (1,919,415)</u>	<u>\$ -</u>	<u>\$ 687,757,527</u>

The \$1,533,000 decrease in land and easements above is related to the removal of the Texas Hill liability as discussed in Notes 4.B and 9.C. This transaction did not result in a gain or loss on disposal of capital assets.

EL DORADO IRRIGATION DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)

December 31, 2014 and 2013

NOTE 4 – LONG-TERM LIABILITIES

A. Composition and Changes

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

	Original Issue Amount	Balance at January 1, 2014	Incurred	Retired	Balance at December 31, 2014	Due Within One Year
State of California Loans	\$ 22,855,212	\$ 16,455,819		\$ (1,055,249)	\$ 15,400,570	\$ 671,672
Certificates of Participation:						
Refunding Revenue, Series 2004A	75,445,000	35,260,000		(35,260,000)		
Adjustable Rate Revenue, Series 2008A	110,705,000	110,705,000			110,705,000	
Revenue, Series 2009A	132,285,000	132,285,000		(99,040,000)	33,245,000	2,760,000
Refunding Revenue, Series 2010A	14,755,000	14,755,000			14,755,000	
Refunding Revenue Bonds:						
Series 2012A	48,935,000	48,935,000			48,935,000	
Series 2012B	1,750,000	1,570,000		(180,000)	1,390,000	185,000
Series 2014A	121,190,000		\$ 121,190,000	(2,910,000)	118,280,000	635,000
2003 General Obligation Refunding Bonds	6,000,000	2,260,000		(425,000)	1,835,000	440,000
Total		362,225,819	121,190,000	(138,870,249)	344,545,570	\$ 4,691,672
Bond Premiums and Discounts		7,056,609	10,277,923	(1,859,405)	15,475,127	
Total Debt and Loans		369,282,428	131,467,923	(140,729,654)	360,020,697	
Other Postemployment Benefits		4,287,548	2,185,342	(1,098,922)	5,373,968	
Less: Due Within One Year		(2,925,507)		(1,766,165)	(4,691,672)	
Due in More Than One Year		\$ 370,644,469	\$ 133,653,265	\$ (143,594,741)	\$ 360,702,993	
	Issue Amount	January 1, 2013	Incurred	Retired	December 31, 2013	Due Within One Year
State of California Loans	\$ 22,855,212	\$ 17,485,670		\$ (1,029,851)	\$ 16,455,819	\$ 655,507
Certificates of Participation:						
Refunding Revenue, Series 2004A	75,445,000	40,436,875		(5,176,875)	35,260,000	1,665,000
Adjustable Rate Revenue, Series 2008A	110,705,000	110,705,000			110,705,000	
Revenue, Series 2009A	132,285,000	132,285,000			132,285,000	
Refunding Revenue, Series 2010A	14,755,000	14,755,000			14,755,000	
Refunding Revenue Bonds:						
Series 2012A	48,935,000	48,935,000			48,935,000	
Series 2012B	1,750,000	1,750,000		(180,000)	1,570,000	180,000
2003 General Obligation Refunding Bonds	6,000,000	2,670,000		(410,000)	2,260,000	425,000
Total		369,022,545		(6,796,726)	362,225,819	\$ 2,925,507
Bond Premiums and Discounts		7,654,259		(597,650)	7,056,609	
Total Debt and Loans		376,676,804		(7,394,376)	369,282,428	
County of El Dorado Note - Texas Hill	3,969,205	1,533,000		(1,533,000)		
Other Postemployment Benefits		3,110,872	\$ 2,185,342	(1,008,666)	4,287,548	
Less: Due Within One Year		(3,871,726)		946,219	(2,925,507)	
Due in More Than One Year		\$ 377,448,950	\$ 2,185,342	\$ (8,989,823)	\$ 370,644,469	

EL DORADO IRRIGATION DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)

December 31, 2014 and 2013

NOTE 4 – LONG-TERM LIABILITIES (Continued)

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

State of California Loans

The State of California Department of Water Resources, through the State Revolving Fund Loan Program, provides low interest loans for clean water and drinking projects to localities that operate facilities throughout the State of California. The State Revolving Fund is funded through federal appropriations. As of December 31, 2012, the District has entered into ten State Revolving Fund loans to finance the lining and covering of reservoirs as mandated by the State Department of Health Services, in the aggregate amount of \$22,855,212. The loans bear interest rates that range from 2.32% to 2.60%. The District implemented a water rate surcharge that is collected for debt service payments on these loans. Semi-annual principal and interest payments ranging from \$20,087 to \$186,656 are due on either January 1 and July 1 or April 1 and October 1, through October 1, 2028. Each loan has a maximum term of 20 years.

Adjustable Rate Revenue Certificates of Participation, Series 2008A

On April 30, 2008, the District issued Adjustable Refunding Revenue Certificates of Participation, Series 2008A in the amount of \$110,705,000. Proceeds from these certificates were used to refund the District's 2003B and 2004B Adjustable Rate Revenue bonds as well as to establish a reserve account of \$9,940,697. The Certificates are payable from the District's net revenues. The District is required to collect rates and charges from these facilities which will be sufficient to yield net revenues equal to 125% of the debt service payments on this issuance and all other pre-existing debt. Interest rates are variable and are based on weekly auction rates determined by the remarketing agent. Interest rates are capped at 12%. Principal payments ranging from \$14,020,000 to \$17,730,000 are payable annually on March 1 from March 1, 2030 through March 1, 2036, and interest payments are payable on the first Wednesday of each month, through March 1, 2036.

Revenue Certificates of Participation, Series 2009A

On January 23, 2009, the District issued Revenue Certificates of Participation, Series 2009A in the amount of \$132,285,000. Proceeds from these certificates were used to acquire certain facilities for the District water system and wastewater system and to purchase a financial guaranty insurance policy. The Certificates are payable from the District's net revenues. The District is required to collect rates and charges from these facilities which will be sufficient to yield net revenues equal to 125% of the debt service payments on this issuance and all other pre-existing debt. Originally, interest rates ranged from 3.50% to 6.25%. Principal payments ranged from \$2,760,000 to \$9,515,000 were payable annually on August 1, from August 1, 2015 through August 1, 2039, and interest payments ranged from \$273,556 to \$3,652,459 were payable semi-annually on February 1 and August 1, through August 1, 2039. On February 13, 2014, the District issued Refunding Revenue Bonds, Series 2014A, of which a portion of the proceeds were used to advance refund \$99,040,000 of the 2009A certificates. After the refunding, interest rates range from 3.50% to 5.38%. Principal payments ranging from \$2,760,000 to \$4,035,000 are payable annually on August 1, from August 1, 2015 through August 1, 2024, and interest payments ranging from \$108,441 to \$744,859 are payable semi-annually on February 1 and August 1, through August 1, 2024.

EL DORADO IRRIGATION DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)

December 31, 2014 and 2013

NOTE 4 – LONG-TERM LIABILITIES (Continued)

Refunding Revenue Certificates of Participation, Series 2010A

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

Refunding Revenue Bonds, Series 2012A

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

Refunding Revenue Bonds, Series 2012B

On June 28, 2012 the District issued the Refunding Revenue Bonds, Series 2012B in the amount of \$1,750,000. Proceeds from these bonds combined with Series 2012A were used to advance refund the District's 2003A Revenue Certificates of Participation. The Bonds are payable from the District's net revenues. The District is required to collect rates and charges from these facilities which will be sufficient to yield net revenues equal to 125% of the debt service payments on this issuance and all other pre-existing debt. Interest rates range from 1.13% to 3.63%. Principal payments ranging from \$180,000 to \$220,000 are payable annually on March 1, from March 1, 2013 through March 1, 2021, and interest payments of \$3,988 to \$23,281 are payable semi-annually on March 1 and September 1, through March 1, 2021.

Refunding Revenue Bonds, Series 2014A

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

EL DORADO IRRIGATION DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)

December 31, 2014 and 2013

NOTE 4 – LONG-TERM LIABILITIES (Continued)

2003 General Obligation Refunding Bonds

On December 9, 2003, the District issued the 2003 General Obligation Refunding Bonds in the amount of \$6,000,000. Proceeds from these bonds were used to prepay a portion of the Sly Park Facilities Contract between the District and the United States, Department of the Interior, Bureau of Reclamation. The Bonds are to be repaid from a property tax assessment on property within the District’s jurisdiction. Interest rates range from 2.0% to 4.5%. Principal payments, ranging from \$240,000 to \$455,000 are payable annually on October 1, through October 1, 2019, and interest payments, ranging from \$5,513 to \$95,319 are payable semi-annually on April 1 and October 1, through October 1, 2019.

C. Debt Service Requirements

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

For the Year Ended December 31	Business-type Activities	
	Principal	Interest
2015	\$ 4,691,673	\$ 16,299,779
2016	8,252,837	16,255,836
2017	13,954,912	15,833,937
2018	14,282,655	15,259,168
2019	14,891,083	14,634,559
2020-2024	65,145,818	63,991,452
2025-2029	41,241,592	50,946,470
2030-2034	107,060,000	33,094,313
2035-2039	75,025,000	7,259,706
Total	<u>\$ 344,545,570</u>	<u>\$ 233,575,220</u>

The table above is based on an assumed interest rate of 5% in 2015 and thereafter on the Adjustable Rate Revenue Certificates of Participation, Series 2008A, which may change.

D. Refunding of Debt

In 2014 and 2013, the District defeased \$2,910,000 and \$2,925,000 of the Refunding Revenue Bonds, Series 2014A, and Refunding Revenue Certificates of Participation, Series 2004A, respectively, by creating separate irrevocable trust to prepay a portion of the subsequent year debt service payment. This was done to help meet the debt service coverage ratios for the Bonds and Certificates. Amounts were placed in an escrow account from which principal and interest will be used to make scheduled principal and interest payments on the refunded Bonds and Certificates. For financial reporting purposes, the prepaid portion of the Bonds and Certificates are considered defeased and have been removed from the District’s financial statements.

EL DORADO IRRIGATION DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)

December 31, 2014 and 2013

NOTE 4 – LONG-TERM LIABILITIES (Continued)

On February 13, 2014, the District issued the Refunding Revenue Bonds, Series 2014A in an advanced refunding of all the outstanding Refunding Revenue Certificates of Participation, Series 2004A, and a portion of the outstanding Revenue Certificates of Participation, Series 2009A. The net proceeds of the Bonds were used to purchase U.S. Agency securities and these securities were deposited in an irrevocable trust with an escrow agent. The 2004A Certificates were repaid 30 days after the issuance of the 2014A Bonds and the 2009A Certificates principal was repaid on August 1, 2014. The advance refunding resulted in a difference of \$4,699,245 between the reacquisition price and the net carrying amount of the old debt. The difference, reported in the accompanying financial statements as deferred outflows of resources, is being charged as an addition to interest expense through the year 2024 using the straight-line method. The District completed the advance refunding to reduce its total debt service payments by \$27,026,400, which resulted in an economic gain (difference between the present values of the old and new debt service payments) of \$17,182,464.

At December 31, 2014 and 2013 the amount held in escrow (including interest earned on the prepayment) for the payment of outstanding Bonds and Certificates that are considered defeased were as follows:

	2014	2013
Refunding Revenue Bonds, Series 2014A	\$ 2,997,300	
Refunding Revenue Certificates of Participation, Series 2004A		\$ 2,998,125

E. Pledged Revenues

The District has pledged future water and wastewater system revenues, net of specified operating expenses, to repay its 2008A, 2009A and 2010A Certificates of Participation in the original amounts of \$110,705,000, \$132,285,000 and \$14,755,000, respectively, and to repay its 2012A, 2012B and 2014A Refunding Revenue Bonds in the original amounts of \$48,935,000, \$1,750,000 and \$121,190,000, respectively. Proceeds of the Certificates and Bonds were used to refund certain debt issuances as described above and to fund improvements to the District's water and wastewater systems. The Certificates and Bonds are payable solely from water and wastewater system revenues and are payable through August 1, 2039. Annual principal and interest payments on the Certificates and Bonds are expected to be 80% or less of net revenues as required by the Bond indentures. The current year's principal and interest payments are 50% of net revenues. Total principal and interest remaining to be paid on the Certificates and Bonds were \$558,072,735 and \$612,395,609 at December 31, 2014 and 2013, respectively. Cash basis principal and interest paid on the Certificates and Bonds were \$14,109,981 and \$15,327,048 (including parity debt payments, but not including defeased amount), and total water and wastewater system net revenues calculated in accordance with the covenants were \$28,221,425 and \$34,806,719 at December 31, 2014 and 2013, respectively.

EL DORADO IRRIGATION DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)

December 31, 2014 and 2013

NOTE 5 – NET POSITION

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

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

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

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

NOTE 6 – EMPLOYEE RETIREMENT PLAN

Plan Description: The District provides retirement benefits through the California Public Employee's Retirement System (CalPERS), an agent multiple-employer public employee defined benefit pension plan. CalPERS provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and their beneficiaries. CalPERS acts as a common investment and administrative agent for participating entities within the State of California. Benefit provisions and all other requirements are established by state statute and District resolution. The District has an agent single employer public employee defined benefit plan and uses a 2.7% at 55 retirement formula for employees hired prior to May 1, 2010, a 2.0% at 55 retirement formula for all new hires after that date through December 31, 2012 and a 2.0% at 62 retirement formula for employees that were not members of CalPERS as of January 1, 2013. One agent plan is used for all three of the District's retirement benefit formulas. Copies of CalPERS annual financial report may be obtained from the CalPERS Executive Office, 400 Q Street, Sacramento, CA 95814.

Funding Policy: Participants are required to contribute 2% to 9% of their annual covered salary. The District agreed to contribute a percentage of certain employee's required contributions on their behalf, as specified in the related labor agreements. The District is required to contribute at an actuarially determined blended rate, which was 26.120%, 24.950% and 24.000% of annual covered payroll for the periods July 1, 2014 to December 31, 2014, July 1, 2013 to June 30, 2014, and January 1, 2013 to June 30, 2013, respectively.

Annual Pension Cost: For the years ended December 31, 2014 and 2013, the District's annual pension cost of \$4,132,624 and \$3,962,220, respectively, for CalPERS was equal to the District's required and actual contributions. Three year trend information is as follows:

EL DORADO IRRIGATION DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)

December 31, 2014 and 2013

NOTE 6 – EMPLOYEE RETIREMENT PLAN (Continued)

Fiscal Year	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/2012	\$ 3,530,559	100%	\$ -
6/30/2013	3,962,220	100%	
6/30/2014	4,132,624	100%	

The required contributions during the years ended December 31, 2014 and 2013 were determined as part of the June 30, 2012, 2011, and 2010 actuarial valuations using the entry age normal actuarial cost method. The District’s actuarial assumptions, for the most recent period, included a 7.50% investment rate of return (net of administrative expenses), projected annual salary increases of 3.30% to 14.20%, cost of living increases of 3.00%, and an inflation component of 2.75%. The actuarial value of CalPERS assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a fifteen-year period. Unfunded losses are amortized over a closed 30-year period, with Direct Rate Smoothing provision including a 5 year ramp up/ramp down provision.

Funded Status and Funding Progress: The funded status of the Plan for the two most recent years as of the June 30, 2013 valuation, the Plan’s most recent valuation date, was as follows:

	June 30, 2013	June 30, 2012
Actuarial Accrued Liability (AAL)	\$ 121,108,702	\$ 114,401,830
Actuarial Value of Plan Assets	75,812,634	79,365,456
Unfunded Actuarial Accrued Liability (UAAL)	<u>\$ 45,296,068</u>	<u>\$ 35,036,374</u>
Funded Ratio (Actuarial Value of Plan Assets/AAL)	62.6%	69.4%
Covered Payroll (Active Plan Participants)	\$ 16,063,714	\$ 15,637,005
UAAL as a Percentage of Covered Payroll	282.0%	224.1%

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

NOTE 7 – OTHER POSTEMPLOYMENT BENEFITS PLAN

Plan Description: The District’s other postemployment benefits (OPEB) healthcare plan (the Plan), an agent multiple-employer plan, provides medical benefits to employees that directly retire from the District and their eligible dependents, subject to a monthly limitation pursuant to Government Code Section 22892, as amended by AB 2544. To be 100% vested in the District’s retiree medical benefits, an employee hired before January 1, 2010 must have a minimum of five years of service

EL DORADO IRRIGATION DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)

December 31, 2014 and 2013

NOTE 7 – OTHER POSTEMPLOYMENT BENEFITS PLAN (Continued)

with the District and/or other CalPERS member agencies. To be 50% vested in the District’s retiree medical benefits, an employee hired on or after January 1, 2010 must have a minimum of ten years of service, of which a minimum of five years must be service with the District. Thereafter, the percentage of vesting increases by 5% each additional year of service through year 20 at which point an employee will be 100% vested. The District’s Board of Directors has the authority to establish and amend benefit provisions. On October 24, 2011, the District’s Board passed a resolution to participate in the California Employers Retirees Benefit Trust (CERBT), an irrevocable trust established to fund OPEB. CERBT is administrated by CalPERS, and is managed by an appointed board not under the control of District’s Board of Directors. Separately issued financial statements for CERBT may be obtained from CalPERS at P.O. Box 942709, Sacramento, CA 94229-2709.

Funding Policy: The contribution requirements of plan members and the District are established and may be amended by the Board of Directors. The benefits are fully funded by the District in accordance with the District’s Code of Regulations and with the Memorandum of Understanding for employees in the Association of El Dorado Irrigation District Employees. The required contribution is based on projected pay-as-you-go financing requirement. For the years ended December 31, 2014 and 2013, the District contributed approximately \$1,098,922 and \$1,008,666, respectively, to the Plan. Plan members did not make any contributions to the Plan.

Annual OPEB Cost and Net OPEB Obligation: The District’s annual OPEB cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the District’s annual OPEB cost for the year, the amount actually contributed to the Plan, and changes in the District’s net OPEB obligation.

	2014	2013
Annual Required Contribution (ARC)	\$ 2,159,000	\$ 2,159,000
Interest on Net OPEB Obligation	233,315	233,315
Adjustment to Annual Required Contribution	(206,973)	(206,973)
Annual OPEB Cost (Expense)	2,185,342	2,185,342
Contributions Made	(1,098,922)	(1,008,666)
Increase (Decrease) in Obligation	1,086,420	1,176,676
Net OPEB Obligation (Asset) - Beginning of Year	4,287,548	3,110,872
Net OPEB Obligation (Asset) - End of Year	<u>\$ 5,373,968</u>	<u>\$ 4,287,548</u>

The District’s annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan and the net OPEB obligation for the three most recent years are as follows:

Fiscal Year Ending	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
December 31, 2012	\$ 2,746,143	255.11%	\$ 3,110,872
December 31, 2013	2,185,342	46.15%	4,287,548
December 31, 2014	2,185,342	50.29%	5,373,968

EL DORADO IRRIGATION DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)

December 31, 2014 and 2013

NOTE 7 – OTHER POSTEMPLOYMENT BENEFITS PLAN (Continued)

Funded Status and Funding Progress: The funded status of the Plan for the two most recent years as of the July 1, 2013 valuation, the Plan’s most recent valuation date, was as follows:

	<u>July 1, 2013</u>	<u>July 1, 2012</u>
Actuarial Accrued Liability (AAL)	\$ 22,454,000	\$ 22,225,000
Actuarial Value of Plan Assets	<u>6,600,000</u>	<u>-</u>
Unfunded Actuarial Accrued Liability (UAAL)	<u>\$ 15,854,000</u>	<u>\$ 22,225,000</u>
Funded Ratio (Actuarial Value of Plan Assets/AAL)	29.4%	0.0%
Covered Payroll (Active Plan Participants)	\$ 16,278,000	\$ 17,296,000
UAAL as a Percentage of Covered Payroll	97.4%	128.5%

Actuarial valuations of an ongoing plan involve estimates of the value of expected benefit payments and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions: Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the type of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2013 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial valuation used the rates of mortality, disability and other withdrawals used by CalPERS in the valuation of the District’s pension plan. The actuarial assumptions included a 7.5 percent investment rate of return, a 2.75 percent rate of inflation, 5.5 percent healthcare premium increases and a 3.00 percent increase in payroll. The UAAL is being amortized over a closed 30 year period. The remaining amortization period at July 1, 2013 was 25 years.

