

**AGENDA**  
**EL DORADO HILLS COUNTY WATER DISTRICT**  
**(FIRE DEPARTMENT)**  
**BOARD OF DIRECTORS**  
**EIGHT HUNDRED EIGHTIETH MEETING**  
**Thursday, December 14, 2023**  
**5:30 p.m. Closed Session**  
**6:00 p.m. Open Session**  
**(1050 Wilson Blvd., El Dorado Hills, CA)**

**ATTENTION**

Residents planning to address the Board of Directors at this Board meeting: we respectfully ask if you are feeling ill for any reason not to attend in person.

**Zoom Webinar Video Conference link:**

<https://us02web.zoom.us/j/87503176283?pwd=YmNxOWU0dGpTWk1xTWt5cStwYzZvUT09>

**Webinar ID: 875 0317 6283**

**Passcode: 809315**

**Conference Dial in:**

**1-669-900-9128**

*Please submit your comments in writing to [clerkoftheboard@edhfire.com](mailto:clerkoftheboard@edhfire.com) and they will be entered into the public record. If you choose to attend the Zoom meeting and wish to make a comment on an item, please use the "raise a hand" button or press \*9 if dialing in by phone. Public comments will be limited to 3 minutes. Thank you for your understanding during these challenging times.*

**NOTE**

*If you need a disability-related modification or accommodation, including auxiliary aids or services, to participate in this meeting, please contact the Board Clerk at 916-933-6623; ext. 1038, at least two (2) days prior to the meeting.*

- I. Call to Order
- II. Closed Session Items
  - A. Closed Session pursuant to Government Code Section 54957(b)(1); Public Employee Performance Evaluation: Fire Chief
  - B. Closed Session pursuant to Government Code Section 54957.6; Conference with Labor Negotiators; items under negotiation: Memorandum of Understanding with the El Dorado Hills Professional Firefighters pertaining to wages and benefits; Agency Designated Representatives: Finance Committee, Directors Giraudo and White, Chief Johnson; Employee Organization: El Dorado Hills Professional Firefighters, Local 3604
- III. Pledge of Allegiance
- IV. Presentation
  - A. Review and approve 2022/2023 Final Audit Report and SAS 114 Governance Letter
- V. Consent Calendar (All matters on the Consent Calendar are to be approved by one motion unless a Board member requests separate action on a specific item.)
  - A. Approve Minutes of the 879<sup>th</sup> Board Meeting held November 16, 2023
  - B. Approve Financial Statements and Check Register for November 2023  
End Consent Calendar
- VI. Oral Communications
  - A. EDH Professional Firefighters
  - B. EDH Firefighters Association
  - C. Any person wishing to address the Board on any item that is not on the Agenda

may do so at this time. No action may be taken on off-agenda items unless authorized by law. Comments shall be limited to three minutes per person and twenty minutes for all comments unless otherwise authorized by the Board.

- VII. Correspondence
- VIII. Attorney Items
- IX. Committee Reports
  - A. Administrative Committee (Directors Bennett and Durante)
  - B. Finance Committee (Directors Giraudo and White)
  - C. Joint Powers Authority (Directors Giraudo and White)
  - D. Communications (Ad-Hoc) (Directors Durante and Hillhouse)
  - E. CRR Services (Ad-Hoc) (Directors Hillhouse and White)
  - F. Ambulance Deployment (Ad Hoc) (Directors Giraudo and White)
- X. Fire Chief's Report
  - A. OES Report
  - B. Hosted Training Report
  - C. Other Updates
- XI. Operations Report
  - A. Operations Report (Receive and File)
- XII. Community Risk Reduction Report
  - A. CRRD Report
  - B. Acceptance of Alto Easement (EVA)
  - C. Acceptance of Hillsdale Easement (EVA)
- XIII. Fiscal Items
  - A. Receive and file Accountability Act Annual Report (2022/23) for the Latrobe Zone Special Tax
  - B. Receive and file 2022/2023 Annual Comprehensive Financial Report
- XIV. New Business
  - A. Review and approve the purchase of a new Type III Engine
  - B. Review and approve purchase of a new vehicle for CRRD
  - C. Election of Board President and Vice President for 2024
  - D. Reorganization of Committees for 2024
  - E. Review and establish meeting dates for 2024
- XV. Old Business
  - A. Training Facility Update
  - B. EDHCSD/EDHFD 2x2 Update (Directors Bennett and Hillhouse)
  - C. Cameron Park 2x2 Update (Directors Giraudo and White)
- XVI. Oral Communications
  - A. Directors
  - B. Staff
- XVII. Adjournment

*Director Tim White will be attending via teleconference from  
Westin Hotel, Convention Square, Lower Long Street  
Cape Town, South Africa*

*Note: Action may be taken on any item posted on this agenda.*

***This Board meeting is normally recorded.***

# EL DORADO HILLS COUNTY WATER DISTRICT

## EIGHT HUNDRED SEVENTY NINTH MEETING OF THE BOARD OF DIRECTORS

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**Thursday, November 16, 2023, 5:00 p.m.**

District Office, 1050 Wilson Boulevard, El Dorado Hills, CA 95762

### **I. CALL TO ORDER**

President Girauco called the meeting to order at 5:00 p.m. Directors in attendance: Bennett, Durante, Girauco, and Hillhouse. Director White was absent. Staff in attendance: Chief Johnson and Director of Finance Braddock. Counsel Cook was also in attendance.

### **II. CLOSED SESSION**

- A. Closed Session pursuant to Government Code Section 54957(b)(1); Public Employee Performance Evaluation: Fire Chief**
- B. Closed Session pursuant to Government Code Section 54957.6; Conference with Labor Negotiators; items under negotiation: Memorandum of Understanding with the El Dorado Hills Professional Firefighters pertaining to wages and benefits; Agency Designated Representatives: Finance Committee, Directors Girauco and White, Chief Johnson; Employee Organization: El Dorado Hills Professional Firefighters, Local 3604**
- C. Closed Session pursuant to Government Code Section 54956.9 (d) (2); Conference with Legal Counsel regarding potential exposure to litigation; One (1) potential matter**

The Board adjourned to closed session at 5:00 p.m.

The meeting was reconvened at 6:09 p.m. No action was taken in Closed Session.

### **III. PLEDGE OF ALLEGIANCE**

### **IV. CONSENT CALENDAR**

- A. Approve Minutes of the 877th Special Board Meeting held October 16, 2023**
- B. Approve Minutes of the 878th Board Meeting held October 19, 2023**
- C. Approve Financial Statements and Check Register for October 2023**

*Director Bennett made a motion to approve the Consent Calendar, seconded by Director Durante and unanimously carried.*

### **V. ORAL COMMUNICATIONS**

- A. EDH Professional Firefighters – None**
- B. EDH Firefighters Association – None**
- C. Public Comment – None**

**VI. CORRESPONDENCE** – Chief Johnson presented a letter from the GFOA awarding the District with a Certificate of Achievement for Excellence in Financial Reporting Program.

**VII. ATTORNEY ITEMS – None**

**VIII. COMMITTEE REPORTS**

- A. Administrative Committee (Directors Durante and Bennett) – No report.**
- B. Finance Committee (Directors White and Giraudo) – No report.**
- C. Joint Powers Authority (Directors Giraudo and White) – Chief Johnson reported that the JPA Board of Directors elected a new Chair and Vice Chair.**
- D. Communications (Ad-Hoc) (Directors Durante and Hillhouse) – No report.**
- E. CRR Services (Ad-Hoc) (Directors Hillhouse and White) – No report.**
- F. Ambulance Deployment (Ad-Hoc) (Directors Giraudo and White) – No report.**

**IX. FIRE CHIEF'S REPORT - Chief Johnson reported the following to the Board:**

- Medic 86 went into service on November 15<sup>th</sup>
- The paramedic recruitment went well and the candidates are in backgrounds

**X. OPERATIONS REPORT**

- A. Operations Report (Receive and File) – Chief Brady presented the October operations report, highlighting the Halloween event, the Scottish tournament, and the Lifesaving awards presented to Firefighters VanDalen and Edelman.**

**XI. COMMUNITY RISK REDUCTION REPORT**

- A. CRRD Report – Chief Fields presented a report showing the CRRD data for the month of October.**

**XII. FISCAL ITEMS - None**

**XIII. NEW BUSINESS**

- A. Review and approve Amendment II to Advanced Life Support Ambulance Agreement between the El Dorado County Emergency Services Authority and the El Dorado Hills Fire Department – Director of Finance Braddock presented the proposed El Dorado County Emergency Services Authority contract amendment and clarified the contract amount for Medic 86 is prorated for the remainder of the fiscal year.**

*Director Durante made a motion to approve Amendment II to Advanced Life Support Ambulance Agreement between the El Dorado County Emergency Services Authority and the El Dorado Hills Fire Department, seconded by Director Hillhouse, and unanimously carried.*

- B. Review and approve the job reclassification and new salary range for the proposed position of Accounting Analyst/Board Clerk – Director of HR Hall presented Staff's recommendation to reclassify the position of Accounting Specialist/Board Clerk to Accounting Analyst/Board Clerk. She described the process that she conducted to evaluate the job duties and how she came to the recommendation.**



*Director Bennett made a motion to approve the reclassification and new salary range for the proposed position of Accounting Analyst/Board Clerk, seconded by Director Durante, and unanimously carried.*

- C. **Review and approve Public Salary Schedule effective 11/16/2023** – Director of Finance Braddock presented the updated salary schedule, noting the only change is the addition of the Accounting Analyst/Board Clerk position and pay scale and removal of the Accounting Specialist/Board Clerk position.

*Director Bennett made a motion to approve Public Salary Schedule effective 11/16/2023, seconded by Director Giraud, and unanimously carried.*

- D. **Review and approve updated Positions Authorization Document as of 11/16/2023** – Director of Finance Braddock presented the updated Position Authorization Document highlighting the title change for the Accounting Analyst/Board Clerk and the addition of the El Dorado County OES Deputy Chief position.

*Director Bennett made a motion to approve the updated Positions Authorization Document as of 11/16/2023, seconded by Director Hillhouse, and unanimously carried.*

- E. **Review and approve Resolution 2023-12 authorizing Amendment #1 to the Unrepresented Administrative Support resolution** – Director of HR Hall presented the amendment to the Unrepresented Administrative Support resolution reflecting the Accounting Analyst/Board Clerk title change.

*Director Durante made a motion to approve Resolution 2023-12 authorizing Amendment #1 to the Unrepresented Administrative Support resolution, seconded by Director Bennett, and unanimously carried.*

- F. **Discuss and provide direction on Employee Development Center (EDC) options** – Chief Johnson requested direction to pursue looking at options to expand the capacity of the Employee Development Center. The Board gave direction for him to move forward.

- G. **Review and approve addition of the Board Fee Waiver Policy to the Board Policy Manual** – Director of Finance Braddock presented a draft Board Fee Waiver Policy to be added to the Board Policy Manual. Director Bennett requested a couple of minor wording changes.

*Director Bennett made a motion to approve the addition of the Board Fee Waiver Policy to the Board Policy Manual with the proposed language corrections, seconded by Director Durante, and unanimously carried.*

- H. Review and approve purchase of two (2) vehicles for the Community Risk Reduction Division** – Chief Hall requested authorization to purchase two (2) of the three (3) budgeted CRRD vehicles.

*Director Bennett made a motion to approve the purchase of two (2) vehicles for the Community Risk Reduction Division not to exceed \$130,000, seconded by Director Durante, and unanimously carried.*

#### **XIV. OLD BUSINESS**

- A. Training Facility Update** – Chief Hall reported that the false floor is still not complete, and a few safety features are being added, but they are targeting completion at the end of January 2024.
- B. EDHCSD/EDHFD 2x2 update (Directors Bennett and Durante)** – No report.
- C. Cameron Park 2x2 Update (Directors Girauda and White)** – Chief Johnson reported that the 2x2 committee met and no specifics were discussed. He stated there would not likely be any more discussion until after the assessment is complete.

#### **XV. ORAL COMMUNICATIONS**

- A. Directors** – Director Girauda proposed that the December Board meeting be moved up one week to December 14<sup>th</sup>, and the Board concurred. Director Bennett thanked Staff for the work they are doing to prepare for the Santa Run. Director Durante informed the Board that he plans to attend the leadership symposium in December.
- B. Staff** – Chief Johnson thanked Staff for all their hard work preparing for the Santa Run in this busy season.

#### **XVI. ADJOURNMENT**

The meeting adjourned at 7:12 p.m.

Approved:

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John Girauda, President

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Jessica Braddock, Board Secretary

*This is a summary of the meeting. Board Meetings are recorded, and anyone wanting to listen to the full meeting recording should contact the main office at 916-933-6623 or [inquiries@edhfire.com](mailto:inquiries@edhfire.com).*

**EL DORADO HILLS COUNTY WATER DISTRICT  
(DBA EL DORADO HILLS FIRE DEPARTMENT)**

Audited Financial Statements and  
Compliance Report

June 30, 2023

EL DORADO HILLS COUNTY WATER DISTRICT  
(DBA EL DORADO HILLS FIRE DEPARTMENT)

AUDITED FINANCIAL STATEMENTS AND  
COMPLIANCE REPORTS

June 30, 2023

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
El Dorado Hills County Water District  
(dba El Dorado Hills Fire Department)  
El Dorado Hills, California

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities and the major fund of the El Dorado Hills County Water District (dba El Dorado Hills Fire Department) (the District) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the District as of June 30, 2023, and the respective changes in financial position for the year 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.

#### ***Basis for Opinions***

We conducted our audit 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Change in Accounting Principle***

As discussed in Note K to the financial statements, during the year ended June 30, 2023, the District adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 96, *Subscription-Based Information Technology Arrangements*. Our opinion is not modified with respect to this matter.

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the

To the Board of Directors  
El Dorado Hills County Water District  
(dba El Dorado Hills Fire Department)

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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

***Auditor's Responsibility for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

To the Board of Directors  
El Dorado Hills County Water District  
(dba El Dorado Hills Fire Department)

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of revenues, expenditures and changes in fund balance - budget and actual – General Fund, the schedule of proportionate share of the net pension liability, schedule of contributions to the pension plan, schedule of changes in the net OPEB liability and related ratios and schedule of contributions to the OPEB 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***

Management is responsible for the other information in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion of any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 1, 2023 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 the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

*Richardson & Company, LLP*

December 1, 2023

## MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

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As management of the El Dorado Hills County Water District ("Fire Department" or "District"), we offer this Management Discussion and Analysis Report as an overview and analysis of the financial activities of the Fire Department for the fiscal year ended June 30, 2023.

Our discussion and analysis of the Fire Department provides the reader with an overview of its financial position and performance. The MD&A describes the significant changes from the prior year that occurred in general operations and discusses the activities during the year for capital assets. We encourage the reader to consider the information presented here in conjunction with the additional information furnished in our annual financial report, including the financial statements and notes to the financial statements.

### FINANCIAL HIGHLIGHTS

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#### Government-wide Financial Statements

- The District ended the fiscal year with a positive net position of \$41,449,719. This is made up of \$33,782,588 in net capital assets, \$2,874,187 in assets that are restricted for qualifying capital improvements related to District growth, and another \$6,539,051 in assets that are restricted for the payment of pension benefits. Unrestricted net position ended at a *deficit* of \$1,746,107, a decrease of \$1,710,273 from the prior year's unrestricted net position *deficit*.
- The net pension liability increased from the prior year to \$26,158,670 and the net OPEB (other post-employment benefits) liability increased to \$14,335,551. Total combined net pension and OPEB liabilities were \$40,494,221 as of June 30, 2023, a total net increase of \$18,648,437 from the prior year. This significant increase is mostly due to the impact of lower-than-expected investment earnings in fiscal year 2021/22 and is *partially* offset by a decrease in pension and OPEB deferred inflows of \$6,054,440 and \$1,499,187, respectively. The decrease in deferred inflows reflects the deferral of recognizing the 2021/22 investment loss as well as differences between the employer's contributions and its proportionate share of contributions. Pension and OPEB deferred outflows increased by \$7,306,587 and \$1,294,125, respectively, which represents changes in assumptions, differences between projected and actual investment earnings (deferral of the investment loss), difference between expected and actual experience, change in employer's proportion and contributions made subsequent to the measurement date of 6/30/2022.

#### Fund Financial Statements

- General fund expenditures for the year exceeded revenues by \$5,417,956. This is the result of non-recurring purchases, including capital outlay expenditures of \$10,972,253.
- A net amount of \$73,725 was transferred out of the District's capital replacement fund in fiscal year 2022/23, which is reported as the committed fund balance.
- The District's general fund reported a total fund balance of \$31,797,452. Of this balance, \$22,384,214 is unrestricted. The portion of the unrestricted balance committed for future capital replacements is \$5,036,291. Another \$379,991 of the unrestricted balance is comprised of



prepaid amounts that are reported as non-spendable funds. The remaining \$16,967,932 of unrestricted fund balance represents approximately 72% of the year's total fund operating expenditures, a decrease from 74% in the prior year. This is consistent with the District's Reserve policy, which requires a minimum unrestricted fund balance of 50% annual operating expenditures.

## **ANNUAL REPORT OVERVIEW**

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The District maintains its accounts in accordance with general accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB). The attached audit report is comprised of the management's discussion and analysis (this section), the basic financial statements, and the required supplementary information (RSI). The basic financial statements include governmental fund financial statements, government-wide financial statements and notes to the basic financial statements.

### **Government-Wide Financial Statements**

The government-wide financial statements include a *Statement of Net Position* and *Statement of Activities*. These statements report financial information using the full accrual basis of accounting and reflect a longer-term perspective of the District's activities and financial position.

The *Statement of Net Position* presents all of the District's assets, deferred outflows, liabilities and deferred inflows, both current and non-current, on a full accrual basis. The difference between assets/deferred outflows and liabilities/deferred inflows is reported as net position, an important indicator of the financial health of the District.

The *Statement of Activities* presents the District's revenues and expenses on the full accrual basis (i.e. revenue is recorded when earned and expenses are recorded when incurred, regardless of the timing of the associated cash flows), and shows how the District's net position changed during the reported fiscal year.

### **Governmental Fund Financial Statements**

Unlike the government-wide financial statements, the governmental fund financial statements present a near-term perspective and focus on the short-term activities of the District. All the District's activities are reported in the general fund. A modified accrual basis of accounting is reflected, which measures cash and all other financial assets that can be readily converted into cash.

The fund statements are comprised of a *Balance Sheet* and a *Statement of Revenues, Expenditures, and Changes in Fund Balances*. The fund *Balance Sheet* reflects assets and liabilities that are generally current in nature. The differences between governmental activities (government-wide statements) and governmental funds are reconciled as shown in the "adjustments" column between the two statements and in Note J to the financial statements.

### **Notes to the Basic Financial Statements and Required Supplementary Information**

Notes provide additional information that is essential for a reader to fully understand the data provided in the government-wide and fund financial statements. In addition to the notes, the report contains required supplementary information which provides detail to further support the information in the basic financial statements.

## FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

The analysis below is based on information found in the District's Government-Wide Statement of Activities and Statement of Net Position using the full accrual basis of accounting.

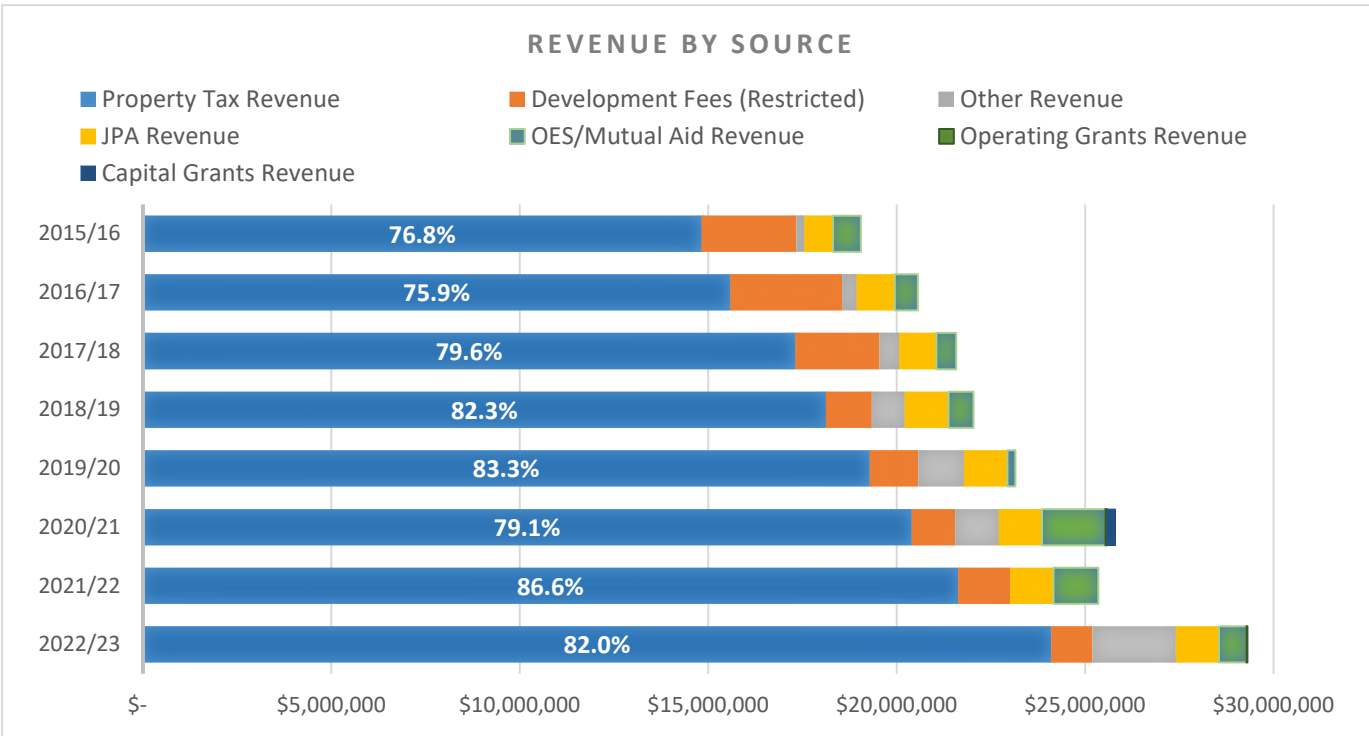
### General and Program Revenues

Table 1 shows a condensed schedule of revenues compared with the prior year. Total revenues for fiscal year 2022/23 increased by \$4,414,636 from the prior year. The primary source of funding for the District to provide services is property taxes, which made up approximately 82% of total revenues in 2022/23. Property tax revenues increased by \$2,471,991, or 11.4% from the prior year, primarily due to growth in the District's assessed value and growth in supplemental tax revenue. Development fee revenue decreased by \$293,090 or 21.3% from the prior year as the result of a decrease in new development permits within the District. Investment Earnings increased by \$1,977,842, or 180.5% from the prior year due to unrealized gains on investments as well as an increase in interest earnings from the prior year. Other revenue increased by \$602,567, or 82.2% from the prior year, mostly due to contributions of \$200,000, an increase in hosted training revenue, and an increase in Community Risk Reduction Division (CRRD) cost recovery fees. JPA revenue increased by \$100,688, or 8.8%, from the prior year due to an increase in the contracted Class 30 reimbursement cap. There was a decrease of \$470,044, or 39.4%, in California Office of Emergency Service (OES)/Mutual-Aid revenue due to a less severe fire season resulting in fewer resources dedicated to strike team incidents. The District collected \$24,683 in federal operating grants in 2022/23 to reimburse for qualifying COVID-19 expenditures that were incurred in prior years.

**TABLE 1**  
Condensed Schedule of Revenues

	2022/23	2021/22	\$ Change	% Change
<b>General Revenues</b>				
Property Tax Revenue	\$ 24,102,775	\$ 21,630,784	\$ 2,471,991	11.4%
Development Fees	1,083,578	1,376,668	(293,090)	-21.3%
Investment Earnings	882,103	(1,095,739)	1,977,842	180.5%
Other Revenue	1,335,922	733,355	602,567	82.2%
Total General Revenues	\$ 27,404,378	\$ 22,645,068	\$ 4,759,310	21.0%
<b>Program Revenues</b>				
JPA Revenue	\$ 1,250,688	\$ 1,150,000	\$ 100,688	8.8%
OES/Mutual Aid Revenue	724,136	1,194,181	(470,044)	-39.4%
Operating Grants Revenue	24,683	-	24,683	N/A
Capital Grants Revenue	-	-	-	N/A
Total Program Revenues	\$ 1,999,507	\$ 2,344,181	\$ (344,674)	-14.7%
<b>Total Revenues</b>	<b>\$ 29,403,885</b>	<b>\$ 24,989,249</b>	<b>\$ 4,414,636</b>	<b>17.7%</b>

The chart on the following page shows revenue by source from fiscal year 2015/16 to present. Property tax revenues have historically represented between 75-87 percent of total District revenues.



**Expenses**

Table 2 shows a condensed schedule of expenses compared with the prior year. Total expenses for fiscal year 2022/23 increased from prior year by \$6,909,126 or 34.1%. Most of the District’s cost to operate is comprised of labor costs. Wages and benefits made up approximately 84.8% of total expenses for the fiscal year and increased by \$6,229,983, or 37%, from 2021/22. This is mostly due to a significant increase in pension and OPEB expense in 2022/23 resulting from an increase in the District’s calculated pension and OPEB unfunded liabilities. There were also significant cost increases in base salaries and wages, workers’ compensation insurance premiums, health premiums, and the compensated absences liability true-up. Professional services and IT costs increased by \$152,693, or 22.4% from the previous fiscal year mostly due to an increase in legal fees, consulting services, and software license costs. Maintenance costs increased by \$108,895, or 29.1% from the prior year, which is due to a rise in the cost of parts & supplies, tires, radio maintenance, and facilities maintenance. Other operating expenses also increased from prior year by \$359,082, or 30.8%, mostly due to increases in the following expense categories: hosted training, non-hosted training, transportation & travel, utilities, network/communications, and property/general liability insurance. Finally, depreciation and amortization expense increased due to an increase in depreciable capital assets as well as the implementation of GASB 96 for software subscriptions.

**Table 2**  
**Condensed Schedule of Expenses**

	2022/23	2021/22	\$ Change	% Change
<u>Public Protection</u>				
Wages & Benefits	\$ 23,064,777	\$ 16,834,794	\$ 6,229,983	37.0%
Professional Services & IT	833,683	680,990	152,693	22.4%
Maintenance	483,867	374,882	108,985	29.1%
Other Operating Expense	1,524,865	1,165,783	359,082	30.8%

**Table 2 (continued)**  
**Condensed Schedule of Expenses**

	2022/23	2021/22	\$ Change	% Change
Total Public Protection	\$ 25,907,192	\$ 19,056,449	\$ 6,850,743	35.9%
Debt Service Interest Expense	\$ 7,096	\$ 7,033	\$ 63	0.9%
Depreciation/Amortization Expense	\$ 1,274,020	\$ 1,215,700	\$ 58,320	4.8%
<b>Total Expenses</b>	<b>\$ 27,188,308</b>	<b>\$ 20,279,182</b>	<b>\$ 6,909,126</b>	<b>34.1%</b>

**Net Position**

The District's net position of \$41,449,719 at June 30, 2023 increased by \$2,233,827, or 5.7% from the prior year. Tables 3 and 4 summarize the components of the District's net position compared to the prior year.

**Table 3**  
**Condensed Schedule of Net Position**

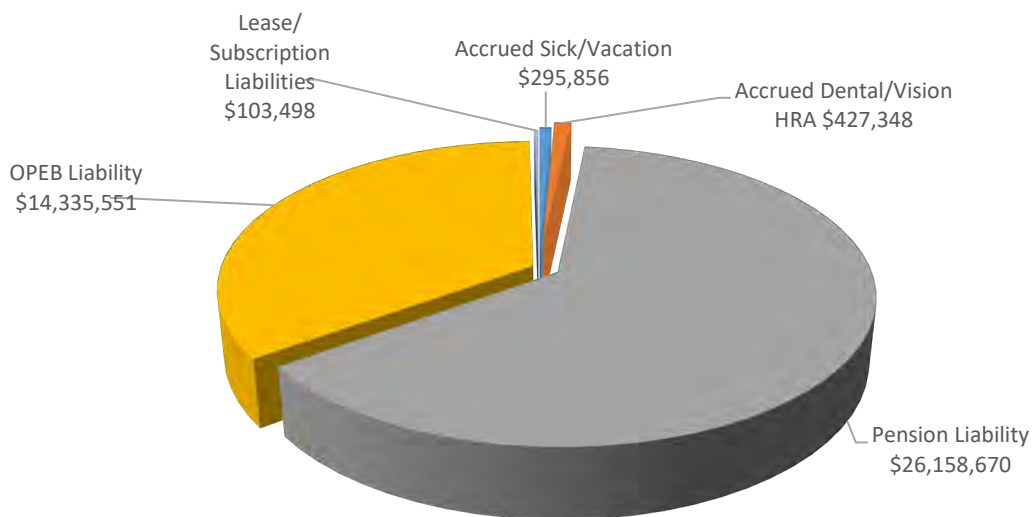
	June 30, 2023	June 30, 2022	\$ Change	% Change
<b>Assets:</b>				
Cash and Investments	\$ 29,764,786	\$ 38,236,060	\$ (8,471,274)	-22.2%
Other Current Assets	3,400,910	467,675	2,933,235	627.2%
Lease Receivable - Non-Current	650,775	677,741	(26,966)	-4.0%
Capital Assets	34,583,232	24,606,202	9,977,030	40.5%
Total Assets	68,399,703	63,987,678	4,412,025	6.9%
<b>Deferred Outflows of Resources</b>	<b>21,808,227</b>	<b>13,207,515</b>	<b>8,600,712</b>	<b>65.1%</b>
<b>Total Assets &amp; Deferred Outflows</b>	<b>\$ 90,207,930</b>	<b>\$ 77,195,193</b>	<b>\$ 13,012,737</b>	<b>16.9%</b>
<b>Liabilities:</b>				
Current Liabilities	\$ 2,425,170	\$ 2,481,624	\$ (56,454)	-2.3%
Long-Term Liabilities	41,320,923	22,884,106	18,436,817	80.6%
Total Liabilities	43,746,093	25,365,730	18,380,363	72.5%
<b>Deferred Inflows of Resources</b>	<b>5,012,118</b>	<b>12,613,571</b>	<b>(7,601,453)</b>	<b>-60.3%</b>
<b>Total Liabilities &amp; Deferred Inflows</b>	<b>\$ 48,758,211</b>	<b>\$ 37,979,301</b>	<b>\$ 10,778,910</b>	<b>28.4%</b>
<b>Net Position:</b>				
Net Investment in Capital Assets	\$ 33,782,588	\$ 23,347,848	\$ 10,434,740	44.7%
Restricted for Capital Improvements	2,874,187	9,577,853	(6,703,666)	-70.0%
Restricted for Pension Benefits	6,539,051	6,326,025	213,026	3.4%
Unrestricted	(1,746,107)	(35,834)	(1,710,273)	4,772.8%
<b>Total Net Position</b>	<b>\$ 41,449,719</b>	<b>\$ 39,215,892</b>	<b>\$ 2,233,827</b>	<b>5.7%</b>

The increase in net position from prior year is attributable to the following:

- **Other Current Assets** increased by \$2,933,235, or 627.2% from the prior year. This increase is primarily due to deposits made for the purchase of two Type I Engines that are expected to be delivered in fiscal year 2024/25. There was also an increase in District receivables due to the timing of invoice collection.
- **Capital Assets** increased by \$9,977,030, or 40.5% from the prior year mostly as a result of significant progress made on the phase 1 training facility construction during fiscal year 2022/23.
- **Deferred Outflows** relating to both pension and OPEB increased by \$8,600,712, or 65.1% from prior year due to changes in assumptions, differences between projected and actual investment earnings, difference between expected and actual experience, change in employer’s proportion and contributions made subsequent to the measurement date of 6/30/2022.
- **Deferred Inflows** relating to both pension and OPEB decreased by \$7,601,453, or 60.3% from the prior year due to differences between projected and actual investment earnings and differences between the employer’s contributions and its proportionate share of contributions.

The increases in net position described above were *partially* offset by the following:

- **Cash and investments** decreased by \$8,471,274, or 22.2% mostly due to a decrease in restricted funds that were used to fund training facility construction costs.
- **Long-term Liabilities** increased by \$18,436,817, or 80.6% from the previous year. This increase is due to significant increases in the net pension and OPEB liabilities. Pension and OPEB unfunded liabilities make up approximately 98% of the District’s total long-term liabilities. The net pension liability does not reflect approximately \$6.5M in District assets held in a section 115 trust account that is restricted for pension benefits. The pie chart below shows a breakdown of the District’s long-term liabilities as of June 30, 2023:



■ Accrued Sick/Vacation ■ Accrued Dental/Vision ■ Pension Liability ■ OPEB Liability ■ Lease/ Subscription Liabilities

**Table 4**  
**Schedule of Changes in Net Position**

	2022/23	2021/22	\$ Change	% Change
<b>Revenues</b>				
Program Revenues:				
Charges for Services	\$ 1,974,824	\$ 2,344,181	\$ (369,357)	-15.8%
Operating Grants and Contributions	24,683	-	24,683	N/A
General Revenues:				
Property Taxes and Assessments	24,102,775	21,630,784	2,471,991	11.4%
Fire Impact Fees	1,083,578	1,376,668	(293,090)	-21.3%
Investment Earnings	882,103	(1,095,739)	1,977,842	180.5%
Other Revenues	1,335,922	733,355	602,567	82.2%
<b>Total Revenues</b>	<b>\$ 29,403,885</b>	<b>\$ 24,989,249</b>	<b>\$ 4,414,636</b>	<b>17.7%</b>
<b>Expenses</b>				
Public Protection	25,907,192	19,056,449	6,850,743	35.9%
Interest on Long-term Debt	7,096	7,033	63	0.9%
Depreciation and Amortization	1,274,020	1,215,700	58,320	4.8%
<b>Total Expenses</b>	<b>\$ 27,188,308</b>	<b>\$ 20,279,182</b>	<b>\$ 6,909,126</b>	<b>34.1%</b>
Increase/(Decrease) in Net Position	2,215,577	4,710,067	2,494,490	53.0%
Net Position - Beginning (Restated)	39,234,142	34,505,825	4,728,317	13.7%
<b>Net Position - Ending</b>	<b>\$ 41,449,719</b>	<b>\$ 39,215,892</b>	<b>\$ 2,233,827</b>	<b>5.7%</b>

### **FINANCIAL ANALYSIS OF THE DISTRICT'S GENERAL FUND**

The District's general fund is broken down into an unassigned fund, a non-spendable fund (prepaids), a capital replacement fund (committed), a development fee fund (restricted), and a pension benefit fund (restricted). Fund balances totaled \$31,797,452 at the end of 2022/23, a decrease of \$5,417,956 from 2021/22. There were notable decreases in the capital replacement fund and the development fee fund due to construction of the training facility. The unassigned, non-spendable, and restricted pension benefit funds increased from the prior year.

Table 5 below shows the detail of fund balances compared to prior fiscal year:

**Table 5**  
**Summary of Total Fund Balances**

	2022/23	2021/22	\$ Change	% Change
General Reserve Fund - Unassigned	\$ 16,967,932	\$ 15,896,200	\$ 1,071,732	6.7%
General Reserve Fund – Non-spendable	379,991	305,313	74,678	24.5%
Capital Replacement Fund - Committed	5,036,291	5,110,017	(73,726)	-1.4%

**Table 5 (continued)**  
**Summary of Total Fund Balances**

	2022/23	2021/22	\$ Change	% Change
<b>Unrestricted Fund Balances</b>	<b>\$ 22,384,214</b>	<b>\$ 21,311,530</b>	<b>\$ 1,072,684</b>	<b>5.0%</b>
Development Fee Fund - Restricted	2,874,187	9,577,853	(6,703,666)	-70.0%
Pension Benefit Fund - Restricted	6,539,051	6,326,025	213,026	3.4%
<b>Restricted Fund Balances</b>	<b>\$ 9,413,238</b>	<b>\$ 15,903,878</b>	<b>\$ (6,490,640)</b>	<b>-40.8%</b>
<b>Total Fund Balances</b>	<b>\$ 31,797,452</b>	<b>\$ 37,215,408</b>	<b>\$ (5,417,956)</b>	<b>-14.6%</b>

- The unassigned general reserve fund ended the fiscal year with a balance of \$16,967,932, an increase of \$1,071,732, or 6.7% from the prior year. This increase is due to an excess of revenues over expenditures excluding capital outlay expenditures, which were funded by the capital replacement and development fee funds.
- The non-spendable fund increased by \$74,678, or 24.5% from the prior year due to an increase in prepayments for future expenses.
- The committed, or capital replacement fund balance, decreased by \$73,726 from the prior year to \$5,036,291. This decrease is the result of capital outlay expenditures during the fiscal year in excess of contributions, or transfers into the fund.
- The restricted development fee fund balance ended the fiscal year at \$2,874,187, a 70% decrease from the prior year. This decrease resulted from qualifying expenditures from the fund, mostly for the training facility construction, in excess of development fee revenue and interest collections for the fiscal year. Outstanding reimbursements due to the general reserve fund from the development fee fund of \$1,098,333 for qualifying expenditures made in 2022/23 are reflected in these balances.
- No contributions were made to the District's pension section 115 trust account during fiscal year 2022/23. The increase of \$213,026, or 3.4% in the pension benefit fund is due to an unrealized gain on investments.

### **GENERAL FUND BUDGETARY HIGHLIGHTS**

Actual financial results are evaluated against the adopted (original) final budget and/or mid-year final budget on a monthly basis at the District's regular board meetings. Table 6 on the following page shows a comparison of the final mid-year budget and actual results for fiscal year 2022/23:

**Table 6**  
**Condensed Schedule of Revenues and Expenditures**  
**Budget vs. Actual - General Fund**

	2022/23 Mid-Year Budget	2022/23 Actual	\$ Variance Favorable/ (Unfavorable)	% Variance Favorable/ (Unfavorable)
Total Revenues	\$ 28,620,398	\$ 29,123,697	\$ 503,299	1.8%
Total Expenditures	35,412,559	34,541,653	870,906	2.5%
<b>Net Change in Fund Balance</b>	<b>\$ (6,792,161)</b>	<b>\$ (5,417,956)</b>	<b>\$ 1,374,205</b>	<b>20.2%</b>

- Actual revenues exceeded budgeted revenues by \$503,299 due to the following:
  - There were unbudgeted gains on investment of \$185,521 due to unrealized gains in the District’s restricted PARS Section 115 trust accounts as of June 30, 2023.
  - Secured property tax revenue was favorable to budget by \$109,197 and supplemental tax revenue was favorable by \$59,826.
  - There was an increase of \$240,750 in the fair value adjustment from the prior year on El Dorado County cash balances.
  - There were partially offsetting unfavorable variances in the following revenue categories:
    - CRRD cost recovery fees were unfavorable to budget by \$130,708 due to the deferral of fees collected that were not earned as of June 30, 2023.
    - OES/Mutual-Aid revenue was unfavorable to budget by \$104,864 due to the deferral of revenue not collected within 90 days of the fiscal year-end.
    - Development fee revenue was unfavorable to budget by \$114,387.
- Actual expenditures were favorable to the final budget by \$870,906, mostly due to the following:
  - Wages and benefits were favorable to budget by \$542,351, mostly due to the delay in timing of a budgeted OPEB discretionary lump sum payment. Base salaries and wages were also slightly favorable to the budget.
  - Capital outlay costs were favorable to budget by \$270,371, mostly due to a delay in the timing of training facility expenditures.

## **CAPITAL ASSETS**

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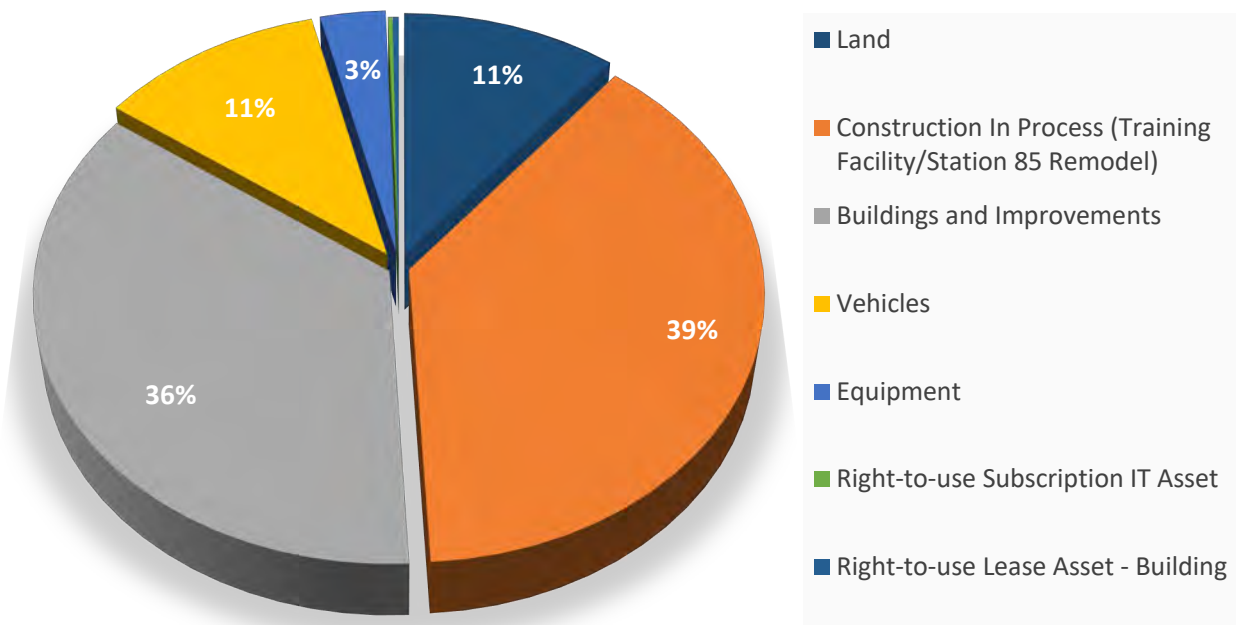
The District purchased capital assets totaling \$10,972,252 in 2022/23. This includes \$9,217,062 in construction expenditures on Phase 1 of the Training Center and \$1,141,752 on the purchase of new apparatus, including a Type 3 Engine, a command vehicle, two (2) Deputy Chief vehicles, a mechanic vehicle, a Battalion Chief vehicle, and a mechanic lube trailer. The District also purchased new SCBA’s for \$533,683, a new air compressor for \$89,633 and six (6) thermal imaging cameras for \$20,546.



Portable radios were purchased for \$118,866, and another \$9,998 was spent on office equipment. Finally, \$5,505 was spent on the design phase of the planned Station 85 administration office remodel.

Approximately \$969,863 in assets were written off or disposed of in fiscal year 2022/23. The District recognized a nominal loss on disposal of \$14,638, as several of the disposed assets had a small remaining book value. District capital assets are valued at historical cost and depreciated over their estimated useful lives using the straight-line method. More information about capital assets may be found in Note C of the financial statements.

The chart and Table 7 below show a breakdown of the District’s capital assets (net of depreciation and amortization) by category:



**Table 7**  
**Capital Assets by Category (Net of Depreciation and Amortization)**

	2022/23	2021/22 (Restated)	\$ Change	% Change
Land	\$3,714,639	\$3,714,639	\$-	0.0%
Construction In Process (Training Facility/Station 85 Remodel)	\$13,284,459	\$4,061,892	\$9,222,567	227.1%
Buildings and Improvements	\$12,381,210	\$12,921,853	\$(540,643)	-4.2%
Vehicles	\$3,895,183	\$3,177,741	\$717,442	22.6%
Equipment	\$1,127,435	\$574,194	\$553,241	96.4%
Right-to-use Subscription IT Asset	\$77,863	\$93,436	\$(15,573)	N/A
Right-to-use Lease Asset - Building	\$102,443	\$155,883	\$(53,440)	-34.3%
<b>Total Capital Assets, Net</b>	<b>\$ 34,583,232</b>	<b>\$ 24,699,638</b>	<b>\$ 9,883,594</b>	<b>40.0%</b>

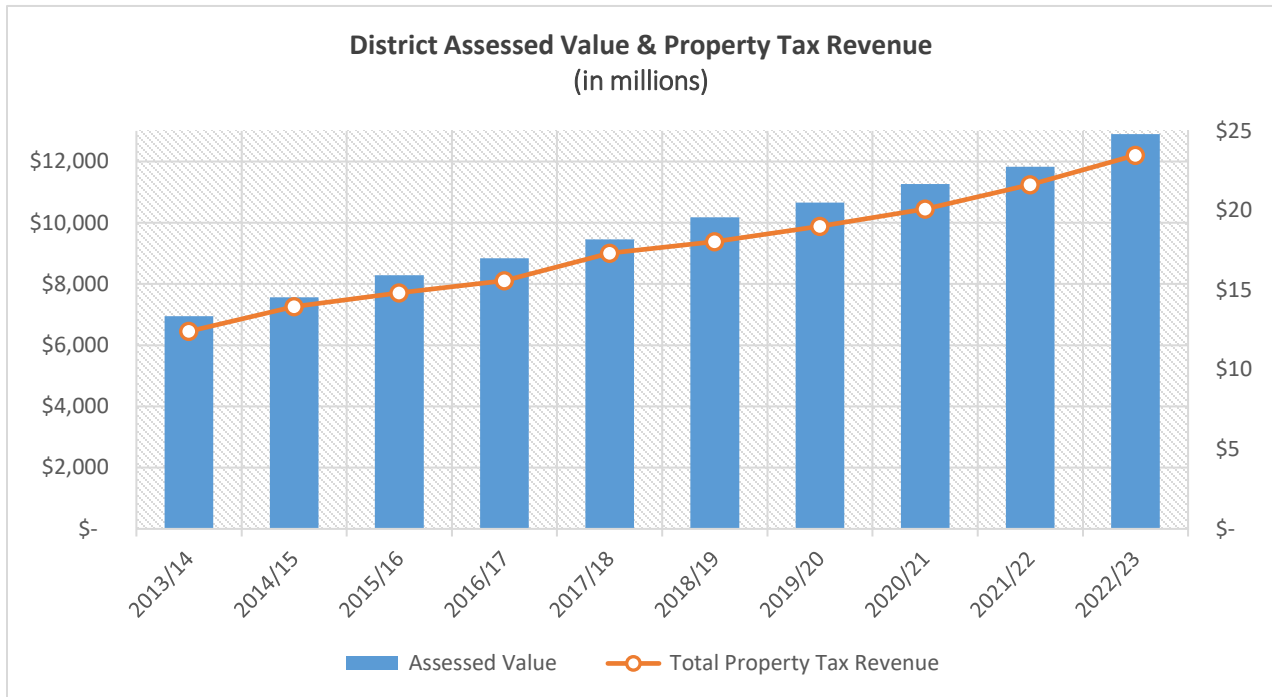
## LONG-TERM DEBT

The District's long-term liabilities consist of compensated absences, a health reimbursement arrangement (HRA) liability, lease/subscription liabilities, and the net pension and OPEB liabilities. The District does not have any other outstanding long-term debt. Additional information about the District's long-term debt may be found in Note E to the financial statements.

## ECONOMIC OUTLOOK

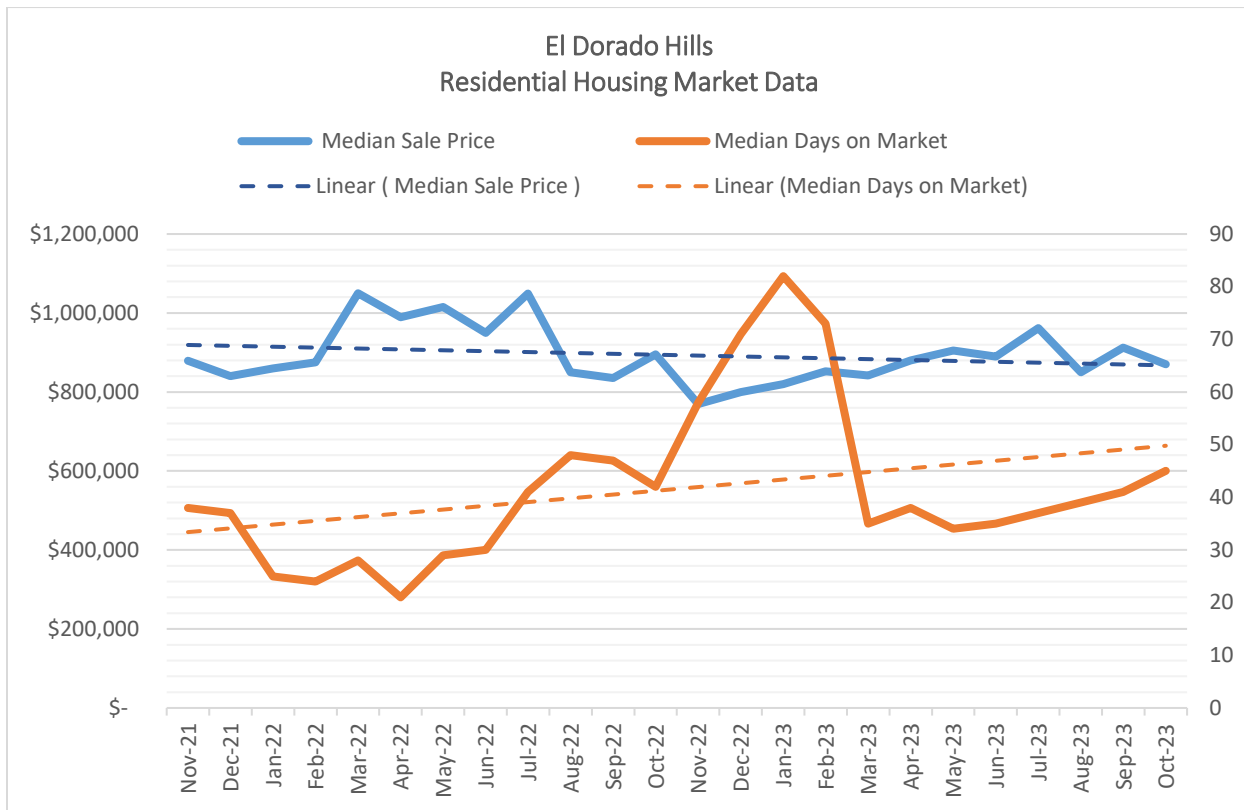
The District's net position remains strong and reflects financial stability. There is a continuing trend of increased Development within the District and property values remain at historic highs. However, the District continues to be mindful of the potential for an economic recession in the near term and the probable tapering of assessed value and property tax revenue growth. The District also expects the trend of rising costs to continue, anticipating further increases in insurance costs, pension and healthcare costs, and the cost of general goods and services due to economic inflation.

The District's primary source of revenue is property taxes, which are directly tied to property assessed values, new development, and the sale of existing properties. The chart below shows the rising trend in District assessed value and property tax revenue over the past 10 fiscal years:



Residential parcels comprise about 89% of the District's total assessed value. The local residential housing market has been very strong for several years, as is shown in the growing assessed value and property tax revenue trends above. However, the real estate market is starting to show signs of slowing. The chart on the following page shows a flattening, or slight decline, in the median home sales price in El Dorado Hills over the past two years and an increase in the average number of days a home is on the market. In June 2023, the median sales price of a home in El Dorado Hills was \$890,000, a 6.3% decrease from the median sales price of \$950,000 in June 2022. Furthermore, 13 of the previous 15 months ending October 2023

show a decrease in the median sales price from the same month the previous year. The median number of days a home stays on the market has increased in 21 of the 24 months shown in the chart below when compared to the same month the previous year.



District management continuously monitors and communicates economic trends, forecasts, and financial projections to ensure a sound fiscal position. Budgeting and spending is prioritized to align with the District’s mission, core values, and goals. The Fire Department is committed to maintaining and further enhancing its high level of service to the community. Part of doing so is ensuring the financial stability and longevity of the Department.

The Board of Directors and staff continue to be proactive in their efforts to keep healthy reserve balances and prefund pension and OPEB obligations whenever feasible. While the District did not make any discretionary transfers to its PARS pension or OPEB Section 115 trust accounts in fiscal year 2022/23, there are transfers totaling \$951,865 budgeted in 2023/24. These transfers serve to offset the District’s unfunded liability balances and may also be utilized to offset future qualifying pension and OPEB expenditures in the event of an economic downturn.

### CONTACTING THE DISTRICT’S FINANCIAL MANAGEMENT

For questions regarding this report, please contact the El Dorado Hills Fire Department Director of Finance at 1050 Wilson Blvd., El Dorado Hills, CA 95762. More information about the District can also be found at [www.edhfire.com](http://www.edhfire.com).

EL DORADO HILLS COUNTY WATER DISTRICT  
(DBA EL DORADO HILLS FIRE DEPARTMENT)

STATEMENT OF NET POSITION AND GOVERNMENTAL FUND BALANCE SHEET

June 30, 2023

	General Fund	Adjustments (Note J)	Statement of Net Position
<b>ASSETS</b>			
Cash and investments - unrestricted	\$ 20,351,548		\$ 20,351,548
Cash and investments - restricted	9,413,238		9,413,238
Receivables:			
Interest receivable - unrestricted	104,913		104,913
Due from other governments	506,637		506,637
Other receivables			
Deposits	2,386,874	\$ (4,471)	2,382,403
Prepaid costs	379,991		379,991
Leases receivable - current	26,966		26,966
Leases receivable - noncurrent	650,775		650,775
Capital assets:			
Nondepreciable		16,999,098	16,999,098
Depreciable, net		17,584,134	17,584,134
<b>TOTAL ASSETS</b>	<b>33,820,942</b>	<b>34,578,761</b>	<b>68,399,703</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension plan		13,525,373	13,525,373
Other postemployment benefits plan		8,282,854	8,282,854
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>		<b>21,808,227</b>	<b>21,808,227</b>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$ 33,820,942</b>	<b>56,386,988</b>	<b>90,207,930</b>
<b>LIABILITIES</b>			
Accounts payable	\$ 357,325		357,325
Salaries and benefits payable	159,858		159,858
Retention payable	559,957		559,957
Unearned revenue	208,244		208,244
Current portion of long-term liabilities		1,139,786	1,139,786
Noncurrent portion of long-term liabilities		41,320,923	41,320,923
<b>TOTAL LIABILITIES</b>	<b>1,285,384</b>	<b>42,460,709</b>	<b>43,746,093</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue	104,872	(104,872)	
Leases receivable	633,234		633,234
Pension plan		3,327,711	3,327,711
Other postemployment benefits plan		1,051,173	1,051,173
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>738,106</b>	<b>4,274,012</b>	<b>5,012,118</b>
<b>FUND BALANCES/NET POSITION</b>			
Fund balance:			
Nonspendable - prepaid costs	379,991	(379,991)	
Restricted for capital improvements	2,874,187	(2,874,187)	
Restricted for pension benefits	6,539,051	(6,539,051)	
Committed	5,036,291	(5,036,291)	
Unassigned	16,967,932	(16,967,932)	
<b>TOTAL FUND BALANCES</b>	<b>31,797,452</b>	<b>(31,797,452)</b>	
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 33,820,942</b>		
Net position:			
Net investment in capital assets		33,782,588	33,782,588
Restricted for capital improvements		2,874,187	2,874,187
Restricted for pension benefits		6,539,051	6,539,051
Unrestricted		(1,746,107)	(1,746,107)
<b>TOTAL NET POSITION</b>		<b>\$ 41,449,719</b>	<b>\$ 41,449,719</b>

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

EL DORADO HILLS COUNTY WATER DISTRICT  
(DBA EL DORADO HILLS FIRE DEPARTMENT)

STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUND REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCE

For the Year Ended June 30, 2023

	General Fund	Adjustments (Note J)	Statement of Activities
<b>EXPENDITURES/EXPENSES</b>			
Current:			
Public protection	\$ 23,500,728	\$ 2,406,464	\$ 25,907,192
Capital outlay	10,972,253	(10,972,253)	
Debt service - principal	61,576	(61,576)	
Debt service - interest	7,096		7,096
Depreciation and amortization		1,274,020	1,274,020
TOTAL EXPENDITURES/EXPENSES	34,541,653	(7,353,345)	27,188,308
<b>PROGRAM REVENUES</b>			
Charges for services			
Reimbursements from other agencies	1,974,824		1,974,824
Federal operating grants	24,683		24,683
TOTAL PROGRAM REVENUES	1,999,507		1,999,507
<b>NET PROGRAM EXPENSE</b>	(32,542,146)	7,353,345	(25,188,801)
<b>GENERAL REVENUES</b>			
Property taxes and assessments	24,102,775		24,102,775
Fire impact fees	1,083,578		1,083,578
Investment earnings	882,103		882,103
Other revenues	1,055,734	280,188	1,335,922
TOTAL GENERAL REVENUES	27,124,190	280,188	27,404,378
<b>NET CHANGE IN FUND BALANCE</b>	(5,417,956)	5,417,956	
<b>CHANGE IN NET POSITION</b>		7,633,533	2,215,577
Fund balance/net position, beginning of year	37,215,408	2,000,484	39,215,892
Restatement		18,250	18,250
Fund balance/net position, beginning of year	37,215,408	2,018,734	39,234,142
<b>FUND BALANCE/NET POSITION, END OF YEAR</b>	<b>\$ 31,797,452</b>	<b>\$ 9,652,267</b>	<b>\$ 41,449,719</b>

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

EL DORADO HILLS COUNTY WATER DISTRICT  
(DBA EL DORADO HILLS FIRE DEPARTMENT)

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements present the El Dorado Hills County Water District, which is doing business as (DBA) the El Dorado Hills Fire Department. The financial statements of the El Dorado Hills County Water District (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America 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 most significant accounting policies of the District are described below.

Background: The El Dorado Hills County Water District was formed by the Board of Supervisors of the County of El Dorado pursuant to Division 12, Part 2, Chapter 4, Section 30320 of the Water Code of the State of California. In 1963, the El Dorado Hills Fire Department was established under the El Dorado Hills County Water District. Ten years later, the citizens of El Dorado Hills voted to transfer all water and sewer system powers to the El Dorado Irrigation District; thereby leaving only fire protection under the direction of the District's Board.

The District's functions are governed by a five-member Board of Directors elected by the District's voting population. The Board of Directors manages the Fire Chief who oversees all financial, administrative and operational aspects of the District for the purpose of carrying-out fire and emergency services.

The District operates five fire stations. The District provides emergency medical services, rescue, fire suppression, and other public services as needed. The District is a member of the El Dorado County Emergency Services Authority (Authority), which also provides advanced life support and ambulance transport within the County. The District serves approximately 58,500 acres with approximately 18,644 homes and an estimated population of 49,617.

As discussed above, the District is a member of the Authority under a Joint Powers Agreement. The District is not responsible for the liabilities of the Authority upon withdrawal from the Authority and has a proportionate residual equity interest in any assets of the Authority upon its dissolution.

Basis of Presentation – Fund Financial Statements: The accounts of the District are organized on the basis of funds. A fund is a separate accounting entity with a self-balancing set of accounts. All of the District's activities are reported in the General Fund.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers all revenues to be available if they are collected within 90 days of the end of the current fiscal period or 60 days for taxes. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Payable balances consist primarily of payables to vendors.

Property and other tax revenues, reimbursements and interest earnings associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

EL DORADO HILLS COUNTY WATER DISTRICT  
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NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The District reports the following major governmental fund:

General Fund – The General Fund is the general operating fund of the District and accounts for revenues collected to provide services and finance the fundamental operations of the District. The fund is charged with all costs of operations.

Budgets: Budgets are adopted on a basis consistent with generally accepted accounting principles and in accordance with the District’s policy and procedure. Budgetary control is exercised by major object. All budgetary changes during the fiscal year require the approval of the District’s Board of Directors. Unencumbered budget appropriations lapse at the end of the fiscal year.

Restricted Assets: Restricted assets consist of \$2,874,187 of unspent fire impact fees collected by the County of El Dorado on the District’s behalf as well as \$6,539,051 of contributions to a Section 115 trust fund with the Public Agency Retirement Services (PARS) and related interest that is restricted to contributions to the District’s CalPERS pension plan as described in Note F. The impact fees are required to be spent on public facilities and equipment by the related County of El Dorado Ordinance. See Note H.

Prepaid Costs: Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid costs in both government-wide and fund financial statements. Prepaid costs of governmental funds are offset by a nonspendable portion of fund balance to indicate they do not represent resources available for future appropriation.

Capital Assets: Capital assets for governmental funds are not capitalized in the funds used to acquire or construct them. Capital acquisitions are reflected as expenditures in the governmental fund, and the related assets are reported in the government-wide financial statements. Capital assets are stated at historical cost or estimated historical cost if actual historical cost is not available. The cost of normal repairs and maintenance that do not add to the value of the asset or materially extend asset lives are not capitalized. Contributed capital assets are recorded at their acquisition value, which is the price that would be paid to acquire an asset with equivalent service potential in an orderly market transaction at the acquisition date.

Capital assets are defined by the District as assets with at least three years expected life and meet the required minimum value threshold seen below. Costs of assets sold or retired are eliminated from the accounts in the year of sale or retirement and the resulting gain or loss is included in the operating statement. In governmental funds, the sale of general capital assets is included in the statement of revenues, expenditures and changes in fund balances as proceeds from sale. Depreciation is recorded using the straight-line method over the useful lives of the assets as follows:

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NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

<u>Capital Asset Category</u>	<u>Threshold</u>	<u>Estimated Useful Life</u>
Land & easements	-	N/A
Building/improvements	50,000	39.5 years
Fire equipment (SCBA's)	1,000	8-15 years
Fire equipment (Other)	3,000	5-15 years
Hose (LDH)	3,000	15-20 years
Office equipment	3,000	3-7 years
Radio communications equipment	3,000	5 years
Fire apparatus	3,000	15 years
Vehicles	3,000	5-7 years
Furniture/fixtures/tools	3,000	3-7 years

Right-to-use lease assets are recognized at the lease commencement date and represent the District’s right to use an underlying asset for the lease term. Right-to-use lease assets are measured at the initial value of the lease liability plus any payments made to the lessor before the commencement of the lease term, less any lease incentives received from lessor at or before the commencement of the lease term, plus any initial direct costs necessary to place the lease asset into service. Right-to-use lease assets are amortized over the shorter of the lease term or useful life of the underlying asset using the straight-line method. The amortization period is 4 years.

Right-to-use subscription IT assets are recognized at the subscription commencement data and represent the District’s right to use the underlying IT asset for the subscription term. Right-to-use subscription IT assets are measured at initial value of the subscription liability plus and payments made to the vendor at the commencement of the subscription term, less any subscription incentives received from the vendor at or before the commencement of the subscription term, plus any capitalizable initial implementation costs necessary to place the subscription asset into service. Right-to-use subscription term or useful life of the underlying asset using the straight-line method. The amortization period is 6 years.

Deferred Outflows and Inflows of Resources: In addition to assets and liabilities, the balance sheet will sometimes report separate sections for deferred outflows and inflows of resources. Deferred outflows of resources represent a consumption of net assets by the government that is applicable to a future reporting period. Deferred inflows of resources represent an acquisition of net assets that is applicable to a future reporting period. These amounts will not be recognized as an outflow of resources (expense) or an inflow of resources (revenue) until the earnings process is complete. Deferred outflows and inflows of resources include amounts deferred related to the District’s leases receivable described in Note C and the pension and OPEB plans under GASB Statements No. 68 and No. 75, respectively, as described in Notes F and G. Unavailable revenues in governmental funds arise when a potential revenue source does not meet both the “measurable” and “available” criteria for recognition in the current period. Revenues unavailable because they were not received in the availability period are recognized for the government-wide presentation.

Unearned Revenues: Unearned revenues arise when resources are received by the District before it has legal claim to them (i.e., when grant monies are received prior to the incurrence of qualifying expenditures). The District’s unearned revenues at year-end consisted mainly of unearned Community Risk Reduction Division fees and Hosted Training Registration fees.

Compensated Absences: The District compensates employees for unused vacation and, subject to certain



EL DORADO HILLS COUNTY WATER DISTRICT  
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NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

conditions, sick leave upon separation from the District. The District's policy for sick leave states that sick leave will not be paid upon separation due to termination for cause, but otherwise up to 60% of accumulated sick leave will be paid to the employee or employee's beneficiary at retirement, separation or in the event of death. Sick leave may also be converted to service credit under the District's pension plan with CalPERS, which is excluded from the liability under GASB 16. All vacation is accrued when earned. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. The General Fund is used to liquidate compensated absences.

Lease and Subscription Liabilities: Lease liabilities represent the District's obligation to make lease payments arising from leases. Lease liabilities are recognized at the lease commencement date based on the present value of future lease payments expected to be made during the lease term. The lease payments are discounted at the rate inherent in the lease agreement or, if not determinable, at an estimated incremental borrowing rate.

Subscription liabilities represent the District's obligation to make subscription payments arising from subscription contracts. Subscription liabilities are recognized at the subscription commencement date based on the present value of the future subscription payments expected to be made during the subscription term. The subscription payments are discounted at the rate inherent in the lease agreement or, if not determinable, at an estimated incremental borrowing rate.

Fund Balance: In the fund financial statements, governmental funds report nonspendable, restricted, committed, assigned and unassigned balances.

Nonspendable Funds – Fund balance should be reported as nonspendable when the amounts cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. Nonspendable balances are not expected to be converted to cash within the next operating cycle, which are comprised prepaid costs.

Restricted Funds – Fund balance should be reported as restricted when constraints placed on the use of resources are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. Amounts reported as restricted funds represent impact fees collected for future capital expenditures as well as amounts held in a Section 115 trust fund for future contributions to the District's pension plan.