NOTE 8 - INSURANCE

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

EL DORADO IRRIGATION DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)

December 31, 2014 and 2013

NOTE 8 – INSURANCE (Continued)

Type of Claim	Coverage Limits	Deductibles (Per Occurrence)
General District and Hydroelectric Project 184:		
General Liability	\$ 3,000,000	\$ 10,000
Property - Excluding Hydroelectric Project 184	94,882,788	25,000
Crime	250,000	1,000
Management Liability	3,000,000	10,000
Business Automobile	N/A	N/A
Excess - Umbrella Liability	10,000,000	None
Workers' Compensation	Statutory Limit	None
Hydroelectric Project 184:		
Property (Declared Value - \$96,586,827)	50,000,000	10,000 to 1,000,000
Business Interruption	7,960,000	None
Boiler and Machinery Equipment	50,000,000	10,000 to 1,000,000

The District purchases commercial insurance for first and third party claims up to the stated coverage limits. The District is self-insured for amounts in excess of these amounts. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

The reserve for claims and claims expense is based on historical cost and/or actuarial estimates of the amounts needed to pay prior and current year claims, and to allow the accrual of estimated incurred but not reported claims and incremental claims expense. As of December 31, 2014 and 2013, the entire claims liability is reported as a current liability on the balance sheet. Changes in the District's claims liability amount in 2014 and 2013 were as follows:

Reserve for Claims and Claims Expenses as of December 31, 2012	\$ 1,453,000
Current Year Incurred Claims and Changes in Estimates	358,923
Net (Payments) Recoveries	<u>(668,923)</u>
Reserve for Claims and Claims Expenses as of December 31, 2013	1,143,000
Current Year Incurred Claims and Changes in Estimates	348,672
Net (Payments) Recoveries	<u>(658,672)</u>
Reserve for Claims and Claims Expenses as of December 31, 2014	<u>\$ 833,000</u>

EL DORADO IRRIGATION DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)

December 31, 2014 and 2013

NOTE 9 - COMMITMENTS AND CONTINGENT LIABILITIES

A. Capital Project Commitments

The District had the following capital project commitments outstanding as of December 31, 2014:

Esmeralda Tunnel	\$ 3,131,704
Carson Creek 1 Lift Station	2,420,903
Bridge Replace Camp 2	1,257,970
Flume 42/43 Replacement	1,016,053
Flume 45 Replacement	432,534
Res 7B Tank Recoating Rehab	416,982
2013 Lift Station Upgrades	213,415
Vehicle Replacement Program	<u>208,008</u>
Total	<u>\$ 9,097,569</u>

B. Litigation

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

C. Other Contingencies

On February 6, 1996, the District purchased the Texas Hill property from the County under an installment purchase agreement for the potential development of the Texas Hill Reservoir. A contingent payment of \$3,378,360, consisting of \$1,533,000 in principal and \$1,845,360 of interest imputed at 5%, would be due if and when the District obtains construction financing for and commences construction of the Texas Hill Reservoir. In March 2013, the District approved the Integrated Water Resources Master Plan that no longer includes this project in the District's future capital plans. As a result, the \$1,533,000 liability and related land was removed from the balance sheet in 2013. It is at least reasonably possible the project could be added back to the District's capital plan in the future and this liability could potentially need to be paid. Also, in the event that the property is sold or used for any purpose that is inconsistent with the development of the Texas Hill Reservoir, any funds received would be restricted to fund the development of increased water supplies or increased wastewater capacity for the benefit of customers or potential customers of the District, but no additional payment would be due to the County.

NOTE 10 – SUBSEQUENT EVENT

A. Pending Water Transfer

The District entered into an agreement with Westlands Water District in Fresno, California during 2015 to transfer 3,000 acre feet of water for \$700 per acre feet, or \$2.1 million. The District is currently waiting for regulatory approval of this water transfer.





Flume 45

**REQUIRED
SUPPLEMENTARY
INFORMATION**



El Dorado Irrigation District

Required Supplementary Information

EL DORADO IRRIGATION DISTRICT
 REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2014

SCHEDULE OF FUNDING PROGRESS OF THE
 EMPLOYEE RETIREMENT PLAN (UNAUDITED)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
June 30, 2011	\$ 75,016,376	\$ 110,172,862	\$ 35,156,486	68.1%	\$ 16,267,727	216.1%
June 30, 2012	79,365,456	114,401,830	35,036,374	69.4%	15,637,005	224.1%
June 30, 2013	75,812,634	121,108,702	45,296,068	62.6%	16,063,714	282.0%

EL DORADO IRRIGATION DISTRICT
 REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2014

SCHEDULE OF FUNDING PROGRESS OF THE
 OTHER POSTEMPLOYMENT BENEFITS PLAN (UNAUDITED)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
July 1, 2011		\$ 22,225,000	\$ 22,225,000	0.0%	\$ 15,807,562	140.6%
July 1, 2012		22,225,000	22,225,000	0.0%	17,296,000	128.5%
July 1, 2013	\$ 6,600,000	22,454,000	15,854,000	29.4%	16,278,000	97.4%





Break Repair

**SUPPLEMENTAL
SCHEDULES**



El Dorado Irrigation District

Supplemental Schedules

EL DORADO IRRIGATION DISTRICT

COMBINING BALANCE SHEET

December 31, 2014

	Operating	Capital Improvement	Debt Service	El Dorado Public Agency Financing Authority	Recreation	Hydroelectric	Total
ASSETS AND DEFERRED OUTFLOWS							
CURRENT ASSETS							
Cash and Cash Equivalents	\$ 7,874,543	\$ 26,177,938	\$ 133,935	\$ 198,097	\$ 659,209	\$ 5,193,318	\$ 40,237,040
Accounts Receivable, Net	5,083,098		144,077			61,616	5,288,791
Due from Other Governmental Agencies	11,055						11,055
Interest Receivable	73,971		14,879			3,521	92,371
Taxes Receivable	9,954,542		509,209				10,463,751
Inventory	406,058						406,058
Prepaid Expenses and Other Current Assets	231,832						231,832
Total Current Assets	<u>23,635,099</u>	<u>26,177,938</u>	<u>802,100</u>	<u>198,097</u>	<u>659,209</u>	<u>5,258,455</u>	<u>56,730,898</u>
NONCURRENT ASSETS							
Restricted and Other Noncurrent Assets:							
Restricted Cash and Cash Equivalents	3,712,158		4,439,809				8,151,967
Restricted Investments			8,996,470				8,996,470
Investments	16,213,602						16,213,602
Hydroelectric Deposit						4,170,000	4,170,000
Total Restricted and Other Noncurrent Assets	<u>19,925,760</u>		<u>13,436,279</u>			<u>4,170,000</u>	<u>37,532,039</u>
Capital Assets:							
Non Depreciable	8,186,214	33,679,493			93,639	7,567,739	49,527,085
Depreciable, Net	535,660,718				5,426,329	102,985,509	644,072,556
Capital Assets, Net	<u>543,846,932</u>	<u>33,679,493</u>			<u>5,519,968</u>	<u>110,553,248</u>	<u>693,599,641</u>
Total Noncurrent Assets	<u>563,772,692</u>	<u>33,679,493</u>	<u>13,436,279</u>		<u>5,519,968</u>	<u>114,723,248</u>	<u>731,131,680</u>
TOTAL ASSETS	<u>587,407,791</u>	<u>59,857,431</u>	<u>14,238,379</u>	<u>198,097</u>	<u>6,179,177</u>	<u>119,981,703</u>	<u>787,862,578</u>
DEFERRED OUTFLOWS							
Deferred Amount on Refunding of Debt			6,232,030				6,232,030
TOTAL DEFERRED OUTFLOWS			<u>6,232,030</u>				<u>6,232,030</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS	<u>\$ 587,407,791</u>	<u>\$ 59,857,431</u>	<u>\$ 20,470,409</u>	<u>\$ 198,097</u>	<u>\$ 6,179,177</u>	<u>\$ 119,981,703</u>	<u>\$ 794,094,608</u>
LIABILITIES, DEFERRED INFLOWS AND NET POSITION							
CURRENT LIABILITIES							
Accounts Payable	\$ 2,501,223		\$ 353		\$ 139		\$ 2,501,715
Deposits	282,243				300		282,543
Accrued Compensated Absences	1,325,102				27,048	\$ 116,310	1,468,460
Accrued Payroll and Benefits Payable	822,347				18,770	71,009	912,126
Unearned Revenue	2,216,229						2,216,229
Accrued Interest Payable			3,646,149				3,646,149
Reserve for Claims and Claims Expenses	833,000						833,000
Noncurrent Liabilities - Current Portion			4,691,672				4,691,672
FERC License Liability - Current Portion						786,000	786,000
Total Current Liabilities	<u>7,980,144</u>		<u>8,338,174</u>		<u>46,257</u>	<u>973,319</u>	<u>17,337,894</u>
NONCURRENT LIABILITIES							
Noncurrent Liabilities	5,373,968		355,329,025				360,702,993
FERC License Liability - Noncurrent Portion						23,288,047	23,288,047
Total Noncurrent Liabilities	<u>5,373,968</u>		<u>355,329,025</u>			<u>23,288,047</u>	<u>383,991,040</u>
TOTAL LIABILITIES	<u>13,354,112</u>		<u>363,667,199</u>		<u>46,257</u>	<u>24,261,366</u>	<u>401,328,934</u>
DEFERRED INFLOWS							
Deferred Property Taxes	4,977,271		254,604				5,231,875
NET POSITION							
Net Investment in Capital Assets	543,846,932	\$ 33,679,493	(353,788,667)		5,519,968	86,479,201	315,736,927
Restricted for New Facilities	1,495,929						1,495,929
Restricted for Debt Service			13,436,279				13,436,279
Unrestricted	<u>23,733,547</u>	<u>26,177,938</u>	<u>(3,099,006)</u>	<u>\$ 198,097</u>	<u>612,952</u>	<u>9,241,136</u>	<u>56,864,664</u>
TOTAL NET POSITION (DEFICIT)	<u>569,076,408</u>	<u>59,857,431</u>	<u>(343,451,394)</u>	<u>198,097</u>	<u>6,132,920</u>	<u>95,720,337</u>	<u>387,533,799</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	<u>\$ 587,407,791</u>	<u>\$ 59,857,431</u>	<u>\$ 20,470,409</u>	<u>\$ 198,097</u>	<u>\$ 6,179,177</u>	<u>\$ 119,981,703</u>	<u>\$ 794,094,608</u>

EL DORADO IRRIGATION DISTRICT

COMBINING SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

For the Year Ended December 31, 2014

	Operating	Capital Improvement	Debt Service	El Dorado Public Agency Financing Authority	Recreation	Hydroelectric	Total
OPERATING REVENUES							
Water Sales	\$ 26,170,261						\$ 26,170,261
Water Services	977,583						977,583
Reclaimed Water Reimbursements/Sales	1,568,582						1,568,582
Wastewater Sales	19,715,764						19,715,764
Wastewater Services	74,421						74,421
Recreation Fees					\$ 1,301,719		1,301,719
Hydroelectric Sales						\$ 5,205,980	5,205,980
Total Operating Revenues	<u>48,506,611</u>				<u>1,301,719</u>	<u>5,205,980</u>	<u>55,014,310</u>
OPERATING EXPENSES							
Personnel Expense	24,602,846				597,772	1,796,049	26,996,667
Operating Supplies	3,664,612				124,226	197,304	3,986,142
Chemicals	849,371						849,371
Administration	2,992,775				42,392	138,467	3,173,634
Utilities	3,756,324				113,399	67,621	3,937,344
Professional Services	2,801,479		\$ 14,350		405,298	330,375	3,551,502
Repair Services	722,080				6,072	441,426	1,169,578
Insurance	228,859					226,082	454,941
Depreciation and Amortization	19,043,281				283,842	2,424,673	21,751,796
Total Operating Expenses	<u>58,661,627</u>		<u>14,350</u>		<u>1,573,001</u>	<u>5,621,997</u>	<u>65,870,975</u>
NET INCOME (LOSS) FROM OPERATIONS	<u>(10,155,016)</u>		<u>(14,350)</u>		<u>(271,282)</u>	<u>(416,017)</u>	<u>(10,856,665)</u>
NONOPERATING REVENUES (EXPENSES)							
Surcharges	998,783		1,271,911				2,270,694
Voter-approved Taxes			512,896				512,896
Property Taxes	10,026,368						10,026,368
Interest Income	367,160		128,039		36	3,521	498,756
Other Income	1,500,908				3,503	24,127	1,528,538
Other Expenses		\$ (204,756)	(891,953)			(451,919)	(1,548,628)
Debt Issuance Costs			(1,337,587)				(1,337,587)
Interest Expense			(11,182,611)				(11,182,611)
Total Nonoperating Revenues (Expenses)	<u>12,893,219</u>	<u>(204,756)</u>	<u>(11,499,305)</u>		<u>3,539</u>	<u>(424,271)</u>	<u>768,426</u>
NET LOSS BEFORE CAPITAL CONTRIBUTIONS	<u>2,738,203</u>	<u>(204,756)</u>	<u>(11,513,655)</u>		<u>(267,743)</u>	<u>(840,288)</u>	<u>(10,088,239)</u>
CAPITAL CONTRIBUTIONS AND TRANSFERS							
Facility Capacity Charges	4,543,463						4,543,463
Developer Contributions	10,204,252	107,687					10,311,939
Transfers Out	(39,814,376)	(11,221,982)	(137,326,469)		(45,000)	(15,046,517)	(203,454,344)
Transfers In	27,850,279	19,763,799	153,503,160		77,020	2,260,086	203,454,344
Total Capital Contributions	<u>2,783,618</u>	<u>8,649,504</u>	<u>16,176,691</u>		<u>32,020</u>	<u>(12,786,431)</u>	<u>14,855,402</u>
CHANGE IN NET POSITION	<u>5,521,821</u>	<u>8,444,748</u>	<u>4,663,036</u>		<u>(235,723)</u>	<u>(13,626,719)</u>	<u>4,767,163</u>
NET POSITION, BEGINNING OF YEAR	<u>563,554,587</u>	<u>51,412,683</u>	<u>(348,114,430)</u>	<u>\$ 198,097</u>	<u>6,368,643</u>	<u>109,347,056</u>	<u>382,766,636</u>
NET POSITION (DEFICIT), END OF YEAR	<u>\$ 569,076,408</u>	<u>\$ 59,857,431</u>	<u>\$ (343,451,394)</u>	<u>\$ 198,097</u>	<u>\$ 6,132,920</u>	<u>\$ 95,720,337</u>	<u>\$ 387,533,799</u>

EL DORADO IRRIGATION DISTRICT

COMBINED SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
BUDGET AND ACTUAL

For the Year Ended December 31, 2014

	Actual	Budget	Variance Positive (Negative)
OPERATING REVENUES			
Water Sales	\$ 26,170,261	\$ 27,337,688	\$ (1,167,427)
Water Services	977,583	1,004,139	(26,556)
Reclaimed Water Reimbursements/Sales	1,568,582	1,890,000	(321,418)
Wastewater Sales	19,715,764	19,561,163	154,601
Wastewater Services	74,421	73,837	584
Recreation Fees	1,301,719	1,080,700	221,019
Hydroelectric Sales	5,205,980	8,000,000	(2,794,020)
Total Operating Revenues	<u>55,014,310</u>	<u>58,947,527</u>	<u>(3,933,217)</u>
OPERATING EXPENSES			
Personnel Expense	26,996,667	26,567,147	(429,520)
Operating Supplies	3,986,142	3,265,816	(720,326)
Chemicals	849,371	1,059,672	210,301
Administration	3,173,634	3,132,748	(40,886)
Utilities	3,937,344	3,957,668	20,324
Professional Services	3,551,502	3,466,396	(85,106)
Repair Services	1,169,578	824,965	(344,613)
Insurance	454,941	801,755	346,814
Contingency		500,000	500,000
Total Operating Expenses	<u>44,119,179</u>	<u>43,576,167</u>	<u>(543,012)</u>
NET OPERATING INCOME	<u>10,895,131</u>	<u>15,371,360</u>	<u>(4,476,229)</u>
NONOPERATING REVENUES (EXPENSES)			
Surcharges	2,270,694	1,979,048	291,646
Voter-approved Taxes	512,896		512,896
Property Taxes	10,026,368	9,300,000	726,368
Interest Income	498,756	850,000	(351,244)
Other Income	1,528,538	2,256,000	(727,462)
Other Expenses	(1,548,628)	(1,328,460)	(220,168)
Debt Issuance Costs	(1,337,587)		(1,337,587)
Interest Expense	(11,182,611)	(15,844,802)	4,662,191
Facility Capacity Charges	4,543,463	3,000,000	1,543,463
Total Nonoperating Revenues (Expenses)	<u>5,311,889</u>	<u>211,786</u>	<u>5,100,103</u>
EXCESS OF BUDGETED REVENUES OVER BUDGETED EXPENSES	<u>16,207,020</u>	<u>\$ 15,583,146</u>	<u>\$ 623,874</u>
NON-BUDGETED ITEMS			
Developer Contributions	10,311,939		
Depreciation and Amortization	(21,751,796)		
Total Non-budgeted Items	<u>(11,439,857)</u>		
CHANGE IN NET POSITION	<u>\$ 4,767,163</u>		





El Dorado Irrigation District



Main Ditch

**STATISTICAL
SECTION**



El Dorado Irrigation District

STATISTICAL SECTION

December 31, 2014

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

	Page
Financial Trends	65-71
These schedules contain financial trend information for assessing the District's financial performance and well-being over time.	
Revenue Capacity	73-93
These schedules present revenue capacity information to assess the District's ability to generate revenues. Water, wastewater and hydroelectric sales, along with property taxes, are the District's most significant revenue sources.	
Debt Capacity	95-97
These schedules present information to assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt.	
Demographic and Economic Information	99-102
These schedules provide information on the demographic and economic environment in which the District conducts business.	
Operating Information	103-110
These schedules provide information on the District's service infrastructure to assist the reader in understanding how the information in the District's financial report relates to the services the District provides and the activities it performs.	