Committed Funds – Fund balance should be reported as committed when the amounts can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, which is a Resolution of the Board of Directors. These amounts cannot be used for any other purpose unless the Board modifies or removes the fund balance commitment with another Resolution of the Board of Directors. Committed fund balance represents the capital replacement fund approved by the Board of Directors for replacement or necessary improvement of fleet and facilities that exceeds routine maintenance.

Assigned Funds – Fund balance should be reported as assigned when the amounts are constrained by the government's intent to be used for specific purposes but are neither restricted nor committed.

Unassigned Funds – Unassigned fund balance is the residual classification and includes all spendable amounts that have not been restricted, committed, or assigned to specific purposes.

EL DORADO HILLS COUNTY WATER DISTRICT  
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NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

When both restricted and unrestricted resources are available, it is the District’s policy to use restricted resources, then unrestricted resources as they are needed.

Net Position: The government-wide financial statements report net position. Net position is categorized as the net investment in capital assets, restricted and unrestricted.

Net Investment in Capital Assets – This category groups all capital assets into one component of net position. The outstanding balance of debt and other payables that are attributable to the acquisition, construction or improvement of the assets reduces the balance in this category. The District had lease and subscription liabilities.

Restricted Net Position – This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position – This category represents net position of the District not restricted for any project or other purpose.

Property Taxes: The District receives property taxes from El Dorado County. Property taxes become a lien on the first day of the year they are levied. Secured property tax is levied on July 1 and 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 become delinquent on August 31. The District elected to receive the property taxes from the County under the Teeter Bill Program. Under this Program, the District receives 100% of the levied property taxes in periodic payments, with the County assuming responsibility for delinquencies. These taxes are accrued as intergovernmental revenue only if they are received from the County within 60 days after year end in the governmental fund. They are accrued when earned regardless of the timing of the related cash flows in the government-wide statement.

Joint Powers Authority: The District is a member agency of the El Dorado County Emergency Services Authority, a Joint Powers Authority (JPA), which provides ambulance and other pre-hospital emergency transport services on the west slope of El Dorado County. There are ten member agencies in total. The governing Board of Directors controls the operations of the JPA. The JPA Board is made up of a Fire Chief or authorized alternate from each member agency. The JPA is independently accountable for its fiscal matters and maintains its own accounting records under the oversight of the El Dorado County board of Supervisors. The JPA contracts with the District for one medic unit and six employees working shift work. The JPA reimburses actual costs incurred by the District for services with a maximum limit of \$1,250,000. The District is not responsible for the liabilities of the JPA upon dissolution. Separate financial statements for the JPA are available by contacting the JPA staff through the link at [edcjsa.org](http://edcjsa.org).

Health Reimbursement Arrangement: The District provides an optional health reimbursement arrangement (HRA) for each full-time and part-time employee hired prior to October 1, 2019 working a minimum of 32 hours per week for dental and vision expenses. The benefit is also offered to the eligible employee’s spouse and dependents. Eligible participants are allowed to submit qualifying dental and vision expenses for reimbursement under the HRA as defined in the Department Policy Manual. The benefit provided is \$145, \$175 and \$225 per month for employees with no dependents, one dependent and two or more dependents, respectively. HRA benefits are extended to legacy retirees that retired prior to October 1, 2019. Retirees electing the HRA benefit are provided a monthly benefit of \$100 and \$150 with no dependents and one dependent, respectively, which is included as part of the OPEB liability.

EL DORADO HILLS COUNTY WATER DISTRICT  
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NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The HRA benefits are not available to employees/retirees hired/retired on or after October 1, 2019 and instead, the employees/retirees are provided a District paid dental and vision insurance plan. Employees hired prior to October 1, 2019 also have the option to elect a paid dental/vision insurance plan in lieu of the HRA. The district excludes District paid retiree dental and vision insurance premiums included in the net OPEB liability from the HRA liability. The District does not have a trust where the HRA assets are set aside for the benefit of employees. Consequently, the HRA assets are available to the District's creditors. The General Fund is used to liquidate the HRA liability.

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

Other Postemployment Benefits Plan (OPEB): For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the plan and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, the plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

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, deferred outflows of resources, liabilities and deferred inflows of resources at the date of the financial statements and the reported amounts of revenues and expenditures during the reported period. Actual results could differ from these estimates.

New Pronouncements: In June 2022, the GASB issued Statement No. 100, *Accounting Changes and Error Corrections, an Amendment of GASB Statement No. 62*. This Statement prescribes the accounting and financial reporting for each type of accounting change, including changes in accounting principles, changes in accounting estimates and changes to or within the financial reporting entity, and error corrections. This Statement requires changes in accounting principles and error corrections to be reported retroactively by restating prior periods; requires changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period; and requires changes in accounting estimates to be reported prospectively by recognizing the change in the current period. The requirements of this Statement for changes in accounting principles apply to the implementation of new pronouncements in absence of specific transition provisions in the new pronouncement. This Statement also requires the aggregate amount of adjustments to and restatements of beginning net position, fund balance or fund net position, as applicable, to be displayed by reporting unit in the financial statements. Furthermore, this Statement requires information presented in required supplementary information or supplementary information to be restated for error corrections, if practicable, but not for changes in accounting principles. The provisions of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023.

EL DORADO HILLS COUNTY WATER DISTRICT  
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NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In June 2022, the GASB issued Statement No. 101, *Compensated Absences*. This statement requires that liabilities for compensated absences be recognized for leave that has not been used that is attributable to services already rendered, accumulates and is more likely than not to be used for time off or paid in cash or settled through noncash means and leave that has been used but not paid in cash or settled through noncash means. Leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in the liability for compensated absences. This Statement requires that a liability for certain types of compensated absences, including parental leave, military leave and jury duty leave, not be recognized until the leave commences. Certain salary-related payments that are directly and incrementally associated with payments for leave also should be included in the measurement of the liabilities. With respect to financial statements prepared using the current financial resources measurement focus, this Statement requires that expenditures be recognized for the amount that normally would be liquidated with expendable available financial resources. Governments are allowed to disclose the net change in the liability if identified as such in the footnotes to the financial statements. The provisions of this Statement are effective for years beginning after December 15, 2023.

The District is currently analyzing the impact of the required implementation of these new statements.

NOTE B – CASH AND INVESTMENTS

As of June 30, 2023, the District’s cash and investments consisted of the following:

Cash and investments - unrestricted	\$ 20,351,548
Cash and investments - restricted	9,413,238
	<u>\$ 29,764,786</u>
Deposits in financial institutions	\$ 1,736,212
California Local Agency Investment Fund (LAIF)	16,710,350
Investment in County of El Dorado investment pool	4,779,173
Public Agency Retirement Services (PARS) Trust	6,539,051
	<u>\$ 29,764,786</u>

Investment policy: California statutes authorize districts to invest idle or surplus funds in a variety of credit instruments as provided for in the California Government Code, Section 53600, Chapter 4 – Financial Affairs. The investments held by the pension plan rate stabilization PARS Section 115 Trust are governed by an investment guideline document and not the California Government Code. The District’s investment policy does not limit interest rate risk, credit risk or concentration of credit risk beyond what is required by the California Government Code, with the exception of limiting the maximum investment in one issuer for numerous investment types beyond what is required by the California Government Code. The average maturity of each investment pool is disclosed below.

Interest Rate Risk: Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

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 issued by a nationally

EL DORADO HILLS COUNTY WATER DISTRICT  
(DBA EL DORADO HILLS FIRE DEPARTMENT)

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023

NOTE B – CASH AND INVESTMENTS (Continued)

recognized statistical rating organization. The County's investment pool does not have a rating provided by a nationally recognized statistical rating organization.

Custodial Credit Risk: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the District's investment policy does 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 June 30, 2023, the carrying amount and balance per banks of the District's bank deposits were \$1,736,212 and \$2,116,490, respectively. Of the balance per banks, \$250,000 was covered by federal depository insurance and the remaining amount was collateralized by the pledging financial institution's investment securities, which were not in the name of the District.

California Local Agency Investment Fund (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 \$176,442,053,163 which is managed by the State Treasurer. Approximately 2.78% of the LAIF carrying cost plus accrued interest purchased in is invested in structured notes and asset-backed commercial paper and investments. The Local Investment Advisory Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by State Statute. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair 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 260 days at June 30, 2023.

Investment in the County of El Dorado's Investment Pool: The District maintains an investment in the County of El Dorado cash and investment pool, which is managed by the County Treasurer. The County pool is stated at fair value. The amount invested by all public agencies in El Dorado County's cash and investment pool is \$922,066,953 at June 30, 2023. The County does not invest in any derivative financial products. The County Treasury Investment Oversight Committee has oversight responsibility for the investment pool. The Committee consists of ten members as designated by State law. The value of pool shares in El Dorado County that may be withdrawn is determined on an amortized cost basis, which is different than the fair value of the District's position in the pool. Investments held in the County's investment pool are available on demand to the District and are stated at amortized cost. This investment is not subject to categorization under GASB No. 3. As of June 30, 2023, the weighted average maturity of the investments contained in the County's investment pool was approximately 689 days.

EL DORADO HILLS COUNTY WATER DISTRICT  
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NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023

NOTE B – CASH AND INVESTMENTS (Continued)

Investment in the PARS Trust: The District invested in a PARS Section 115 Trust Fund as a pension plan rate stabilization strategy. The District elected a discretionary investment approach, which allows the District to maintain oversight of the investment management, discretionary investment approach, control over target yield and the portfolio’s risk tolerance. The District has elected to invest in the Moderately Conservative Index PLUS investment option for the pension account, which is invested in index-based mutual funds and exchange-traded funds. PARS uses Highmark Capital Management to help manage investment options. The assets are withdrawn from the PARS trust on an amortized cost basis. The average maturity of the PARS trust was 8.2 years at June 30, 2023.

Fair Value Measurement: The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The District’s investments in LAIF and the County of El Dorado investment pool are not subject to the fair value hierarchy. The District’s investment in PARS is valued at the net asset value of the underlying mutual funds of the PARS pool in which the District invests as provided by PARS, which is not categorized under the fair value hierarchy.

NOTE C – LEASES RECEIVABLE

On March 31, 2014, the District entered into a lease agreement with AT&T Wireless to provide space for a cell tower located at the District’s Station 84. The initial lease term was five years, with three five-year automatic renewals. The lease provides for monthly principal and interest payments ranging from \$2,415 to \$3,194. Interest is imputed at 4.25% as of July 1, 2021, which is the GASB Statement No. 87 implementation date for the District.

On January 16, 2019, the District entered into a lease agreement with Verizon Wireless to provide space for a cell tower located at the District’s Station 85. The initial lease term was five years, with three five-year automatic renewals. The lease provides for monthly principal and interest payments ranging from \$2,100 to \$3,194. Interest is imputed at 4.25% as of July 1, 2021. Lease income was \$54,180 during the year ended June 30, 2023.

Future principal and interest payments for the above leases received were as follows at June 30, 2022:

Year Ending June 30:	Principal	Interest	Total
2024	\$ 26,966	\$ 28,300	\$ 55,266
2025	34,353	27,009	61,362
2026	36,821	25,486	62,307
2027	38,417	23,890	62,307
2028	40,081	22,226	62,307
2029-2033	268,897	80,185	349,082
2034-2038	185,629	28,497	214,126
2039-2040	46,577	1,331	47,908
	<u>\$ 677,741</u>	<u>\$ 236,924</u>	<u>\$ 914,665</u>

EL DORADO HILLS COUNTY WATER DISTRICT  
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NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023

NOTE D – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2023 was as follows:

	Balance at June 30, 2022 (As Restated)	Additions	Retirements	Balance at June 30, 2023
Capital assets not being depreciated:				
Land	\$ 3,714,639			\$ 3,714,639
Construction in process:				
Station 85 remodel		\$ 5,505		5,505
Training facility	4,061,892	9,217,062		13,278,954
Total capital assets, not being depreciated	<u>7,776,531</u>	<u>9,222,567</u>		<u>16,999,098</u>
Capital assets being depreciated/amortized:				
Buildings and improvements	20,027,567	14,853		20,042,420
Vehicles	7,657,936	1,141,752	\$ (519,605)	8,280,083
Equipment	2,680,082	793,080	(450,258)	3,022,904
Right-to-use subscription IT asset	93,436			93,436
Right-to-use lease asset - building	209,323			209,323
Total capital assets being depreciated/amortized	<u>30,668,344</u>	<u>1,949,685</u>	<u>(969,863)</u>	<u>31,648,166</u>
Less accumulated depreciation/amortization:				
Buildings and improvements	(7,105,714)	(555,496)		(7,661,210)
Vehicles	(4,480,195)	(421,686)	516,981	(4,384,900)
Equipment	(2,105,888)	(227,825)	438,244	(1,895,469)
Right-to-use subscription asset		(15,573)		(15,573)
Right-to-use lease asset - building	(53,440)	(53,440)		(106,880)
Total accumulated depreciation/amortization	<u>(13,745,237)</u>	<u>(1,274,020)</u>	<u>955,225</u>	<u>(14,064,032)</u>
Total capital assets being depreciated/amortized, net	<u>16,923,107</u>	<u>675,665</u>	<u>(14,638)</u>	<u>17,584,134</u>
Capital assets, net	<u>\$ 24,699,638</u>	<u>\$ 9,898,232</u>	<u>\$ (14,638)</u>	<u>\$ 34,583,232</u>

The June 30, 2022 balances were restated to implement GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, which required the District to recognize a subscription liability and right-to-use subscription asset. See Note E for additional information about this agreement.

EL DORADO HILLS COUNTY WATER DISTRICT  
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NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023

NOTE E – LONG-TERM LIABILITIES

The following is a summary of long-term liabilities activity for the year ended June 30, 2023:

	Balance June 30, 2022 (As Restated)	Additions	Reductions	Balance June 30, 2023	Due Within One Year	Due in More Than One Year
Compensated absences	\$ 1,283,949	\$ 898,976	\$ (975,943)	\$ 1,206,982	\$ 911,126	\$ 295,856
Health reimbursement arrangement (HRA) liability	614,890	151,060	(176,365)	589,585	162,237	427,348
Lease liability	156,311		(51,574)	104,737	55,492	49,245
Subscription IT liability	75,186		(10,002)	65,184	10,931	54,253
Net pension liability	11,738,830	14,419,840		26,158,670		26,158,670
Net OPEB liability	10,106,954	4,228,597		14,335,551		14,335,551
	<u>\$23,976,120</u>	<u>\$ 19,698,473</u>	<u>\$ (1,213,884)</u>	<u>\$42,460,709</u>	<u>\$1,139,786</u>	<u>\$41,320,923</u>

Lease Liability: On November 6, 2019, the District entered into a 5-year lease agreement for two units of a building in El Dorado Hills of 3,439 square feet from May 22, 2020 to May 21, 2025. The lease contains two 5-year options to renew the lease. It is not considered reasonably certain that the option periods would be exercised; therefore, the option periods were not included in the lease term for the lease liability calculation. The District's incremental borrowing rate was 4.25% at the July 1, 2021 GASB 87 implementation date. The facility will be used for training classes until a permanent training facility is constructed, which is expected to be funded with development fees. The implementation of this Statement resulted in the recognition of a leased building of \$209,323 (lease liability plus initial payment) and lease liability of \$204,852 at July 1, 2021. Monthly payments of principal and interest range from \$4,471 to \$5,021. The future lease payments and the net present of value of the payments for the building were as follows at June 30, 2023:

Year Ending June 30:	Principal	Interest	Total
2024	\$ 55,492	\$ 3,384	\$ 58,876
2025	49,245	964	50,209
	<u>\$ 104,737</u>	<u>\$ 4,348</u>	<u>\$ 109,085</u>

Subscription Liability: The July 1, 2022 column of the table above was restated to include a subscription IT liability in accordance with GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. On April 26, 2022, the District entered into a 6-year user license agreement with no options to extend the agreement for its plan review and inspection software. The agreement did not state an interest rate, so the District's estimated incremental borrowing rate of 3.07% at the July 1, 2022 GASB 96 implementation date was used as a discount rate. The software is used to track permits and calculate fees. The implementation of this Statement resulted in the recognition of a subscription asset of \$93,436 (subscription IT liability plus initial payment) and subscription liability of \$75,186 at July 1, 2022. Yearly payments of principal and interest range from \$12,000 to \$15,315. The future subscription payments and net present value of the payments for the subscription were as follows at June 30, 2023:



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NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023

NOTE E – LONG-TERM LIABILITIES (Continued)

Year Ending June 30:	Principal	Interest	Total
2024	\$ 10,931	\$ 1,669	\$ 12,600
2025	11,919	1,311	13,230
2026	12,970	922	13,892
2027	14,088	498	14,586
2028	15,276	39	15,315
	<u>\$ 65,184</u>	<u>\$ 4,439</u>	<u>\$ 69,623</u>

NOTE F – PENSION PLAN AND DEFERRED COMPENSATION PLANS

Defined Benefit Plan Description: All qualified permanent and probationary employees are eligible to participate in the District’s Cost-Sharing Multiple Employer Defined Benefit Pension Plan (the Plan or PERFC) administered by the California Public Employees’ Retirement System (CalPERS). PERFC consists of a miscellaneous risk pool and a safety risk pool, which are comprised of the following rate plans:

- Miscellaneous Rate Plan
- Safety Rate Plan
- Miscellaneous Second Tier Rate Plan
- Safety Second Tier Rate Plan
- PEPRA Miscellaneous Rate Plan
- PEPRA Safety Police Rate Plan

Although one Plan exists, CalPERS provides the information separately for the Miscellaneous and Safety Risk Pools and the information is presented separately below where available. Benefit provisions under the Plan are established by State statute and District resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website at [www.calpers.ca.gov](http://www.calpers.ca.gov).

Benefits Provided: CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 (52 for PEPRA Miscellaneous Plan) with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the 1959 Survivor Benefit level 4, or the Optional Settlement 2W Death Benefit. The cost-of-living adjustments for each plan are applied as specified by the Public Employees’ Retirement Law.

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NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023

NOTE F – PENSION PLAN AND DEFERRED COMPENSATION PLANS (Continued)

The rate plans' provisions and benefits in effect at June 30, 2023, are summarized as follows:

	<b>Miscellaneous Rate Plan</b>	<b>Miscellaneous Second Tier Rate Plan</b>	<b>PEPRA Miscellaneous Rate Plan</b>
	Prior to <u>August 13, 2011</u>	August 13, 2011 to <u>December 31, 2012</u>	On or after <u>January 1, 2013</u>
Hire date			
Benefit formula (at full retirement)	3.0% @ 60	2.0% @ 55	2.0% @ 62
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Final average compensation period	one year	three year	three year
Retirement age	50 - 60	50 - 63	52 - 67
Monthly benefits, as a % of eligible compensation	2.0% to 3.0%	1.426% to 2.418%	1.0% to 2.5%
Gross employee contribution rates	8.00%	7.00%	6.75%
Employee contribution rates paid by the District	8.00%	7.00%	0.00%
Gross employer contribution rates	15.25%	10.32%	7.47%
Employer contribution rates paid by employees	8.00%	8.00%	0.00%

	<b>Safety Rate Plan</b>	<b>Safety Second Tier Rate Plan</b>	<b>PEPRA Safety Rate Plan</b>
	Prior to <u>August 13, 2011</u>	August 13, 2011 to <u>December 31, 2012</u>	On or after <u>January 1, 2013</u>
Benefit formula (at full retirement)	3.0% @ 50	3.0% @ 55	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Final average compensation period	one year	three year	three year
Retirement age	50 - 55	50 - 55	50 - 57
Monthly benefits, as a % of eligible compensation	3.00%	2.40% to 3.00%	2.00% to 2.70%
Gross employee contribution rates	9.00%	9.00%	13.00%
Employee contribution rates paid by the District	9.00%	9.00%	0.00%
Gross employer contribution rates	23.75%	20.64%	12.78%
Employer contribution rates paid by employees	12.00%	12.00%	0.00%

The employer contribution rates above do not include Unfunded Liability (UAL) payments of \$85,237 and \$1,710,680 made for Miscellaneous and Public Safety employees during the year ended June 30, 2023, respectively. The tables above reflect employer contribution percentages before an employee pick-up of employer contributions of 8% for Miscellaneous First and Second Tier and 12% for Safety First and Second Tier Rate Plans under the District's MOU. The District pays the required employee contribution under the District's MOU for all rate plans except the PEPRA rate plans. All rate plans except the PEPRA rate plans are closed to new members that are not CalPERS participants. All rate plans are combined and reported below as the Miscellaneous Risk Pool and as the Safety Risk Pool.

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NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023

NOTE F – PENSION PLAN AND DEFERRED COMPENSATION PLANS (Continued)

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

For the year ended June 30, 2023, the employer contributions of \$141,095 and \$2,820,519 were made to the Miscellaneous and Safety Risk Pools, respectively, for total contributions of \$2,961,614.

**A. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources**

As of June 30, 2023, the District reported net pension liabilities for its proportionate shares of the net pension liability of each risk pool as follows:

Miscellaneous Risk Pool	\$ 1,168,291
Safety Risk Pool	<u>24,990,379</u>
Total Net Pension Liability	<u>\$ 26,158,670</u>

The District’s net pension liability for each risk pool is measured as the proportionate share of the net pension liability. The net pension liability of each risk pool is measured as of June 30, 2022, and the total pension liability for each risk pool used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021 rolled forward to June 30, 2022 using standard update procedures. The District’s proportion of the net pension liability was based on a projection of the District’s long-term share of contributions to the risk pool relative to the projected contributions of all participating employers, actuarially determined.

The District’s proportionate share of the net pension liability for each risk pool as of June 30, 2023 and 2022 were as follows:

	Miscellaneous Risk Pool	Safety Risk Pool	Total
Proportion - June 30, 2022	0.02966%	0.31844%	0.21705%
Proportion - June 30, 2023	<u>0.02497%</u>	<u>0.36368%</u>	<u>0.22647%</u>
Change - increase (decrease)	-0.00469%	0.04524%	0.00942%

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NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023

NOTE F – PENSION PLAN AND DEFERRED COMPENSATION PLANS (Continued)

For the year ended June 30, 2023, the District recognized a pension expense of \$4,020,427 for both risk pools combined. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources for the Plan from the following sources:

	Miscellaneous Risk Pool		Safety Risk Pool		Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 141,095		\$ 2,820,519		\$ 2,961,614	
Differences between actual and expected experience	23,462	\$ (15,714)	1,034,261	\$ (271,375)	1,057,723	\$ (287,089)
Changes in assumptions	119,716		2,519,787		2,639,503	
Differences between the employer's contribution and the employer's proportionate share of contributions		(54,821)		(2,976,528)		(3,031,349)
Change in employer's proportion	11,266	(9,273)	2,694,937		2,706,203	(9,273)
Net differences between projected and actual earnings on plan investments	214,000		3,946,330		4,160,330	
Total	\$ 509,539	\$ (79,808)	\$13,015,834	\$ (3,247,903)	\$13,525,373	\$ (3,327,711)

The amount above reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the following fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the risk pools will be recognized as pension expense as follows:

Year Ended June 30	Miscellaneous Risk Pool	Safety Risk Pool	Total
2024	\$ 68,479	\$ 1,983,502	\$ 2,051,981
2025	57,426	1,641,141	1,698,567
2026	31,841	915,456	947,297
2027	130,890	2,407,313	2,538,203
	\$ 288,636	\$ 6,947,412	\$ 7,236,048

EL DORADO HILLS COUNTY WATER DISTRICT  
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NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023

NOTE F – PENSION PLAN AND DEFERRED COMPENSATION PLANS (Continued)

Actuarial Assumptions: The total pension liabilities at the June 30, 2022 measurement date for each risk pool was determined using the following actuarial assumptions:

Valuation date	June 30, 2021
Measurement date	June 30, 2022
Actuarial cost method	Entry-Age Normal Cost Method
Amortization method	Level percent of payroll
Asset valuation method	Market value
Actuarial assumptions:	
Discount rate	6.90%
Inflation	2.30%
Payroll growth	2.80%
Projected salary increases	0.20% to 7.64% Miscellaneous and 0.77% to 15.49% Safety, depending on entry age and service
Investment rate of return	6.90%
Mortality <sup>1</sup>	Derived using CalPERS membership data for all funds

<sup>1</sup> The mortality table used was developed based on CalPERS-specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvement using 80% of Scale MP 2020 published by Society of Actuaries. For more details on this table, please refer to the 2021 Experience Study report that can be found on the CalPERS website. The Experience Study Report can be found on CalPERS' website under Forms and Publications.

Discount Rate: The discount rate used to measure the total pension liability for PERF C was 6.90%, which declined from 7.15% used at the June 30, 2021 measurement date. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

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

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NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023

NOTE F – PENSION PLAN AND DEFERRED COMPENSATION PLANS (Continued)

The table below reflects the long-term expected real rate of return by asset class for each risk pool. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

Asset Class	New Strategic Allocation	Real Return Years 1 - 10(1,2)
Global equity- cap weighted	30.0%	4.45%
Global equity non-cap-weighted	12.0%	3.84%
Private equity	13.0%	7.28%
Treasury	5.0%	0.27%
Mortgage-backed securities	5.0%	0.50%
Investment grade corporates	10.0%	1.56%
High yield	5.0%	2.27%
Emerging market debt	5.0%	2.48%
Private debt	5.0%	3.57%
Real assets	15.0%	3.21%
Leverage	-5.0%	-0.59%
Total	100.00%	

- (1) An expected inflation of 2.30% used for this period.  
(2) Figures are based on the 2021-22 Asset Liability Management Study

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

	Miscellaneous Risk Pool	Safety Risk Pool	Total
1% Decrease	5.90%	5.90%	5.90%
Net pension liability	\$ 1,764,204	\$ 38,774,046	\$ 40,538,250
Current discount rate	6.90%	6.90%	6.90%
Net pension liability	\$ 1,168,291	\$ 24,990,379	\$ 26,158,670
1% increase	7.90%	7.90%	7.90%
Net pension liability	\$ 678,003	\$ 13,725,344	\$ 14,403,347

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

**B. Payable to the Pension Plan**

At June 30, 2023, the District reported payables for the outstanding amount of employer contributions to the Plan of \$15,344.

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NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023

NOTE F – PENSION PLAN AND DEFERRED COMPENSATION PLANS (Continued)

PARS Section 115 Trust: The District has made contributions to a defined contribution multiple employer Public Agency Retirement Services (PARS) Section 115 pension trust as a rate stabilization strategy. PARS acts as a common investment and administrative agent for participating public agencies. The District did not contribute to the PARS pension trust during the year ended June 30, 2023. Assets in the PARS trust were \$6,539,051 at June 30, 2023. Assets were invested in the PARS Moderately Conservative Index PLUS investment option. The assets in the trust are restricted for contributions to the District's CalPERS pension plan. The assets are not considered pension plan assets under GASB 68 as the assets are not available for pension benefits until contributed to CalPERS. The assets are not reachable by the District's creditors and are considered restricted for pension benefits. PARS has financial statements available upon request for its pension trust funds, which can be obtained by contacting the District's Finance Department.

Deferred Compensation Plans: The District offers two Internal Revenue Code (IRC) Section 457 deferred compensation plans (the Plans) to eligible employees. Benefit terms, including contribution requirements for the Plans, were established by and may be amended by the Board of Directors, subject to bargaining unit MOUs. One Plan is administered by CalPERS and the other plan is administered by Nationwide Retirement Solutions, Inc. (Nationwide). All permanent employees may participate in either plan at their hire date. The District had no contribution requirements for either plan at June 30, 2023 and the participants may contribute voluntarily to the Plans up to the applicable IRC contribution limits. The District will be required to match PEPPRA employee contributions to the plans up to \$100 per month beginning the first pay period in July 2024. Employees vest immediately in their own contributions. The District made no contribution to either Plan and employees contributed \$64,414 and \$660,102 to the CalPERS and Nationwide Plans during the year ended June 30, 2023, respectively. Contributions are made to individual accounts held in qualifying trusts for each participant and participants self-direct investment options.

NOTE G – OTHER POSTEMPLOYMENT BENEFITS PLAN

Plan Description: The District's defined benefit OPEB plan (the Plan), is an agent multiple-employer defined benefit OPEB plan that provides OPEB benefit for all miscellaneous and public safety employees once they have a minimum of five years of CalPERS credited service with the District and a minimum of ten years of CalPERS credited service, including service at other public agencies. Employees hired prior to March 1, 2012 receive the same benefits as other employees whether or not the District remains in CalPERS. Eligible employees' surviving spouses and dependents are also eligible for benefits. The California Water Code grants the Board of Directors the authority to establish and amend the benefit terms, subject to the Memorandums of Understanding (MOU's) with the employees. The District participates in the CalPERS California Employers' Retiree Benefits Trust Fund (CERBT), which is a Section 115 trust fund administered by CalPERS. The CERBT is included in the CalPERS publicly available financial statements that can be obtained at [www.calpers.ca.gov](http://www.calpers.ca.gov) under Forms and Publications.

During the year ended June 30, 2018, the District joined a defined contribution multiple employer Section 115 trust fund for OPEB benefits administered by Public Agency Retirement Services (PARS). PARS acts as a common investment and administrative agent for participating public agencies. The PARS trust provides an alternative investment option for the District's existing OPEB plan assets. The assets in PARS are invested in the Capital Appreciation Index Plus investment option. PARS has financial

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NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023

NOTE G – OTHER POSTEMPLOYMENT BENEFITS PLAN (Continued)

statements available upon request for its OPEB trust funds, which can be obtained by contacting the District’s Finance Department. No other publicly available reports are available for the Plan.

Benefits Provided: The Plan provides healthcare benefits for retirees, surviving spouses and their dependents. Benefits are provided through CalPERS, and the full cost of the benefits are covered by the Plan. Effective January 1, 2021, the District covered a maximum of the fourth highest cost plan offered in CalPERS Region 1 for represented employees, and up to \$2,850 for unrepresented employees. Beginning January 1, 2022, the District covered a maximum of the fifth highest cost plan offered in CalPERS Region 1 for represented employees, and up to \$2,850 per month for unrepresented employees.

The Plan provides a cash subsidy for monthly insurance premiums on a graded scale of 50% of insurance premium costs at ten years of service up to 100% of insurance premium costs at twenty years of service. Benefits do not cease at age 65 when the retiree or spouse is eligible for Medicare. Retirees are eligible to continue medical coverage as a participant with active employees at a blended premium rate until eligible for Medicare under CalPERS requirements. Retirees hired before October 1, 2019 are also eligible for a contribution to a health reimbursement arrangement (HRA) \$100 for a single retiree and \$150 for the retiree plus spouse per month for dental and vision expenses. The HRA contributions are not held in a trust for the benefit of participants and, therefore, are not considered plan assets. Employees who retire after October 1, 2019 are offered dental and vision insurance benefits in retirement after 10 years of CalPERS credited employment with the District instead of the HRA benefits. The dental and vision insurance offered to retirees is limited to the employee plus one dependent.

Employees Covered by Benefit Terms: At June 30, 2023 (June 30, 2022 measurement date), the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	41
Active employees	<u>71</u>
Total	<u><u>112</u></u>

Contributions: The Board of Directors has the authority to establish and amend the contribution requirements of the District and employees under powers granted to it under the California Water Code, subject to the District’s Memorandum of Understanding with employee bargaining units.

The Board of Directors has established reimbursement percentages of actual insurance premiums paid by Plan members. No other contribution requirements exist under the Plan. Employees are not required to contribute to the Plan. During the fiscal year ended June 30, 2023, the District’s direct payments of insurance premiums were \$922,650, cash contributions to the trust were \$300,000, implied subsidy benefit payments were \$93,000 and administrative expenses paid outside of trust were \$2,841, resulting in total contributions of \$1,318,491. The District made contributions of \$300,000 to the CERBT Trust and none to the PARS Trust during the year ended June 30, 2023.

Net OPEB Liability: The District's net OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.



EL DORADO HILLS COUNTY WATER DISTRICT  
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NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023

NOTE G – OTHER POSTEMPLOYMENT BENEFITS PLAN (Continued)

Actuarial Assumptions: The total OPEB liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions:

Valuation date	June 30, 2022
Measurement date	June 30, 2022
Actuarial cost method	Entry-age normal cost method
Actuarial assumptions:	
Discount rate	6.25%
Inflation	2.50%
Salary increases	2.75%
Investment rate of return	6.25%
Dental/vision cap increase	2.75%
Mortality rate	CalPERS 2000-2019 Experience Study
Pre-retirement turnover	CalPERS 2000-2019 Experience Study
Healthcare trend rate:	
Non-Medicare	8.50% for 2024, decreasing to 3.45% in 2076
Medicare (Non-Kaiser)	7.50% for 2024, decreasing to 3.45% in 2076
Medicare (Kaiser)	6.25% for 2024, decreasing to 3.45% in 2076
Participation rate	Tier 1 100%; Tier 2 and 3: 90% to 98% depending on vesting

Pre-retirement mortality information and post-retirement mortality information was derived from data collected during 2000 to 2019 2021 CalPERS Experience Study. Mortality improvement was projected fully generational Scale MP-2021. The Experience Study Reports may be accessed on the CalPERS website [www.calpers.ca.gov](http://www.calpers.ca.gov) under Forms and Publications.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target allocation and best estimates of arithmetic real rates of return for each major asset class for CERBT and PARS investments as of the measurement date are summarized in the following table:

Asset Class	Target Allocation CERBT- Strategy 1	CERBT Expected Real Rate of Return	Target Allocation PARS-Capital Appreciation	PARS Expected Real Rate of Return
Global equity	49.0%	4.56%	75.0%	4.56%
Fixed income	23.0%	1.56%	20.0%	0.78%
TIPS	5.0%	-0.08%		
Commodities	3.0%	1.22%		
REITs	20.0%	4.06%		
Cash			5.0%	-0.50%
Total	100.0%		100.0%	

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NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023

NOTE G – OTHER POSTEMPLOYMENT BENEFITS PLAN (Continued)

Discount Rate: The discount rate used to measure the total OPEB liability was 6.25%. The projection of cash flows used to determine the discount rate assumed that District’s contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability/(Asset)
Balance at June 30, 2022	\$ 23,435,234	\$ 13,328,280	\$ 10,106,954
Changes in the year:			
Service cost	926,849		926,849
Interest	1,553,107		1,553,107
Differences between expected and actual experience	(189,566)		(189,566)
Changes in assumptions	2,272,553		2,272,553
Contributions - employer		2,259,943	(2,259,943)
Investment income		(1,914,114)	1,914,114
Benefit payments	(936,235)	(936,235)	
Administrative expenses		(11,483)	11,483
Net changes	3,626,708	(601,889)	4,228,597
Balance at June 30, 2023	\$ 27,061,942	\$ 12,726,391	\$ 14,335,551

Changes in Assumptions: The discount rate was changed to 6.25% and the 2021 CalPERS Experience Study was used at the June 30, 2022 measurement date, which was changed from the 6.50% discount rate used and the 2017 CalPERS Experience Study used at the June 30, 2021 measurement date.

Changes in Benefit Terms: None

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

	1% Decrease	Current	1% Increase
	5.25%	Discount Rate 6.25%	7.25%
Net OPEB liability	\$ 18,205,048	\$ 14,335,551	\$ 11,166,217

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NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023

NOTE G – OTHER POSTEMPLOYMENT BENEFITS PLAN (Continued)

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

	1% Decrease	Current Healthcare Cost Trend Rates	1% Increase
Net OPEB liability	\$ 10,780,589	\$ 14,335,551	\$ 18,737,005

OPEB Plan Fiduciary Net Position: Detailed information about the OPEB plan's fiduciary net position is available in the separately issued CERBT financial report at [www.calpers.ca.gov](http://www.calpers.ca.gov) and in a PARS financial report available from the District.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB: For the year ended June 30, 2023, the District recognized OPEB expense of \$2,753,776. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	\$ 1,318,491	
Differences between actual and expected experience	87,339	\$ (551,462)
Changes in assumptions	5,768,400	(499,711)
Net differences between projected and actual earnings on plan investments	1,108,624	
Total	\$ 8,282,854	\$ (1,051,173)

The amount reported as deferred outflows of resources related to contributions after the measurement date will be recognized as a reduction of the net pension liability in the following fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30	
2024	\$ 1,186,390
2025	1,176,307
2026	1,098,843
2027	1,538,504
2028	343,390
Thereafter	569,756
	\$ 5,913,190

Payable to the OPEB Plan: At June 30, 2023, there was no payable to the OPEB Plan.

EL DORADO HILLS COUNTY WATER DISTRICT  
(DBA EL DORADO HILLS FIRE DEPARTMENT)

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023

NOTE H – FIRE IMPACT FEES

The use of fire impact fees is restricted solely for financing public facilities and equipment necessary to serve new developments. Changes in unspent fire impact fees reported as restricted cash and investments were as follows during the year ended June 30, 2023:

Amount available at June 30, 2022	\$ 9,577,853
Add fees collected and investment income	1,452,760
Less qualifying expenditures and county administration fees	<u>(8,156,426)</u>
Amount available at June 30, 2023	<u><u>\$ 2,874,187</u></u>

NOTE I – COMMITMENTS AND CONTINGENCIES

Contingencies: The District is a party to claims and lawsuits arising in the normal course of business. The District's management does not believe that the ultimate liability, if any, arising from these claims will have a material adverse impact on the financial position of the District.

The District has a number of funding sources under grant and other funding agreements that are subject to compliance audits by the provider. The amount of expenditures, if any, which may be disallowed by the provider cannot be determined although the District expects such amounts, if any, to be immaterial.

The County of El Dorado (the County) collects fire impact fees imposed on behalf of the District and deposits those fees into a separate account within the County's investment pool. The balance of the account in the County's investment pool holding the impact fees is reported as part of the District's cash and investments. The County will only release the fees from the County investment pool when the District incurs qualifying expenditures and provides supporting documentation for expenditures incurred that is acceptable to the County. It is possible that the County could disallow costs incurred by the District as part of the approval process.

Participation in Insurance Risk Pool: Effective November 1, 2022, the District joined the California Association of Mutual Water Companies (Cal Mutuals) Joint Powers Risk and Insurance Management Authority (JPRMIA). The Authority is a public entity risk pool of governments that provides property & casualty, pollution and employee benefits insurance coverage. Loss contingency reserves established by the Authority are funded by contributions from member agencies. The District pays an annual premium to the JPRMIA that includes its pro-rata share of excess insurance premiums, charges for the pooled risk, claims adjustments, legal costs and administrative and other costs to operate the Authority. Private insurers may provide excess coverage over the Authority's coverage limits. Cal Mutuals may be contacted at [www.calmutualsjprima.org](http://www.calmutualsjprima.org).

In addition to the insurance coverage below, JPRMIA secures commercial excess insurance of \$5,000,000. The District continues to carry separate commercial workers' compensation insurance. Settled claims have not exceeded the insurance limits in the past three years and there have been no reductions of insurance limits.

The District's coverage limits were as follows as of June 30, 2023:

EL DORADO HILLS COUNTY WATER DISTRICT  
(DBA EL DORADO HILLS FIRE DEPARTMENT)

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023

NOTE I – COMMITMENTS AND CONTINGENCIES (Continued)

Auto liability and uninsured motorist (including comprehensive and collision)	\$ 1,000,000	None - \$5,000
Auto medical payments	5,000	None
Property coverage	25,303,393	5,000
Coverage extension blanket limit	2,000,000	5,000
Mobile equipment (including borrowed, rented or leased)	50,000-183,000	5,000
Additional property coverage (depending on type)	2,500-1,000,000	None
Crime coverage (includes employee theft, forgery, theft, robbery and computer, funds transfer and money order fraud)	250,000	1,000
General liability (includes bodily injury, property damage, professional healthcare, medical expenses, personal, damage to premises rented and medical expenses)	10,000-10,000,000	None
Public officials and management liability (includes wrongful acts employment practices, employee benefit plans and injunctive relief)	5,000-1,000,000	10,000-25,000

In addition to the insurance above, JPRMIA secures commercial excess insurance of \$5,000,000. The District continues to carry commercial workers' compensation insurance. Settled claims have not exceeded the insurance limits in the past three years and there have been no reductions of insurance limits.

Commitments: In March 2022, the District entered into a construction contract for the El Dorado Hills Fire Training Facility project. The remaining cost of the contract as of June 30, 2023 was approximately \$513,000. Construction costs of the project are expected to be \$11.7 million. Total project costs included in construction in progress, including design costs, were \$13,278,954 at June 30, 2023.

Contract with County of El Dorado Sherriff's Office of Emergency Services (OES): The District began providing personnel, training, uniforms, vehicle and technology services to the County of El Dorado Sherriff's OES under an agreement for emergency management services from November 1, 2023 to June 30, 2027. Compensation of the District by the County under the agreement has a not to exceed amount of \$850,000.

EL DORADO HILLS COUNTY WATER DISTRICT  
(DBA EL DORADO HILLS FIRE DEPARTMENT)

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023

NOTE J – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Amounts reported for governmental activities in the governmental funds balance sheet are being adjusted to arrive at the statement of net position. The adjustments are as follows at June 30, 2023:

Fund balances - Total Governmental Funds	\$ 31,797,452
Deferred outflows of resources on the pension and OPEB plans are not reported in the governmental funds.	21,808,227
Capital assets used in governmental activities are not financial resources and therefore not reported in the governmental funds.	34,583,232
Long-term liabilities applicable to the District's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the statement of net position. The initial lease deposit was included as an initial payment for the leased assets.	
Lease deposit added to leased building cost	(4,471)
Compensated absences	(1,206,982)
HRA liability	(589,585)
Lease liability	(104,737)
Subscription liability	(65,184)
Net pension liability	(26,158,670)
Net OPEB liability	(14,335,551)
Revenues that are deferred in the governmental funds because they are not current financial resources are recognized in the government-wide statements.	104,872
Deferred inflows of resources on the pension and OPEB plans are not reported in the governmental funds.	<u>(4,378,884)</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 41,449,719</u>

EL DORADO HILLS COUNTY WATER DISTRICT  
(DBA EL DORADO HILLS FIRE DEPARTMENT)

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023

NOTE J – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS  
(CONTINUED)

Amounts reported for governmental activities in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances are adjusted to arrive at the Statement of Activities for Government-wide presentation. The adjustments for the fiscal year ended June 30, 2023 are as follows:

Net change in fund balance - Governmental Funds	\$ (5,417,956)
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The change in net position for governmental activities in the statement of activities is different because:

Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense:

Capital outlay	10,972,253
Donated vehicles	200,000
Depreciation	(1,274,020)

Governmental funds report proceeds from disposal of capital assets as revenues. However, in the government-wide statement of activities only the gain or (loss) on the sale of capital assets is reported. This is the difference between the gain or (loss) and proceeds.	(14,638)
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Changes in deferred inflows and outflows related to the pension and OPEB plans do not result in the receipt or use of current financial resources and are not reported in the governmental funds.

Change in deferred outflows of resources	8,600,712
Change in deferred inflows of resources	7,553,627

Governmental funds do not present revenues that are not available to pay current expenditures. Such revenues are recognized in the Statement of Activities.	80,188
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Governmental funds report debt issuance as revenue and debt service payments as expenditures. However, in the statements of activities, borrowing and repayments of principal of indebtedness increase and reduce long-term liabilities in the statement of net position.

Principal payments on leases and subscription liabilities	61,576
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Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental

Change in compensated absences liability	76,967
Change in health reimbursement arrangement liability	25,305
Change in net pension liability	(14,419,840)
Change in net OPEB liability	<u>(4,228,597)</u>

NET CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 2,215,577</u>
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EL DORADO HILLS COUNTY WATER DISTRICT  
(DBA EL DORADO HILLS FIRE DEPARTMENT)

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023

NOTE K – RESTATEMENT

During the year ended June 30, 2023, the District implemented GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. Due to implementation of this Statement, the District recognized a subscription asset of \$93,436 and a subscription liability of \$75,186, resulting in an increase of net position of \$18,250 as of July 1, 2022.

NOTE L – SUBSEQUENT EVENTS

In July 2022, the District's Board of Directors approved the purchase of one Type 1 Engine and one Truck totaling \$2.4 million. These apparatus are expected to be delivered in late 2024.

In July 2023, the District's Board of Directors approved the purchase of a Type I Engine for \$1.25 million including a \$15,000 motor contingency and changes/mounting. The build time for the apparatus is expected to be 40.5 to 43.5 months.

On August 30, 2023, the Board of Directors approved a Memorandum of Understanding (MOU) with Professional Firefighters, Local 3604 and the Unrepresented Safety Management, Non-Safety Management and Non-Safety Administrative Support for July 1, 2023 through June 30, 2025 that provides a 5% increase to base salaries effective the first full pay period on or after July 1, 2023 plus an additional 1% increase effective the first full pay period on or after October 1, 2023 contingent upon the property tax revenue growth for the year ending June 30, 2024 meeting or exceeding 7% as estimated by the County El Dorado. Effective the first pay period on or after July 1, 2024, an additional 2% pay increase to the base salary was approved with an additional 1% or 2% being awarded the first full pay period on or after October 1, 2024 depending on whether cumulative growth in property tax revenue for fiscal years ending June 30, 2024 and 2025 meets or exceeds 12% and growth in property tax during the fiscal year ending June 30, 2024 meets or exceeds 7%. Total wages and benefits are budgeted at \$22.76 million for the year ended June 30, 2024 under the new MOU compared to actual wages and benefits of \$20.67 million for the year ended June 30, 2023.



REQUIRED SUPPLEMENTARY INFORMATION

EL DORADO HILLS COUNTY WATER DISTRICT  
(DBA EL DORADO HILLS FIRE DEPARTMENT)

SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL – GENERAL FUND

For the Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final	Amounts	(Negative)
<b>REVENUES</b>				
Property taxes and assessments	\$ 23,473,973	\$ 23,921,707	\$ 24,102,775	\$ 181,068
Reimbursements from other agencies	2,150,000	2,053,459	1,974,824	(78,635)
Fire impact fees	1,400,000	1,197,965	1,083,578	(114,387)
Use of money and property	130,000	269,889	882,103	612,214
Federal capital grants	31,170			
Federal operating grants	113,635		24,683	24,683
Other revenues	859,180	1,177,378	1,055,734	(121,644)
TOTAL REVENUES	28,157,958	28,620,398	29,123,697	503,299
<b>EXPENDITURES</b>				
Current:				
Public protection				
Wages and benefits:				
Salaries and wages	11,849,011	11,852,775	11,825,612	27,163
Overtime	2,896,845	2,682,330	2,666,445	15,885
Retirement	1,729,325	1,810,375	1,766,581	43,794
Health insurance	1,951,037	1,895,373	1,896,864	(1,491)
Retiree health insurance	1,187,065	1,626,397	1,174,862	451,535
Workers compensation insurance	754,353	862,567	862,567	
Employment taxes and benefits	482,439	485,487	480,022	5,465
Total wages and benefits	20,850,075	21,215,304	20,672,953	542,351
Professional services and information technology:				
Professional services	450,464	390,636	411,188	(20,552)
Information technology	568,170	461,561	422,494	39,067
Total professional services and information technology:	1,018,634	852,197	833,682	18,515
Maintenance:				
Equipment	217,970	239,789	247,736	(7,947)
Structures	397,308	224,823	236,131	(11,308)
Total maintenance:	615,278	464,612	483,867	(19,255)
Other operating expense:				
Other insurance	120,000	164,435	164,435	
Communications	212,603	205,010	197,232	7,778
Special department expenditures	401,397	394,980	342,721	52,259
Clothing and personal supplies	116,837	121,263	113,806	7,457
Transportation and travel	205,000	189,741	199,399	(9,658)
Rents and leases	58,064	61,164	5,212	55,952
Other expenditures	407,574	501,229	487,421	13,808
Capital outlay	11,657,609	11,242,624	10,972,253	270,371
Debt service - lease principal			61,576	(61,576)
Debt service - lease interest			7,096	(7,096)
TOTAL EXPENDITURES	35,663,071	35,412,559	34,541,653	870,906
NET CHANGE IN FUND BALANCE	\$ (7,505,113)	\$ (6,792,161)	(5,417,956)	\$ 1,374,205
Fund balance at beginning of year			37,215,408	
FUND BALANCE AT END OF YEAR			\$ 31,797,452	

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

EL DORADO HILLS COUNTY WATER DISTRICT  
(DBA EL DORADO HILLS FIRE DEPARTMENT)

REQUIRED SUPPLEMENTARY INFORMATION

For the Year Ended June 30, 2023

**SCHEDULE OF THE PROPORTIONATE SHARE OF THE  
NET PENSION LIABILITY (UNAUDITED)**

Last 10 Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Proportion of the net pension liability	0.22647%	0.21705%	0.19966%	0.18922%	0.17820%	0.17227%	0.16884%	0.17644%	0.16673%
Proportionate share of the net pension liability	\$ 26,158,670	\$ 11,738,830	\$ 21,723,405	\$ 19,389,047	\$ 17,171,498	\$ 17,084,133	\$ 14,609,638	\$ 12,110,427	\$ 10,374,901
Covered payroll - measurement period	\$ 9,840,569	\$ 9,303,656	\$ 9,330,278	\$ 8,240,341	\$ 7,786,603	\$ 7,684,157	\$ 7,132,639	\$ 6,686,466	\$ 6,342,947
Proportionate share of the net pension liability as a percentage of covered payroll	265.82%	126.17%	232.83%	235.29%	220.53%	222.33%	204.83%	181.12%	163.57%
Plan fiduciary net position as a percentage of the total pension liability	74.89%	87.53%	75.56%	76.64%	77.96%	76.22%	74.06%	78.40%	79.82%
Changes in assumptions:									
Discount rate changes (measurement date)	6.90%	7.15%	7.15%	7.15%	7.15%	7.15%	7.65%	7.65%	7.50%

**SCHEDULE OF CONTRIBUTIONS TO THE PENSION PLAN (UNAUDITED)**

Last 10 Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution (actuarially determined)	\$ 2,961,614	\$ 2,616,130	\$ 2,390,487	\$ 2,145,247	\$ 1,898,684	\$ 1,615,849	\$ 1,609,245	\$ 1,506,948	\$ 1,535,189
Contributions in relation to the actuarially determined contributions	(2,961,614)	(2,616,130)	(2,390,487)	(2,145,247)	(1,898,684)	(1,615,849)	(1,609,245)	(2,706,948)	(1,535,189)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,200,000)	\$ -
Covered payroll - employer's fiscal year	\$ 10,799,863	\$ 9,840,569	\$ 9,303,656	\$ 9,330,278	\$ 8,240,341	\$ 7,786,603	\$ 7,684,157	\$ 7,132,639	\$ 6,686,466
Contributions as a percentage of covered payroll	27.42%	26.59%	25.69%	22.99%	23.04%	20.75%	20.94%	37.95%	22.96%
Notes to schedule:									
Contribution valuation date - June 30	2020	2019	2018	2017	2016	2015	2014	2013	2012
Reporting valuation date - June 30	2021	2020	2019	2018	2017	2016	2015	2014	2013
Reporting measurement date: June 30	2022	2021	2020	2019	2018	2017	2016	2015	2014

Change in benefit terms: There were no changes to benefit terms.

Methods and assumptions used to determine contribution rates:

Actuarial method									
Amortized method									
Remaining amortization period									
Asset valuation method									
Inflation	2.500%	2.500%	2.500%	2.625%	2.75%	2.75%	2.75%	2.75%	2.75%
Salary increases									
Investment rate of return and discount rate used to compute contribution rates	7.00%	7.00%	7.00%	7.25%	7.375%	7.50%	7.50%	7.50%	7.50%
Retirement age									
Mortality									

Entry age normal cost method  
Level percentage of payroll, closed  
Varies by rate plan, but not more than 30 years  
Market value  
Varies by entry age and service  
50-67 years. Probabilities of retirement are based on the the most recent CalPERS Experience Study.  
Most recent CalPERS Experience Study

Omitted Years: GASB Statement No. 68 was implemented during the year ended June 30, 2015. No information was available prior to this date. Future years will be reported prospectively as they become available.

EL DORADO HILLS COUNTY WATER DISTRICT  
(DBA EL DORADO HILLS FIRE DEPARTMENT)

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)  
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS

For the Year Ended June 30, 2023

	2023	2022	2021	2020	2019	2018
Total OPEB liability						
Service cost	\$ 926,849	\$ 853,907	\$ 860,120	\$ 835,068	\$ 365,211	\$ 355,436
Interest	1,553,107	1,463,721	1,534,984	1,429,582	899,012	841,728
Changes in benefit terms			(1,288,437)			
Differences between expected and actual experience	(189,566)		(580,362)		191,319	
Changes in assumptions	2,272,553	722,288	(753,802)		7,047,446	
Benefit payments	(936,235)	(871,073)	(773,002)	(683,394)	(590,325)	(552,110)
Net change in total OPEB liability	3,626,708	2,168,843	(1,000,499)	1,581,256	7,912,663	645,054
Total OPEB liability - beginning	23,435,234	21,266,391	22,266,890	20,685,634	12,772,971	12,127,917
Total OPEB liability - ending (a)	<u>\$ 27,061,942</u>	<u>\$ 23,435,234</u>	<u>\$ 21,266,391</u>	<u>\$ 22,266,890</u>	<u>\$ 20,685,634</u>	<u>\$ 12,772,971</u>
Plan fiduciary net position						
Contributions - employer	\$ 2,259,943	\$ 1,173,022	\$ 1,079,446	\$ 1,584,856	\$ 1,890,325	\$ 852,110
Investment income	(1,914,114)	2,897,600	273,647	529,216	553,479	597,001
Benefit payments	(936,235)	(871,073)	(773,002)	(683,394)	(590,325)	(552,110)
Administrative expenses	(11,483)	(10,009)	(14,584)	(5,760)	(13,212)	(5,054)
Net change in plan fiduciary net position	(601,889)	3,189,540	565,507	1,424,918	1,840,267	891,947
Plan fiduciary net position - beginning	13,328,280	10,138,740	9,573,233	8,148,315	6,308,048	5,416,101
Plan fiduciary net position - ending (b)	<u>\$ 12,726,391</u>	<u>\$ 13,328,280</u>	<u>\$ 10,138,740</u>	<u>\$ 9,573,233</u>	<u>\$ 8,148,315</u>	<u>\$ 6,308,048</u>
Net OPEB liability - ending (a)-(b)	<u>\$ 14,335,551</u>	<u>\$ 10,106,954</u>	<u>\$ 11,127,651</u>	<u>\$ 12,693,657</u>	<u>\$ 12,537,319</u>	<u>\$ 6,464,923</u>
Plan fiduciary net position as a percentage of the total OPEB liability	<u>47.03%</u>	<u>56.87%</u>	<u>47.67%</u>	<u>42.99%</u>	<u>39.39%</u>	<u>49.39%</u>
Covered-employee payroll - measurement period	<u>\$ 11,713,352</u>	<u>\$ 11,238,742</u>	<u>\$ 9,958,091</u>	<u>\$ 9,694,044</u>	<u>\$ 7,786,603</u>	<u>\$ 7,684,157</u>
Net OPEB liability as percentage of covered-employee payroll	<u>122.39%</u>	<u>89.93%</u>	<u>111.74%</u>	<u>130.94%</u>	<u>161.01%</u>	<u>84.13%</u>

Notes to schedule:

Valuation date - June 30	2022	2020	2020	2018	2018	2017
Measurement period - fiscal year ended June 30	2022	2021	2020	2019	2018	2017

Benefit changes:

The health reimbursement arrangement benefit was discontinued for employees hired on or after October 1, 2019. The District covered the highest cost HMO health plan premium through December 31, 2019. Beginning January 1, 2020, 2021 and 2022 the District began to offer a maximum benefit of the third, fourth and fifth highest cost health insurance plan offered in CalPERS Region 1, respectively.

Changes in assumptions: Changes in actuarial assumptions are listed in the schedule of contributions to the OPEB plan on the next page.

Omitted years: GASB Statement No. 75 was implemented during the year ended June 30, 2018. No information was available prior to this date. Information will be added prospectively as it becomes available until 10 years are reported.

EL DORADO HILLS COUNTY WATER DISTRICT  
(DBA EL DORADO HILLS FIRE DEPARTMENT)

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)  
SCHEDULE OF CONTRIBUTIONS TO THE OPEB PLAN  
LAST TEN FISCAL YEARS

For the Year Ended June 30, 2023

	2023	2022	2021	2020	2019	2018
Contractually determined contribution - employer fiscal year	\$ 1,015,650	\$ 936,234	\$ 871,073	\$ 773,002	\$ 683,394	\$ 890,325
Contributions in relation to the contractually determined contributions	<u>(1,318,491)</u>	<u>(2,259,943)</u>	<u>(1,173,022)</u>	<u>(1,079,446)</u>	<u>(1,584,856)</u>	<u>(1,890,325)</u>
Contribution deficiency (excess)	<u>\$ (302,841)</u>	<u>\$ (1,323,709)</u>	<u>\$ (301,949)</u>	<u>\$ (306,444)</u>	<u>\$ (901,462)</u>	<u>\$ (1,000,000)</u>
Covered-employee payroll - employer fiscal year	\$ 11,986,824	\$ 11,713,352	\$ 11,238,742	\$ 9,958,091	\$ 9,694,044	\$ 7,786,603
Contributions as a percentage of covered-employee payroll	11.00%	19.29%	10.44%	10.84%	16.35%	24.28%
Notes to Schedule:						
Valuation date - June 30	2022	2020	2020	2018	2018	2017
Measurement period - fiscal year ended June 30	2022	2021	2020	2019	2018	2017
Methods and assumptions used to determine contribution rates:						
Discount rate	6.25%	6.50%	6.75%	6.75%	6.75%	7.00%
Investment rate of return	6.25%	6.75%	6.75%	6.75%	6.75%	7.00%
Inflation	2.50%	2.75%	2.75%	2.75%	2.75%	2.75%
Payroll growth	2.75%	3.00%	3.00%	3.00%	3.00%	2.75%
Healthcare trend initial, non-Medicare	8.50%	6.75%	7.00%	7.50%	7.50%	4.00%
Healthcare trend initial, Medicare (Non-Kaiser)	7.50%	5.90%	6.10%	6.50%	6.50%	4.00%
Healthcare trend initial, Medicare (Kaiser)	6.25%	4.85%	5.00%	6.50%	6.50%	4.00%
Healthcare trending down to	3.45%	4.00%	4.00%	4.00%	4.00%	4.00%
Actuarial cost method		Entry Age Normal Cost Method				
Amortization period (average expected remaining service life in years)	8.3	8.5	8.9	9.2	9.2	9.2
Asset valuation method		Market value				
Mortality - CalPERS Experience Study Date	2021	2017	2017	2017	2017	2014

Omitted years: GASB Statement No. 75 was implemented during the year ended June 30, 2018. No information was available prior to this date. Information will be added prospectively as it becomes available until 10 years are reported.

## COMPLIANCE REPORT



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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 Hills County Water District  
(dba El Dorado Hills Fire Department)  
El Dorado Hills, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of the El Dorado Hills Fire Department (dba El Dorado Hills Fire Department) (the District) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 1, 2023.

**Report on 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 audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

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

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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 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 result of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Richardson & Company, LLP*

December 1, 2023





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## GOVERNANCE LETTER

To the Board of Directors  
El Dorado Hills County Water District  
(dba El Dorado Hills Fire Department)  
El Dorado Hills, California

We have audited the financial statements of the governmental activities and the major fund of the El Dorado Hills County Water District (dba El Dorado Hills Fire Department) (the District) for the year ended June 30, 2023, and have issued our report thereon dated December 1, 2023. Professional standards require that we provide you with the information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information to you in our engagement letter dated July 17, 2023 and in a letter provided during planning dated July 18, 2023. Professional standards also require that we communicate to you the following information related to our audit.

### Significant Audit Matters

#### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note A to the financial statements. The District implemented GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. Due to the implementation of this Statement the District recorded a subscription right-to-use asset and subscription liability for its plan review and inspection software. Also, additional disclosures were added to Notes C and E of the financial statements. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were the discount rates used for the lease receivable and lease liability, depreciable lives used for capital assets, grant and strike team receivables, the discount rate used for the subscription asset and liability, the computation of the health reimbursement arrangement liability, the current portion of compensated absences, the computation of the net pension and other postemployment benefits liabilities and the computation of qualifying expenditures under restricted revenue sources. We evaluated the key factors and assumptions used to develop the estimates in determining that they are reasonable in relation to the financial statements taken as a whole. The computation of the net pension liability and postemployment benefits liability were determined by actuarial valuations performed by qualified actuaries.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were the disclosures about

the defined benefit pension plan, other postemployment benefits plan, and commitments disclosed in Notes F, G, and I to the financial statements, respectively.

The financial statement disclosures are neutral, consistent, and clear.

#### Difficulties Encountered in Performing the Audit

We encountered no difficulties in dealing with management in performing and completing our audit.

#### Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. We posted six reclassifying adjustments and closing entries during the audit, including an entry to reclassify the subscription asset and liability to disclose it separately, an entry to recognize revenue received in the District's availability period as revenue, an entry to true-up depreciation expense and other and other reclassifications for reporting purposes.

#### Disagreements with Management

For purposes of this letter, a disagreement with management is a disagreement on financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

#### Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 1, 2023.

#### Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principles to the District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

#### Other Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

#### Other Matters

We applied certain limited procedures to management's discussion and analysis and required supplementary information related to the District's budgetary comparison schedule, pension plan and other post-employment benefits plan identified in the table of contents, which are required supplementary information (RSI) that supplement the basic financial statements. Our procedures consisted of inquiries of

To the Board of Directors  
El Dorado Hills County Water District  
(dba El Dorado Hills Fire Department)  
Page 3

management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were not engaged to report on the introductory and statistical sections, which accompany the financial statements but are not RSI. Such information has 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 it.

Restriction of Use

This information is intended solely for the information and use of the Board of Directors and management of the District and is not intended to be, and should not be, used by anyone other than these specified parties.

*Richardson & Company, LLP*

December 1, 2023



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INDEPENDENT ACCOUNTANTS' REPORT ON AGREED-UPON PROCEDURES  
APPLIED TO APPROPRIATIONS LIMIT TESTING

To the Board of Directors  
El Dorado Hills County Water District  
(dba El Dorado Hills Fire Department)  
El Dorado Hills, California

We have performed the procedures enumerated below to the accompanying calculation of the Appropriations Limit of the El Dorado Hills County Water District (doing business as (dba) El Dorado Hills Fire Department) (the District) for the year ended June 30, 2023. The District and the League of California Cities (as presented in the publication entitled *Agreed-Upon Procedures applied to the Appropriations Limitation Prescribed by Article XIII-B of the California Constitution*) have agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose to assist the District in meeting the requirements of Section 1.5 of Article XIII B of the California Constitution. The District's management is responsible for the Appropriations Limit calculation. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures performed and our findings were as follows:

1. We obtained the District's calculation of the 2022/2023 appropriations limit and compared the limit and annual adjustment factors included in the calculation to the limit and annual adjustment factors that were adopted by resolution of the Board of Directors in Appendix A.

Finding: No exceptions were noted as a result of our procedures.

2. We compared the methodology used to determine the cost-of-living adjustment component to Article XIII B, which states that the District may annually adjust the component for either the change in California per capita personal income or, the percentage change in the District's assessed valuation which is attributable to non-residential new construction. We recalculated the factor based on the above information.

Finding: No exceptions were noted as a result of our procedures.

3. We compared the methodology used to determine the population adjustment component to Article XIII B which states that the District may annually choose to adjust the component for either the change in population in the County in which the District is located, or the change in population within the unincorporated area of the County in which the District is located. We recalculated the factor based on the above information.

Finding: No exceptions were noted as a result of our procedures.

To the Board of Directors  
El Dorado Hills County Water District  
(dba El Dorado Hills Fire Department)

4. We compared the prior year appropriations limit presented in the accompanying appropriations limit calculation to the prior year appropriations limit adopted by the Board of Directors for the prior year.

Finding: No exceptions were noted as a result of our procedures.

5. We recalculated the 2022/2023 appropriations limit by multiplying the product of the two above factors by the prior year appropriations limit.

Finding: No exceptions were noted as a result of our procedures.

6. We compared the District's budgeted and actual revenues to the computed appropriations limit for fiscal year 2022/2023.

Finding: No exceptions were noted as a result of our procedures.

We were engaged by the District to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We are not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on Appropriations Limit Calculation. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you. No procedures have been performed with respect to the determination of the Appropriations Limit for the base year, as defined by *Article XIII-B* of the California Constitution.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the use of the Board of Directors and management of the District and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.