Sources

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



Financial Trends

EL DORADO IRRIGATION DISTRICT

Table #1
 Net Position^[2] by Component
 Last Ten Years
 (in dollars)

	Year									
	2014	2013	2012 ^[1]	2011 ^[1]	2010	2009	2008	2007	2006	2005
Net Investment in Capital Assets	\$315,736,927	\$303,832,235	\$297,207,090	\$296,278,742	\$296,835,538	\$288,332,538	\$364,373,560	\$317,753,150	\$279,591,914	\$279,217,991
Restricted for:										
New Facilities	1,495,929	896,777	-	285,336	9,800,219	29,413,607	36,619,698	65,688,381	37,826,485	34,237,485
Debt Service	13,436,279	20,153,611	20,024,282	19,797,900	12,792,796	11,119,734	10,932,328	10,932,328	7,913,234	7,318,204
Unrestricted	56,864,664	57,884,013	61,105,537	68,121,159	75,574,339	77,670,289	5,585,998	20,618,416	71,462,902	55,440,921
Total Net Position	\$387,533,799	\$382,766,636	\$378,336,909	\$384,483,137	\$395,002,892	\$406,536,168	\$417,511,584	\$414,992,275	\$396,794,535	\$376,214,601

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

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

Source: El Dorado Irrigation District Accounting Division

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

	Year									
	2014	2013	2012 ^[3]	2011 ^[3]	2010	2009	2008	2007	2006	2005
Water Sales	\$26,170,261	\$29,284,316	\$24,091,130	\$19,993,675	\$17,553,889	\$17,403,450	\$18,008,367	\$17,679,512	\$15,438,014	\$14,018,378
Water Services	977,583	1,100,849	367,528	2,325,803	1,741,830	755,971	993,358	1,236,112	1,700,902	1,599,500
Reclaimed Water Reimb / Sales	1,568,582	1,860,147	1,546,911	1,035,285	733,798	799,298	882,917	1,253,802	723,331	533,134
Wastewater Sales	19,715,764	19,309,506	18,226,984	19,432,294	17,271,272	15,329,043	15,270,725	14,518,927	12,943,653	11,561,546
Wastewater Services	74,421	74,959	76,857	72,811	53,574	47,466	9,720	25,810	118,847	171,468
Recreation Fees	1,301,719	1,266,333	1,147,811	1,061,795	1,062,062	954,321	941,681	746,517	725,922	733,783
Hydroelectric Sales	5,205,980	7,878,903	6,777,760	11,631,272	7,872,825	2,918,005	4,840,431	4,321,950	3,828,653	5,603,959
Total Operating Revenues	55,014,310	60,775,013	52,234,981	55,552,935	46,289,250	38,207,554	40,947,199	39,782,630	35,479,322	34,221,768
Surcharges	2,270,694	2,295,145	2,222,984	2,235,904	2,175,472	2,482,508	2,499,894	1,869,986	2,413,569	2,635,002
Voter-approved Taxes	512,896	477,766	442,743	505,570	449,169	499,757	588,363	604,711	533,316	418,532
Property Taxes	10,026,368	9,231,002	9,321,157	9,480,947	9,537,801	10,138,728	10,797,871	11,550,648	10,069,016	3,671,212
Interest Income	498,756	410,084	735,930	701,941	865,697	1,938,295	1,942,787	5,180,271	5,747,457	3,360,286
Other Income	1,528,538	1,028,939	1,826,466	1,807,085	1,362,001	1,616,491	2,352,937	1,280,428	1,612,498	699,704
Flood Damage Reimbursements	-	-	-	-	700,477	-	424,013	6,736,775	3,562,759	8,840,966
Total Nonoperating Revenues	14,837,252	13,442,936	14,549,280	14,731,447	15,090,617	16,675,779	18,605,865	27,222,819	23,938,615	19,625,702
Total Revenues	69,851,562	74,217,949	66,784,261	70,284,382	61,379,867	54,883,333	59,553,064	67,005,449	59,417,937	53,847,470
Personnel Expenses	26,996,667	26,892,273	26,600,446	25,571,376	26,140,768					
Operating Supplies	3,986,142	3,578,116	3,354,100	3,232,251	3,028,722					
Chemicals	849,371	963,165	891,785	838,018	1,075,182					
Administration	3,173,634	3,127,343	2,766,758	2,380,645	2,490,239					
Utilities	3,937,344	3,969,310	4,096,451	3,845,261	3,918,221					
Professional Services	3,551,502	3,283,652	2,750,275	3,255,915	2,301,952					
Repair Services	1,169,578	849,482	602,972	674,878	595,264					
Insurance	454,941	457,679	460,298	721,769	889,566					
Bad Debt	-	-	-	-	13,033					
Depreciation and Amortization	21,751,796	21,419,843	21,373,276	20,444,406	18,106,183					
Office of the General Manager ^[1]						4,769,987	7,043,046	5,067,396	4,653,518	3,696,379
Communications						561,468	4,024,697	3,828,204	3,556,546	6,081,888
Natural Resources						3,891,728	-	-	-	-
Human Resources						2,215,002	-	-	-	-
Information Technology						2,511,958	-	-	-	-
Engineering						934,312	-	-	-	-
Water Operations						9,457,872	-	-	-	-
Wastewater Operations						9,348,275	-	-	-	-
Recycled Water Operations						577,220	-	-	-	-
Hydroelectric Operations						3,363,285	-	-	-	-
Water Policy						-	3,363,705	3,134,540	2,275,340	1,397,145
Finance						6,574,235	7,716,723	6,620,751	6,312,366	4,580,149
Facilities Management ^[2]						-	22,477,030	22,980,237	22,863,652	21,632,197
Recreation						-	1,706,536	1,561,225	1,523,563	1,149,460
Developer Reimbursed Expenses						-	-	750,589	1,021,352	1,213,046
Depreciation and Amortization						15,640,615	17,121,236	13,126,446	11,914,105	11,258,749
Total Operating Expenses	65,870,975	64,540,863	62,896,361	60,964,519	58,559,130	59,845,957	63,452,973	57,069,388	54,120,442	51,009,013
Debt Issuance Costs	1,337,587	-	930,622	335,879	-	-	-	-	-	-
Other Expenses	1,548,628	1,362,888	1,178,860	991,094	-	-	-	333,710	332,915	361,678
Interest Expense	11,182,611	12,812,463	13,331,964	14,380,913	15,390,421	13,988,053	11,989,897	10,941,162	11,161,005	9,658,559
Debt Related Fees	-	-	-	-	491,372	725,997	-	-	-	-
Flood Damage Expenses	-	-	-	-	-	242,295	-	-	253,637	431,493
Total Nonoperating Expenses	14,068,826	14,175,351	15,441,446	15,707,886	15,881,793	14,956,345	11,989,897	11,274,872	11,747,557	10,451,730
Total Expenses	79,939,801	78,716,214	78,337,807	76,672,405	74,440,923	74,802,302	75,442,870	68,344,260	65,867,999	61,460,743
Facility Capacity Charges	4,543,463	5,453,083	2,301,118	1,565,273	577,294	1,099,015	11,453,468	15,236,576	11,469,961	15,884,252
Developer Contributions	10,311,939	3,474,909	3,106,200	3,584,751	950,486	7,844,538	6,955,646	4,299,975	15,560,035	6,938,834
Total Capital Contributions	14,855,402	8,927,992	5,407,318	5,150,024	1,527,780	8,943,553	18,409,114	19,536,551	27,029,996	22,823,086
Change in Net Position	\$4,767,163	\$4,429,727	(\$6,146,228)	(\$1,237,999)	(\$11,533,276)	(\$10,975,416)	\$2,519,308	\$18,197,740	\$20,579,934	\$15,209,813

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

Note: Presentation of Net Position supersedes previous presentation of Net Assets in 2010.

^[1] Office of the General Manager includes Human Resources.

^[2] Facilities Management includes Hydroelectric.

^[3] Balances shown for 2011 and 2012 were restated to reflect the implementation of GASB Statement No. 65. Information needed to restate years prior to 2011 was not readily available, so years prior to 2011 were not restated to reflect the implementation of GASB Statement No. 65.

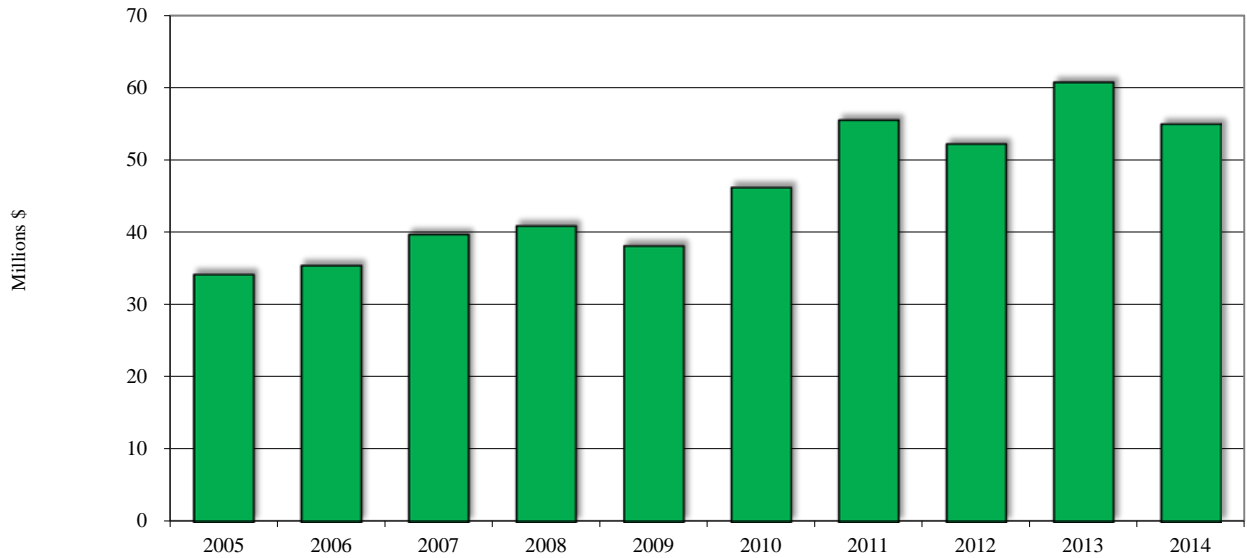
EL DORADO IRRIGATION DISTRICT
 Table #3
 Operating Revenues by Source
 Last Ten Years
 (in dollars)

	Year									
	2014	2013	2012 ^[1]	2011 ^[1]	2010	2009 ^[1]	2008	2007	2006	2005
Water Sales & Service	\$27,147,844	\$30,385,165	\$24,458,658	\$22,319,478	\$19,295,719	\$18,159,421	\$19,001,725	\$18,915,624	\$17,138,916	\$15,617,878
Wastewater Sales & Service	19,790,185	19,384,465	18,303,841	19,505,105	17,324,846	15,376,509	15,280,445	14,544,737	13,062,500	11,733,014
Recycled Water Sales	1,568,582	1,860,147	1,546,911	1,035,285	733,798	799,298	882,917	1,253,802	723,331	533,134
Recreation	1,301,719	1,266,333	1,147,811	1,061,795	1,062,062	954,321	941,681	746,517	725,922	733,783
Hydroelectric Sales	5,205,980	7,878,903	6,777,760	11,631,272	7,872,825	2,918,005	4,840,431	4,321,950	3,828,653	5,603,959
Total Operating Revenues	\$55,014,310	\$60,775,013	\$52,234,981	\$55,552,935	\$46,289,250	\$38,207,554	\$40,947,199	\$39,782,630	\$35,479,322	\$34,221,768

^[1] As restated.

Source: El Dorado Irrigation District Accounting Division

Chart #1
 Operating Revenues
 Last Ten Years



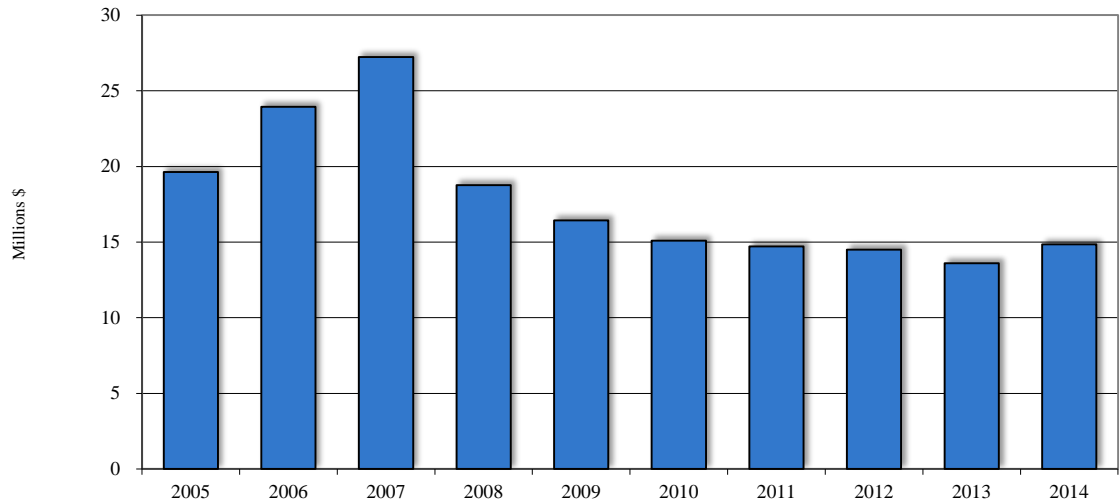
EL DORADO IRRIGATION DISTRICT
 Table #4
 Nonoperating Revenues by Source
 Last Ten Years
 (in dollars)

	Year									
	2014	2013	2012 ^[1]	2011 ^[1]	2010	2009 ^[1]	2008	2007	2006	2005
Surcharges	\$2,270,694	\$2,295,145	\$2,222,984	\$2,235,904	\$2,175,472	\$2,482,508	\$2,499,894	\$1,869,986	\$2,413,569	\$2,635,002
Voter-approved Taxes	512,896	477,766	442,743	505,570	449,169	499,757	588,363	604,711	533,316	418,532
Property Taxes	10,026,368	9,231,002	9,321,157	9,480,947	9,537,801	10,138,728	10,797,871	11,550,648	10,069,016	3,671,212
Interest Income	498,756	410,084	735,930	701,941	865,697	1,938,295	1,942,787	5,180,271	5,747,457	3,360,286
Other Income	1,528,538	1,028,939	1,826,466	1,807,085	1,362,001	1,616,491	2,352,937	1,280,428	1,612,498	699,704
Flood Damage Reimbursements	-	-	-	-	700,477	-	424,013	6,736,775	3,562,759	8,840,966
Total Nonoperating Revenues	\$14,837,252	\$13,442,936	\$14,549,280	\$14,731,447	\$15,090,617	\$16,675,779	\$18,605,865	\$27,222,819	\$23,938,615	\$19,625,702

^[1] As restated.

Source: El Dorado Irrigation District Accounting Division

Chart #2
 Nonoperating Revenues
 Last Ten Years



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

	Year									
	2014	2013	2012	2011 ^[3]	2010	2009	2008	2007	2006	2005
Personnel Expense	\$26,996,667	\$26,892,273	\$26,600,446	\$25,571,376	\$26,140,768	\$28,550,985				
Operating Supplies	3,986,142	3,578,116	3,354,100	3,232,251	3,028,722	3,813,664				
Chemicals	849,371	963,165	891,785	838,018	1,075,182	1,301,302				
Administration	3,173,634	3,127,343	2,766,758	2,380,645	2,490,239	2,741,167				
Utilities	3,937,344	3,969,310	4,096,451	3,845,261	3,918,221	3,564,522				
Professional Services	3,551,502	3,283,652	2,750,275	3,255,915	2,301,952	2,406,305				
Repair Services	1,169,578	849,482	602,972	674,878	595,264	1,154,423				
Insurance	454,941	457,679	460,298	721,769	889,566	489,918				
Bad Debt	-	-	-	-	13,033	183,057				
Depreciation and Amortization	21,751,796	21,419,843	21,373,276	20,444,406	18,106,183	15,640,614				
Total Operating Expenses	\$ 65,870,975	\$ 64,540,863	\$ 62,896,361	\$ 60,964,519	\$ 58,559,130	\$ 59,845,957				

	Year				
	2009	2008	2007	2006	2005
Office of the General Manager ^[1]	\$4,769,987	\$7,043,046	\$5,067,396	\$4,653,518	\$3,696,379
Communications	561,468	4,024,697	3,828,204	3,556,546	6,081,888
Natural Resources	3,891,728	-	-	-	-
Human Resources	2,215,002	-	-	-	-
Information Technology	2,511,958	-	-	-	-
Engineering	934,312	-	-	-	-
Water Operations	9,457,872	-	-	-	-
Wastewater Operations	9,348,275	-	-	-	-
Recycled Water Operations	577,220	-	-	-	-
Hydroelectric Operations	3,363,285	-	-	-	-
Water Policy	-	3,363,705	3,134,540	2,275,340	1,397,145
Finance	6,574,235	7,716,723	6,620,751	6,312,366	4,580,149
Facilities Management ^[2]	-	22,477,030	22,980,237	22,863,652	21,632,197
Recreation	-	1,706,536	1,561,225	1,523,563	1,149,460
Developer Reimbursed Expenses	-	-	750,589	1,021,352	1,213,046
Depreciation and Amortization	15,640,615	17,121,236	13,126,446	11,914,105	11,258,749
Total Operating Expenses	\$ 59,845,957	\$ 63,452,973	\$ 57,069,388	\$ 54,120,442	\$ 51,009,013

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

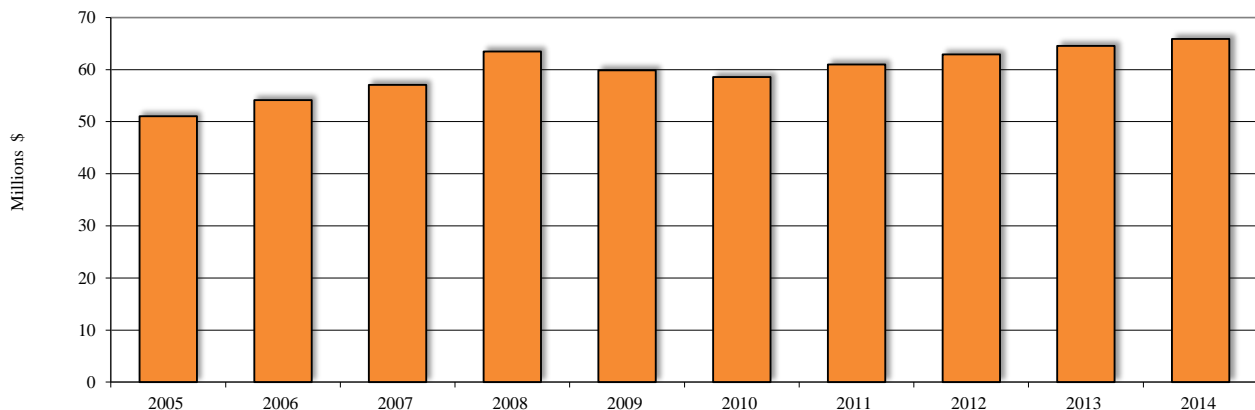
^[1] Office of the General Manager includes Human Resources.

^[2] Facilities Management includes Hydroelectric.

^[3] As restated.

Source: El Dorado Irrigation District Accounting Division

Chart #3
Total Operating Expenses
Last Ten Years



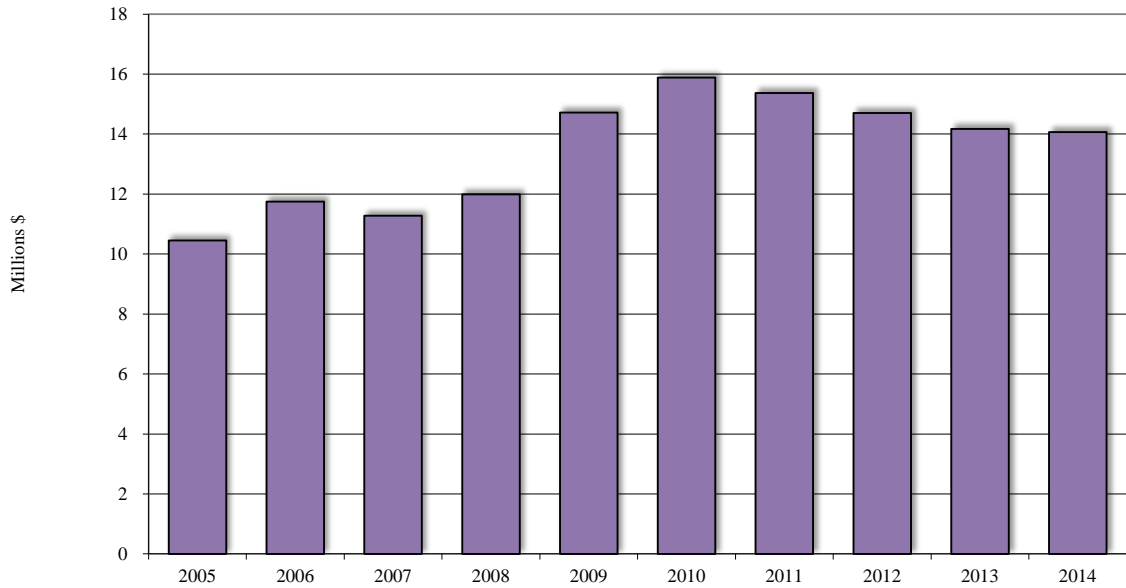
EL DORADO IRRIGATION DISTRICT
 Table #6
 Nonoperating Expenses by Function
 Last Ten Years
 (in dollars)

	Year									
	2014	2013	2012 ⁽¹⁾	2011 ⁽¹⁾	2010	2009 ⁽¹⁾	2008	2007	2006	2005
Debt Issuance Costs	\$ 1,337,587	\$ -	\$ 930,622	\$ 335,879	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Expenses	1,548,628	1,362,888	1,178,860	991,094	-	-	-	333,710	332,915	361,678
Interest Expense	11,182,611	12,812,463	13,331,964	14,380,913	15,390,421	13,988,053	11,989,897	10,941,162	11,161,005	9,658,559
Debt Related Fees	-	-	-	-	491,372	725,997	-	-	-	-
Flood Damage Expenses	-	-	-	-	-	242,295	-	-	253,637	431,493
Total Nonoperating Expenses	\$14,068,826	\$14,175,351	\$15,441,446	\$15,707,886	\$15,881,793	\$14,956,345	\$11,989,897	\$11,274,872	\$11,747,557	\$10,451,730

⁽¹⁾ Restated.