*Richardson & Company, LLP*

December 1, 2023

**APPENDIX A**

EL DORADO HILLS COUNTY WATER DISTRICT  
(DBA EL DORADO HILLS FIRE DEPARTMENT)  
APPROPRIATIONS LIMIT CALCULATION  
For the Year Ended June 30, 2023

**APPROPRIATION LIMIT**

**ADOPTED BY DISTRICT:**

Recorded in Final 2022/2023 Budget \$ 55,580,012

**APPROPRIATION LIMIT**

**COMPUTATION PER REVIEW:**

2021/2022 Appropriation Limit	\$ 51,776,676	
Cost of Living Factor:		
Change in California per capita income	1.0755	
Population Adjustment Factor:		
Population growth in district population	0.9981	
Auditor computed limitation		55,580,012
Variance		\$ 0

**El Dorado Hills Fire Department**  
**Revenue and Expense Summary - ALL FUNDS**  
For the Period Ending November 30, 2023



	Final Budget FY23/24	Actual November 2023	Actual YTD November 30, 2023	Variance YTD Actual to Full Year Budget	(Target 42%) YTD Actual % of Full Year Budget	Notes/Comments
<b>Revenue</b>						
<b>3240 · Tax Revenue</b>						
3260 · Secured Tax Revenue	24,016,044	1,340,215	2,489,787	(21,526,257)		
3270 · Unsecured Tax Revenue	467,436	10,336	458,386	(9,050)		
3280 · Homeowners Tax Revenue	153,186	-	-	(153,186)		
3320 · Supplemental Tax Revenue	800,000	40,240	194,725	(605,275)		Timing of revenue collections
3330 · Sacramento County Revenue	53,917	-	-	(53,917)		
3335 · Latrobe Revenue				-		
3335.2 · Latrobe Special Tax	35,000	2,505	5,235	(29,765)		
3335.3 · Latrobe Base Transfer	105,581	-	-	(105,581)		
3340 · Property Tax Administration Fee	(427,385)	-	-	427,385		
<b>Total 3240 · Tax Revenue</b>	<b>25,203,779</b>	<b>1,393,296</b>	<b>3,148,133</b>	<b>(22,055,646)</b>	<b>12%</b>	
<b>3500 · Misc. Operating Revenue</b>						
3506 · CRRD Cost Recovery Fees	580,000	72,185	324,195	(255,805)	56%	Recognition of deferred revenue from FY2022-23
3507 · Hosted Training Revenue	280,000	45,942	189,591	(90,409)	68%	Recognition of deferred revenue from FY2022-23
3508 · Mechanic Cost Recovery Fees	6,000	-	-	(6,000)	0%	
3512 · JPA Revenue	1,300,000	-	-	(1,300,000)	0%	Timing of invoicing
3513 · Rental Income (Cell site)	54,180	4,515	22,575	(31,605)	42%	
3514.1 · Operating Grants Revenue	-	-	-	-	0%	Timing of grant reimbursement
3514.2 · Capital Grants Revenue	480,510	-	-	(480,510)	0%	
3515 · OES/Mutual Aid Reimbursement	300,000	-	363,559	63,559	121%	Timing of fire season
3520 · Interest Earned	310,000	3,107	133,447	(176,553)	43%	
3500 · Misc. Operating Revenue - Other	310,000	4,277	128,148	(181,852)	41%	
<b>Total 3500 · Misc. Operating Revenue</b>	<b>3,620,690</b>	<b>130,027</b>	<b>1,161,516</b>	<b>(2,459,174)</b>	<b>32%</b>	
<b>Total Operating Revenue</b>	<b>\$ 28,824,469</b>	<b>\$ 1,523,322</b>	<b>\$ 4,309,649</b>	<b>\$ (24,514,820)</b>	<b>15%</b>	
<b>3550 · Development Fee</b>						
3560 · Development Fee Revenue	1,100,000	109,214	396,173	(703,827)	36%	Revenue collections trending slightly lower than budget
3561 · Development Fee Interest	-	9,747	36,657	36,657	100%	
<b>Total 3550 · Development Fee</b>	<b>1,100,000</b>	<b>118,961</b>	<b>432,829</b>	<b>(667,171)</b>	<b>39%</b>	
3568 · Proceeds from Insurance	-	-	-	-	0%	
3570 · Proceeds from Sale of Assets	-	-	-	-	0%	
<b>Total Revenue</b>	<b>\$ 29,924,469</b>	<b>\$ 1,642,284</b>	<b>\$ 4,742,478</b>	<b>\$ (25,181,991)</b>	<b>16%</b>	



**El Dorado Hills Fire Department**  
**Revenue and Expense Summary - ALL FUNDS**  
For the Period Ending November 30, 2023



	Final Budget FY23/24	Actual November 2023	Actual YTD November 30, 2023	Variance YTD Actual to Full Year Budget	YTD Actual % of Full Year Budget (Target 42%)	Notes/Comments
<b>Expenditures</b>						
<b>6000 · Salaries &amp; Wages</b>						
6001 · Salaries & Wages, Fire	8,609,944	979,893	3,459,777	5,150,167	40%	
6011 · Education/Longevity Pay	671,100	78,607	271,485	399,615	40%	
6015 · Salaries & Wages, CRRD	891,656	100,282	339,153	552,502	38%	
6016 · Salaries & Wages, Administration	959,049	104,843	351,256	607,793	37%	
<b>6019 · Overtime</b>						
6019.1 · Overtime, Operational	2,500,923	286,287	860,520	1,640,403	34%	
6019.2 · Overtime, Outside Aid	247,934	2,408	264,787	(16,853)	107%	
<b>Total 6019 · Overtime</b>	<b>2,748,857</b>	<b>288,695</b>	<b>1,125,307</b>	<b>1,623,549</b>	<b>41%</b>	
6020 · P.E.R.S. Retirement	3,998,373	265,277	2,806,117	1,192,256	70%	Pension UAL lump sum payments made in Jul-23
6030 · Workers Compensation	1,102,222	74,306	371,528	730,694	34%	Timing of projected premium increase in 2024
6031 · Life Insurance	7,469	523	2,973	4,496	40%	
6032 · P.E.R.S. Health Benefits	2,062,568	168,993	993,195	1,069,372	48%	December premium paid in November
6033 · Disability Insurance	22,656	1,859	7,434	15,222	33%	
6034 · Health Cost of Retirees	1,212,965	73,270	438,985	773,980	36%	Pending annual payment to CERBT
6040 · Dental/Vision Expense	257,460	14,242	113,113	144,347	44%	
6050 · Unemployment Insurance	14,875	52	532	14,343	4%	
6070 · Medicare	199,204	22,477	80,828	118,376	41%	
<b>Total 6000 · Salaries &amp; Wages</b>	<b>22,758,397</b>	<b>2,173,320</b>	<b>10,361,685</b>	<b>12,396,712</b>	<b>46%</b>	
<b>6100 · Clothing &amp; Personal Supplies</b>						
6101 · Uniform Allowance	57,602	115	26,838	30,764	47%	Jul-Dec uniform allowance paid in Jul-23
6102 · Other Clothing & Personal Supplies	74,048	11,774	30,465	43,583	41%	
<b>Total 6100 · Clothing &amp; Personal Supplies</b>	<b>131,650</b>	<b>11,890</b>	<b>57,303</b>	<b>74,347</b>	<b>44%</b>	
<b>6110 · Network/Communications</b>						
6111 · Telecommunications	70,028	4,392	21,148	48,880	30%	
6112 · Dispatch Services	80,000	-	-	80,000	0%	Timing of invoices
6113 · Network/Connectivity	63,075	2,013	15,054	48,020	24%	
<b>Total 6110 · Communications</b>	<b>213,103</b>	<b>6,405</b>	<b>36,202</b>	<b>176,900</b>	<b>17%</b>	
6120 · Housekeeping	84,480	6,128	32,850	51,630	39%	
<b>6130 · Insurance</b>						
6131 · General Insurance	276,247	-	143,839	132,408	52%	Prepaid insurance premium through Sep-23
<b>Total 6130 · Insurance</b>	<b>276,247</b>	<b>-</b>	<b>143,839</b>	<b>132,408</b>	<b>52%</b>	



**El Dorado Hills Fire Department**  
**Revenue and Expense Summary - ALL FUNDS**  
For the Period Ending November 30, 2023



	Final Budget FY23/24	Actual November 2023	Actual YTD November 30, 2023	Variance YTD Actual to Full Year Budget	(Target 42%) YTD Actual % of Full Year Budget	Notes/Comments
<b>6140 · Maintenance of Equipment</b>						
6141 · Tires	48,000	4,684	5,071	42,929	11%	
6142 · Parts & Supplies	110,000	28,452	55,412	54,588	50%	
6143 · Outside Work	20,000	2,305	20,472	(472)	102%	Transfer of electronics to new E387
6144 · Equipment Maintenance	65,064	-	4,669	60,395	7%	
6145 · Radio Maintenance	48,425	1,921	15,110	33,315	31%	
<b>Total 6140 · Maintenance of Equipment</b>	<b>291,489</b>	<b>37,362</b>	<b>100,734</b>	<b>190,756</b>	<b>35%</b>	Timing of maintenance
<b>6150 · Facilities Maintenance</b>	<b>288,944</b>	<b>22,820</b>	<b>86,513</b>	<b>202,431</b>	<b>30%</b>	
<b>6160 · Medical Supplies</b>						
6161 · Medical Supplies	60,000	4,908	19,709	40,291	33%	Timing of purchases
<b>Total 6160 · Medical Supplies</b>	<b>60,000</b>	<b>4,908</b>	<b>19,709</b>	<b>40,291</b>	<b>33%</b>	
<b>6170 · Dues and Subscriptions</b>	<b>21,089</b>	<b>-</b>	<b>13,150</b>	<b>7,940</b>	<b>62%</b>	Prepaid several annual dues/subscriptions
<b>6180 · Miscellaneous</b>						
6017 · Intern/Volunteer Stipends	3,000	-	715	2,285	24%	
6018 · Director Pay	13,000	1,700	5,300	7,700	41%	
6181 · Miscellaneous	14,500	900	19,156	(4,656)	132%	FTC Grand Opening Event; Cal Card fraudulent charges pending reimbursement
6182 · Honor Guard	2,093	-	209	1,884	10%	
6183 · Explorer Program	3,375	-	-	3,375	0%	
6184 · Pipes and Drums	3,000	-	-	3,000	0%	
<b>Total 6180 · Miscellaneous</b>	<b>38,968</b>	<b>2,600</b>	<b>25,380</b>	<b>13,588</b>	<b>65%</b>	
<b>6190 · Office Supplies</b>	<b>45,580</b>	<b>2,527</b>	<b>13,683</b>	<b>31,897</b>	<b>30%</b>	Timing of budgeted purchases
<b>6200 · Professional Services</b>						
6201 · Audit	16,900	12,675	12,675	4,225	75%	Audit completed in Dec-23
6202.1 · Legal Fees	174,400	33,646	110,381	64,019	63%	Legal consulting trending higher than budget
6202.2 · Human Resources	78,900	1,873	10,905	67,995	14%	Timing of testing/medical evaluations
6203 · Notices	1,200	-	75	1,125	6%	
6204 · Other Professional Services	191,938	6,991	76,314	115,624	40%	
6205 · Elections/Tax Administration	-	-	-	-	0%	
6206 · Public Relations	19,250	640	6,978	12,272	36%	
<b>Total 6200 · Professional Services</b>	<b>482,588</b>	<b>55,825</b>	<b>217,328</b>	<b>265,260</b>	<b>45%</b>	

**El Dorado Hills Fire Department**  
**Revenue and Expense Summary - ALL FUNDS**  
For the Period Ending November 30, 2023



				(Target 42%)		
	Final Budget FY23/24	Actual November 2023	Actual YTD November 30, 2023	Variance YTD Actual to Full Year Budget	YTD Actual % of Full Year Budget	Notes/Comments
<b>6210 · Information Technology</b>						
6211 · Software Licenses/Subscriptions	232,811	309	108,057	124,754	46%	Pre-paid several annual software subscriptions
6212 · IT Support/Implementation	195,395	9,135	56,404	138,990	29%	Timing of budgeted purchases
6213 · IT Equipment	81,850	6,412	20,532	61,318	25%	
<b>Total 6210 · Information Technology</b>	<b>510,056</b>	<b>15,856</b>	<b>184,993</b>	<b>325,063</b>	<b>36%</b>	
<b>6220 · Rents and Leases</b>						
6221 · Facilities/Equipment Lease	63,316	5,491	31,826	31,490	50%	Pre-paid Dec-23 EDC lease in Nov-23
6222 · Solar Lease	-			-	0%	
<b>Total 6220 · Rents and Leases</b>	<b>63,316</b>	<b>5,491</b>	<b>31,826</b>	<b>31,490</b>	<b>50%</b>	
<b>6230 · Small Tools and Supplies</b>	<b>89,695</b>	<b>2,794</b>	<b>42,054</b>	<b>47,641</b>	<b>47%</b>	
<b>6240 · Special Expenses</b>						
6241 · Non-Hosted Training	232,713	5,309	34,509	198,204	15%	Timing of training
6241.1 · EDC Hosted Training	196,000	26,990	88,471	107,529	45%	
6242 · Fire Prevention	152,170	8,738	21,145	131,025	14%	Timing of purchases
6244 · Director Training & Travel	10,000	916	926	9,074	9%	
<b>Total 6240 · Special Expenses</b>	<b>590,883</b>	<b>41,953</b>	<b>145,051</b>	<b>445,832</b>	<b>25%</b>	
<b>6250 · Transportation and Travel</b>						
6251 · Fuel and Oil	150,000	18,577	60,341	89,659	40%	
6252 · Travel	42,000	4,811	23,881	18,119	57%	
6253 · Meals & Refreshments	35,000	673	12,061	22,939	34%	
<b>Total 6250 · Transportation and Travel</b>	<b>227,000</b>	<b>24,062</b>	<b>96,283</b>	<b>130,717</b>	<b>42%</b>	
<b>6260 · Utilities</b>						
6261 · Electricity	70,000	2,537	8,620	61,380	12%	Timing of annual true-ups
6262 · Natural Gas/Propane	58,000	1,482	3,029	54,971	5%	Seasonal usage
6263 · Water/Sewer	30,000	-	10,844	19,157	36%	
<b>Total 6260 · Utilities</b>	<b>158,000</b>	<b>4,019</b>	<b>22,493</b>	<b>135,507</b>	<b>14%</b>	
<b>Total Operating Expenditures</b>	<b>\$ 26,331,485</b>	<b>\$ 2,417,958</b>	<b>\$ 11,631,075</b>	<b>\$ 14,700,410</b>	<b>44%</b>	
<b>Operating Revenue - Operating Expenditures</b>	<b>\$ 2,492,984</b>	<b>\$ (894,636)</b>	<b>\$ (7,321,426)</b>	<b>\$ 9,814,410</b>		
6570 · OPEB UAL Lump Sum Payment	451,865	-	-	451,865	0%	
6720 · Capital Outlay	1,829,961	103,515	607,947	1,222,014	33%	
<b>Total Expenditures</b>	<b>\$ 28,613,311</b>	<b>\$ 2,521,474</b>	<b>\$ 12,239,022</b>	<b>\$ 16,374,289</b>	<b>43%</b>	
<b>Total Revenue - Total Expenditures</b>	<b>\$ 1,311,158</b>	<b>\$ (879,190)</b>	<b>\$ (7,496,544)</b>	<b>\$ (8,807,701)</b>		

**El Dorado Hills Fire Department**  
**Revenue and Expense Summary - ALL FUNDS**  
For the Period Ending November 30, 2023



	Final Budget FY23/24	Actual November 2023	Actual YTD November 30, 2023	Variance YTD Actual to Full Year Budget	(Target 42%) YTD Actual % of Full Year Budget	Notes/Comments
<b><u>FUND TRANSFERS</u></b>						
Transfers to Development Fee Fund	\$ (1,100,000)					
Transfers from Development Fee Fund	936,875					
Transfers to Pension Reserve Fund	(500,000)					
Transfer to/from Unassigned Fund	409,391					
Transfers from Capital Replacement Fund	893,086					
Transfers to Capital Replacement Fund	(1,950,510)					
<b>Net Change in Unassigned/Non-Spendable Fund Balance</b>	<b>\$ (0)</b>					

El Dorado Hills Fire Department

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Date	Number	Payee	Account	Memo	Payment	C	Deposit	Balance
11/01/2023	EFT	P.E.R.S. ING	-split-	PR23-11-1	2,429.79	X		846,675.96
11/01/2023	EFT	P.E.R.S. Retirement	-split-	PR23-11-1	139,699.67	X		706,976.29
11/01/2023	EFT	VSP Vision Care	-split-	November-23	1,012.68	X		705,963.61
11/01/2023	EFT	Sterling Administrati...	-split-		15.00	X		705,948.61
11/01/2023	EFT	De Lage Landen Fina...	-split-	Account # 159...	175.03	X		705,773.58
11/01/2023	EFT	El Dorado Disposal ...	-split-		1,031.83	X		704,741.75
11/01/2023	26764	David Brady	2029 · Other Payable		985.39	X		703,756.36
11/02/2023	EFT	Nationwide Retireme...	-split-	PR23-11-1	22,833.29	X		680,923.07
11/02/2023	EFT	Sterling Administrati...	-split-		1,310.00	X		679,613.07
11/02/2023	EFT	Sterling Administrati...	-split-		2,450.00	X		677,163.07
11/02/2023	26765	ACC Business	6113 · Network/Conne...		1,621.03	X		675,542.04
11/02/2023	26766	Active911	6211 · Software Licens...	Invoice #527336	74.90	X		675,467.14
11/02/2023	26767	Advantage Gear, Inc.	6102 · Other Clothing ...		427.87	X		675,039.27
11/02/2023	26768	Aramark	-split-	Acct. # 175878...	131.28	X		674,907.99
11/02/2023	26769	Arnolds for Awards	6102 · Other Clothing ...		18.23	X		674,889.76
11/02/2023	26770	Caltronics Business ...	-split-		515.32	X		674,374.44
11/02/2023	26771	Cal Fire	-split-		4,455.00	X		669,919.44
11/02/2023	26772	Datacate, Inc.	-split-	Invoice # 2047...	9,369.00	X		660,550.44
11/02/2023	26773	David Roberts	-split-		877.50	X		659,672.94
11/02/2023	26774	East Bay Tire Co.	6141 · Tires		4,684.23	X		654,988.71
11/02/2023	26775	Cummins Pacific Sac...	6143 · Outside Work	Invoice # 7603...	690.38	X		654,298.33
11/02/2023	26776	Genuine Parts Comp...	-split-		1,485.71	X		652,812.62
11/02/2023	26777	Golden State Emerge...	-split-		8,012.18	X		644,800.44
11/02/2023	26778	Hanford ARC	6242 · Fire Prevention		7,011.00	X		637,789.44
11/02/2023	26779	InterState Oil Compa...	-split-		6,685.71	X		631,103.73
11/02/2023	26780	Lawson Mechanical ...	-split-		14,116.97	X		616,986.76
11/02/2023	26781	L.N. Curtis & Sons	-split-		5,990.08	X		610,996.68
11/02/2023	26782	Lehr Auto Electric, Inc	-split-		9,337.22	X		601,659.46
11/02/2023	26783	Liberty Bell Smart H...	-split-	Invoice # 670828	74.99	X		601,584.47
11/02/2023	26784	Liebert Cassidy Whit...	-split-		3,269.50	X		598,314.97
11/02/2023	26785	Fred Pryor & Career...	6241 · Non-Hosted Tra...		3,600.00	X		594,714.97
11/02/2023	26786	Quench USA, Inc.	-split-		1,029.60	X		593,685.37
11/02/2023	26787	Robert Half	6016 · Salaries & Wag...		850.88	X		592,834.49
11/02/2023	26788	The Permanente Med...	6204 · Other Professio...	Invoice # EDH...	2,000.00	X		590,834.49
11/02/2023	26789	Wilkinson Portables, ...	6221 · Facilities/Equip...	Invocie # 152790	114.13	X		590,720.36
11/02/2023	26790	White Water Manufa...	-split-		3,138.71	X		587,581.65
11/02/2023	26791	Bobbi Bennett	-split-	Oct-23	400.00	X		587,181.65
11/02/2023	26792	Greg F. Durante (Dir...	-split-	Oct-23	400.00	X		586,781.65
11/02/2023	26793	John Giraud	-split-	Oct-23	400.00	X		586,381.65
11/02/2023	26794	Michael Hillhouse	6018 · Director Pay		100.00	X		586,281.65

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11/02/2023	26795	Timothy J. White	-split-	Octt-23	400.00	X		585,881.65
11/02/2023	26796	Chase Bank	2029 · Other Payable	Oct-23	150.00	X		585,731.65
11/02/2023	26797	Wells Fargo Bank	2026 · EDH Associate...	Oct-23	5,630.30	X		580,101.35
11/02/2023	26798	Greg F. Durante (Dir...	-split-	Travel Reimbur...	916.33	X		579,185.02
11/02/2023	PR23-11-1		-split-	Total Payroll T...	91,951.22	X		487,233.80
11/02/2023	PR23-11-1		1000 · Bank of Americ...	Direct Deposit	328,502.32	X		158,731.48
11/02/2023	PR23-11-1		1000 · Bank of Americ...	Payroll Checks		X		158,731.48
11/03/2023	EFT	Sterling Administrati...	-split-		521.14	X		158,210.34
11/03/2023	EFT	ADP HCM	6204 · Other Professio...	Workforce No...	348.60	X		157,861.74
11/03/2023	EFT	ADP	-split-	Payroll Process...	1,927.32	X		155,934.42
11/04/2023	EFT	Sterling Administrati...	-split-		46.72	X		155,887.70
11/06/2023	EFT	P. G. & E.	-split-		60.60	X		155,827.10
11/06/2023	FRAUD	Fraudulent Check	-split-	BofA Fraud Ca...	900.00	X		154,927.10
11/07/2023		Deposit	-split-	Deposit		X	29,401.67	184,328.77
11/07/2023	EFT	Sterling Administrati...	-split-		15.00	X		184,313.77
11/08/2023	EFT	P. G. & E.	-split-		417.06	X		183,896.71
11/09/2023		Transfer from Paypal	1010 · Paypal	Transfer from ...		X	94,304.99	278,201.70
11/09/2023		Deposit	1114 · Due from other ...	Deposit		X	41,401.15	319,602.85
11/09/2023		Deposit	6253 · Meals & Refres...	Deposit		X	48.65	319,651.50
11/09/2023	EFT	Sterling Administrati...	-split-		2,375.50	X		317,276.00
11/10/2023	EFT	Sterling Administrati...	-split-		175.00	X		317,101.00
11/10/2023	EFT	Sterling Administrati...	6204 · Other Professio...	October-23	390.00	X		316,711.00
11/11/2023	EFT	Sterling Administrati...	-split-		26.00	X		316,685.00
11/13/2023	EFT	Sterling Administrati...	-split-		13.87	X		316,671.13
11/13/2023	EFT	Sterling Administrati...	-split-	October-23	550.00			316,121.13
11/13/2023	EFT	Verizon Wireless	-split-	Oct-23	9,234.59	X		306,886.54
11/13/2023	EFT	P. G. & E.	-split-		156.97	X		306,729.57
11/14/2023		Transfer to LAIF	1074 · Local Agency I...	Confirm #1703...		X	950,000.00	1,256,729.57
11/14/2023	EFT	Sterling Administrati...	-split-		439.00	X		1,256,290.57
11/14/2023	EFT	Sterling Administrati...	-split-		1,293.86	X		1,254,996.71
11/15/2023		Deposit	3500 · Misc. Operating...	US Bank CalC...		X	1,781.17	1,256,777.88
11/15/2023			6204 · Other Professio...	Service Charge	811.37	X		1,255,966.51
11/15/2023	EFT	Sterling Administrati...	-split-		497.00	X		1,255,469.51
11/15/2023	EFT	De Lage Landen Fina...	-split-	Account # 152...	301.30	X		1,255,168.21
11/15/2023	26799	A-CHECK	6202.2 · Human Resou...	Inv # 59-07177...	25.00	X		1,255,143.21
11/15/2023	26800	ACC Business	-split-		751.32	X		1,254,391.89
11/15/2023	26801	Absolute Office Solu...	6150 · Facilities Maint...		345.00			1,254,046.89
11/15/2023	26802	Advanced IPM	-split-		203.00	X		1,253,843.89
11/15/2023	26803	Aramark	-split-	Acct. # 175878...	87.52	X		1,253,756.37
11/15/2023	26804	Cal Fire	-split-		4,760.00	X		1,248,996.37

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11/15/2023	26805	Overhead Door Com...	-split-	VOID:		X		1,248,996.37
11/15/2023	26806	Caltronics Business ...	-split-		776.48	X		1,248,219.89
11/15/2023	26807	Churchll's Hardware ...	-split-	Customer Acco...	88.56	X		1,248,131.33
11/15/2023	26808	El Dorado Disposal ...	-split-		910.67	X		1,247,220.66
11/15/2023	26809	Emigh Ace of El Dor...	6242 · Fire Prevention		53.08			1,247,167.58
11/15/2023	26810	Folsom Lock and Sec...	6150 · Facilities Maint...	Invoice # 650503	644.54	X		1,246,523.04
11/15/2023	26811	Golden State Emerge...	-split-		6,297.59	X		1,240,225.45
11/15/2023	26812	Green Valley Road S...	6221 · Facilities/Equip...		379.00	X		1,239,846.45
11/15/2023	26813	Howard Cooke	-split-	Invoice # 309-...	6,300.00			1,233,546.45
11/15/2023	26814	InterState Oil Compa...	-split-		8,665.37	X		1,224,881.08
11/15/2023	26815	JPT Graphics	6206 · Public Relations		400.00	X		1,224,481.08
11/15/2023	26816	Lawson Mechanical ...	-split-		4,504.00	X		1,219,977.08
11/15/2023	26817	Life Assist	-split-		1,414.58	X		1,218,562.50
11/15/2023	26818	Mark Romer	6241.1 · EDC Hosted ...		4,500.00	X		1,214,062.50
11/15/2023	26819	Quadient Finance US...	-split-	Account # 790...	586.21	X		1,213,476.29
11/15/2023	26820	Richardson & Comp...	6201 · Audit	Invoice No. 11...	12,675.00	X		1,200,801.29
11/15/2023	26821	Robert Half	-split-		3,190.80	X		1,197,610.49
11/15/2023	26822	Ross Drulis Cusenbery	-split-	Invoice # 2019...	1,887.40	X		1,195,723.09
11/15/2023	26823	Desiree Jimenez	6202.2 · Human Resou...		107.00			1,195,616.09
11/15/2023	26824	Matthew Stanton	6202.2 · Human Resou...		99.00	X		1,195,517.09
11/15/2023	26825	Skylar Roper	6202.2 · Human Resou...		94.00	X		1,195,423.09
11/15/2023	26826	Andrew Samano	6202.2 · Human Resou...		94.00	X		1,195,329.09
11/15/2023	26827	Paige Murchison	6202.2 · Human Resou...		64.00	X		1,195,265.09
11/16/2023	EFT	Nationwide Retireme...	-split-	PR23-11-2	22,833.29	X		1,172,431.80
11/16/2023	EFT	P.E.R.S. Health	-split-	December 2023	236,571.65	X		935,860.15
11/16/2023	EFT	P.E.R.S. ING	-split-	PR23-11-2	2,093.56	X		933,766.59
11/16/2023	EFT	Sterling Administrati...	-split-		574.10	X		933,192.49
11/16/2023	EFT	Sterling Administrati...	-split-		950.39	X		932,242.10
11/16/2023	EFT	P. G. & E.	-split-		691.14	X		931,550.96
11/16/2023	PR23-11-2		-split-	Total Payroll T...	105,989.38	X		825,561.58
11/16/2023	PR23-11-2		1000 · Bank of Americ...	Direct Deposit	363,707.23	X		461,854.35
11/16/2023	PR23-11-2		1000 · Bank of Americ...	Payroll Checks		X		461,854.35
11/17/2023	EFT	P.E.R.S. Retirement	-split-	PR23-11-2	144,424.50	X		317,429.85
11/17/2023	EFT	Sterling Administrati...	-split-		366.16	X		317,063.69
11/17/2023	EFT	P. G. & E.	-split-		497.47	X		316,566.22
11/20/2023	EFT	P. G. & E.	-split-		553.68	X		316,012.54
11/21/2023	EFT	Sterling Administrati...	-split-		12.24	X		316,000.30
11/21/2023	EFT	Sterling Administrati...	-split-		1,075.47	X		314,924.83
11/21/2023	EFT	Verizon Wireless	-split-	Oct-23	421.61	X		314,503.22
11/21/2023	26828	4640 Golden Foothill...	-split-	Invoice # 21401	5,786.04	X		308,717.18

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11/21/2023	26829	California Overhead ...	-split-		2,154.00	X		306,563.18
11/21/2023	26830	Folsom Lake Ford	6143 · Outside Work	Invoice # 7603...	690.38			305,872.80
11/22/2023	EFT	Sterling Administrati...	-split-		193.80	X		305,679.00
11/23/2023	EFT	Sterling Administrati...	-split-		104.50	X		305,574.50
11/23/2023	EFT	Sterling Administrati...	-split-		74.00	X		305,500.50
11/25/2023	EFT	Allied Administrator...	-split-	December 2023	7,503.90	X		297,996.60
11/26/2023	EFT	Sterling Administrati...	-split-		40.00	X		297,956.60
11/27/2023	EFT	State Compensation ...	6030 · Workers Compe...	Policy # 11048...	74,305.67	X		223,650.93
11/28/2023		Transfer from LAIF	1074 · Local Agency I...	Confirm #1703...		X	825,000.00	1,048,650.93
11/28/2023	EFT	Sterling Administrati...	-split-		15.00	X		1,048,635.93
11/28/2023	EFT	Sterling Administrati...	-split-		109.37	X		1,048,526.56
11/28/2023	EFT	Sterling Administrati...	-split-		142.40	X		1,048,384.16
11/29/2023	EFT	Sterling Administrati...	-split-		15.00	X		1,048,369.16
11/30/2023		Deposit	3513 · Rental Income (...)	Verizon Cell Si...		X	2,100.00	1,050,469.16
11/30/2023	EFT	P.E.R.S. ING	-split-	PR23-11-3	2,093.56			1,048,375.60
11/30/2023	EFT	P.E.R.S. Retirement	-split-	PR23-11-3	139,595.01			908,780.59
11/30/2023	26831	AT&T	6111 · Telecommunica...	Oct/Nov-23	168.14			908,612.45
11/30/2023	26832	AT&T	6111 · Telecommunica...	Oct/Nov-23	35.85			908,576.60
11/30/2023	26833	AT&T	6111 · Telecommunica...	Oct/Nov-23	84.56			908,492.04
11/30/2023	26834	AT&T	6111 · Telecommunica...	Oct/Nov-23	117.72			908,374.32
11/30/2023	26835	Aflac	2100 · Payroll Liabilities	Inv # 9051	906.76			907,467.56
11/30/2023	26836	Aramark	-split-	Acct. # 175878...	87.52			907,380.04
11/30/2023	26837	ARI Investigations Inc.	-split-		1,390.00			905,990.04
11/30/2023	26838	Arnolds for Awards	6102 · Other Clothing ...		104.57			905,885.47
11/30/2023	26839	Best Best & Krieger ...	6202.1 · Legal Fees	Inv # 978911	327.60			905,557.87
11/30/2023	26840	Brian K Veerkamp	6034 · Health Cost of ...		361.20			905,196.67
11/30/2023	26841	Cal Fire	-split-		3,975.00			901,221.67
11/30/2023	26842	CA Assoc. of Profess...	-split-	December 2023	1,858.50			899,363.17
11/30/2023	26843	Caltronics Business ...	-split-		1,030.64			898,332.53
11/30/2023	26844	Capital Building Mai...	-split-		1,677.07			896,655.46
11/30/2023	26845	C&H Motor Parts	6142 · Parts & Supplies		61.99			896,593.47
11/30/2023	26846	Cummins Sales and ...	6142 · Parts & Supplies	Invoice # Y5-9...	1,458.94			895,134.53
11/30/2023	26847	Emigh Ace of El Dor...	-split-		582.46			894,552.07
11/30/2023	26848	Ferrell Gas	-split-	Account # 886...	980.59			893,571.48
11/30/2023	26849	Fit for Duty Tactical ...	6204 · Other Professio...		963.62			892,607.86
11/30/2023	26850	Folsom Lake Ford	-split-		98,489.09			794,118.77
11/30/2023	26851	Genuine Parts Comp...	-split-		1,503.73			792,615.04
11/30/2023	26852	Golden State Emerge...	6142 · Parts & Supplies		554.19			792,060.85
11/30/2023	26853	Hefner, Stark & Mar...	-split-		23,601.55			768,459.30
11/30/2023	26854	The Home Depot Pro	-split-		1,100.62			767,358.68

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11/30/2023	26855	Hunt & Sons	6251 · Fuel and Oil	Fuel	1,301.89			766,056.79
11/30/2023	26856	InterState Oil Compa...	-split-		1,924.13			764,132.66
11/30/2023	26857	Interstate Sales	-split-	Invoice # 1370...	813.25			763,319.41
11/30/2023	26858	John C. Wagner	6241.1 · EDC Hosted ...		3,000.00			760,319.41
11/30/2023	26859	JPT Graphics	6206 · Public Relations		240.00			760,079.41
11/30/2023	26860	L.N. Curtis & Sons	-split-		6,980.89			753,098.52
11/30/2023	26861	Larry R. Fry	-split-		1,259.40			751,839.12
11/30/2023	26862	Liberty Bell Smart H...	-split-	Invoice # 673134	74.99			751,764.13
11/30/2023	26863	Liebert Cassidy Whit...	-split-		6,447.50			745,316.63
11/30/2023	26864	Life Assist	-split-		3,493.34			741,823.29
11/30/2023	26865	Metropolitan Life Ins...	6031 · Life Insurance	Customer Num...	522.60			741,300.69
11/30/2023	26866	Motorola Solutions Inc	6145 · Radio Maintena...	Customer Acct...	623.23			740,677.46
11/30/2023	26867	Rescue Source	-split-		825.87			739,851.59
11/30/2023	26868	Robert Half	6016 · Salaries & Wag...		1,063.60			738,787.99
11/30/2023	26869	SignChef Inc.	6242 · Fire Prevention		860.68			737,927.31
11/30/2023	26870	Signal Service	6150 · Facilities Maint...	Invoice # 377900	132.00			737,795.31
11/30/2023	26871	TForce Freight	6145 · Radio Maintena...		1,297.74			736,497.57
11/30/2023	26872	Valley Power System...	6143 · Outside Work		924.00			735,573.57
11/30/2023	26873	Wilkinson Portables, ...	6221 · Facilities/Equip...	Invoice # 153873	114.13			735,459.44
11/30/2023	PR23-11-3		-split-	Total Payroll T...	98,684.78	X		636,774.66
11/30/2023	PR23-11-3		1000 · Bank of Americ...	Direct Deposit	341,534.98	X		295,239.68
11/30/2023	PR23-11-3		1000 · Bank of Americ...	Payroll Checks		X		295,239.68