Source: El Dorado Irrigation District Accounting Division

Chart #4
 Total Nonoperating Expense
 Last Ten Years





Revenue Capacity

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

Fiscal Year	County-wide Property Tax			District Voter-approved ^[1]		
	County-wide Total Secured Assessed Valuation	Secured Property Tax Levy	County Tax Rate per \$100 Assessed Value	Secured Land Assessed Value District Boundaries	Voter-approved Levy	Tax Rate per \$100 Assessed Value ^{[2][3]}
2005-06	\$ 21,324,584,293	\$ 245,106,797	1.1494%	\$ 4,206,890,631	\$ 3,870	0.0092%
2006-07	24,269,690,213	277,183,486	1.1421%	4,932,366,058	4,932	0.0100%
2007-08	26,377,814,381	302,704,983	1.1476%	5,404,635,789	5,621	0.0104%
2008-09	27,354,549,191	317,280,539	1.1599%	5,642,044,763	588,363	1.0428%
2009-10	26,805,989,567	315,638,143	1.1775%	5,312,004,863	499,757	0.0094%
2010-11	24,855,948,497	298,627,324	1.2014%	4,860,491,154	449,169	0.0092%
2011-12	24,803,113,396	296,903,045	1.1970%	4,761,890,803	481,525	0.0101%
2012-13	24,689,035,685	297,048,197	1.2032%	4,718,646,469	453,628	0.0096%
2013-14	24,954,567,951	298,952,871	1.1980%	4,726,463,343	511,524	0.0108%
2014-15	26,253,588,168	311,387,894	1.1861%	5,001,658,217	509,209	0.0102%

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

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

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

Source: El Dorado Irrigation District Finance Department and the El Dorado County Auditor-Controller - Assessed Valuation and Secured Property Tax Ledger

EL DORADO IRRIGATION DISTRICT
 Table #8
 Direct and Overlapping Property Tax Rates
 Last Ten County Fiscal Years
 (rate per \$100 of assessed value)

Fiscal Year	General Property Tax Levy	State Assessed Unitary Value Properties	School Districts	Special Districts	EID Voter- approved Tax ^[2]	Total ^[1]
2005-06	1.0000%	0.0934%	0.0288%	0.0128%	0.0092%	1.1442%
2006-07	1.0000%	0.1067%	0.0250%	0.0100%	0.0100%	1.1517%
2007-08	1.0000%	0.1280%	0.0239%	0.0092%	0.0106%	1.1717%
2008-09	1.0000%	0.1606%	0.0409%	0.0091%	0.0104%	1.2210%
2009-10	1.0000%	0.2249%	0.0290%	0.0213%	0.0094%	1.2846%
2010-11	1.0000%	0.2722%	0.0541%	0.0243%	0.0092%	1.3598%
2011-12	1.0000%	0.2495%	0.0526%	0.0265%	0.0101%	1.3387%
2012-13	1.0000%	0.3399%	0.0549%	0.0267%	0.0096%	1.4311%
2013-14	1.0000%	0.3090%	0.0556%	0.0263%	0.0108%	1.4017%
2014-15	1.0000%	0.3081%	0.0523%	0.0238%	0.0102%	1.3944%

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

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

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

Source: El Dorado County Auditor – Controller - Ad Valorem Tax Rate Area Listing TRJ620P/TRB110

EL DORADO IRRIGATION DISTRICT

Table #9

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

Property Owner	Primary Land Use	2014			2005		
		2014-2015 Assessed Valuation	Rank	% of Total ⁽²⁾	2005-2006 Assessed Valuation	Rank	% of Total ⁽²⁾
Lennar Homes of California	Residential Development	\$28,505,419	1	0.57%			
Serrano Associates, LLC	Residential Development	25,032,743	2	0.50%	\$34,021,054	2	0.81%
Toll CA X / Toll Brothers, Inc.	Residential Development	21,308,648	3	0.43%			
Standard Pacific Corp.	Residential Development	21,034,888	4	0.42%	22,016,278	4	0.52%
LandSource Holding Co.	Residential Development	10,028,088	5	0.20%			
Min Nan Tseng, Trust	Residential Development	9,267,716	6	0.19%	6,317,843	16	0.15%
Marble Valley Company, LLC	Residential Development	8,526,696	7	0.17%			
Meritage Homes of California	Residential Development	7,733,305	8	0.15%			
Safeway, Inc.	Commercial	6,778,428	9	0.14%	7,946,687	12	0.19%
Tradewinds Lodge	Commercial Land	6,408,017	10	0.13%			
East Ridge Investors	Residential Development	6,042,000	11	0.12%			
Target Corporation	Commercial	5,885,135	12	0.12%			
GHC Company 5, LLC/Greenbriar Homes	Residential Development	5,400,000	13	0.11%	13,444,500	7	0.32%
WRI Golden State, LLC	Commercial	5,000,000	14	0.10%	5,609,599	19	0.13%
Russell-Promontory, LLC	Residential Development	4,780,932	15	0.10%			
LBA Realty Fund III, LLC	Office Building	4,744,000	16	0.09%			
Marketplace at Town Center	Commercial	4,719,551	17	0.09%			
Von Housen's Motors	Auto Sales / Service	4,616,845	18	0.09%			
Serrano Country Club	Country Club	4,477,000	19	0.09%			
Town Center East LP	Commercial	4,475,939	20	0.09%			
West Valley, LLC	Residential Development				63,250,141	1	1.51%
Centrex Homes	Residential Development				25,418,234	3	0.61%
AKT Development / AKT Promontory, LLC	Residential Development				21,211,481	5	0.51%
Pulte Home Corp.	Residential Development				21,020,816	6	0.50%
Shea Homes, LP	Residential Development				11,904,000	8	0.28%
Valley View Investors, LLC	Residential Development				11,537,445	9	0.28%
K. Hovnanian Forecast Homes	Residential Development				8,854,642	10	0.21%
Laffery Homes at Sierra	Residential Development				8,089,874	11	0.19%
CH Blackstone, LP	Residential Development				7,625,000	13	0.18%
Promontory Investors, LP	Residential Development				6,490,199	14	0.15%
PAC/SIB, LLC	Vacant Land				6,467,000	15	0.15%
RPA, Inc.	Vacant Land				6,050,848	17	0.14%
Westwood Promontory	Residential Development				5,656,567	18	0.13%
628 Harvard Cameron, LLC	Commercial				5,572,260	20	0.13%
Total		\$194,765,350		3.89%	\$298,504,468		7.10%

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

^[2] The Total Assessed Value used for this calculation is \$5.0 mill per California Municipal Statistics, Inc. and \$4.2 mill per EID CAFR for 2014 and 2005, respectively.

Source: California Municipal Statistics, Inc.

EL DORADO IRRIGATION DISTRICT

Table #10

Property Tax Levies and Collections

Last Ten County Fiscal Years

(in dollars)

Fiscal Year	Levy	Collections				
	County Secured Property Tax Levy	District's Share of 1% Property Tax ^{[1][4]}	Maintenance District Collections ^[2]	Miscellaneous Collections ^[3]	Total District Collections	% of County Levy
2005-06	\$245,106,797	\$2,956,290	\$9,737	\$40,238	\$3,006,265	1.23%
2006-07	277,183,486	9,294,922	5,945	40,997	9,341,864	3.37%
2007-08	302,704,983	10,144,673	3,890	58,203	10,206,766	3.37%
2008-09	317,280,539	10,431,533	7,463	79,011	10,518,007	3.32%
2009-10	315,638,143	10,038,729	6,139	94,212	10,139,080	3.21%
2010-11	298,627,324	9,400,148	5,555	132,300	9,538,003	3.19%
2011-12	296,903,045	9,214,769	7,415	102,342	9,324,526	3.14%
2012-13	297,048,197	9,232,261	4,715	86,153	9,323,129	3.14%
2013-14	298,952,871	9,321,650	6,800	63,072	9,391,522	3.14%
2014-15	311,387,894	9,954,542	6,841	60,884	10,022,267	3.22%

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

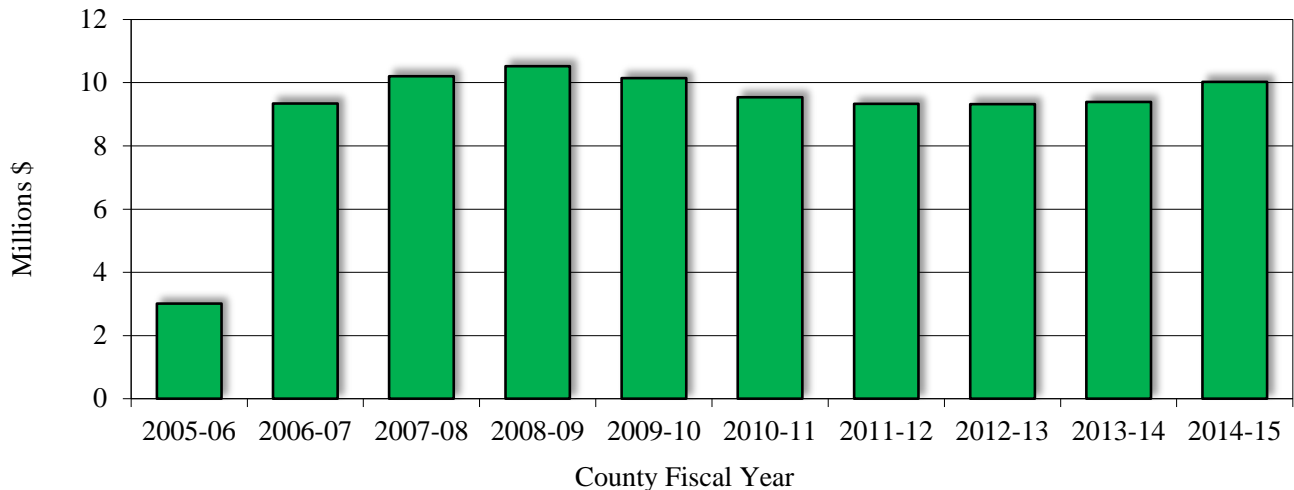
^[2] Maintenance Districts: Singleton Ranch Reservoir – 34M, Clear Creek – 97M, and Knolls Reservoir – 30M. Only the latter two districts remain active currently.

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

^[4] Taxes are lower in 2005-06 due to state legislative action to shift a portion of proceeds to the State General Fund.

Source: El Dorado Irrigation District Accounting Division and El Dorado County Auditor - Controller - Secured / Unsecured Tax Collection System SCJ302P / SCB160

Chart #5
Total District Collections

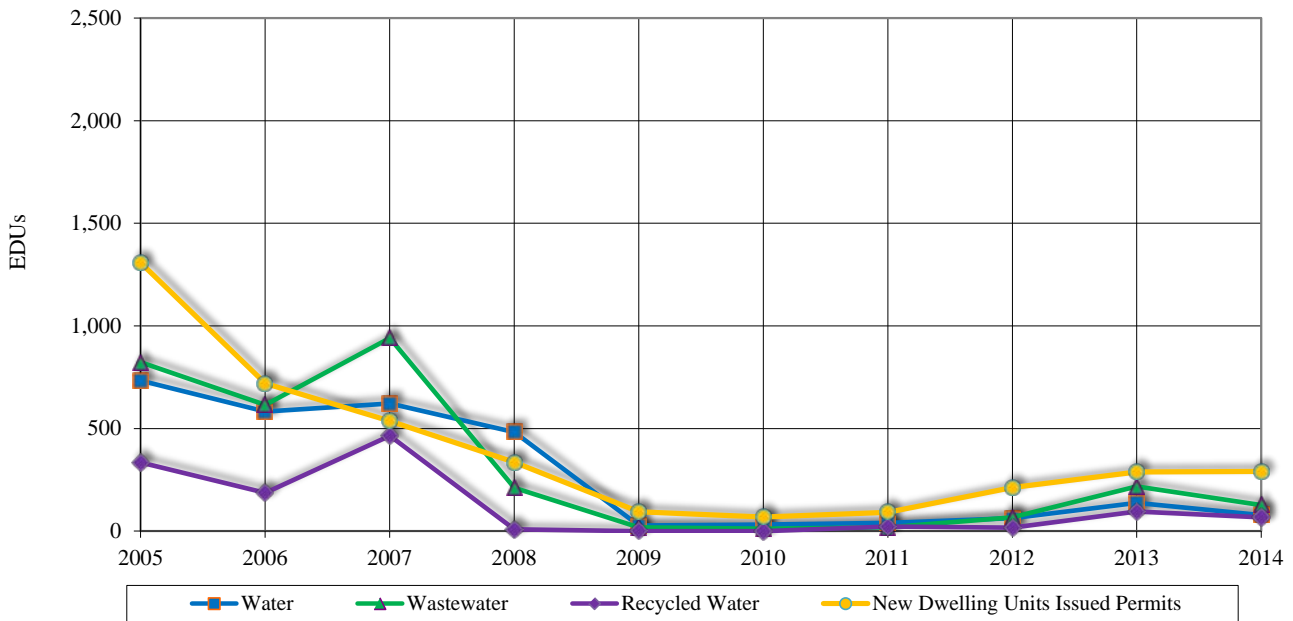


EL DORADO IRRIGATION DISTRICT
 Table #11
 Equivalent Dwelling Unit (EDU)^[1] Sales
 Last Ten Years

Year	Water	Wastewater	Recycled Water	New Dwelling Units Issued Permits
2005	734.0	823.0	335.0	1,307.0
2006	583.0	616.0	187.0	720.0
2007	621.8	941.0	465.5	537.0
2008	482.5	211.8	9.0	336.0
2009	27.5	19.0	1.0	95.0
2010	32.5	12.0	0.0	69.0
2011	40.0	19.0	22.0	92.0
2012	63.0	67.0	17.0	212.0
2013	138.0	218.5	96.5	288.0
2014	78.5	127.0	68.0	291.0

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

Chart #6
 Equivalent Dwelling Unit (EDU) Sales



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

Type of Customer	Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Potable Water Sold (Acre Feet):										
Residential ^[1]	13,983	18,318	19,006	17,215	18,147	22,099	23,276	23,288	22,190	20,319
Commercial and Industrial	2,236	2,662	2,610	2,402	2,478	1,993	3,024	3,065	2,850	2,805
Agriculture	4,766	5,954	5,385	4,307	4,896	5,690	5,581	5,262	4,963	4,712
Recreational Turf	867	1,207	1,144	973	1,073	1,238	1,398	1,364	1,387	1,235
Municipal	1,114	1,331	1,269	1,097	1,166	1,422	1,533	1,960	1,672	1,666
Total	22,966	29,472	29,414	25,994	27,760	32,442	34,812	34,939	33,062	30,737
(in millions \$)^[4]	\$28.315	\$28.791	\$25.469	\$20.816	\$17.554	\$17.403	\$18.008	\$17.680	\$15.438	\$14.018
Recycled Water Sold (Acre Feet):										
Residential ^[2]	1,374	1,850	1,685	1,372	1,328	1,578	1,674	1,578	1,330	1,008
Commercial and Industrial ^[3]	542	737	624	538	546	654	716	789	726	670
Recreational Turf	497	588	544	337	189	361	513	571	726	455
Total	2,413	3,175	2,853	2,247	2,063	2,593	2,903	2,938	2,782	2,133
(in millions \$)^[4]	\$1.577	\$1.854	\$1.521	\$1.029	\$0.734	\$0.799	\$0.883	\$1.254	\$0.723	\$0.533

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

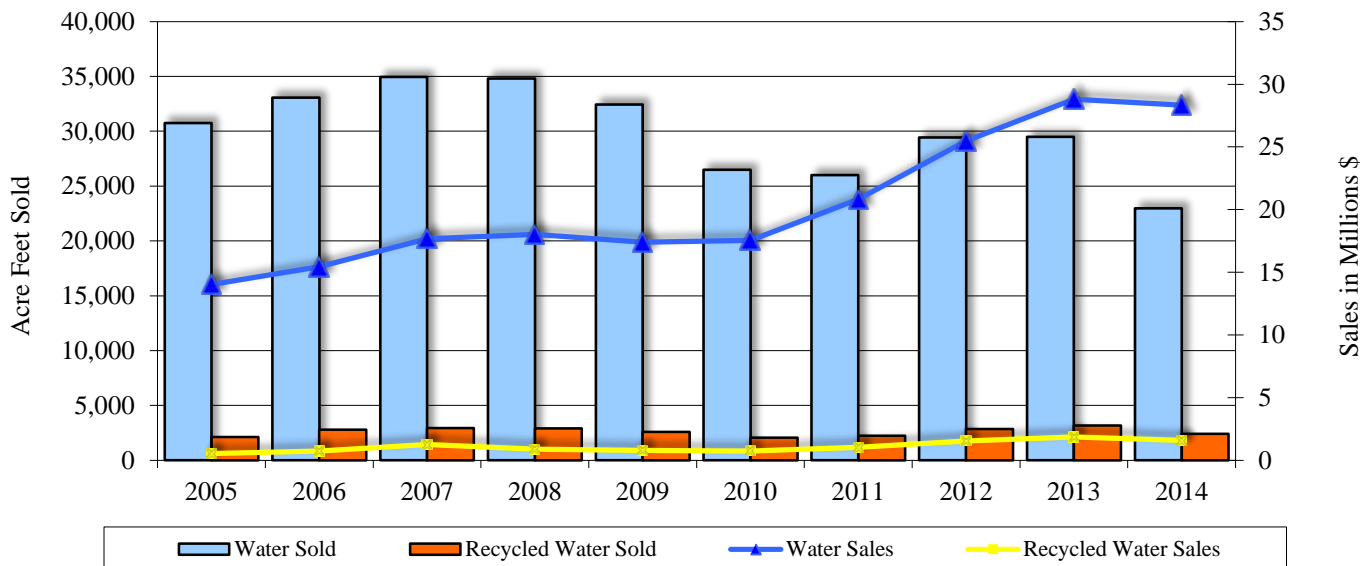
^[2] Beginning in the 1990's, residential construction of a "dual pipe" system in the El Dorado Hills community of Serrano features water, sewer and recycled water for each home.

^[3] Commercial & Industrial includes construction meters.