# EMPLOYEE DEVELOPMENT CENTER ANNUAL REPORT

## JANUARY - DECEMBER 2023



### **Course Offering Statistics:**

	2022	2023
Courses Held (January-December)	27	46
Cancelled Courses	3	2
Student Enrollment	499	853
Number of Trained EDHFD Employees	59	92

### **Financial Highlights:**

	2022	2023
Total Course Tuition Collected	\$176,485	\$317,658
Total Course Budgeted Expenses (Course Expenses)	\$128,356	\$220,474
EDHFD Employees Sponsored Registration Fees	\$6,255	\$21,895

### **Hosted Regional Trainings & Events:**

- CSFA Handtevy Train-the-Trainer
- CSFA Recruitment & Retention Workshop
- PG&E 8-1-1 Drill
- AHA ACLS, BLS CPR and PALS Training
- USAR Training
- Fire Control 3 Burn Cadre Training
- RIC Operations Drill
- PG&E Training
- Fire Training Center Open House Community Event
- Law Enforcement Canine Training

### **Strategic Partnerships**

- American River College
- California State Firefighters Association
- City of Folsom Fire Department
- Folsom Lake College
- West Valley Regional Fire Training Consortium (continued)

# EL DORADO HILLS FIRE DEPARTMENT

*“YOUR SAFETY ... OUR COMMITMENT”*



## MONTHLY OPERATIONS REPORT

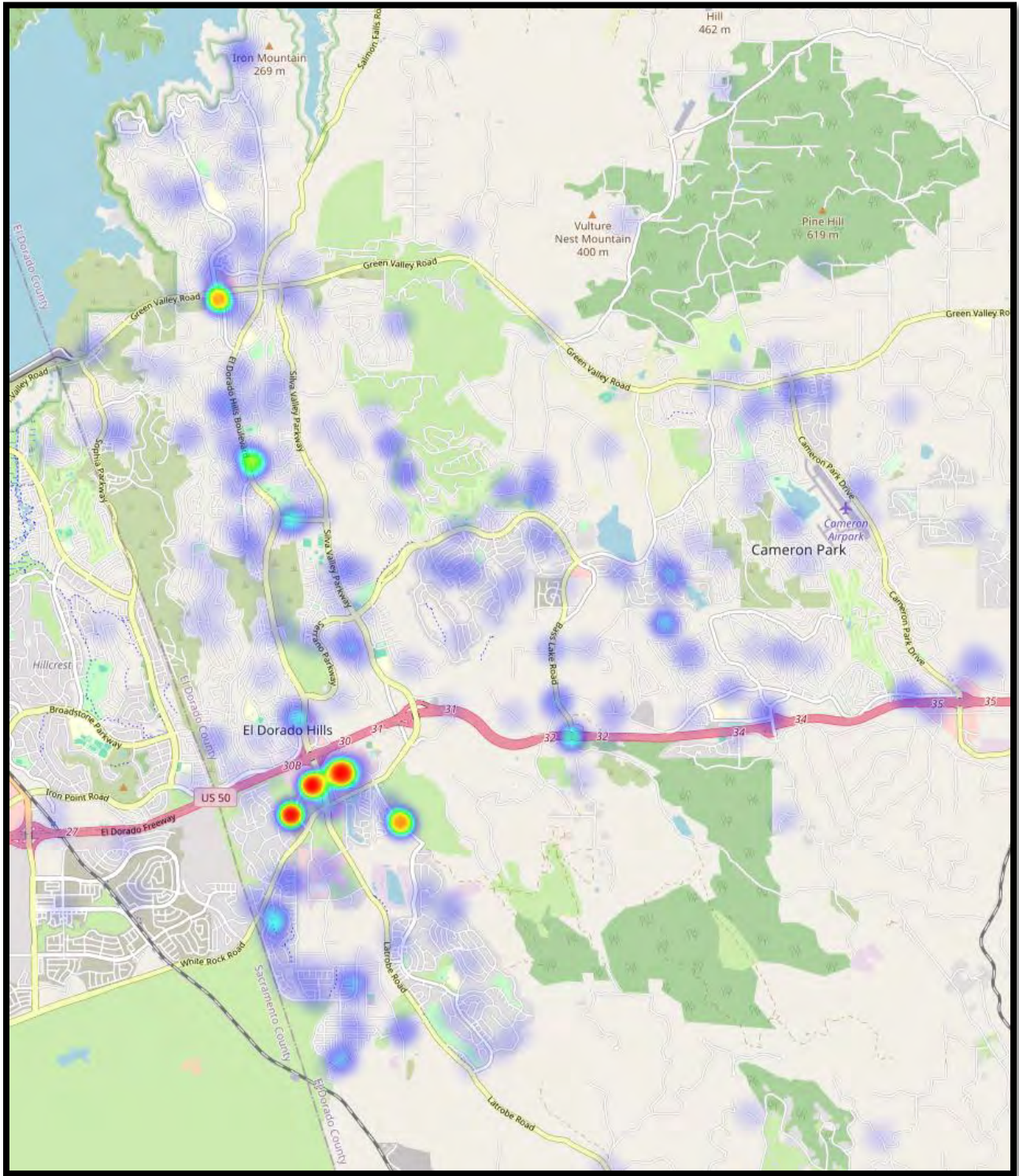
**NOVEMBER 2023**

\*All times are collected using a combination of Image Trend and Crystal Reports. The times are provided with the best accuracy possible.

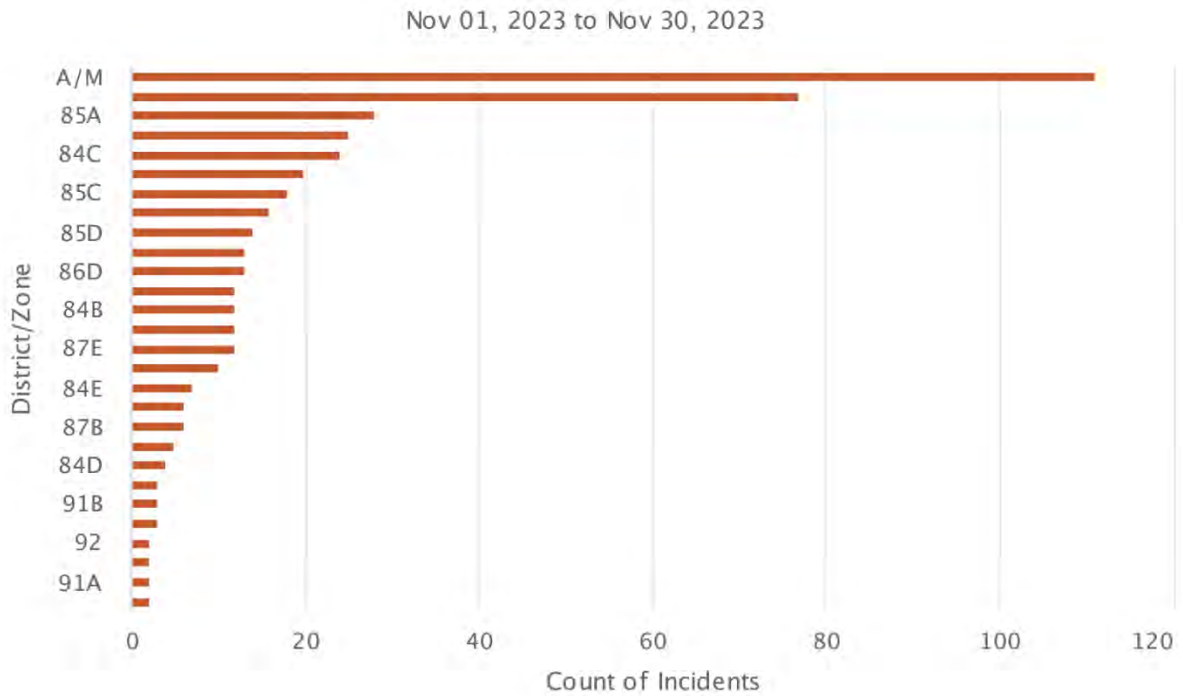


# Incidents – Heat Map

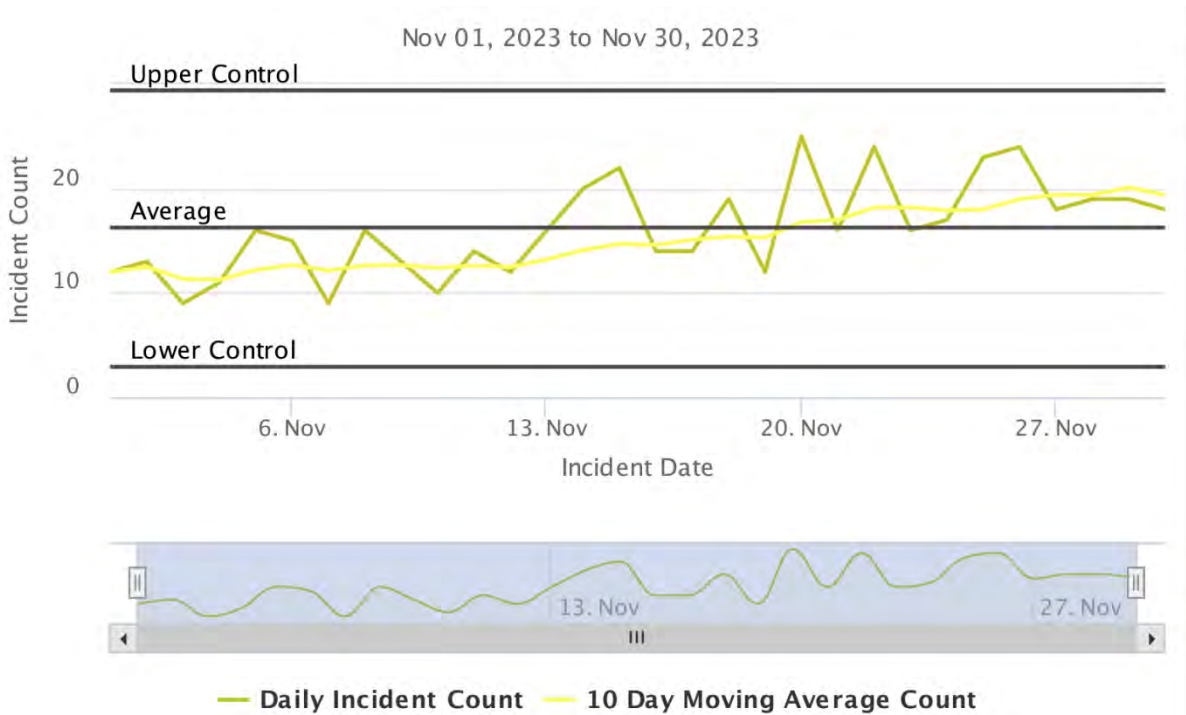
November 1, 2023 - November 30, 2023



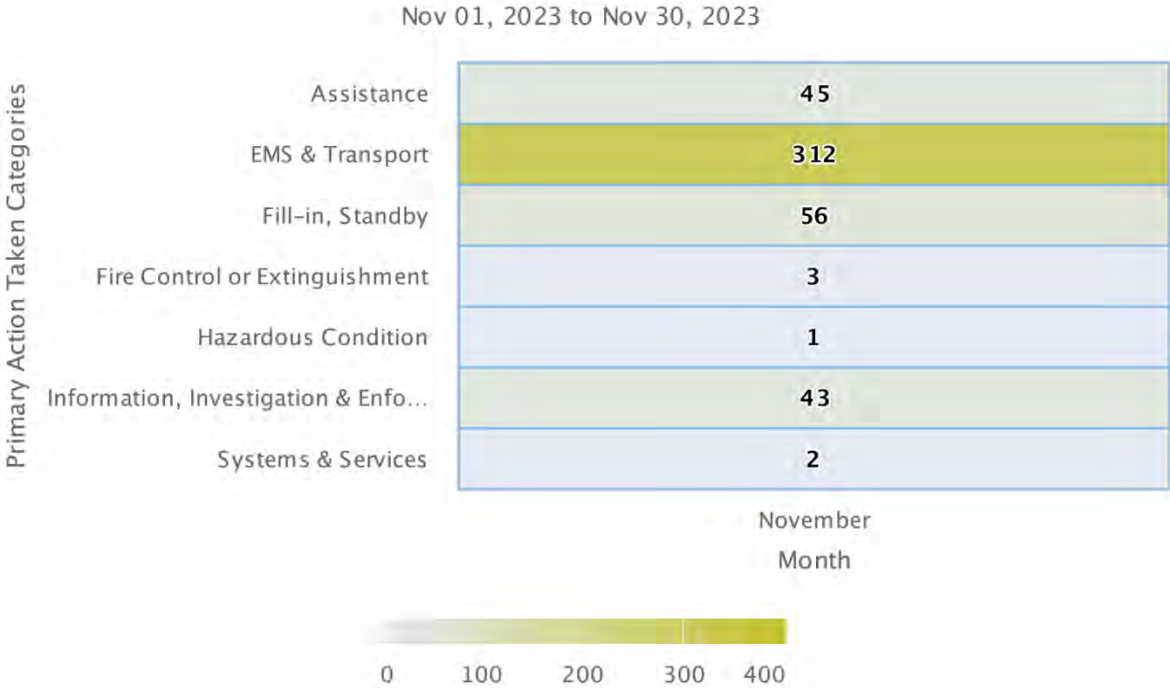
# Incidents by District/Zone



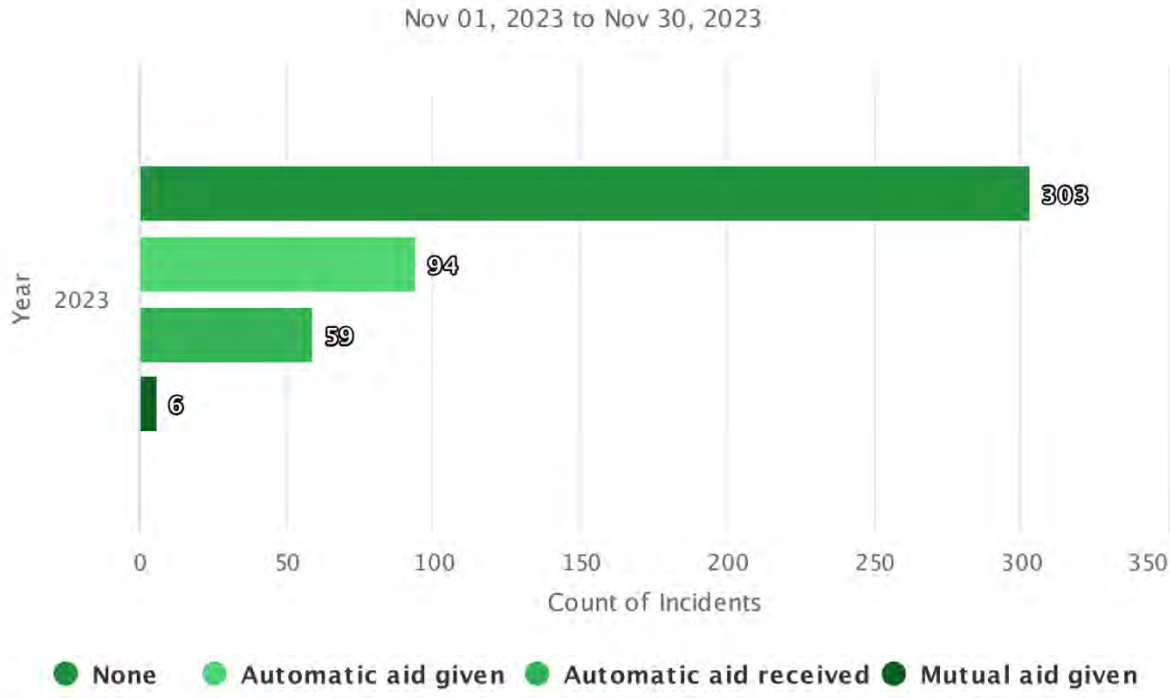
# Fire Call Volume by Day



# Primary Action Taken-Categories



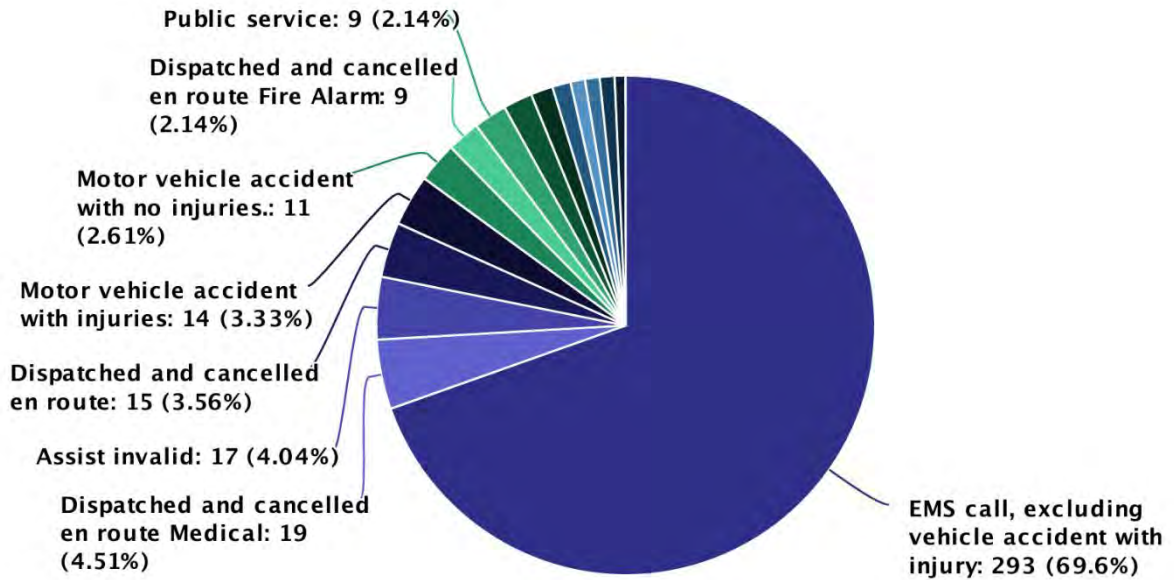
# Aid Given/Received



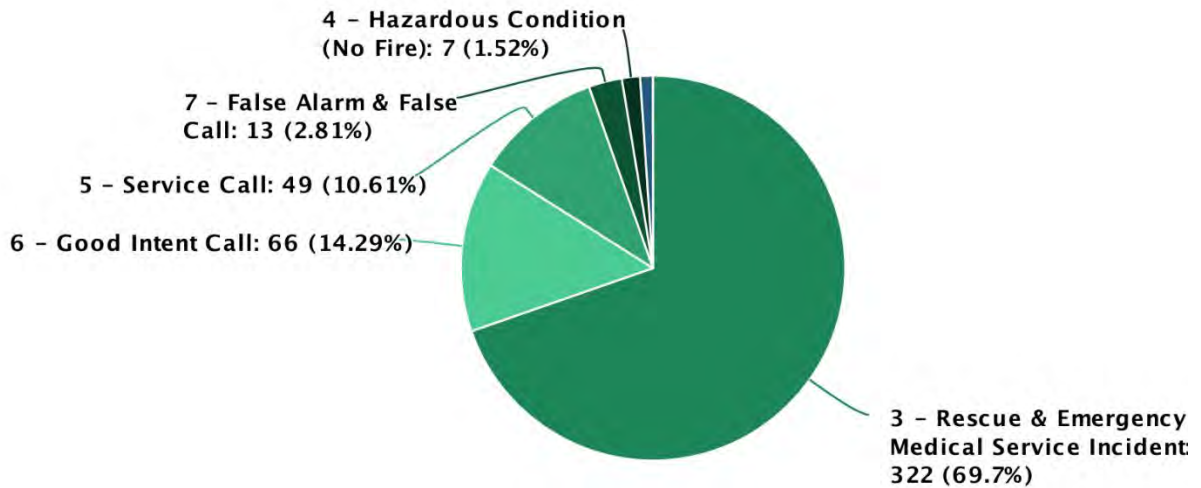


# Response/Incident Types & Categories

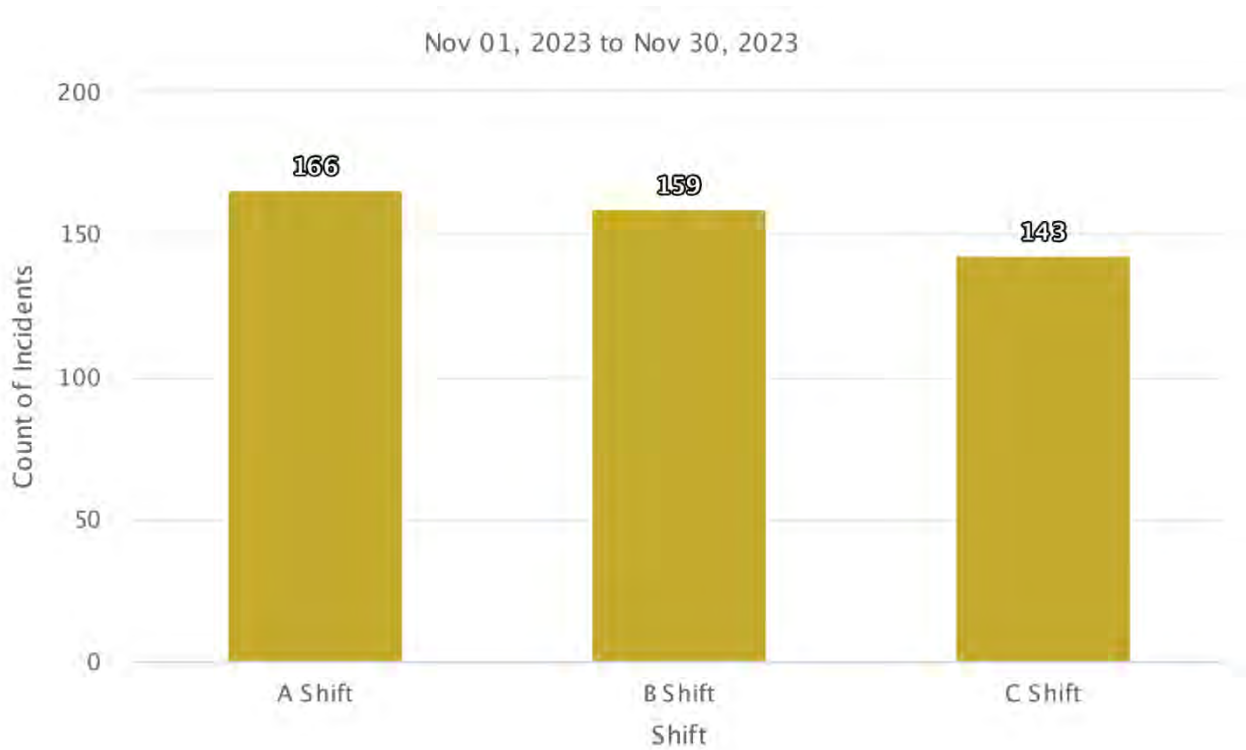
Nov 01, 2023 to Nov 30, 2023



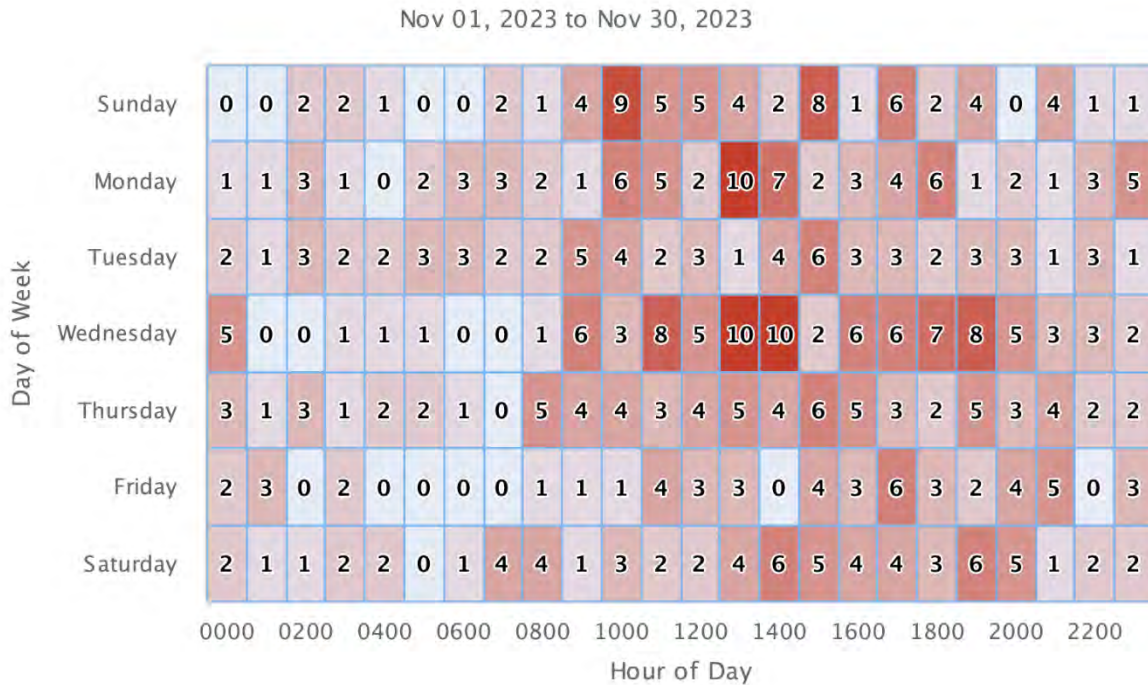
Nov 01, 2023 to Nov 30, 2023



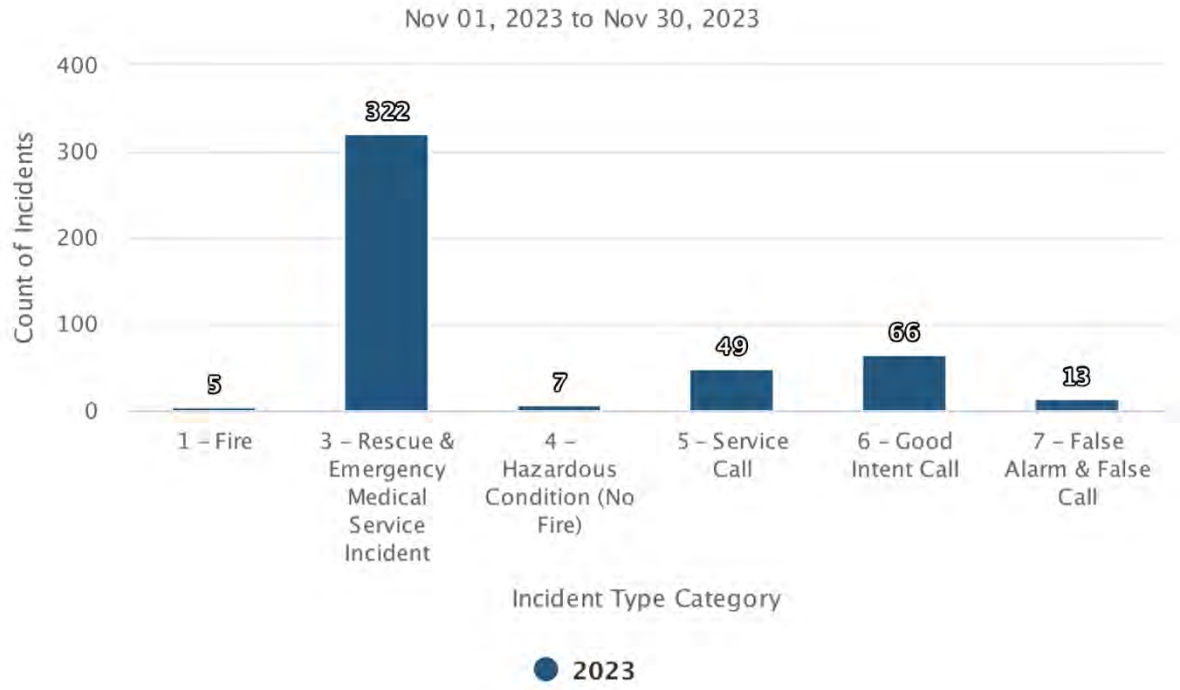
# Incident Response by Shift



# Incidents by Hour of the Day



# Incident Category



# Incidents by Apparatus ID

Nov 01, 2023 to Nov 30, 2023

M85	216	
E87	142	
M86	101	15-Days
E84	87	
E86	75	
T85	98	
B85	50	
E91	18	
C8503	3	
WT85	2	



*Emergency Response Summary – Medic Units Response Time –  
El Dorado – November 2023*

URBAN RESPONSE.

11-minutes, 90% of time

Response Time Between 00:00:00 - 00:00:59	1.22%
Response Time Between 00:01:00 - 00:01:59	4.08%
Response Time Between 00:02:00 - 00:02:59	10.20%
Response Time Between 00:03:00 - 00:03:59	18.37%
Response Time Between 00:04:00 - 00:04:59	32.24%
Response Time Between 00:05:00 - 00:05:59	49.39%
Response Time Between 00:06:00 - 00:06:59	60.00%
Response Time Between 00:07:00 - 00:07:59	69.39%
Response Time Between 00:08:00 - 00:08:59	76.33%
Response Time Between 00:09:00 - 00:09:59	83.27%
<b>Response Time Between 00:10:00 - 00:10:59</b>	<b>88.57%</b>

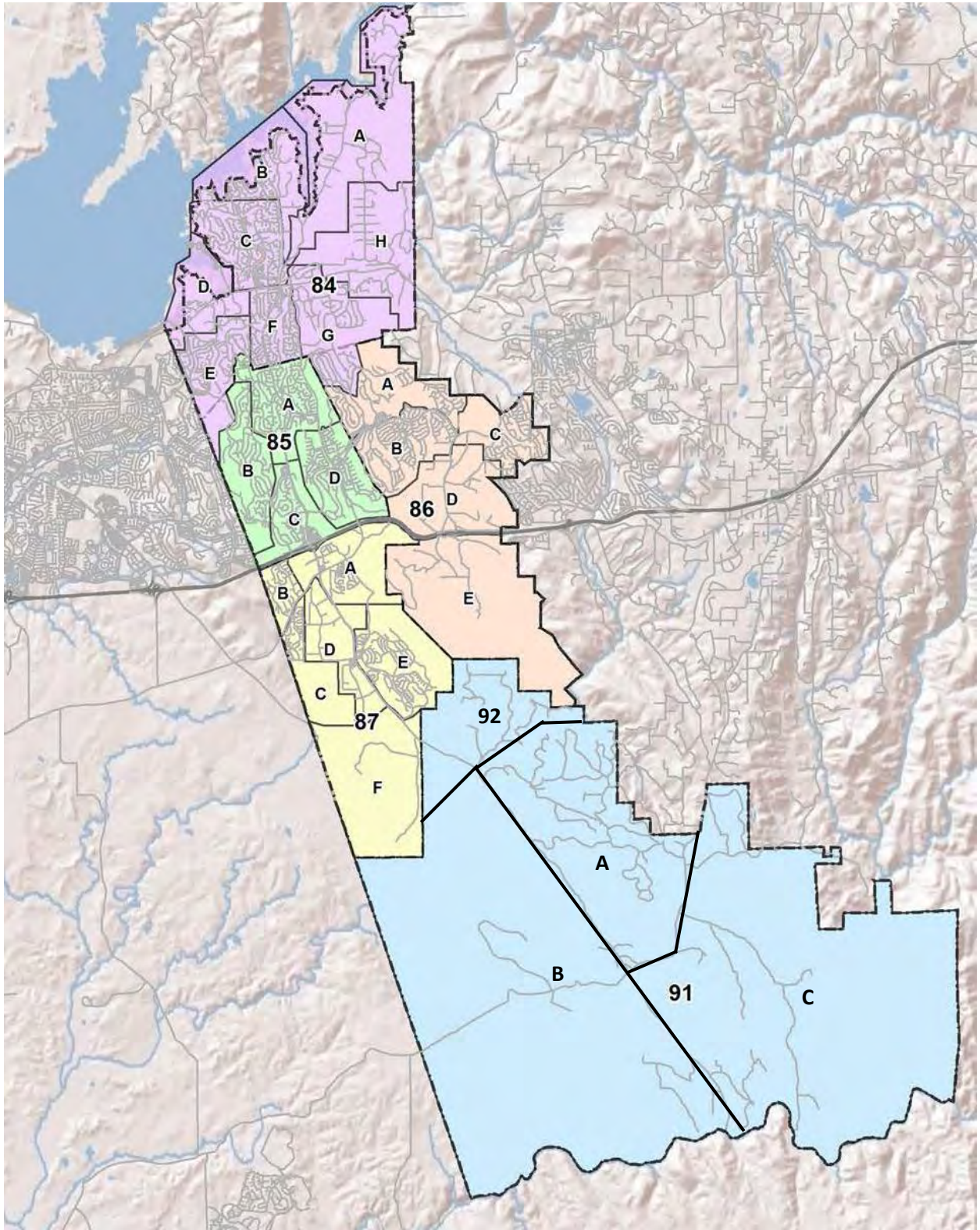
**Medic Unit Response Comparison by Month/Year**

MONTH	2023	2022
January	82.43%	91.28%
February	89.68%	90.98%
March	89.33%	95.33%
April	88.49%	93.70%
May	89.44%	92.04%
June	87.10%	91.24%
July	84.25%	86.31%
August	88.53%	91.13%
September	90.88%	87.02%
October	89.77%	88.26%
November	88.57%	88.48%
December		86.80%

*The percentages represented does not reflect reconciled percentages from exception reporting*

Response times standards are designed to ensure a quick response to the public’s request for assistance is achieved. The times listed above are raw, in that, they do not reflect “accepted reasoning” for the delay. At the end of each month, exception reports are filed with the County of El Dorado (Local EMS Agency) by the Department for incidents that are outside the established response time parameters. The reports provide the reasoning why the ambulance did not respond in a timely manner. These reports are then reviewed by the Local EMS Agency and either accepted or denied.