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

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

Chart #7
Water and Recycled Water Sales



EL DORADO IRRIGATION DISTRICT
 Table #13
 Largest Water Customers
 Current Year and Nine Years Ago
 (in dollars)

Water Customers	2014			2005		
	Annual Revenue	Rank	% of Water Sales	Annual Revenue ^[1]	Rank	% of Water Sales
City of Placerville	\$784,032	1	3.01%		1	1.65%
Cameron Park Golf Course	179,791	2	0.69%			
El Dorado Union High School District	139,489	3	0.54%			
El Dorado Hills CSD	133,708	4	0.51%			
Red Hawk Casino	86,775	5	0.33%			
Buckeye Union School District	85,010	6	0.33%			
Lake Oaks Mobile Home Park	76,192	7	0.29%		2	0.97%
Rescue Union School District	65,907	8	0.25%			
Lake Forest Apts LLC	61,825	9	0.24%			
Vineyards at Valley View	56,739	10	0.22%			
Cameron Park Mobile Home Park					3	0.75%
Sierra Pacific Industries					4	0.66%
Cameron Oaks Investment Company					5	0.65%
Diamond Springs Mobile Home Park					6	0.63%
Crestview Mobile Home Park					7	0.49%
Fuller-Sunset Mobile Home Park					8	0.48%
Bridge-Cameron Park, LP					9	0.36%
Shingle Springs Apartments					10	0.30%
Total	<u>\$1,669,468</u>		6.43%			6.94%

^[1] This data was not reported for 2005.

Source: El Dorado Irrigation District Customer Service Division

EL DORADO IRRIGATION DISTRICT

Table #14

Largest Wastewater Customers
Current and Nine Years Ago

(in dollars)

Wastewater Customers	2014			2005		
	Annual Revenue	Rank	% of Wastewater Sales	Annual Revenue ^[1]	Rank	% of Wastewater Sales
Lake Oaks Mobile Home Park	\$148,748	1	0.75%			
Vineyards at Valleyview	127,421	2	0.65%			
Wong Family Investors	110,859	3	0.56%			
Nugget Market Inc	95,722	4	0.48%			
Cameron Park Senior Living A CA LLC	92,696	5	0.47%			
Town Center East LP	87,334	6	0.44%			
Lake Forest Apts LLC	84,542	7	0.43%			
Serrano Country Club	80,149	8	0.41%			
Mercy Housing Calif XXII LP	66,178	9	0.34%			
Diamond Springs Mobile Home Park	65,758	10	0.33%			
Serrano Associates, LLC					1	1.11%
Best/SCV Cameron Park PTSP					2	0.41%
PW Eagle, Inc.					3	0.33%
IBJTC Leasing Corp.					4	0.26%
Point Loma Center					5	0.26%
Syers Properties III, LLC					6	0.25%
Raleys #424					7	0.25%
Bel Air Store #515					8	0.24%
ITW Rippey Corp.					9	0.20%
Chiou, Frank					10	0.17%
Total	<u>\$959,407</u>		4.86%			3.48%

^[1] This data was not reported for 2005

Source: El Dorado Irrigation District Customer Service Division

EL DORADO IRRIGATION DISTRICT

Table #15

Water Rates^[1]

Last Ten Years

(in dollars)

Category	Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Single Family Residential: ^[2]										
Base Charge:										
5/8" - 3/4" Meter	\$55.37	\$52.73	\$47.50	\$25.89	\$22.51	\$19.08	\$30.74	\$30.74	\$28.46	\$26.11
1" Meter	81.09	77.23	69.58	30.06	26.14	22.15	30.74	30.74	28.46	26.11
1 1/2" Meter	165.65	157.76	120.05	40.51	30.35	25.72	32.27	32.27	29.88	27.41
2" Meter	213.43	203.27	183.13	54.60	47.48	34.66	33.81	33.81	31.31	28.72
3" Meter	448.72	427.35	385.00	73.60	64.00	46.72	37.19	37.19	34.43	31.59
4" Meter	790.61	752.96	678.34	99.20	86.26	62.96	40.90	40.90	37.87	34.74
6" Meter	1,735.40	1,652.76	1,488.97	133.70	116.26	84.86	45.00	45.00	41.66	38.22
8" Meter	2,972.84	2,831.28	2,550.70	155.22	134.97	114.38	54.46	54.46	50.42	46.26
10" Meter	4,708.24	4,484.04	4,039.68	180.19	156.69	132.79	65.90	65.90	61.01	55.97
12" Meter	6,194.66	5,899.68	5,315.03	209.20	181.91	154.16	79.73	79.73	73.82	67.72
Single Family Dual Plumbed Residential	33.32	31.73	27.50	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Commodity Charge:										
All Meter Sizes, 0 - 1,800 cf ^[4]	1.35	1.28	1.15	n/a	n/a	n/a	n/a	n/a	n/a	n/a
All Meter Sizes, 1,801 - 4,500 cf ^[4]	1.62	1.55	1.39	n/a	n/a	n/a	n/a	n/a	n/a	n/a
All Meter Sizes, Over 4,500 cf ^[4]	1.90	1.81	1.63	n/a	n/a	n/a	n/a	n/a	n/a	n/a
All Meter Sizes, 0 - 1,500 cf ^[3]	n/a	n/a	n/a	1.31	1.14	0.96	n/a	n/a	n/a	n/a
All Meter Sizes, 1,501 - 4,500 cf ^[3]	n/a	n/a	n/a	1.58	1.37	1.16	n/a	n/a	n/a	n/a
All Meter Sizes, Over 4,500 cf ^[3]	n/a	n/a	n/a	1.85	1.61	1.36	n/a	n/a	n/a	n/a
5/8" - 3/4" Meter, 0 - 1,500 cf	n/a	n/a	n/a	n/a	n/a	n/a	0.75	0.75	0.69	0.64
5/8" - 3/4" Meter, 1,501 - 4,500 cf	n/a	n/a	n/a	n/a	n/a	n/a	0.80	0.80	0.74	0.68
5/8" - 3/4" Meter, Over 4,500 cf	n/a	n/a	n/a	n/a	n/a	n/a	0.94	0.94	0.87	0.80
1" - 1 1/2" Meter, 0 - 7,800 cf	n/a	n/a	n/a	n/a	n/a	n/a	0.75	0.75	0.69	0.64
1" - 1 1/2" Meter, 7,801 - 100,000 cf	n/a	n/a	n/a	n/a	n/a	n/a	0.80	0.80	0.74	0.68
1" - 1 1/2" Meter, Over 100,000 cf	n/a	n/a	n/a	n/a	n/a	n/a	0.94	0.94	0.87	0.80
2" and Larger Meter, 0 - 25,000 cf	n/a	n/a	n/a	n/a	n/a	n/a	0.75	0.75	0.69	0.64
2" and Larger Meter, 25,001 - 133,000 cf	n/a	n/a	n/a	n/a	n/a	n/a	0.80	0.80	0.74	0.68
2" and Larger Meter, Over 133,000 cf	n/a	n/a	n/a	n/a	n/a	n/a	0.94	0.94	0.87	0.80
Commercial and Retail Landscape: ^[5]										
Base Charge:										
Base Charge, All Meter Sizes ^[6]	n/a	n/a	n/a	n/a	n/a	n/a	54.66	54.66	50.61	46.43
5/8" - 3/4" Meter	58.23	55.46	49.96	25.89	22.51	19.08	30.74	30.74	28.46	26.11
1" Meter	85.96	81.87	73.76	30.06	26.14	22.15	30.74	30.74	28.46	26.11
1 1/2" Meter	177.12	168.69	151.97	40.51	30.35	25.72	32.27	32.27	29.88	27.41
2" Meter	228.65	217.76	196.18	54.60	47.48	34.66	33.81	33.81	31.31	28.72
3" Meter	482.29	459.32	413.80	73.60	64.00	46.72	37.19	37.19	34.43	31.59
4" Meter	850.86	810.34	730.04	99.20	86.26	62.96	40.90	40.90	37.87	34.74
6" Meter	1,601.41	1,525.15	1,374.01	133.70	116.26	84.86	45.00	45.00	41.66	38.22
8" Meter	3,189.11	3,037.25	2,736.26	155.22	134.97	114.38	54.46	54.46	50.42	46.26
10" Meter	5,050.75	4,810.24	4,333.55	180.19	156.69	132.79	65.90	65.90	61.01	55.97
12" Meter	6,625.14	6,309.66	5,684.38	209.20	181.91	154.16	79.73	79.73	73.82	67.72
Commodity Charge:										
All Water Consumed ^[2]	1.60	1.53	1.37	1.43	1.24	1.05	n/a	n/a	n/a	n/a

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

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

All base charges are bi-monthly.

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

Footnotes^{[1] to [16]}: Can be found at the end of Table #15.

Source: El Dorado Irrigation District Customer Service Division

EL DORADO IRRIGATION DISTRICT
 Table #15 (Continued)
 Water Rates^[1]
 Last Ten Years
 (in dollars)

Category	Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Small Farms:										
Base Charge:										
All Meter Sizes ^[6]	n/a	n/a	n/a	n/a	n/a	n/a	\$54.66	\$54.66	\$50.61	\$46.43
3/4" - 5/8" Meter	\$55.37	\$52.73	\$47.50	\$25.89	\$22.51	\$19.08	n/a	n/a	n/a	n/a
1" Meter	69.39	66.09	59.54	30.06	26.14	22.15	n/a	n/a	n/a	n/a
1 1/2" Meter	87.64	83.47	75.20	40.51	30.35	25.72	n/a	n/a	n/a	n/a
2" Meter	97.98	93.31	84.06	54.60	47.48	34.66	n/a	n/a	n/a	n/a
3" Meter	148.77	141.69	127.65	73.60	64.00	46.72	n/a	n/a	n/a	n/a
4" Meter	222.60	212.00	190.99	99.20	86.26	62.96	n/a	n/a	n/a	n/a
6" Meter	426.62	406.30	366.04	133.70	116.26	84.86	n/a	n/a	n/a	n/a
8" Meter	690.95	658.05	592.84	155.22	134.97	114.38	n/a	n/a	n/a	n/a
10" Meter	1,094.31	1,042.20	938.92	180.19	156.69	132.79	n/a	n/a	n/a	n/a
12" Meter	1,379.22	1,313.54	1,183.37	209.20	181.91	154.16	n/a	n/a	n/a	n/a
Commodity Charge:										
0-1,800 cf	1.35	1.28	1.15	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Over 1,801 cf	0.11	0.11	0.10	n/a	n/a	n/a	n/a	n/a	n/a	n/a
0 - 1,760 cf	n/a	n/a	n/a	1.31	1.14	0.96	0.80	0.80	0.74	0.68
1,761 - 6,500 cf / 1,801-6,500 cf	n/a	n/a	n/a	0.12	0.10	0.09	0.08	0.08	0.08	0.07
6,501 - 100,000 cf / 6,501-50,000 cf	n/a	n/a	n/a	0.14	0.12	0.10	0.10	0.10	0.09	0.08
Over 100,000 cf / Over 50,000 cf	n/a	n/a	n/a	0.16	0.14	0.12	0.11	0.11	0.10	0.09
Domestic Irrigation: ^{[11][16]}										
Base Charge:										
All Meter Sizes	n/a	n/a	74.66	71.10	61.83	52.40	52.00	52.00	48.15	44.17
Commodity Charge:										
0 - 6,500 cf	n/a	n/a	0.17	0.16	0.14	0.12	0.11	0.11	0.10	0.09
6,501 - 50,000 cf	n/a	n/a	0.19	0.18	0.16	0.13	0.12	0.12	0.11	0.10
Over 50,000 cf	n/a	n/a	0.25	0.24	0.21	0.18	0.16	0.16	0.15	0.14

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

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

All base charges are bi-monthly.

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

Footnotes^[1] to ^[16]: Can be found at the end of Table #15.

Source: El Dorado Irrigation District Customer Service Division

EL DORADO IRRIGATION DISTRICT
Table #15 (Continued)
Water Rates^[1]
Last Ten Years
(in dollars)

Category	Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Agriculture Metered Irrigation ^[8] , With Residence:										
Base Charge:										
All Meter Sizes ^[6]	n/a	n/a	n/a	n/a	n/a	n/a	\$54.66	\$54.66	\$50.61	\$46.43
5/8" - 3/4" Meter	\$55.37	\$52.73	\$47.50	\$25.89	\$22.51	\$19.08	n/a	n/a	n/a	n/a
1" Meter	69.39	66.09	59.54	30.06	26.14	22.15	n/a	n/a	n/a	n/a
1 1/2" Meter	87.64	83.47	75.20	40.51	30.35	25.72	n/a	n/a	n/a	n/a
2" Meter	97.98	93.31	84.06	54.60	47.48	34.66	n/a	n/a	n/a	n/a
3" Meter	148.77	141.69	127.65	73.60	64.00	46.72	n/a	n/a	n/a	n/a
4" Meter	222.60	212.00	190.99	99.20	86.26	62.96	n/a	n/a	n/a	n/a
6" Meter	426.62	406.30	366.04	133.70	116.26	84.86	n/a	n/a	n/a	n/a
8" Meter	690.95	658.05	592.84	155.22	134.97	114.38	n/a	n/a	n/a	n/a
10" Meter	1,094.31	1,042.20	938.92	180.19	156.69	132.79	n/a	n/a	n/a	n/a
12" Meter	1,379.22	1,313.54	1,183.37	209.20	181.91	154.16	n/a	n/a	n/a	n/a
Commodity Charge:										
0-1,800 cf	1.35	1.28	1.15	1.31	1.14	0.96	0.80	0.80	0.74	0.68
Over 1,801 cf	0.11	0.11	0.10	n/a	n/a	n/a	n/a	n/a	n/a	n/a
1,801-30,000 cf	n/a	n/a	n/a	0.14	0.12	0.09	0.08	0.08	0.08	0.07
30,001-58,200 cf	n/a	n/a	n/a	0.16	0.14	0.10	0.10	0.10	0.09	0.08
Over 58,201 cf	n/a	n/a	n/a	n/a	n/a	0.12	0.11	0.11	0.10	0.09
Agriculture Metered Irrigation ^[8,9] , Without Residence:										
Base Charge:										
All Meter Sizes ^[6]	n/a	n/a	n/a	n/a	n/a	n/a	54.66	54.66	50.61	46.43
5/8" - 3/4" Meter	15.79	15.04	13.55	25.89	22.51	19.08	n/a	n/a	n/a	n/a
1" Meter	21.36	20.34	18.32	30.06	26.14	22.15	n/a	n/a	n/a	n/a
1 1/2" Meter	39.61	37.72	33.98	40.51	30.35	25.72	n/a	n/a	n/a	n/a
2" Meter	49.93	47.55	42.84	54.60	47.48	34.66	n/a	n/a	n/a	n/a
3" Meter	100.74	95.94	86.43	73.60	64.00	46.72	n/a	n/a	n/a	n/a
4" Meter	174.55	166.24	149.77	99.20	86.26	62.96	n/a	n/a	n/a	n/a
6" Meter	378.58	360.55	324.82	133.70	116.26	84.86	n/a	n/a	n/a	n/a
8" Meter	642.93	612.31	551.63	155.22	134.97	114.38	n/a	n/a	n/a	n/a
10" Meter	1,018.23	969.74	873.64	180.19	156.69	132.79	n/a	n/a	n/a	n/a
12" Meter	1,331.18	1,267.79	1,142.15	209.20	181.91	154.16	n/a	n/a	n/a	n/a
Commodity Charge:										
All Water Consumed	0.11	0.11	0.10	n/a	n/a	n/a	n/a	n/a	n/a	n/a
0-58,200 cf	n/a	n/a	n/a	0.14	0.12	n/a	n/a	n/a	n/a	n/a
0-30,000 cf	n/a	n/a	n/a	n/a	n/a	0.09	0.08	0.08	0.08	0.07
30,001-58,200	n/a	n/a	n/a	n/a	n/a	0.10	0.10	0.10	0.09	0.08
Over 58,201 cf	n/a	n/a	n/a	0.16	0.14	0.12	0.11	0.11	0.10	0.09

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

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

All base charges are bi-monthly.

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

Footnotes^[1] to ^[16]: Can be found at the end of Table #15.

Source: El Dorado Irrigation District Customer Service Division

EL DORADO IRRIGATION DISTRICT
Table #15 (Continued)
Water Rates^[1]
Last Ten Years
(in dollars)

Category	2014	2013	2012	2011	Year 2010	2009	2008	2007	2006	2005
Agriculture Metered Irrigation, IMS Participant:										
Base Charge: ^[6]										
All Meter Sizes	n/a	n/a	n/a	n/a	n/a	n/a	\$54.66	\$54.66	\$50.61	\$46.43
5/8" - 3/4" Meter	n/a	n/a	n/a	\$25.89	\$22.51	n/a	n/a	n/a	n/a	n/a
1" Meter	n/a	n/a	n/a	30.06	26.14	n/a	n/a	n/a	n/a	n/a
1 1/2" Meter	n/a	n/a	n/a	40.51	30.35	n/a	n/a	n/a	n/a	n/a
2" Meter	n/a	n/a	n/a	54.60	47.48	n/a	n/a	n/a	n/a	n/a
3" Meter	n/a	n/a	n/a	73.60	64.00	n/a	n/a	n/a	n/a	n/a
4" Meter	n/a	n/a	n/a	99.20	86.26	n/a	n/a	n/a	n/a	n/a
6" Meter	n/a	n/a	n/a	133.70	116.26	n/a	n/a	n/a	n/a	n/a
8" Meter	n/a	n/a	n/a	155.22	134.97	n/a	n/a	n/a	n/a	n/a
10" Meter	n/a	n/a	n/a	180.19	156.69	n/a	n/a	n/a	n/a	n/a
12" Meter	n/a	n/a	n/a	209.20	181.91	n/a	n/a	n/a	n/a	n/a
Commodity Charge:										
0-1,800 cf, With Residence	n/a	n/a	n/a	1.31	1.14	\$0.96	0.80	0.80	0.74	0.68
1,801-30,000 cf, With Residence	n/a	n/a	n/a	0.12	0.10	0.09	0.08	0.08	0.08	0.07
0-30,000 cf, Without Residence	n/a	n/a	n/a	0.09	0.08	0.08	0.08	0.08	0.08	0.07
30,001-58,200 cf, With or Without Residence	n/a	n/a	n/a	0.14	0.12	0.10	0.10	0.09	0.09	0.08
Over 58,200 cf, With or Without Residence	n/a	n/a	n/a	0.16	0.14	0.12	0.11	0.11	0.10	0.09
Multi-family Residential:										
Base Charge:										
All Meter Sizes ^[6]	n/a	n/a	n/a	12.82	11.15	9.45	15.28	15.28	14.15	12.98
5/8" - 3/4" Meter	58.23	55.46	49.96	n/a	n/a	n/a	n/a	n/a	n/a	n/a
1" Meter	85.96	81.87	73.76	n/a	n/a	n/a	n/a	n/a	n/a	n/a
1 1/2" Meter	177.12	168.69	151.97	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2" Meter	228.65	217.76	196.18	n/a	n/a	n/a	n/a	n/a	n/a	n/a
3" Meter	482.29	459.32	413.80	n/a	n/a	n/a	n/a	n/a	n/a	n/a
4" Meter	850.86	810.34	730.04	n/a	n/a	n/a	n/a	n/a	n/a	n/a
6" Meter	1,601.41	1,525.15	1,374.01	n/a	n/a	n/a	n/a	n/a	n/a	n/a
8" Meter	3,189.11	3,037.25	2,736.26	n/a	n/a	n/a	n/a	n/a	n/a	n/a
10" Meter	5,050.75	4,810.24	4,333.55	n/a	n/a	n/a	n/a	n/a	n/a	n/a
12" Meter	6,625.14	6,309.66	5,684.38	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Commodity Charge:										
All Water Consumed ^[9]	1.60	1.53	1.37	n/a	n/a	n/a	n/a	n/a	n/a	n/a
0-1,500 cf	n/a	n/a	n/a	1.43	1.24	1.05	0.75	0.75	0.69	0.64
1,501 - 20,000 cf	n/a	n/a	n/a	1.43	1.24	1.05	0.80	0.80	0.74	0.68
Over 20,000 cf	n/a	n/a	n/a	1.43	1.24	1.05	0.94	0.94	0.87	0.80

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

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

All base charges are bi-monthly.