Examples of acceptable reasoning are, but not limited to, weather delays, incorrect address, patient left scene, road construction, incident downgraded in severity requiring no lights/siren (Code 3), etc. Once a decision has been made whether a reason is valid or not, the percentage may be adjusted.



# Operations

One of the operational highlights from November 2023 was receiving Medic 86 and Medic 286 from the Cameron Park Fire Department (Cal-Fire). These two ambulances, Medic 89, and Medic 289 served the Cameron Park community as well as the rest of El Dorado County for over 37 years. El Dorado Hills Fire truly thanks Cameron Park and Cal-Fire for their professionalism and attention to detail during this transition.

For the first 15 days of November our Engine 86 crews worked extensively preparing for the arrival of M86. Crews created EMS supply storage areas, cleaned, and prepared dorm rooms, received, and stocked medical equipment and prepared apparatus bay for M86 and M286 which was received from Cameron Park/Cal Fire on November 15, 2023.



*Please see below for a glimpse of this past months Incidents, Training, and Special Events captured by our operational staff.*



# Battalion Chief Updates

## A-Shift – Chief Antonio Moreno

### Incidents



#### Vehicle Accident - Finders Way

A man was pinned under his vehicle when it rolled backwards as he was getting in. He had minor injuries.



#### Motorcycle Accident - Salmon Falls Rd.

A man was moderately injured when his motorcycle slid into a guardrail.



### **Vehicle Accident - Latrobe Rd.**

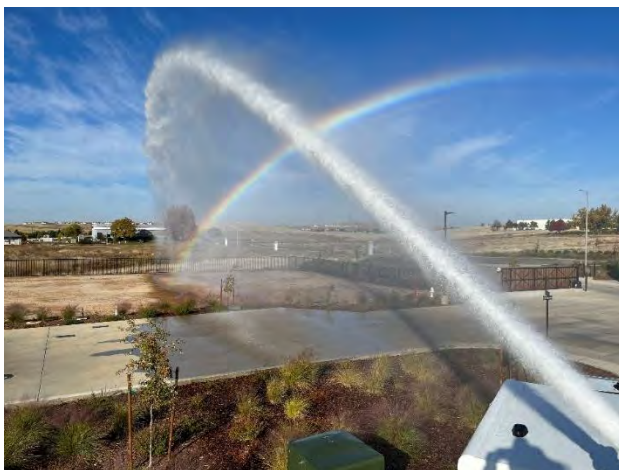
One person with major injuries was transported to a Valley Trauma Center.

### **Significant Training**



### **Multi-Company Drill – Cameron Park Tower**

EDH Fire, Cameron Park Fire, and CDF conducted a hose-aloft scenario using aerial ladder, ground ladder, and Stairwell access options.



### **Apparatus Engineer Drills**

Engine 91 conducting master stream drills at the FTC.



**Apparatus Engineer Drills cont.**

E91 deploying a 2.5" attack line.



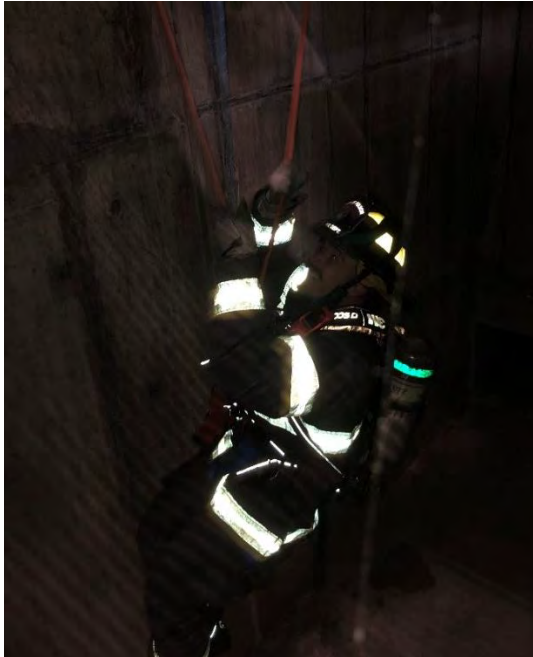
T85 conducting positioning exercises at Blue Shield.



**Multi-Company Drill - Folsom Fire**

Four El Dorado Hills engine companies participated in multiple Rapid Intervention Firefighter Rescue Drills over two days with Folsom Fire Department.





Engine 84 assisting in the Nance Drill – A firefighter who has fallen through a floor.

### **Explorer Program**

The Explorers had two sessions this month. The first was a discussion of the career path for the fire service and the education and training needing to be pursued. The second session was a hands-on forcible entry and search drills at the Fire Training Facility.

### **Events**



### **Oakridge Football Procession – EDH to Sac**

Engine 86 showed our Community Pride by leading our Oakridge High School football team to their San Joaquin Section Division 1 Playoff game at Sac City College.

## B-Shift – Chief Ryan Hathaway

### Incidents



#### Vehicle Accident Over the Side

Truck 85 assisted Folsom Fire with victim removal.



#### Vehicle Fire - Highway 50

Engine 85/Engine 87/WT  
85/B85. FF Scroggins/Capt. Ali



## **Significant Training**

All B-Shift companies completed Multi-Company Night Drills at the FTC.



### **Engine 87/Engine 91 Company Training FTC**

Deck gun operations.

FF Chima/Eng Sickenberger.



### **Truck 85 Rope Rescue Training**

Aerial stokes basket with attendant: FF Willock and Eng. Sommercamp.



**Truck 85 Aerial training for Vertical Ventilation**

Blue Shield Building

Engine 87 assisted with preparing the Santa Engine.



**Engine 84: Specialized Equipment**

Crew spent the month detailing and making repairs to the water rescue jet skis.

## C-Shift – Chief Chris Landry

### Incidents



### Vehicle Accident – Latrobe Rd.

Non-injury, truck into a tree,  
road closed for approx. 1 hour.







**Vehicle Accident – EB Highway 50**

Rollover, patient transported.

**Conex Box Removal Station 86**



## Training Update

This month company and multi-company fire training focused on 2 ½” hose loads and nozzle flows. Crews also reviewed the Active Shooter procedures to begin preparing for upcoming multi-agency drill in the spring of 2024.

**Company Training:** Crews practiced 2 ½” hose loads and hose deployment with an emphasis being placed on hose management. Individual company training on the modified “minute man” hose loads in the first week of December. Multiple crews have rotated to the CTC to train with command/control techniques focusing on residential, commercial, and vegetation fire simulations.

**EMS Training:** ACLS/PALS Renewal

**Mandate Training:** ACLS/PALS Renewal



# EL DORADO HILLS FIRE DEPARTMENT

“YOUR SAFETY ... OUR COMMITMENT”



## Community Risk Reduction Division

November 2023 Report

## OVERVIEW

The El Dorado Hills Fire Department, Community Risk Reduction Division (CRRD) continues to see significant residential development and vegetation management program activity throughout the reporting period. Major construction activity continues in the Promontory, Saratoga Estates, Serrano, Carson Creek, Bell Ranch, Ridgeview, and Bass Lake North areas of the District. New project proposals consisting of Central El Dorado residential subdivision consisting of 1,000 single-family dwellings, Wildhawk residential subdivision consisting of 70 parcels, Creekside Village residential subdivision consisting of 926 single-family dwellings, Latrobe Self Storage at Latrobe Rd. and Suncastr Lane, Rancho Victoria residential subdivision consisting of 8 40-acre residential parcels, Gateway of El Dorado industrial development at Golden Foothill Parkway, Town & Country Village conference and hotel facilities at Bass Lake Road, Montano 330 multi-family dwelling units at White Rock Rd. & Latrobe Rd., Quantam Care Residential Care Facility at Carson Crossing, and Costco at Silva Valley are ongoing. New commercial construction consisting of the Aloft Hotel in Town Center continues to progress.

CRRD has received a total of **104** applications for permit in the month of November 2023. New home construction permit activity was the leading permit submittal type with **65** plan applications received.

## MAJOR ACCOMPLISHMENTS

CRRD staff completed the following activities during the last 30 days:

- Completed **158** reviews of plans for permit.
- Completed **179** construction inspections and **150** smoke and carbon monoxide alarm inspections.
- Completed **42** fire and life safety inspections of residential and commercial occupancies.
- Completed **72** defensible space and vegetation complaint inspections on behalf of El Dorado County.
- Trained and assisted in **8** car seat installation.

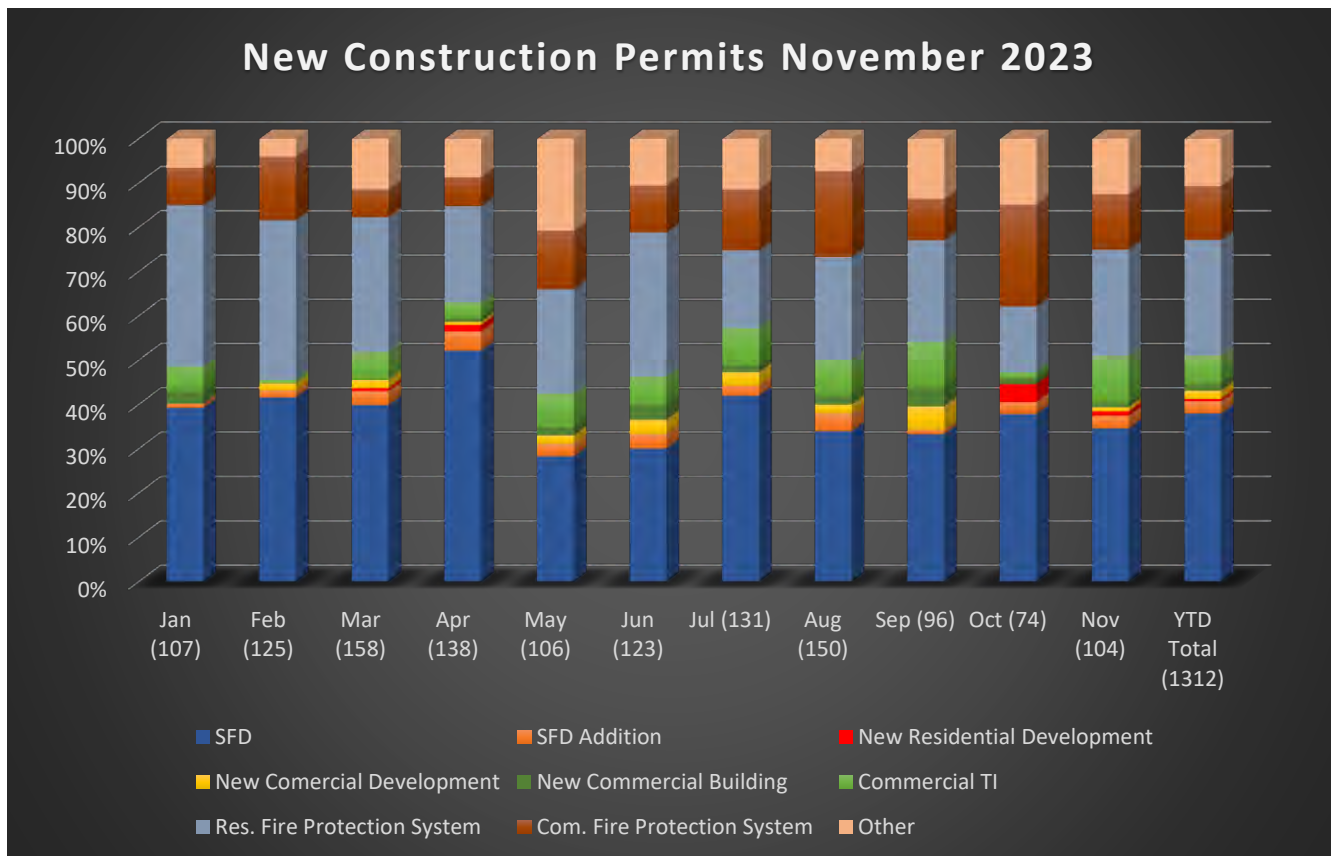


Table 1: New Construction Permits by Month Report

## Fire & Life Safety Inspections November 2023

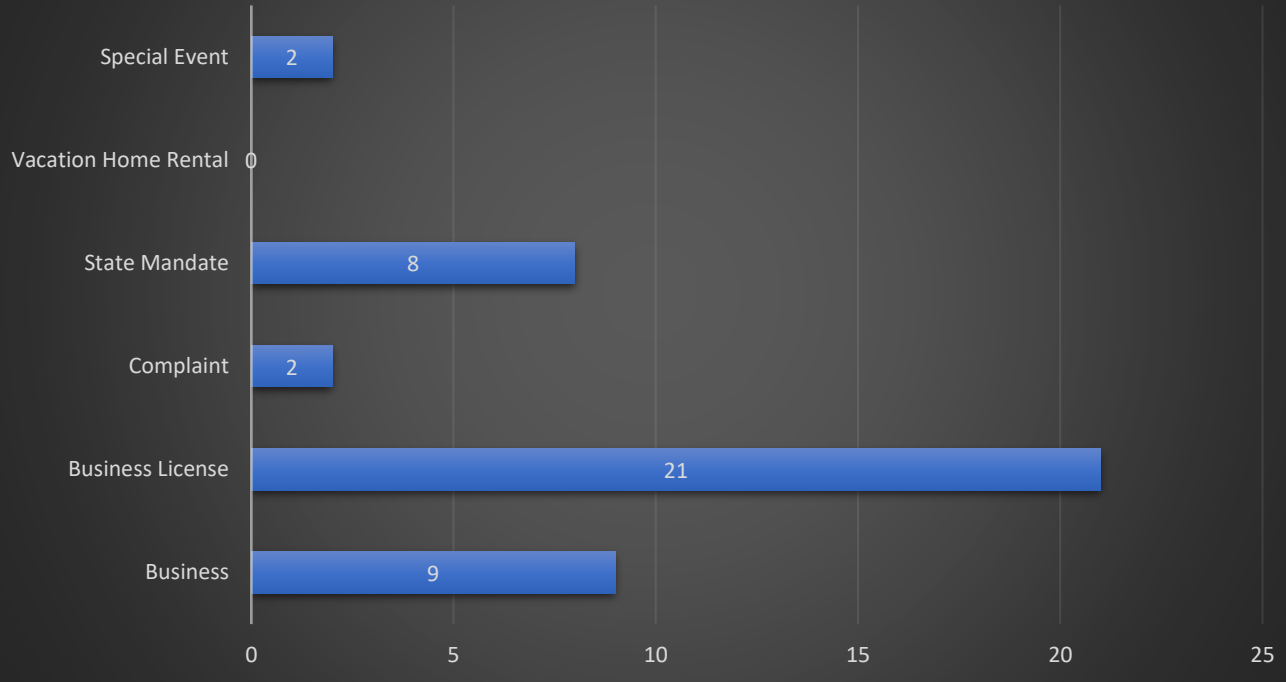


Table 2: Fire and Life Safety Inspections by Month Report

End of Report



RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:

Alto LLC  
Attn: Gary Sparks  
791 University Avenue  
Sacramento, CA 95825

Re Affected APNs:

Alto LLC Unit #2 Final Map Lot B

SPACE ABOVE THIS LINE FOR RECORDER'S USE

Documentary Transfer Tax Paid: \_\_\_\_\_

**EASEMENT GRANT DEED  
EMERGENCY VEHICLE INGRESS & EGRESS**

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, Grantor ALTO LLC, a California Limited Liability Company on December 4, 2023, hereby GRANTS to the El Dorado Hills County Water District, operating the El Dorado Hills Fire Department, a 40' (forty foot) access easement for Emergency Vehicle Ingress and Egress use over, across and through a portion of that certain real property parcel known as Assessor's Parcel No. 126-670-014-000, situated in an unincorporated area of El Dorado County, California, and as shown on that certain Subdivision map within Alto Unit #2 subdivision filed August 7, 2023 in Map Book K at page 68B on Lot B [Document No. 2023-0021958].

Said easement is more particularly described in "Exhibit A" [surveyor description] and depicted in "Exhibit B" [surveyor site exhibit] attached hereto and fully incorporated by reference.

In witness whereof, the above party has executed this easement as of the day and year first written above.

Signature: 

Gary Sparks, Authorized Managing Member Alto LLC  
Grantor

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California )  
County of El Dorado ) ss.

On DECEMBER 4, 2023 before me,  
MIEKO SAETTA

Notary Public personally appeared GARY SPARKS

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct. WITNESS my hand and official seal.

SIGNATURE Mieko Saetta



CERTIFICATE

This is to certify that the interest in real property conveyed by the Emergency Easement Grant Deed dated November 30, 2023 from Alto LLC is hereby accepted by the undersigned officer on behalf of the El Dorado County Water District, operating as the El Dorado Hills Fire Department, and the grantee consents to the recordation thereof by its duly authorized officer.

Dated: \_\_\_\_\_

Signature: \_\_\_\_\_

Chrishana Fields

Division Chief/Fire Marshal at El Dorado Hills Fire Department

Note to Recorder: This Certificate of Acceptance by the El Dorado County Water District, operating as the El Dorado Hills Fire Department, is valid only if dated prior to the recording date. If this certificate is for a correction deed, all corrections and/or changes to the previously recorded deed must be reviewed and accepted prior to recording a correction deed. All correction deeds require a new Certificate of Acceptance dated subsequent to recordation of the original deed or the most recent correction deed, if any.

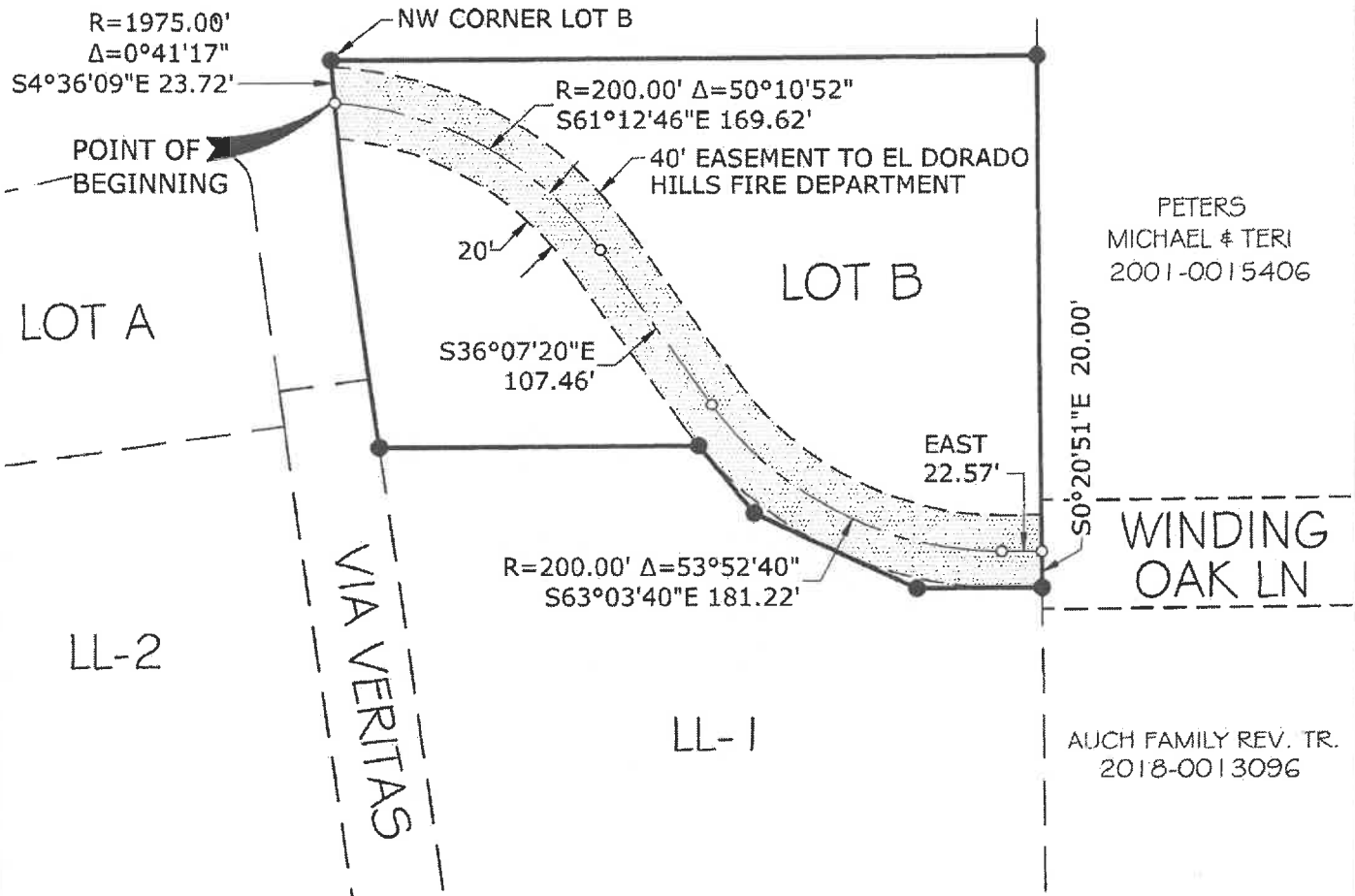
The County Recorder is hereby instructed to index this easement deed for routine, non-commercial ingress and egress in the Grantor index under the names of the respective properties/parties.

LEGEND:

● = 5/8" REBAR WITH CAP STAMPED LS 5914 PER S.D. K-56



LL-3  
ALTO UNIT 1 S.D. K-56



R=1975.00'  
Δ=0°41'17"  
S4°36'09"E 23.72'

NW CORNER LOT B

R=200.00' Δ=50°10'52"  
S61°12'46"E 169.62'

40' EASEMENT TO EL DORADO  
HILLS FIRE DEPARTMENT

POINT OF BEGINNING

LOT A

LOT B

S36°07'20"E  
107.46'

EAST  
22.57'

S0°20'51"E 20.00'

WINDING  
OAK LN

R=200.00' Δ=53°52'40"  
S63°03'40"E 181.22'

AUCH FAMILY REV. TR.  
2018-0013096

VIA VERITAS

LL-2

LL-1



DATE: 11/11/2022

EXHIBIT 'B'		DATE: 11/11/2022	DRAWN BY: KAH	SHEET 1 OF 1
PLAT TO ACCOMPANY LEGAL DESCRIPTION		SCALE: 1"=100'	JOB NO. 04-076-010	
A.P.N.: 126-670-014-000		ACCESS EASEMENT		
FOR THE BENEFIT: EL DORADO HILLS FIRE DEPARTMENT		A PORTION OF LOT B PER ALTO UNIT 1, S.D. 'K'-56		
cta Engineering & Surveying		A PORTION OF THE E1/2 OF THE NE1/4 SECTION 14, T.10 N., R.8 E., M.D.M. COUNTY OF EL DORADO STATE OF CALIFORNIA		

EXHIBIT 'A'

LEGAL DESCRIPTION  
Easement to El Dorado Hills Fire Department

All that real property situate in the County of El Dorado, State of California, being a portion of Lot B as shown on that certain plat of "Alto Unit 1", filed in the office of the County Recorder of El Dorado County in Book K of Subdivision Maps, Page 56 and being more particularly described as follows:

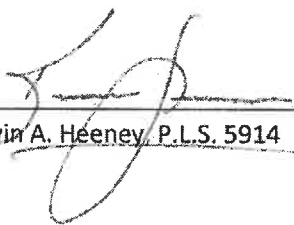
A strip of land forty (40) feet in width lying twenty (20) feet on either side of the following described centerline:

COMMENCING at the Northwest corner of said Lot B, marked by a 5/8" rebar with cap stamped "LS 5914" as shown on said plat; thence along the West line of said Lot B, along the arc of a curve, concave to the East, having a radius of 1975.00 feet, the chord of which bears South 04°36'09" East, 23.72 feet to the Westerly terminus of said centerline and the POINT OF BEGINNING; thence leaving said West line, along the arc of a curve, concave to the Southwest, having a radius of 200.00 feet, the chord of which bears South 61°12'46" East, 169.62 feet; thence South 36°07'20" East, 107.46 feet; thence along the arc of a curve to the left, having a radius of 200.00 feet, the chord of which bears South 63°03'40" East, 181.22 feet; thence East, 22.57 feet to a point on the East line of said Lot B and the Easterly terminus of said centerline. The sidelines of said strip of land shall extend to or terminate at the West and East lines of said Lot B.

See Exhibit 'B' attached hereto and made a part of this description.

End of Description

This description has been prepared by me or under my direct supervision.

  
Kevin A. Heeney, P.L.S. 5914



11/11/2022  
Date

**RECORDING REQUESTED BY:**

**AND WHEN RECORDED, MAIL TO:**

Robert Gary Matson  
4160 Paula Way  
Fair Oaks, CA 95628

---

(Space Above For Recorder's Use)

**GRANT OF ACCESS EASEMENT**

This Grant of Access Easement, dated November \_\_, 2023 for reference purposes only, is made and given by Robert Gary Matson (“**Matson**”), and Marc Goldman LLC, a California limited liability company (“**Goldman**”, and together with Matson, collectively, “**Grantors**,” and each a “**Grantor**”), to El Dorado Hills Water District (Fire Department), a public body, corporate and politic (“**Grantee**”) with reference to the following facts and matters:

**RECITALS**

- A. Matson is the owner of certain unimproved real property located at 5151 Hilldale Circle, El Dorado Hills, CA 95762, commonly known as El Dorado County Assessor's Parcel Number 117-085-002-000, consisting of approximately 2.11 +/- acres, and legally described in Exhibit A-1 attached hereto and made a part hereof (“**Parcel 71**”);
- B. Goldman is the owner of certain improved real property located at 5152 Hilldale Circle, El Dorado Hills, CA 95762, commonly known as El Dorado County Assessor's Parcel Number 117-085-003-000, consisting of approximately 2 +/- acres, and legally described in Exhibit A-2 attached hereto and made a part hereof (“**Parcel 72**”);
- C. Parcels 71 and 72 and are collectively referred to as the “Parcels” and each, individually, as a “Parcel.” The Parcels are depicted on the Site Plan shown on Exhibit B attached hereto and made a part hereof (the “**Site Plan**”);
- D. There exists an area of land located upon Parcel 71 and Parcel 72 (collectively), consisting of approximately 12,384 square feet and which is depicted and labeled as the “**Access Lane**” on the Site Plan (6,749 Sq. Ft. located upon Parcel 71; and 5,635 Sq. Ft. located upon Parcel 72). The area of the “Access Lane” located on Parcel 71 is legally described in Exhibit C-1 attached hereto. The area of the “Access Lane” located on Parcel 72 is legally described in Exhibit C-2 attached hereto; and
- E. Grantors are willing to grant to Grantee the Emergency Access Easement described below so that Grantee can provide emergency services to the Parcels.

## ACCESS EASEMENT

1. Grant of Easement. For valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Grantors, individually and collectively, hereby grant a nonexclusive easement to Grantee and any emergency agency of Grantee, to wit, the El Dorado Hills Water District (Fire Department), for the purpose of a perpetual ingress and egress right of way in, over, upon, and across each Grantor's respective portion of the Access Lane so as to provide emergency response and fire prevention services to the owner(s) of Parcel 71 and the owner(s) of Parcel 72 and such owners' respective tenants, employees, agents, invitees, customers, licensees, contractors and occupants (the "**Emergency Access Easement**"). The foregoing Emergency Access Easement shall in no way be construed as a dedication of any roadway to the public.

2. Obligations of Grantors.

(a) Signage; Markings and Barriers. Each Grantor shall post and continuously maintain on their respective portion of the Fire Lane, signage that reads "*No Parking – Fire Lane*" and such other verbiage, markings and/or barriers as required by Grantee.

(b) Maintenance of Fire Lane. Each Grantor shall (i) maintain their respective portion of the Fire Lane in good condition and repair as required by Grantee, and (ii) ensure the Fire Lane remains clear of obstruction for such emergency vehicle access purposes.

(c) Indemnification. Each Grantor shall indemnify and hold the other Grantor (and such Grantor's managers, members, officers, shareholders, directors, affiliates, agents, employees and representatives) harmless from and against all claims, demands, liabilities liens, losses, injuries, damages, fees, administrative proceedings, response and remediation costs of whatsoever kind or nature, penalties, settlements, judgments, causes of action, including, without limitation, attorney's fees and court costs and expert's fees, related to or arising out of the failure of the other Grantor's negligence and/or failure to comply with the obligations hereunder.

3. Agreement to Run with the Land. The rights of Grantee under this Grant of Access Easement, and the terms, rights, conditions, restrictions and limitations of the Grantors contained herein, shall: (i) shall run with the Parcels pursuant to applicable law (including, without limitation, California Civil Code Section 1468) and shall burden and benefit the Parcels, and shall be binding upon, and inure to the benefit of, each successive owner of the Parcels during its ownership of each of the Parcels and each person/entity having any interest derived through any owner of the Parcels; and (ii) inure to the benefit and use of Grantee and its permitted assigns/transferees.

4. Constructive Notice and Acceptance. Every owner or lien holder who hereafter owns or acquires the right, title or interest in or to any portion of a Parcel is and shall be conclusively deemed to have consented and agreed to every covenant, condition, restriction, agreement and Easement contained herein, by reference or otherwise, whether or not any reference to this Grant of Access Easement is contained in the instrument by which such owner or lien holder acquired an interest in the Parcel.

5. Notices. Except as provided below, any notice or other communication to be provided under this Grant of Access Easement shall be in writing and shall be given to the party at the address of the owner shown in the records of the El Dorado County Assessor's Office, unless such Owner notifies the other owner otherwise. Each notice shall, for all purposes, be deemed given and received: (i) if hand delivered to a party, when the copy of the notice is received; (ii) if given by a nationally recognized and reputable overnight delivery service, the day on which the notice is actually received by the party; or (iii) if given by certified mail, return receipt requested, postage prepaid, two business days after it is posted with the United States Postal Service to the address stated herein. Initially, any notice, request, demand, instruction or other communication to be given to either party hereunder shall be in writing and delivered to:

**“Matson”**

Robert Gary Matson  
4160 Paula Lane  
Fair Oaks, CA 95628

**“Goldman”**

Marc Goldman LLC  
5121 Hillsdale Circle  
El Dorado Hills, CA 95762

6. Assignment by Grantee. Grantee shall have the right to assign/transfer its rights hereunder with respect to the Emergency Access Easement to any fire prevention agency or organization with a mutual aid agreement with Grantee. Other than as set forth in the immediately preceding sentence, however, Grantee shall have no right to assign or transfer its rights hereunder with respect to the Emergency Access Easement.

7. Counterparts. This Grant of Access Easement may be executed in any number of counterparts and each such counterpart shall for all purposes be deemed an original, and all such counterparts shall together constitute but one and the same instrument. Any signature page of this Grant of Access Easement may be detached from any counterpart without impairing the legal effect of any signatures, and may be attached to another counterpart, identical in form, but having attached to it one or more additional signature pages.

8. Exhibits. All exhibits to which reference is made in this Grant of Access Easement are incorporated into this Grant of Easement by the respective references to them.

IN WITNESS WHEREOF, the parties have executed this Grant of Access Easement as of the date below their signatures on the attached signature pages.

**[COUNTERPART SIGNATURE PAGES ATTACHED]**



**COUNTERPART SIGNATURE PAGE**

**“Matson”**

By: \_\_\_\_\_

Name: Robert Gary Matson

Date: \_\_\_\_\_

**ACKNOWLEDGMENT**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of \_\_\_\_\_

On \_\_\_\_\_ before me, \_\_\_\_\_, Notary Public  
(insert name)

personally appeared \_\_\_\_\_  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify UNDER PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

Witness my hand and official seal.