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

Footnotes^{[1] to [16]}: Can be found at the end of Table #15.

Source: El Dorado Irrigation District Customer Service Division

EL DORADO IRRIGATION DISTRICT
 Table #15 (Continued)
 Water Rates^[1]
 Last Ten Years
 (in dollars)

Category	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Recreational Turf, 5/8" - 1 1/2" Meter: ^{[6][16]}										
Base Charge:										
5/8" - 1 1/2" Meter	n/a	n/a	n/a	n/a	n/a	n/a	\$104.15	\$104.15	\$96.44	\$88.47
3/4" - 5/8" Meter	\$52.49	\$49.99	\$49.96	\$25.89	\$22.51	\$19.08	n/a	n/a	n/a	n/a
1" Meter	76.21	72.58	73.76	30.06	26.14	22.15	n/a	n/a	n/a	n/a
1 1/2" Meter	154.17	146.83	151.97	40.51	30.35	25.72	n/a	n/a	n/a	n/a
Commodity Charge:										
0 - 13,300 cf	1.60	1.53	0.75	0.72	0.62	0.53	0.38	0.38	0.35	0.32
13,301 - 75,000 cf	n/a	n/a	0.77	0.74	0.64	0.54	0.39	0.39	0.37	0.34
Over 75,000 cf	n/a	n/a	0.96	0.92	0.80	0.68	0.49	0.49	0.45	0.42
Recreational Turf, 2" - 3" Meter: ^{[6][16]}										
Base Charge:										
2" - 3" Meter	n/a	n/a	n/a	n/a	n/a	n/a	104.15	104.15	96.44	88.47
2" Meter	198.23	188.79	196.18	54.60	47.48	34.66	n/a	n/a	n/a	n/a
3" Meter	415.15	395.38	413.80	73.60	64.00	46.72	n/a	n/a	n/a	n/a
Commodity Charge:										
0 - 37,500 cf	1.60	1.53	0.75	0.72	0.62	0.53	0.38	0.38	0.35	0.32
37,501 - 166,700 cf	n/a	n/a	0.77	0.74	0.64	0.54	0.39	0.39	0.37	0.34
Over 166,700 cf	n/a	n/a	0.96	0.92	0.80	0.68	0.49	0.49	0.45	0.42
Recreational Turf, 4" and Larger Meter: ^{[6][16]}										
Base Charge:										
4" and Larger Meter	n/a	n/a	n/a	n/a	n/a	n/a	104.15	104.15	96.44	88.47
4" Meter	730.36	695.58	730.04	99.20	86.26	62.96	n/a	n/a	n/a	n/a
6" Meter	1,601.41	1,525.15	1,374.01	133.70	116.26	84.86	n/a	n/a	n/a	n/a
8" Meter	2,730.05	2,600.05	2,736.26	155.22	134.97	114.38	n/a	n/a	n/a	n/a
10" Meter	4,323.72	4,117.83	4,333.55	180.19	156.69	132.79	n/a	n/a	n/a	n/a
12" Meter	5,668.60	5,398.67	5,684.38	209.20	181.91	154.16	n/a	n/a	n/a	n/a
Commodity Charge:										
0 - 500,000 cf	1.60	1.53	0.75	0.72	0.62	0.53	0.38	0.38	0.35	0.32
500,001 - 1,666,700 cf	n/a	n/a	0.77	0.74	0.64	0.54	0.39	0.39	0.37	0.34
Over 1,666,700 cf	n/a	n/a	0.96	0.92	0.80	0.68	0.49	0.49	0.45	0.42

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

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

All base charges are bi-monthly.

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

Footnotes^[1] to ^[16]: Can be found at the end of Table #15.

Source: El Dorado Irrigation District Customer Service Division

EL DORADO IRRIGATION DISTRICT
Table #15 (Continued)
Water Rates^[1]
Last Ten Years
(in dollars)

	Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Wholesale (City of Placerville):										
Base Charge:										
2" Meter ^[15]	\$207.94	\$198.04	\$178.41	n/a	n/a	n/a	n/a	n/a	n/a	n/a
3" Meter ^[15]	442.31	421.25	379.50	n/a	n/a	n/a	n/a	n/a	n/a	n/a
4" Meter ^[15]	785.90	748.47	674.30	n/a	n/a	n/a	n/a	n/a	n/a	n/a
6" Meter ^[15]	1,731.98	1,649.50	1,486.04	n/a	n/a	n/a	n/a	n/a	n/a	n/a
8" Meter ^[15]	2,957.83	2,816.98	2,537.82	n/a	n/a	n/a	n/a	n/a	n/a	n/a
10" Meter ^[15]	4,614.39	4,394.66	3,959.15	n/a	n/a	n/a	n/a	n/a	n/a	n/a
14" Meter ^[15]	7,774.14	7,403.94	6,670.21	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Commodity Charge:										
All Water Consumed	0.54	0.52	0.47	n/a	n/a	n/a	n/a	n/a	n/a	n/a
0 - 295,500 cf	n/a	n/a	n/a	0.57	0.50	0.42	0.44	0.44	0.39	0.36
295,501 - 12,160,000 cf	n/a	n/a	n/a	0.65	0.56	0.48	0.48	0.48	0.44	0.41
Over 12,160,000 cf	n/a	n/a	n/a	0.74	0.64	0.54	0.54	0.54	0.50	0.46
Temporary Water Use:^[12]										
Base Charge	n/a	n/a	n/a	402.52	350.02	42.39	68.26	68.26	63.23	58.00
Commodity Charge	n/a	n/a	n/a	2.37	2.06	1.75	1.36	1.36	1.26	1.16
Ditches (Raw Water):^[14]										
Base Charge, Metered Lands, Irrig. All Meter Sizes ^[13] :	n/a	n/a	n/a	80.38	70.29	59.57	59.57	59.57	55.16	50.60
5/8" - 3/4" Meter	15.79	15.04	13.55	n/a	n/a	n/a	n/a	n/a	n/a	n/a
1" Meter	21.36	20.34	18.32	n/a	n/a	n/a	n/a	n/a	n/a	n/a
1 1/2" Meter	39.61	37.72	33.98	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2" Meter	49.93	47.55	42.84	n/a	n/a	n/a	n/a	n/a	n/a	n/a
3" Meter	100.74	95.94	86.43	n/a	n/a	n/a	n/a	n/a	n/a	n/a
4" Meter	174.55	166.24	149.77	n/a	n/a	n/a	n/a	n/a	n/a	n/a
6" Meter	378.58	360.55	324.82	n/a	n/a	n/a	n/a	n/a	n/a	n/a
8" Meter	642.93	612.31	551.63	n/a	n/a	n/a	n/a	n/a	n/a	n/a
10" Meter	1,018.23	969.74	873.64	n/a	n/a	n/a	n/a	n/a	n/a	n/a
12" Meter	1,331.18	1,267.79	1,142.15	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Commodity Charge, Metered	0.11	0.11	0.10	0.15	0.13	0.11	0.11	0.11	0.10	0.09
Base Charge, Non-metered:										
1/2" Flow	72.50	69.05	62.21	74.51	64.79	54.91	54.91	54.91	50.84	46.64
1" Flow	\$145.02	138.11	124.42	165.49	143.90	121.95	121.95	121.95	112.92	103.59
2" Flow	\$290.02	276.21	248.84	330.98	287.81	243.91	243.91	243.91	225.84	207.17
4" Flow	\$580.04	552.42	497.68	661.94	575.60	487.80	487.80	487.80	451.67	414.34
Commodity Charge, Non-metered	0.11	0.11	0.10	0.09	0.08	0.07	0.07	0.07	0.06	0.06

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

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

All base charges are bi-monthly.

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

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

^[2] Prior to 2009, the retail water rate category represents Single Family Residential, Recreational Turf, and Commercial and Retail Landscape customer rate classifications.

^[3] Beginning in 2009, Single Family Residential consumption tiers became uniform. Prior to 2009, tiers were based on meter size and rates.

^[4] Beginning in 2012, Single Family Residential tier 1 maximum use was increased.

^[5] Beginning in 2009, Commercial and Retail Landscape restructured as a separate class.

^[6] Beginning in 2009, base charge was determined by meter size on a shared scale. Beginning in 2012, it is determined by size and service class.

^[7] Beginning in 2009, tier 1 maximum use was increased. Beginning in 2012, tier 2 was increased to cover all use above tier 1.

^[8] Beginning in April 2009, Agriculture Metered Irrigation tier quantities changed.

^[9] Beginning in April 2012, tiered use rates were changed to one rate for all water consumed.

^[10] Beginning in 2012, this tier was omitted.

^[11] Beginning in April 2009, Domestic Irrigation tier 2 maximum value changed from 100,000 to 50,000. Effective 1/1/2013 this rate class was eliminated.

^[12] Previously known as Fire Hydrant / Construction, it was removed from rate class status effective April 2012. It is now covered under the fees and charges table.

^[13] Beginning in 2012, base charge is determined by meter size.

^[14] 1 miners inch = 11.22 gallons per minute; 1 miners inch per day (MID)= 2,160 cubic feet.

^[15] No longer a part of the general District rate schedule. This rate is determined subject to ad-hoc negotiations with the City of Placerville.

^[16] Beginning in 2013, tiered use rates were changed to one rate for all water consumed.

Source: El Dorado Irrigation District Customer Service Division

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

Category	Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Small Farm / Recreational Turf / Domestic Irrigation (Flat Rate):										
Base Charge	\$141.75	\$135.00	\$135.98	\$129.50	\$112.61	\$95.43	\$115.44	\$111.00	\$104.72	\$96.93
Single Family Residential:										
Base Charge	71.95	68.52	65.26	77.33	67.24	56.98	54.79	52.68	49.70	46.00
Commodity Charge	3.88	3.69	3.52	2.90	2.52	2.14	2.05	1.98	1.86	1.72
Commercial / Industrial: ^[1]										
Base Charge	76.91	73.25	69.76	69.76	60.66	51.41	49.43	47.53	44.84	41.51
Laundromat / Commercial-Low	4.46	4.25	4.04	3.85	3.35	2.84	2.73	2.63	2.48	2.29
Market / Commercial-Medium/Low	6.42	6.12	5.83	5.80	5.04	4.27	5.90	5.67	5.35	4.95
Repair Shop / Service Station / Commercial-Medium	9.58	9.12	8.69	7.76	6.75	5.72	4.11	3.95	3.73	3.45
Light Industrial / Commercial-Medium/High	14.90	14.19	13.50	8.32	7.23	6.13	5.50	5.29	4.99	4.62
Restaurant / Commercial-High	32.45	30.91	29.44	10.73	9.33	7.91	7.60	7.31	6.90	6.38
Other (No Longer Exists)	n/a	n/a	n/a	4.97	4.32	3.66	3.52	3.39	3.19	2.96
Commercial Without Water Service (Sewer Only):										
Base Charge	119.81	114.10	108.67	81.64	70.99	60.16	57.85	55.62	52.47	48.57
Each Additional Unit	119.81	114.10	108.67	93.16	81.01	68.65	66.01	63.47	59.88	55.42
School Wastewater, Yearly:										
Base Charge, Per Student	11.80	11.24	10.70	5.52	4.80	4.07	3.91	3.76	3.55	3.29
Septage Transfer:										
Base Charge, per 1,000 Gallons	n/a	n/a	n/a	197.14	171.43	145.28	139.70	134.32	126.72	117.29

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

All base charges are bi-monthly.

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

Source: El Dorado Irrigation District Customer Service Division

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

Category	Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Dual Plumbed Residential:										
Base Charge:	\$22.05	\$21.00	\$20.00	n/a	n/a	n/a	n/a	n/a	n/a	n/a
0 - 3,000 cf	0.64	0.61	0.58	\$0.57	\$0.50	\$0.42	\$0.44	\$0.44	\$0.39	\$0.36
3,001 - 4,500 cf	1.08	1.02	0.98	0.65	0.56	0.48	0.48	0.48	0.44	0.41
Over 4,500 cf	1.62	1.54	1.47	0.74	0.64	0.54	0.54	0.54	0.50	0.46
Commodity Charge	n/a	n/a	n/a	0.83	0.72	0.61	0.61	0.61	0.57	0.52
Commercial / Industrial:										
Base Charge ^[2] :										
All Meter Sizes	n/a	n/a	n/a	143.84	125.08	106.00	106.00	106.00	98.14	90.03
Base Charge, 3/4" - 5/8" Meter	29.79	28.37	27.02	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Base Charge, 1" Meter	43.26	41.20	39.24	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Base Charge, 1 1/2" Meter ^[3]	87.51	83.34	79.37	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Base Charge, 2" Meter ^[3]	112.51	107.15	102.05	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Base Charge, 3" Meter ^[3]	235.63	224.41	213.72	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Base Charge, 4" Meter ^[3]	414.53	394.79	375.99	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Base Charge, 6" Meter ^[3]	908.91	865.63	824.41	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Base Charge, 8" Meter ^[3]	1,549.50	1,475.71	1,405.44	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Base Charge, 10" Meter ^[3]	2,454.01	2,337.15	2,225.86	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Base Charge, 12" Meter ^[3]	3,217.32	3,064.11	2,918.20	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Commodity Charge	0.88	0.83	0.79	0.83	0.72	0.61	0.61	0.61	0.57	0.52

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

All base charges are bi-monthly.

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

^[2] Recreational Turf base charge previously covered under Single Family, Commercial, Agricultural Irrigation, Small Farms, and Recreational Turf classifications.

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

Source: El Dorado Irrigation District Customer Service Division

EL DORADO IRRIGATION DISTRICT
 Table #17 (Continued)
 Recycled Water Rates
 Last Ten Years
 (in dollars)

Category	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Recreational Turf:										
Base Charge ^[2] :										
All Meter Sizes	n/a	n/a	n/a	\$143.84	\$125.08	\$106.00	\$106.00	\$106.00	\$98.14	\$90.03
Base Charge, 3/4" - 5/8" Meter	\$29.79	\$28.37	\$27.02	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Base Charge, 1" Meter	43.26	41.20	39.24	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Base Charge, 1 1/2" Meter ^[3]	87.51	83.34	79.37	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Base Charge, 2" Meter ^[3]	112.51	107.15	102.05	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Base Charge, 3" Meter ^[3]	235.63	224.41	213.72	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Base Charge, 4" Meter ^[3]	414.53	394.79	375.99	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Base Charge, 6" Meter ^[3]	908.91	865.63	824.41	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Base Charge, 8" Meter ^[3]	1,549.50	1,475.71	1,405.44	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Base Charge, 10" Meter ^[3]	2,454.01	2,337.15	2,225.86	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Base Charge, 12" Meter ^[3]	3,217.32	3,064.11	2,918.20	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Commodity Charge	1.03	0.99	0.94	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Fire Hydrant / Temporary Water Use: ^[1]										
Base Charge	n/a	n/a	n/a	434.27	377.63	65.79	106.00	106.00	98.14	90.03
Commodity Charge	n/a	n/a	n/a	1.07	0.93	0.79	0.61	0.61	0.57	0.52

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

All base charges are bi-monthly.

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

^[2] Recreational Turf base charge previously covered under Single Family, Commercial, Agricultural Irrigation, Small Farms, and Recreational Turf classifications.

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

Source: El Dorado Irrigation District Customer Service Division

EL DORADO IRRIGATION DISTRICT

Table #18

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

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

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

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

All charges are reported as bi-monthly.

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

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

Phase I water rate surcharges ended effective October 2009.

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

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

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

^[2] Wastewater rate surcharges remained the same for the ten year reporting period.

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

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

Source: El Dorado Irrigation District Utility Billing Section

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

Category	Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
El Dorado Hills / Cameron Park ^[1] Residential / Commercial and Retail Landscape (Potable Only):										
Potable Water FCC	\$17,578	\$17,578	\$15,751	\$15,751	\$15,751	\$15,751	\$15,751	\$11,954	\$11,954	\$11,954
Gabbro Soils	345	345	345	345	345	345	345	345	345	345
Line & Cover 1 ^[2]	n/a	n/a	n/a	n/a	n/a	101	101	101	101	101
Line & Cover 2	118	118	118	118	118	118	118	118	118	118
Line & Cover 3	325	325	325	325	325	325	325	n/a	n/a	n/a
Total	\$18,366	\$18,366	\$16,539	\$16,539	\$16,539	\$16,539	\$16,640	\$12,518	\$12,518	\$12,518
El Dorado Hills / Cameron Park ^[1] Residential (Dual Plumbed):										
Potable Water FCC	\$11,471	\$11,471	\$6,631	\$6,631	\$6,631	\$6,631	\$6,631	\$5,977	\$5,977	\$5,977
Gabbro Soils	345	345	345	345	345	345	345	345	345	345
Line & Cover 1 ^[2]	n/a	n/a	n/a	n/a	n/a	101	101	101	101	101
Line & Cover 2	118	118	118	118	118	118	118	118	118	118
Line & Cover 3	325	325	325	325	325	325	325	n/a	n/a	n/a
Recycled Water FCC	3,046	3,046	4,553	4,553	4,553	4,553	4,553	2,241	2,241	2,241
Total	\$15,305	\$15,305	\$11,972	\$11,972	\$11,972	\$11,972	\$12,073	\$8,782	\$8,782	\$8,782
El Dorado Hills / Cameron Park ^[1] Commercial / Industrial (Recycled Water):										
Recycled Water FCC	\$3,046	\$3,046	\$4,553	\$4,553	\$4,553	\$4,553	\$4,553	\$4,482	\$4,482	\$4,482
Total	\$3,046	\$3,046	\$4,553	\$4,553	\$4,553	\$4,553	\$4,553	\$4,482	\$4,482	\$4,482
El Dorado Hills Residential - AFA, with Entitlement (Potable Only):										
Potable Water FCC	\$14,391	\$14,391	\$12,361	\$12,361	\$12,361	\$12,361	\$12,361	\$7,865	\$7,865	\$7,865
Gabbro Soils	345	345	345	345	345	345	345	345	345	345
Line & Cover 1 ^[2]	n/a	n/a	n/a	n/a	n/a	101	101	101	101	101
Line & Cover 2	118	118	118	118	118	118	118	118	118	118
Line & Cover 3	325	325	325	325	325	325	325	n/a	n/a	n/a
Total	\$15,179	\$15,179	\$13,149	\$13,149	\$13,149	\$13,149	\$13,250	\$8,429	\$8,429	\$8,429
El Dorado Hills Residential - AFA, with Entitlement (Dual Plumbed):										
Potable Water FCC	\$10,196	\$10,196	\$5,512	\$5,512	\$5,512	\$5,512	\$5,512	\$3,932	\$3,932	\$3,932
Gabbro Soils	345	345	345	345	345	345	345	345	345	345
Line & Cover 1 ^[2]	n/a	n/a	n/a	n/a	n/a	101	101	101	101	101
Line & Cover 2	118	118	118	118	118	118	118	118	118	118
Line & Cover 3	325	325	325	325	325	325	325	n/a	n/a	n/a
Recycled Water FCC	3,046	3,046	4,553	4,553	4,553	4,553	4,553	2,241	2,241	2,241
Total	\$14,030	\$14,030	\$10,853	\$10,853	\$10,853	\$10,853	\$10,954	\$6,737	\$6,737	\$6,737
El Dorado Hills Residential - AFA, with No Entitlement (Potable Only): ^[3]										
Potable Water FCC	n/a	n/a	n/a	\$12,361	\$12,361	\$12,361	\$12,361	\$7,865	\$7,865	\$7,865
Gabbro Soils	n/a	n/a	n/a	345	345	345	345	345	345	345
Line & Cover 1 ^[2]	n/a	n/a	n/a	n/a	n/a	101	101	101	101	101
Line & Cover 2	n/a	n/a	n/a	118	118	118	118	118	118	118
Line & Cover 3	n/a	n/a	n/a	325	325	325	325	n/a	n/a	n/a
AFA / Weber Fee	n/a	n/a	n/a	4,000	4,000	4,000	4,000	4,000	4,000	4,000
Total	n/a	n/a	n/a	\$17,149	\$17,149	\$17,149	\$17,250	\$12,429	\$12,429	\$12,429

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

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

^[2] Line & Cover 1 ended effective October, 2009.

^[3] AFA With No Entitlements agreement expired April 2011.

Source: El Dorado Irrigation District Customer Service Division

(Continued)

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

Category	Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
El Dorado Hills Residential - AFA With No Entitlement (Dual Plumbed): ^[1]										
Potable Water FCC	n/a	n/a	n/a	\$5,512	\$5,512	\$5,512	\$5,512	\$7,865	\$7,865	\$7,865
Gabbro Soils	n/a	n/a	n/a	345	345	345	345	345	345	345
Line & Cover 1 ^[2]	n/a	n/a	n/a	n/a	n/a	101	101	101	101	101
Line & Cover 2	n/a	n/a	n/a	118	118	118	118	118	118	118
Line & Cover 3	n/a	n/a	n/a	325	325	325	325	n/a	n/a	n/a
AFA / Weber Fee	n/a	n/a	n/a	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Recycled Water FCC	n/a	n/a	n/a	4,553	4,553	4,553	4,553	-	-	-
Total	n/a	n/a	n/a	\$12,853	\$12,853	\$12,853	\$12,954	\$10,429	\$10,429	\$10,429
General District / Satellites (Potable Only):										
Potable Water FCC	\$17,578	\$17,578	\$16,305	\$16,305	\$16,305	\$16,305	\$16,305	\$7,953	\$7,953	\$7,953
Gabbro Soils	345	345	345	345	345	345	345	345	345	345
Line & Cover 1 ^[2]	n/a	n/a	n/a	n/a	n/a	101	101	101	101	101
Line & Cover 2	118	118	118	118	118	118	118	118	118	118
Line & Cover 3	325	325	325	325	325	325	325	n/a	n/a	n/a
Total	\$18,366	\$18,366	\$17,093	\$17,093	\$17,093	\$17,093	\$17,194	\$8,517	\$8,517	\$8,517

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

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

^[2] Line & Cover 1 ended effective October, 2009.

^[3] AFA With No Entitlements agreement expired April 2011.

Source: El Dorado Irrigation District Customer Service Division

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

Category	Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
El Dorado Hills:										
Wastewater Buy-in	\$6,020	\$6,020	\$4,967	\$4,967	\$4,967	\$4,967	\$4,967	\$8,443	\$8,443	\$8,443
Recycled Costs Share	-	-	1,538	1,538	1,538	1,538	1,538	1,412	1,412	1,412
Future Capital Projects	6,842	6,842	6,936	6,936	6,936	6,936	6,936	n/a	n/a	n/a
Total	\$12,862	\$12,862	\$13,441	\$13,441	\$13,441	\$13,441	\$13,441	\$9,855	\$9,855	\$9,855
Cameron Park:										
Wastewater Buy-in	\$6,020	\$6,020	\$7,425	\$7,425	\$7,425	\$7,425	\$7,425	\$4,418	\$4,418	\$4,418
Recycled Costs Share	-	-	1,538	1,538	1,538	1,538	1,538	1,412	1,412	1,412
Future Capital Projects	6,842	6,842	486	486	486	486	486	n/a	n/a	n/a
Total	\$12,862	\$12,862	\$9,449	\$9,449	\$9,449	\$9,449	\$9,449	\$5,830	\$5,830	\$5,830
Motherlode:										
Wastewater Buy-in	\$6,020	\$6,020	\$10,114	\$10,114	\$10,114	\$10,114	\$10,114	\$6,246	\$6,246	\$6,246
Recycled Costs Share	-	-	1,538	1,538	1,538	1,538	1,538	1,412	1,412	1,412
Future Capital Projects	6,842	6,842	1,751	1,751	1,751	1,751	1,751	n/a	n/a	n/a
Total	\$12,862	\$12,862	\$13,403	\$13,403	\$13,403	\$13,403	\$13,403	\$7,658	\$7,658	\$7,658
Satellite Areas:										
Wastewater Buy-in	\$6,020	\$6,020	\$9,120	\$9,120	\$9,120	\$9,120	\$9,120	\$6,181	\$6,181	\$6,181
Future Capital Projects	6,842	6,842	777	777	777	777	777	-	-	-
Total	\$12,862	\$12,862	\$9,897	\$9,897	\$9,897	\$9,897	\$9,897	\$6,181	\$6,181	\$6,181

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

Source: El Dorado Irrigation District Customer Service Division

EL DORADO IRRIGATION DISTRICT

Table #21

Installation and Inspection Fees

Last Ten Years

(in dollars)

Category	Year									
	2014	2013	2012	2011 ^[1]	2010	2009	2008	2007	2006	2005
Water Meter Installation Fees:										
3/4" Meter, With Pressure Regulator	n/a	n/a	n/a	\$792	\$760	\$598	\$598	\$537	\$537	\$537
3/4" Meter, Without Pressure Regulator	\$605	\$609	\$560	560	521	464	464	428	428	428
1" Meter, With Pressure Regulator	n/a	n/a	n/a	979	920	670	670	653	653	653
1" Meter, Without Pressure Regulator	704	704	669	669	598	525	525	508	508	508
Recycled Water Meter Installation Fees:										
3/4" Commercial	612	615	594	594	792	545	545	545	545	545
3/4" Residential	612	615	594	594	792	545	545	545	545	545
Wastewater Inspection Fees:										
Commercial (Per Cleanout)	70	70	70	70	70	70	70	70	70	70
Residential	145	145	145	145	145	145	145	145	145	145
Recycled Water Plan Check & Inspection Fees:										
Front Yard Only, Done by Developer (Per Lot)	400	400	400	400	400	400	400	400	500	500
Front and Back Yard, Done by Developer (Per Lot)	325	325	325	325	325	325	325	325	500	500

^[1] Pressure regulators not included in price effective 1/1/2012.
Source: El Dorado Irrigation District Customer Service Division



Debt Capacity

EL DORADO IRRIGATION DISTRICT

Table #22

Ratios of Outstanding Debt by Type

Last Ten Years

(in thousands of dollars, except per capita)

	Year									
	2014 ^[2]	2013	2012	2011	2010	2009	2008	2007	2006	2005
State of California Loans	\$15,401	\$16,456	\$17,485	\$18,491	\$19,472	\$20,419	\$21,364	\$16,138	\$16,543	\$5,918
County of El Dorado Note	-	-	1,533	1,533	1,533	1,533	1,533	1,533	1,533	1,533
COPs	158,719	293,005	298,182	358,046	364,940	367,940	243,830	240,220	244,165	248,000
GO Bonds	1,850	2,260	2,670	3,065	3,450	3,825	4,260	4,685	5,010	5,330
Refunding Revenue Bonds	184,051	50,505	50,685	-	-	-	-	-	-	-
Capital Leases	-	-	-	-	-	-	-	-	-	-
Total	\$360,021	\$362,226	\$370,555	\$381,135	\$389,395	\$393,717	\$270,987	\$262,576	\$267,251	\$260,781
Percentage of Personal										
Income ^[1]	n/a	3.48%	3.76%	4.19%	4.58%	4.51%	3.07%	3.04%	3.42%	3.56%
Per Capita	\$1,974	\$2,004	\$2,051	\$2,094	\$2,212	\$2,236	\$1,508	\$1,477	\$1,513	\$1,502
Personal Income, Per Capita ^[1]	n/a	\$57,520	\$54,533	\$49,967	\$48,240	\$49,590	\$49,091	\$48,606	\$44,283	\$42,147
Population	182,404	180,712	180,712	182,019	176,075	176,075	179,722	177,766	176,637	173,668

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

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

^[1] Personal income for year 2014 unavailable at time of report.

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

Source: El Dorado Irrigation District Accounting Division

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

Category	Revenues ^[2]	Expenses ^[3]	Net Revenues	Pre-existing Obligations (State Loans) ^[7]	Net Revenues Available for Debt Service	Senior Debt Service	Senior Debt Service Coverage ^[4]
Water							
2005	32,916,548	22,704,324	10,212,224		10,212,224	4,990,263	2.05
2006	49,020,984	24,075,618	24,945,366		24,945,366	6,482,986	3.85
2007	39,495,917	24,823,282	14,672,635		14,672,635	6,453,793	2.27
2008	41,744,079	25,813,634	15,930,445		15,930,445	10,976,564	1.45
2009 ^[5]	31,766,675	24,888,540	6,878,135	1,079,200	5,798,935	8,262,592	0.70
2010	36,473,001	22,352,243	14,120,758	1,067,395	13,053,363	8,608,947	1.52
2011 ^[6]	45,464,271	24,029,159	21,435,112	1,079,317	20,355,795	10,506,089	1.94
2012	41,643,945	24,518,620	17,125,325	1,079,317	16,046,008	8,453,844	1.90
2013	49,455,360	27,218,400	22,236,960	1,079,317	21,157,643	8,657,235	2.44
2014	44,472,670	27,511,675	16,960,995	1,079,317	15,881,678	7,995,712	1.99
Wastewater							
2005	26,205,237	17,839,112	8,366,125		8,366,125	6,634,186	1.26
2006	30,055,658	18,717,271	11,338,387		11,338,387	9,077,872	1.25
2007	32,180,773	19,504,007	12,676,766		12,676,766	8,822,552	1.44
2008	28,674,087	18,685,105	9,988,982		9,988,982	6,815,175	1.47
2009 ^[5]	23,715,902	18,468,735	5,247,167		5,247,167	6,492,037	0.81
2010	25,034,969	16,931,624	8,103,345		8,103,345	6,456,346	1.26
2011 ^[6]	27,092,724	15,640,269	11,452,455		11,452,455	8,279,821	1.38
2012	26,998,692	16,443,083	10,555,609		10,555,609	8,243,700	1.28
2013	29,857,466	16,208,390	13,649,076		13,649,076	6,669,813	2.05
2014	29,409,459	17,069,712	12,339,747		12,339,747	6,114,269	2.02
Total							
2005	59,121,785	40,543,436	18,578,349		18,578,349	11,624,449	1.60
2006	79,076,642	42,792,889	36,283,753		36,283,753	15,560,858	2.33
2007	71,676,690	44,327,289	27,349,401		27,349,401	15,276,345	1.79
2008	70,418,166	44,498,739	25,919,427		25,919,427	17,791,739	1.46
2009 ^[5]	55,482,577	43,357,275	12,125,302	1,079,200	11,046,102	14,754,629	0.75
2010	61,507,970	39,283,867	22,224,103	1,067,395	21,156,708	15,065,293	1.40
2011 ^[6]	72,556,995	39,669,428	32,887,567	1,079,317	31,808,250	18,785,910	1.69
2012	68,642,637	40,961,703	27,680,934	1,079,317	26,601,617	16,697,544	1.59
2013	79,312,826	43,426,790	35,886,036	1,079,317	34,806,719	15,327,048	2.27
2014	73,882,129	44,581,387	29,300,742	1,079,317	28,221,425	14,109,981	2.00

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

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

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

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

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

^[5] Revenues and expenses are restated for corrections to allocation of miscellaneous revenue and reclassification of FEMA expense.

^[6] Expenses are restated for prior period adjustment to correct year-end compensated balances liability.

^[7] During the year-ended December 31, 2013, the debt service coverage calculation was changed to match the calculation methodology per the bond covenants as presented in the Official Statements. The State Revolving Fund loans are pre-existing indebtedness payable from net Revenues prior to the District's senior debt. Revised calculations are restated back to 2009.

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



Demographic and Economic Information

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

Year	Issued Permit Valuations (in thousands of dollars)		New Dwelling Units Issued Permits		New Construction Finals Issued		
	Residential	Non- residential	Single Family	Multi-family	Single Family	Multi-family	Commercial
2005	\$ 392,462	\$ 41,802	1,179	128	1,309	386	99
2006	294,996	53,509	681	39	888	24	61
2007	219,009	51,240	357	180	529	41	87
2008	122,106	39,145	186	150	338	52	57
2009	55,843	21,070	95	-	188	119	57
2010	49,309	13,825	69	-	79	-	28
2011	63,164	26,016	92	-	60	-	24
2012	100,240	12,253	172	40	151	-	20
2013	153,178	22,230	282	6	246	145	30
2014	159,466	14,659	287	4	265	-	34

Source: El Dorado County Land Management Information System

EL DORADO IRRIGATION DISTRICT
 Table #25
 Principal Employers
 of El Dorado County
 Current Year and Nine Years Ago

Employer	2014			2005		
	Employees	Rank	Percent of Total County Employment	Employees	Rank	Percent of Total County Employment
Blue Shield of California	2,069	1	2.49%	1,365	2	1.57%
El Dorado County	1,859	2	2.24%	1,973	1	2.27%
Red Hawk Casino	1,250	3	1.50%			
Marshall Medical Center	1,154	4	1.39%	975	4	1.12%
DST Output	850	5	1.02%	1,153	3	1.33%
Barton Healthcare Systems (Hospital)	839	6	1.01%			
State of California	764	7	0.92%	341	9	0.39%
El Dorado Union High School District	670	8	0.81%			
El Dorado County Office of Education	664	9	0.80%	515	7	0.59%
Sierra-at-Tahoe ^[1]	650	10	0.78%	635	6	0.73%
U.S. Government	621	11	0.75%			
Lake Tahoe Unified School District	411	12	0.49%			
Buckeye Union Elementary School District	377	13	0.45%			
EnvisionRX	230	14	0.28%			
El Dorado Irrigation District	212	15	0.26%	302	10	0.35%
Roebbelen Contracting, Inc. ^[1]	206	16	0.25%	375	8	0.43%
Lake Tahoe Resort Hotel / Embassy Suites	200	17	0.24%	240	12	0.28%
El Dorado Savings Bank	171	18	0.21%			
City of South Lake Tahoe	165	19	0.20%			
Doug Veerkamp General Engineering, Inc. ^[1]	146	20	0.18%	279	11	0.32%
Raley's, Inc.				693	5	0.80%
Total	13,508		16.25%	8,846		10.47%

^[1] Peak season employment.

Source: Sacramento Business Journal, May 8, 2015 and April 28, 2006, for 2014 and 2005, respectively

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

Year	County Population	Annual % Change	Civilian Labor Force	Employed	Unemployment Rate	Personal Income (in thousands of dollars - estimated)	Per Capita Personal Income (in dollars)	School Enrollment
2005	173,500	1.8%	92,000	87,600	4.8%	\$7,688,115	\$44,312	29,368
2006	174,995	0.9%	93,000	88,700	4.6%	8,219,865	46,972	29,332
2007	175,752	0.4%	94,500	89,600	5.2%	8,607,872	48,977	29,417
2008	177,009	0.7%	96,000	89,400	6.9%	8,873,543	50,130	29,662
2009	178,847	1.0%	90,700	79,400	12.5%	8,849,152	49,590	29,336
2010	182,019	1.8%	90,800	79,400	12.6%	8,738,665	48,240	29,601
2011	182,019	0.0%	91,000	80,300	11.8%	9,040,926	49,967	29,972
2012	180,712	-0.7%	90,700	81,400	10.3%	9,846,504	54,533	29,780
2013	180,712	0.0%	89,300	81,700	8.5%	10,458,523	57,520	29,441
2014	182,404	0.9%	84,900	83,100	7.1%	n/a ^[1]	n/a ^[1]	27,237

^[1] Information unavailable at time of report.

Source: Bureau of Economic Analysis, Regional Economic Information System beginning in 2009 due to the unavailability of current data for population, personal income, and per capita personal income from the Labor Market Information Division - This change reflected in an inaccurate decrease in annual % change in 2010.

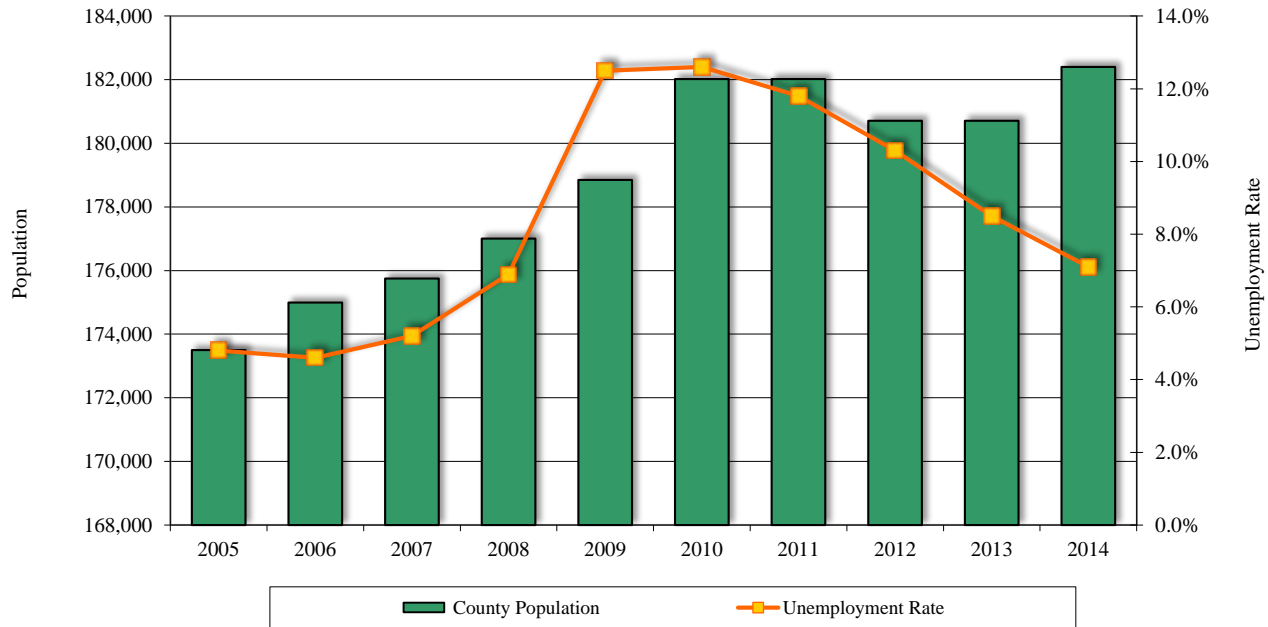
All annual numbers have been changed in the current year reporting to maintain consistency in trending.

California Employment Development Department, Labor Market Information Division for civilian labor force, employed, and unemployment rate

California Department of Education, Educational Demographics Unit for school enrollment

California State Association of Counties, El Dorado County for current year population

Chart #8
 County Population vs. Unemployment Rate



Operating Information

EL DORADO IRRIGATION DISTRICT

Table #27

Water System

Demographics and Statistical Summary

Last Ten Years

Category	Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Facilities:										
Miles of Main Line (Estimated)	1,298	1,298	1,298	1,298	1,298	1,295	1,295	1,245	1,289	1,245
Miles of Ditches (Estimated)	27	27	27	27	27	27	27	27	27	27
Number of Treatment Plants	5	5	5	5	6	6	6	6	6	6
Total Plant Capacity (cfs)	184	184	184	184	184	184	184	184	184	177
# of Pumping Stations	38	38	38	38	38	38	38	37	38	38
# of Storage Tanks / Reservoirs	34	34	34	34	33	33	33	36	36	35
Supply Allocated (Acre Feet):										
Jenkinson Reservoir	20,920	20,920	20,920	20,920	20,920	23,000	23,000	23,000	23,000	23,000
Reclamation-Folsom Lake ^[1]	29,110	29,110	29,110	29,110	29,110	24,500	24,500	24,500	24,500	7,550
Forebay - Project 184	15,080	15,080	15,080	15,080	15,080	15,080	15,080	15,080	15,080	15,080
Total Water Allocations	65,110	65,110	65,110	65,110	65,110	62,580	62,580	62,580	62,580	45,630
Supply Delivered (Acre Feet):										
Jenkinson Reservoir	15,876	21,975	22,084	20,600	20,844	22,255	25,745	22,467	21,694	20,144
Reclamation-Folsom Lake	5,203	5,700	6,976	5,785	6,409	6,693	6,882	9,171	8,189	7,555
Forebay - Project 184	8,705	11,807	7,520	7,069	8,424	11,712	12,423	12,329	11,451	9,957
Total Water Deliveries	29,784	39,482	36,580	33,454	35,677	40,660	45,050	43,967	41,334	37,656
Consumption (Acre Feet)^[2]:										
Residential ^[3]	13,983	18,318	19,006	17,215	18,147	22,099	23,322	23,341	22,190	20,319
Commercial and Industrial ^[4]	2,236	2,662	2,610	2,402	2,478	1,993	3,029	3,076	2,850	2,805
Agricultural ^[5]	4,766	5,954	5,385	4,307	4,896	5,690	5,581	5,262	4,963	4,712
Recreational Turf	867	1,207	1,144	973	1,073	1,238	1,398	1,364	1,387	1,235
Municipal	1,114	1,331	1,269	1,097	1,166	1,422	1,533	1,960	1,672	1,666
Total Water Consumption	22,966	29,473	29,414	25,994	27,760	32,442	34,863	35,003	33,062	30,737
Customer Services^[2,6]:										
Residential ^[4]	36,805	36,509	37,126	36,738	36,882	36,464	36,449	36,223	35,825	35,221
Commercial and Industrial ^[4]	1,738	1,779	1,507	1,737	1,480	1,787	1,653	1,417	1,344	1,303
Agricultural ^[5]	944	978	648	479	497	486	477	390	389	391
Recreational Turf	115	117	107	112	112	108	110	109	108	104
Municipal	14	15	15	16	16	17	16	11	11	11
Total Water Services	39,616	39,398	39,403	39,082	38,987	38,862	38,705	38,150	37,677	37,030
Gallons Per Capita Daily (GPCD)^[7]	209	243	244	223	253	-	-	-	-	-

^[1] Folsom now includes Department of Reclamation (Reclamation) water service contract for 7,550 AF, Water Right permit 21112 for 17,000 AF, and Warren Act Contract for 4,560 AF.

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

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

^[4] Includes commercial and commercial landscape services.

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

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

^[7] As required by the Water Conservation Act of 2009, the District has established its water use target at 225 gpcd by 2020. Reporting was not required prior to 2010.

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

EL DORADO IRRIGATION DISTRICT

Table #28

Water Supply and Demand Data

Last Ten Years

(in acre feet)

Year	System Firm Yield ^[1]	Total Raw Water Diversions ^[2]	Metered Consumption ^[3]	Other Authorized Uses ^[4]	Supplement to Recycled System	Real and Apparent Losses ^[5]
2005	54,550	37,656	30,769	1,408	433	5,046
2006	60,550	41,334	33,011	1,794	870	5,659
2007	60,550	43,967	34,938	2,857	595	5,577
2008	60,550	45,051	34,813	2,653	963	6,622
2009	63,500	40,660	31,557	2,629	393	6,081
2010	63,500	35,677	27,099	1,740	379	6,459
2011	63,500	33,453	25,358	1,861	277	5,957
2012	63,500	36,906	29,254	2,118	596	4,938
2013	63,500	39,482	29,473	2,664	534	6,811
2014	63,500	29,784	22,966	1,818	117	4,883

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

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

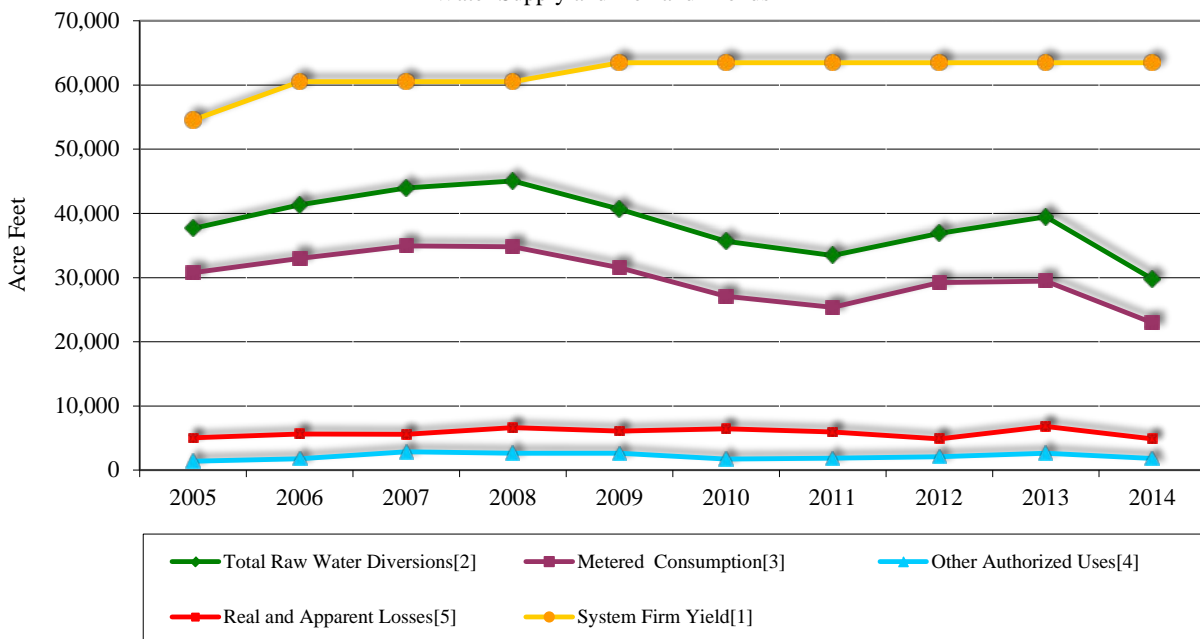
^[3] Authorized uses of potable water that are metered and billed to EID customers.

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

^[5] Real losses include physical water lost into the ground from pipeline leaks and breaks. Apparent losses are considered paper losses, such as under-registration of large meters. Real and apparent losses can be attributed to 1,295 miles of pipeline, 3 miles of open ditch, and over 39,000 service connections.

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

Chart #9
Water Supply and Demand Trends



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

Category	Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Facilities:										
Miles of Recycled Pipe	79	79	79	79	54	54	54	49	49	46
Number of Treatment Plants	2	2	2	2	2	2	2	2	2	2
Storage Reservoirs / Tanks	5	5	5	5	5	5	5	5	5	5
Number of Pump Stations	5	5	5	5	5	5	5	5	5	5
Consumption (Acre Feet):										
Residential ^[1,2]	1,374	1,850	1,685	1,372	1,328	1,579	1,674	1,578	1,331	1,008
Commercial and Industrial ^[3]	542	737	624	538	546	654	716	789	725	669
Recreational Turf	497	588	544	337	189	361	513	571	726	456
Total Recycled Water Consumption	2,413	3,175	2,853	2,247	2,063	2,594	2,903	2,938	2,782	2,133
Customer Services ^[4,5] :										
Residential ^[1,2]	4,403	4,167	3,918	3,928	3,924	3,663	3,714	3,513	3,277	3,010
Commercial and Industrial ^[3]	153	152	147	155	143	139	153	156	147	129
Recreational Turf	12	12	12	12	12	12	11	12	13	12
Total Recycled Water Services^[4]	4,568	4,331	4,077	4,095	4,079	3,814	3,878	3,681	3,437	3,151

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

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

^[3] Commercial and Industrial includes temporary water use meters.

^[4] Services previously reported incorrectly as accounts.

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

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

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

Category	Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Facilities:										
Miles of Sewer Line	396	396	396	396	396	396	396	390	390	377
Number of Treatment Plants	4	4	4	4	4	4	4	5	5	5
Permitted Average Dry Weather Flow ^{[1][2]}	7.6	7.60	7.60	7.60	7.60	7.20	7.20	6.60	6.60	6.60
Plant Capacity Wet Weather ^[1]	23	23.00	23.00	23.00	23.00	23.00	23.00	22.40	22.40	22.40
Average Dry Weather Daily Plant Flow ^{[1][3]}	3.93	4.27	4.41	4.61	4.91	5.96	5.96	5.38	5.62	4.74
El Dorado Hills Plant ^[1]	1.85	2.07	2.17	2.12	2.13	2.42	2.74	2.69	2.72	2.22
Camino Heights Plant ^[1]	0.011	0.012	0.014	0.015	0.018	0.017	0.017	0.018	0.015	0.016
Deer Creek Plant ^[1]	2.07	2.19	2.23	2.47	2.45	2.39	2.60	2.69	2.90	2.52
Number of Lift Stations	63	64	64	64	64	64	64	63	63	60
Customer Services:^[4]										
Residential ^[5]	20,506	20,285	20,065	19,911	19,871	19,849	19,641	19,422	19,192	17,849
Commercial and Industrial	834	827	816	809	793	778	804	752	699	644
Schools	25	25	25	24	23	23	23	27	27	22
Total Wastewater Services	21,365	21,137	20,906	20,744	20,687	20,650	20,468	20,201	19,918	18,515

^[1] In millions of gallons per day.

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

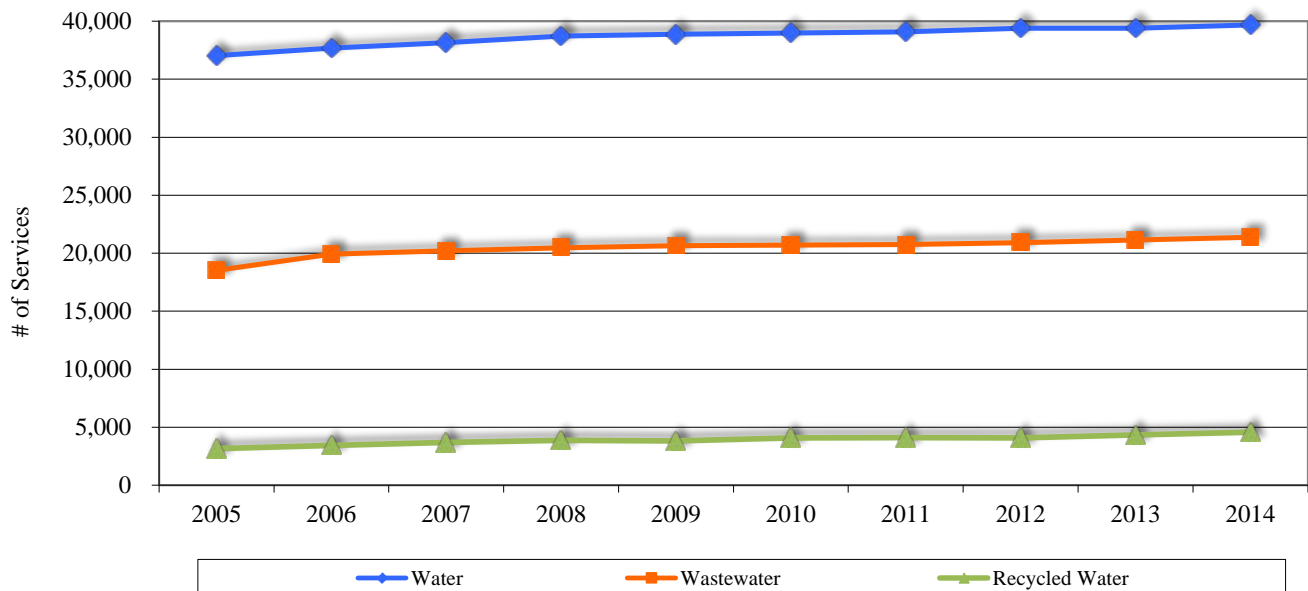
^[3] The Average Dry Weather Daily Plant Flow is the flow recorded in the months of July - September.

^[4] Services previously reported as accounts.

^[5] Residential includes multi-family accounts.

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

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



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

	Year									
	2014	2013	2012 ^[3]	2011	2010	2009	2008	2007 ^[1]	2006 ^[2]	2005
Day Visitors	547,870	538,358	508,492	332,324	388,207	244,433	157,447	155,730	69,523	78,144
Overnight Campers	101,515	107,218	99,912	82,760	90,824	83,172	75,167	69,381	60,855	85,760
Boat Use	41,172	50,408	52,865	65,922	47,165	41,690	24,640	17,435	17,003	24,825
Museum Visitors	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	500
Guided Hikes	244	98	145	136	15	136	136	-	2	4
Fish Plants	4	15	8	1	5	1	5	8	5	7
Volunteer Hours	1,000	4,040	850	800	1,500	800	800	-	-	-
Museum Volunteer Hours	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	-

^[1] Increased day visitors in 2007 due to an improved tracking process to more accurately account for walk-in traffic.

^[2] Decreased visitors due to waterline construction in 2006.

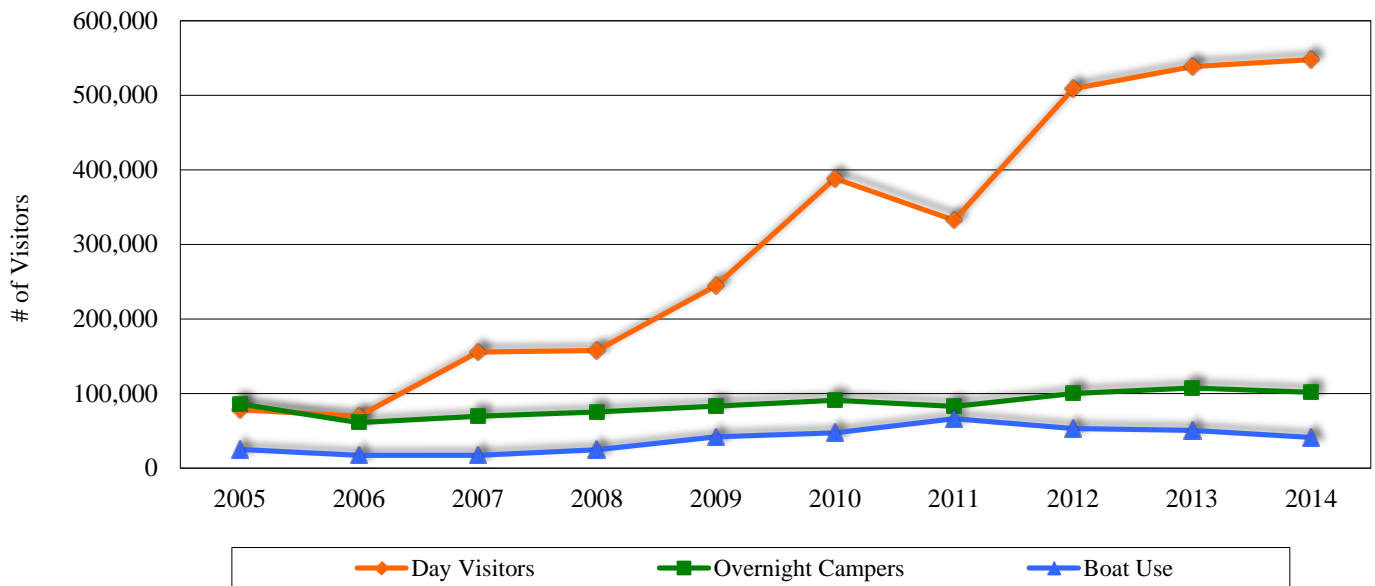
^[3] Beginning in 2012, data includes Silver Lake and Caples Lake, as well as Jenkinson Lake at Sly Park Recreation Area.

Source: El Dorado Irrigation District Recreation Department

Facilities at Sly Park Recreation Area:

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

Chart #11
 Recreation Visitor Statistics



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

Function/Program	Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Office of the General Manager ^[2,10,11,12]	9	5.5	5.5	8	10	16	23	22	15	21
Information Technology	7	7	8	10	11	13	n/a	n/a	n/a	n/a
Facilities Management ^[3]	n/a	n/a	n/a	n/a	n/a	n/a	134	153	147	151
Operations ^[3,6]	123.5	118.5	125.5	119.5	121.5	124.5	n/a	n/a	n/a	n/a
Finance ^[4,10,12]	42.5	45	45	45	44	45	43	55	55	51
Human Resources ^[8]	4	5.5	5.5	6	6	8.5	n/a	n/a	n/a	n/a
Communications / Community Relations ^[5]	2	3	3	3	3	3	34	44	49	43
Recreation ^[6]	n/a	n/a	n/a	n/a	n/a	n/a	8	7	7	6
Engineering ^[3,11]	27	29	29	29.5	30.5	22	n/a	n/a	n/a	n/a
Policy ^[7]	n/a	n/a	n/a	n/a	n/a	n/a	18	24	24	23
Natural Resources ^[9]	n/a	n/a	n/a	n/a	n/a	21.5	n/a	n/a	n/a	n/a
Total	215	213.5	221.5	221	226	253.5	260	305	297	295

- [1] Positions reported are actual filled positions and not budgeted positions.
 [2] Office of the General Manager includes Office of the General Counsel.
 [3] Facilities Management broken out to Engineering and Operations, beginning in 2009.
 [4] Finance and Management Services renamed Finance, with Payroll moved to Human Resources.
 [5] Strategic Management and Communications renamed Communications / Community Relations, with programs transferred to Engineering, Finance, and Human Resources.
 [6] Beginning in 2009, Recreation is included with Operations.
 [7] Environmental Compliance and Water Policy broken out to Engineering, Operations, and Natural Resources.
 [8] Human Resources includes Safety and Security program, as well as Payroll, which was moved from Finance.
 [9] Natural Resources broken out to Engineering, Operations, and Finance.
 [10] Contract employees moved from Office of General Manager to Finance in 2011.
 [11] Records Management was moved from Engineering to Office of General Manager 2014.
 [12] Contracts Administration was moved from Finance to Office of General Manager in 2014.

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

EL DORADO IRRIGATION DISTRICT

Table #33
Rate Increase History
Last Ten Years

Year	Water	Wastewater
2005	7% ^[1]	4% ^[2]
2006	7% ^[1]	4% ^[2]
2007	7% ^[1]	4% ^[2]
2008	0%	4% ^[2]
2009	0%	0%
2010	18% ^[3]	18% ^[3]
2011	15% ^[4]	15% ^[4]
2012	11% ^[5]	5% ^[5]
2013	11%	5%
2014	5%	5%

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

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

^[3] An 18% rate increase was applied to all services.

^[4] A 15% rate increase was applied to all services.

^[5] In addition to the initial 5% rate increase, an additional 6% increase was approved based on a rate study, and a rate restructuring was done to move the District from a 70/30 revenue formula back to the 50/50 revenue formula used prior to 2008. The Recreational Turf class increases were not implemented until January 1, 2013.

Source: El Dorado Irrigation District Customer Service Division





El Dorado Irrigation District



**El Dorado Hills
Wastewater
Treatment Plant**

**COMPLIANCE
REPORT**



El Dorado Irrigation District

Compliance Report

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

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the El Dorado Irrigation District (the District) as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated May 28, 2015.

Internal Control Over Financial Reporting

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

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

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

To the Board of Directors
El Dorado Irrigation District

Compliance and Other Matters

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

Purpose of this Report

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

Richardson & Company, LLP

May 28, 2015



El Dorado Irrigation District