\_\_\_\_\_  
(Notary's Signature)

[seal]

**COUNTERPART SIGNATURE PAGE**

**“Goldman”**

Marc Goldman LLC, a California limited liability company

By: \_\_\_\_\_

Name: Marc Goldman

Title: Managing Member

Date: \_\_\_\_\_

**ACKNOWLEDGMENT**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of \_\_\_\_\_

On \_\_\_\_\_ before me, \_\_\_\_\_, Notary Public  
(insert name)

personally appeared \_\_\_\_\_  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify UNDER PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

Witness my hand and official seal.

\_\_\_\_\_  
(Notary's Signature)

[seal]

**CERTIFICATE OF ACCEPTANCE**

- El Dorado Hills County Water District (Fire Department) -

This is to certify that the interest in real property conveyed by the Grant of Access Easement dated November \_\_, 2023, from Robert Gary Matson and Marc Goldman LLC, a California limited liability company (collectively, "Grantors"), to the El Dorado Hills County Water District (Fire Department) ("Grantee"), is hereby accepted by the undersigned officer on behalf of Grantee pursuant to authority conferred by Resolution No. \_\_\_\_\_ of the Board of Directors of Grantee adopted on \_\_\_\_\_, 2023, and the Grantee consents to recordation thereof by its duly authorized officer.

Dated: \_\_\_\_\_, 2023

GRANTEE:  
EL DORADO HILLS COUNTY WATER DISTRICT (FIRE DEPARTMENT), a public body, corporate and politic

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**ACKNOWLEDGMENT**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of \_\_\_\_\_

On \_\_\_\_\_ before me, \_\_\_\_\_, Notary Public  
(insert name)

personally appeared \_\_\_\_\_  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify UNDER PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

Witness my hand and official seal.

\_\_\_\_\_  
(Notary's Signature) [seal]

**EXHIBIT A-1**

**LEGAL DESCRIPTION OF PARCEL 71**

The land described herein is situated in the State of California, County of El Dorado, unincorporated area, described as follows:

ALL THAT PORTION OF SECTION 14, 23, & 24, TOWNSHIP 9 NORTH, RANGE 8 EAST, M.D.B.&M. DESCRIBED AS FOLLOWS:

PARCEL 71, AS SHOWN ON THAT CERTAIN PARCEL MAP FILED IN THE OFFICE OF THE COUNTY RECORDER, COUNTY OF EL DORADO, STATE OF CALIFORNIA ON JANUARY 7, 1987 IN BOOK 36 OF PARCEL MAPS AT PAGE 115.

APN: 117-085-002-000

**EXHIBIT A-2**

LEGAL DESCRIPTION OF PARCEL 72

The land described herein is situated in the State of California, County of El Dorado, unincorporated area, described as follows:

Parcel 72, as shown on the Parcel Map filed January 7, 1987 in book 36 of Parcel Maps, at page 115, El Dorado County Records.

APN: 117-085-003-000

**EXHIBITS B, C-1 and C-2**

**[See following pages]**

**Accountability Act**  
**Annual Report – 2022/23**  
**El Dorado Hills Joint County Water/Fire District-Latrobe Zone**

The special tax measure passed under Government Code Section 50075 by the voters in the Latrobe Fire Protection District, now the El Dorado Hills County Water District, was specifically intended to develop and maintain fire and rescue services in the Latrobe Community. The measurement adopted to evaluate the success of the additional funds in the fire district was to accomplish and maintain an ISO rating for the District. Prior to this time, the District was unrated and the homeowners were subject to high homeowner insurance rates. All funds have been assigned each year to the annual operating budget for purchase and maintenance of rescue and firefighting equipment and apparatus. The district accomplished an ISO rating in the first year following the voter approval tax measure. El Dorado Hills Joint County Water/Fire District continues to maintain this ISO rating with the assistance of the special tax funding.

During fiscal year 2022/23, the funds collected by the special tax were \$35,403. The funds expended for Services and Supplies totaled \$2,081,865 of which the excess over and above the special tax was funded by annual property taxes.

There are no projects required or authorized to be funded under Section 50075.1 from this special tax.

Approved by the El Dorado Hills County Water District Board of Directors on December 14, 2023.

---

John Giraud, Board President

ATTEST:

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Jessica Braddock, Board Secretary

**El Dorado Hills Fire Department  
 Station 91/92 Expenditure Summary\*\*  
 For the Year Ending June 30, 2023**



Category	2022/23 Total Expenditures
Salaries and Wages	\$ 1,788,139
Health Insurance (estimate)	158,400
Dental/Vision (estimate)	16,200
Life/OHS/Disability (6 employees)	3,281
Uniform Allowance	4,800
Telecommunications/Network/Connectivity	5,607
Facilities Maintenance Sta 91	16,808
Equipment/Apparatus Maintenance	5,879
Supplies Sta 91	4,972
Utilities Sta 91/92	7,481
Capital Assets (SCBAs)	70,299
<b>Total Station 91 Expenditures</b>	<b>\$ 2,081,865</b>

\*\* *Most* operating expenditures are not allocated or tracked by station. As such, only labor for personnel working at Station 91 during the fiscal year and separately allocated expenditures are included in this analysis and it is presumed that the total station expenditures are understated.



# EL DORADO HILLS COUNTY WATER DISTRICT

El Dorado County,  
California



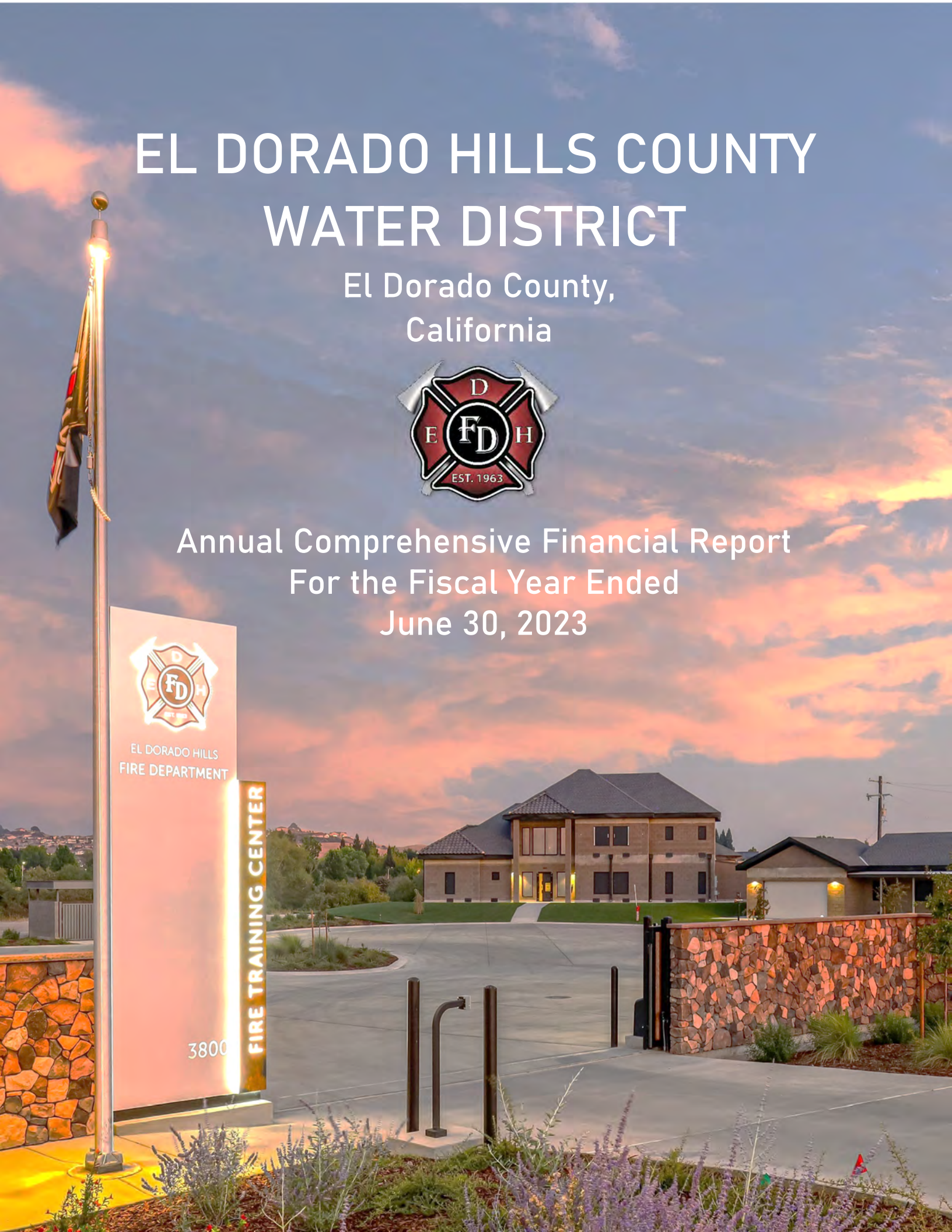
Annual Comprehensive Financial Report  
For the Fiscal Year Ended  
June 30, 2023



EL DORADO HILLS  
FIRE DEPARTMENT

3800

FIRE TRAINING CENTER





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**El Dorado Hills County Water District  
El Dorado County, California**

**Annual Comprehensive Financial Report  
For the Fiscal Year Ended June 30, 2023**

**PREPARED BY THE FINANCE DIVISION**







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Introductory Section





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# EL DORADO HILLS FIRE DEPARTMENT

*“Serving the Communities of El Dorado Hills, Rescue and Latrobe”*

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1050 Wilson Blvd. El Dorado Hills, CA 95762 · Phone (916) 933-6623 · www.edhfire.com

December 14, 2023

To the Citizens and Board of Directors of the  
El Dorado Hills County Water District:

We are pleased to present the Annual Comprehensive Financial Report (ACFR) for the El Dorado Hills County Water District (“El Dorado Hills Fire Department,” “Department” or “District”) for the fiscal year ended June 30, 2023. This report has been prepared by the Finance Division following the guidelines recommended by the Government Finance Officers Association (GFOA) and is in conformance with generally accepted accounting principles (GAAP) for state and local government entities established by the Governmental Accounting Standards Board (GASB).

The accuracy and completeness of this report are the responsibility of District management. An internal control structure has been established by management to mitigate the risk of errors and misstatements. As the cost of internal controls should not outweigh the expected benefits, the objective of the control structure is to provide reasonable, rather than absolute, assurance that the information provided herein is free of material misstatements.

Richardson & Company, LLP, Certified Public Accountants, have issued an unmodified (“clean”) opinion on El Dorado Hills Fire Department’s financial statements for the year ended June 30, 2023. The independent auditor’s report is located at the front of the financial section of this report followed by the Management’s Discussion and Analysis (MD&A). The MD&A is required by GAAP and provides a narrative introduction, overview, and analysis of the financial statements.

## **DISTRICT PROFILE**

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### **HISTORY AND FORMATION**

The El Dorado Hills County Water District was formed in July 1960 to provide water and sewer services to the community of El Dorado Hills. About three years later in June 1963, the Board of Directors realized the need for fire protection services within the District and voted to begin providing said services to the community. In 1973, the citizens of El Dorado Hills voted to have water and sewer services provided exclusively by El Dorado Irrigation District, leaving only fire protection services under the direction of the El Dorado Hills County Water District. While the District’s legal name and formation remained unchanged,

it became solely known as El Dorado Hills Fire Department. Today, El Dorado Hills Fire Department provides fire suppression, emergency medical services, special and technical rescue, hazardous materials mitigation, fire prevention, public education, disaster preparedness, and support to many Community-based programs within the nearly 78.8 square miles of response district encompassing the Communities of El Dorado Hills and Latrobe.

At its inception, the District included approximately 10,500 acres with about 90 homes, one school, one market, and one fire station. During the past sixty years, the District has expanded to approximately 58,500 acres with about 18,644 homes, 28 schools and an estimated population of 49,617. From 2010 to 2020, the community of El Dorado Hills grew by 8,439 people, representing 88% of El Dorado County’s total population growth. The Department currently operates five fully staffed fire stations and one Employee Development Center for employee-focused growth and development programs. The Department completed the first phase of a state-of-the-art training facility in July 2023. Commercial development within the District includes a business park totaling approximately 2,700,000 square feet. The total commercial square feet in the District has grown to approximately 4,000,000.

### MILESTONE YEARS

**1960** – On July 11, 1960, El Dorado County approved the formation of the El Dorado Hills County Water District.

**1963** – In June 1963, the Board of Directors voted unanimously to add fire protection to the services it provides. The first station, Station 85, was constructed with the help of volunteer firefighters. This station was utilized as a fire department, community building, Community Services District office, and County Water District administrative office.

**1973** – The citizens of El Dorado Hills voted to have the water and sewer systems operated by El Dorado Irrigation District, thereby leaving only fire protection under the direction of the El Dorado Hills County Water District Board.

**1982** – The second station, Station 84, was constructed and staffed solely with volunteer personnel for nine years.

**1990** – Station 85 was remodeled and expanded. The project included remodeling the existing station and adding 3,800 square feet.

**1991** – Station 84 was staffed with paid personnel and volunteer personnel.

**1993** – A major remodel of Station 84 was completed, adding a storage area, dormitory, and restroom facilities to accommodate the paid staff assigned there. In addition, the outside of the station was remodeled, adding a hose tower and an above-ground fuel tank.

**1995** – The Fire Department hired three paramedics and operated a paramedic engine out of Station 84. Since that time, all stations have operated with Advanced Life Support. Several volunteer personnel have also completed paramedic accreditation in El Dorado County.



- 1996** – In order to meet the increasing demands of the wildland urban interface, the District purchased two new engines designed for wildland interface fires and one new engine for fighting structure type fires.
- 1999** – The District purchased a ten-acre parcel in the Bass Lake area to build a new fire station.
- 2001** – In February, the District purchased new Quint apparatus with a 105-foot aerial ladder as well as a new fire engine. The District also added twelve new paid positions and seven new volunteer positions, bringing the total headcount to 47 paid personnel and 45 volunteers.
- 2001** - The District began staffing a full-time paramedic ambulance funded through a contract with the Joint Powers Authority and El Dorado County.
- 2001** – In March, the District’s third station, Station 86, was placed in service and staffed with three personnel. The station was equipped with an advanced life support engine. The District also purchased a new wildland urban interface engine.
- 2002** – A new Air/Light Support Unit was placed in service and provided the District with the capability of filling air bottles on scene as well as providing additional rescue and lighting support.
- 2003** – The District completed the purchase of land at Wilson Boulevard and El Dorado Hills Boulevard and began construction of a new Fire Station/Administrative Office to replace the forty-year-old Station 85 at Lassen Lane. The District also reorganized its Administrative Staff by adding two Battalion Chief positions.
- 2004** – The El Dorado Hills Fire Department established an Honor Guard comprised of dedicated professionals that take great pride in representing the El Dorado Hills Fire Department to the highest standards. Membership includes Chief Officers, Captains, Engineers, and Firefighters. The Honor Guard members perform their duties on a voluntary, non-compensated basis honoring those that have gone before as well as performing at many community events.
- 2005** – Construction of the District’s new Administrative Offices and Fire Station was completed in January 2005. This facility is 26,000 square feet and includes a large community meeting room. After vacating the Lassen Lane Station, the District successfully negotiated a five-year lease agreement with El Dorado County to convert the old station into a Senior Center which has since been sold to the County and named the Ramona “Moni” Gilmore Senior Center after a member who served on the Department’s Board of Directors.
- 2005** – The District purchased 21-acres on Cypress Point Court in the El Dorado Hills Business Park. This land is the future site of Station 87 and the planned Training Facility.
- 2007** – The District hired nine paramedics to staff Station 87 and transitioned the Administrative Battalion Chiefs to Shift Battalion Chiefs to help facilitate growth and personnel management.



**2008** – Construction of the District’s fourth station, Station 87, was completed and new Type I and Type III engines were purchased.

**2013** – The District entered into a Shared Services Agreement with Rescue Fire Protection District.

**2014** – The District annexed Latrobe Fire District and increased staffing to support the addition. The District’s fifth station, Station 91, was added as a part of the annexation.

**2016** – The District implemented a Water Rescue program.

**2020** – The District opened an Employee Development Center to provide employee-focused development and training.

**2020** – A Community Emergency Response Team (CERT) was established.

**2021** – The District deployed CPR compression devices to every front-line apparatus.

**2022** – The Shared Services Agreement with Rescue Fire Protection District was terminated.

**2022** – The District increased staffing at Station 91 to three firefighters daily.

**2022** – The Board of Directors voted to award the contract to build the El Dorado Hills Fire Department Training Center. Construction began in April 2022.

**2023** – Construction of Phase 1 of the Training Facility was completed in July 2023 and use of the facility immediately followed.



## THE DISTRICT TODAY

The El Dorado Hills County Water District was formed under Section 30320 of the Water Code of the State of California. The District is governed by a five-member Board of Directors, each of which is elected by the voters within the District’s operating boundaries for staggered four-year terms, every two years. Every year, the Board members select a President and Vice President. The Board of Directors meets monthly to discuss District business and take action, if needed. The Board of Directors adopts a preliminary budget by June 30 each year for the fiscal year beginning July 1. A final budget is adopted by the Board of Directors no later than October 1 each year. If needed, an adjusted budget may be adopted mid-fiscal year. The District budget is prepared at the fund level. Currently the District operates one fund, the general fund.

The Fire Chief, appointed by the Board, is responsible for managing the day-to-day operations of the Department as well as the long-term strategic goals established by the Board of Directors. The Fire Chief is supported by an executive staff team consisting of a Deputy Chief of Administration, Deputy Chief of Operations, Director of Finance, Director of Human Resources and Fire Marshal.

The Deputy Chief of Administration manages the information technology function within the Department, the hosted training program, the initiation of Department grants, the fire investigation program, pandemic response, and other special projects. The Deputy Chief of Operations is responsible for the delivery of emergency services to the community the District serves, as well as the coordination and execution of the training and education of suppression personnel, and management of the Department’s fleet. The Director of Finance is responsible for the District’s financial policies, systems and procedures, including but not limited to cash management, investments, accounting and financial reporting, budgeting, accounts payable/receivable, and payroll. The Director of Human Resources oversees the recruiting, hiring, and retention of District employees, employee relations, personnel standards and policies, performance

management, benefits administration, leave management, workers' compensation administration, risk management, and labor negotiations. The Fire Marshal is responsible for managing the District's community risk reduction division, which includes community development, compliance and preparedness.

## **ADMINISTRATION**

The Administrative Division of the El Dorado Hills Fire Department provides support services that are essential in maintaining operational readiness. The areas managed by this division include Information Technology, Grants Administration and Hosted Training.

### Information Technology

Information Technology is responsible for providing data, voice, and video communications to the Department's five fire stations, administrative building, training center, employee development center and all fire engines and utility vehicles.

### Grants Administration

Grant programs are managed in the Administrative Division. The Department participates in the Federal Emergency Management Agency's Assistance to Firefighters Grant, El Dorado County's Transient Occupancy Program, and the American Rescue Plan Act Grant. Special smaller grants are applied for as time and opportunity allows.

### Hosted Training

The Department has continued to expand and enhance its hosted training program, which offers courses to aid in the professional development of public safety professionals across the state of California. In fiscal year 2022-23, the Department hosted 53 unique training opportunities at the Employee Development Center with participant enrollment of over 1,200 students. Through this program, the Department is also able to offer local training courses to its internal employees that would have otherwise been off-site, requiring out of town travel.

## **OPERATIONS**

The Operations Division plays a key role in accomplishing the core mission of the El Dorado Hills Fire Department. The primary functions of this Division include Suppression, Emergency Medical Services (EMS), Special Operations, Training, and Fleet Maintenance.

### Suppression

The Department is responsible for protecting and preserving life and property from loss and/or injury due to the impact of fire, natural disasters, accidents, and other emergency situations. This is accomplished through the daily staffing of five fire stations with nineteen (19) highly qualified and well-trained suppression personnel. The Department provides 24/7 staffing of five (5) front-line Fire Engines, one (1) Ladder Truck, and one (1) ambulance unit, ensuring it is ready to respond when called on.

### Emergency Medical Services (EMS)

The majority of calls the Department responds to are for medical emergencies. The Operations Division is committed to responding to these calls with the highest level of service and professionalism, ensuring its

emergency medical technician (EMT) and paramedic personnel are both well-trained and fully equipped. Formally licensed by the State of California Emergency Medical Services Authority, EMTs provide basic life support (BLS) and paramedics provide advanced life support (ALS). The Department provides 100% ALS response from all five of its fire stations on a daily basis and is committed to the highest standard in the deployment of medical services. All employed Firefighters, Engineers and Captains are licensed paramedics, exemplifying this commitment.

### Training

The Training Division promotes the quality and continuous improvement of service to the District through the planning, development and facilitation of various training courses and drills. The goal of the division is to invest in and develop Department employees, so they are not only able to safely meet the high demands placed upon them, but also so they can continue to grow both personally and professionally. Employees are trained on a wide range of relevant and up-to-date industry standards, skills and disciplines through both classroom instruction and live simulations.

### Special Operations

Special Operations programs were developed to enhance the response to incidents that are outside the scope of typical emergency calls. These programs include Hazardous Materials (HAZMAT), Technical Rescue, Urban Search and Rescue (US&R), Swift Water Rescue, Tactical Emergency Medical Support (TEMS), and Unmanned Aviation Systems (UAS). EDH Fire supports six (6) active members on the California Urban Search and Rescue Task Force 7 (CA-TF-7) team, one of twenty-eight (28) US&R task forces in the nation, and one of eight (8) in California.

### Fleet Maintenance

EDH Fire's Fleet Maintenance Division is managed under the Operations Division with one Fire Equipment Mechanic working from a mobile platform, maintaining a fleet of about 36 emergency and support vehicles. This includes five front-line Type 1 engines, three reserve Type 1 engines, one aerial apparatus, three Type 3 engines, one Rescue unit, one Water Rescue unit (includes pull vehicle and boats), one Air Support unit, and numerous administration, utility, CRR, and fleet vehicles. Most fleet services and repairs are performed in-house, ranging from routine service and maintenance to engine, transmission, and pump repairs.

## **FINANCE**

The Finance Division provides financial services to support the operating functions of the Department. This includes payroll, financial accounting, budgeting, reporting and long-range planning. It is the Finance Division's responsibility to ensure that sound financial policies, procedures and internal controls are in place and are being complied with, ensuring that assets are being safeguarded and financial information is being reported in a timely and accurate manner. Finance works closely with other divisions to provide support and see that resources are allocated where needed to meet the Department's goals and overall mission of serving the community.

## **HUMAN RESOURCES**

The Human Resources Division is dedicated to enhancing Department values and exceeding expectations through collaborative teamwork, excellent customer service, and equal employment opportunity. Human



Resources provides a full range of services designed to support the Department’s mission through recruiting, retaining and developing qualified and productive employees, which are the Department’s most valuable asset.

## **COMMUNITY RISK REDUCTION**

The Community Risk Reduction Division (CRRD) mission is to enhance the community’s safety by reducing fire and other emergency events through high-quality fire prevention services such as plan review, inspection, public education, exterior hazard mitigation, CERT, and fire investigation.

CRRD members work with builders and developers to ensure new development is consistent with local Building and Fire Codes and ordinances. CRRD members also identify and eliminate hazards that pose a risk to life and property through code enforcement and fire and life safety inspection.

Through our comprehensive vegetation hazard mitigation program, CRRD members provide residents with critical wildfire education, preparedness, and information on defensible space to ensure wildfire readiness and resiliency.

The Community Emergency Response Team (CERT) consists of El Dorado Hills community residents who volunteer their time to receive specialized training to prepare them to assist our community and first responders in an emergency event. CERT members are our neighbors and a valuable part of the community outreach efforts of the El Dorado Hills Fire Department.

## **ECONOMIC ANALYSIS**

---

### **LOCAL ECONOMY**

El Dorado Hills County Water District operates in the affluent communities of El Dorado Hills and Latrobe, California. The District’s primary financial drivers are property tax revenues, comprising about 82% of total revenues in fiscal year 2022-23, and the cost of wages and benefits, which made up about 84.8% of total expenses in fiscal year 2022-23. Both these components of the financial statements are heavily influenced by economic factors outside of the District’s control.

Property tax revenues depend on the growth rate in District assessed value. The Finance Division monitors key trends that impact assessed value, including trends in new development within the District, the local housing market, and local, state and federal laws and regulations. While the District’s assessed value has experienced positive annual growth since fiscal year 2012/13, there are some recent indicators that this growth could be slowing. Fortunately, there has historically been a delay between when these types of indicators initially appear and when the District’s assessed value growth rate is impacted. This gives the District management time to plan and adjust spending if needed.

The District has several approved development projects in the pipeline, both residential and commercial. The positive impact this will have on assessed value will be realized in the years to come once development is completed. However, the District continues to see a decline in the rate of development impact fee

collections, indicating a potential slowdown in new development applications. Management will continue to monitor this trend and its potential impact.

Similar to new development, the local housing market has experienced substantial growth in recent years but is starting to show signs of slowing. The dramatic rise in mortgage rates in recent years has reduced the buying power of the average homebuyer, and the market is starting to see a negative impact on home sales. While low market inventory has helped keep home prices in El Dorado Hills and Latrobe somewhat stable, there has still been a decline from the prior year. Redfin reported the median sales price of a home in June 2023 to be \$890,000 compared to \$950,000 in June 2022, a drop of 6.3%. Furthermore, thirteen (13) of the previous fifteen (15) months ending October 2023 show a decrease in the median sales price from the same month the previous year. The median number of days a home is listed on the market has also consistently increased when compared to the same month one year prior. These are both signs of a slowing real estate market.

In November 2020, California voters passed Proposition 19, which became effective in April 2021. Proposition 19 allows eligible homebuyers (defined as those over the age of 55, severely disabled, or whose homes were destroyed by wildfire or disaster) to transfer their primary residence's property tax base value to a replacement residence of any value, anywhere in the state up to three times. Because El Dorado Hills has a large number of 55 and older communities, this is expected to have a negative impact on the District's assessed value in the future, though the significance of this impact is yet to be determined.

While property tax revenue growth is showing signs of slowing in the near future, the cost of wages and benefits are rising. Economic factors that impact the cost of labor include health insurance rates, workers' compensation rates, inflation, and supply and demand for qualified employees. The local and state-wide job market has experienced a shortage of qualified Paramedics in recent years. This makes it imperative that the District remain competitive with the salary and benefits package offered to employees. Rising inflation also adds to pressures for the District to keep wages in line with the cost of living. Further, high inflation negatively impacts the rates the District pays for various benefits, including health and workers' compensation insurance.

## **LONG-TERM FINANCIAL PLANNING AND FINANCIAL POLICIES**

---

The Finance Division prepares long-range forecasts that reflect the most up-to-date financial estimates and assumptions. These five to ten-year forecasts provide both a current and long-range assessment of revenues, expenditures and fund balances. They are intended to serve as one of many valuable tools to help guide decision making in supporting the long-term financial sustainability of the District. If future deficits are projected, management is able to make adjustments that may prevent or minimize such deficits and develop contingency plans to ensure the District remains financially positioned to provide superior service.

The Board of Directors, executive staff and employees have a history of working together to ensure a strong and stable financial future for the District. The Board of Directors adopted a robust District Reserve Policy that promotes the pre-funding of unfunded liabilities, building/maintaining strong reserve balances, saving for future capital replacements, and planning for future increases in expenditures. This policy is



exemplified by the District’s aggressive approach in pre-funding pension and OPEB obligations. The District has made significant transfers into restricted Section 115 trust accounts to help offset these liabilities, in addition to making the required CalPERS pension contributions each year and funding other post-retirement benefits out of the annual operating budget. In addition, the District is committed to pre-funding capital purchases by setting aside funds each budget year based on a long-term Capital Replacement Schedule that is updated on a regular basis.

These policies and planning efforts not only strengthen the District’s net position, but allow for flexibility in the event of a future economic downturn. With strong reserve balances and a commitment to pre-funding capital purchases and pension and OPEB obligations, the District is well positioned to overcome any future economic challenges.

### **MAJOR INITIATIVES**

Major initiatives that impacted the 2022/23 financial statements and are expected to impact future budgets include completion and operation of a regional training facility, continued growth of the employee development center and hosted training program, modernization of the Department’s fire suppression fleet, collaboration with El Dorado County in the development of emergency response plans, and a continued focus on increasing customer satisfaction by reducing plan review turnaround times. The District also continues to analyze the existing communications system to increase firefighter safety, optimize service delivery to the community and meet industry best practices.

### **ACKNOWLEDGEMENTS**

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We would like to express our gratitude to all members of the District’s staff, particularly the members of the Finance Division who have dedicated much time and effort to the preparation of this report. We would also like to thank the Board of Directors for their trust, support and dedication to the sound financial management of the District.

Respectfully submitted,



Maurice Johnson  
Fire Chief



Jessica Braddock  
Director of Finance



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Government Finance Officers Association

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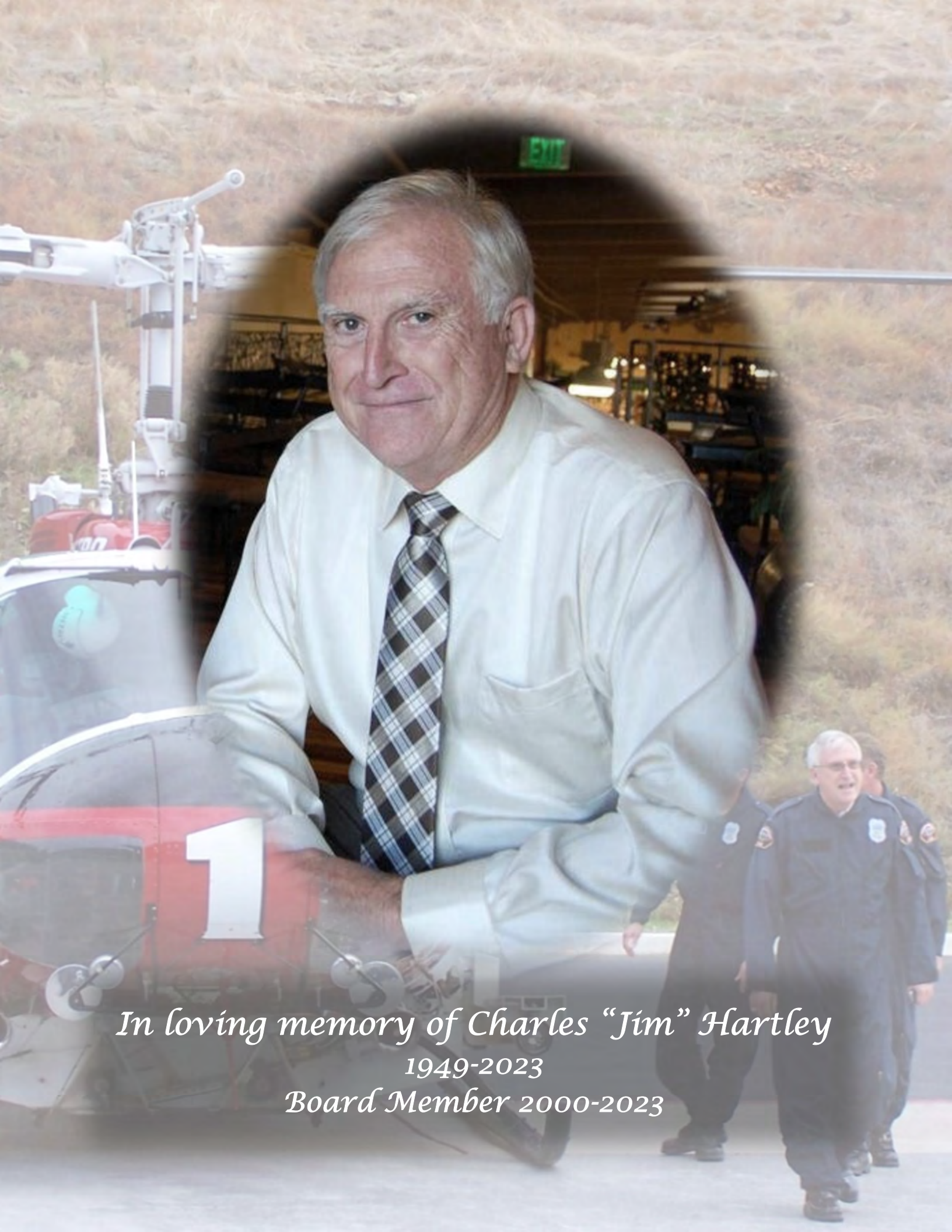
**El Dorado Hills County Water District  
California**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2022

*Christopher P. Morill*

Executive Director/CEO



*In loving memory of Charles "Jim" Hartley*

*1949-2023*

*Board Member 2000-2023*



# Directory of Officials

As of June 30, 2023

## BOARD OF DIRECTORS



Bobbi Bennett



John Giraud



Greg Durante



Jim Hartley



Timothy White

## EXECUTIVE STAFF



Maurice "Mo" Johnson  
Fire Chief



Michael Lilienthal  
Deputy Chief of Administration



Dustin Hall  
Deputy Chief of Operations



Jessica Braddock  
Director of Finance



Cora Hall  
Director of Human Resources



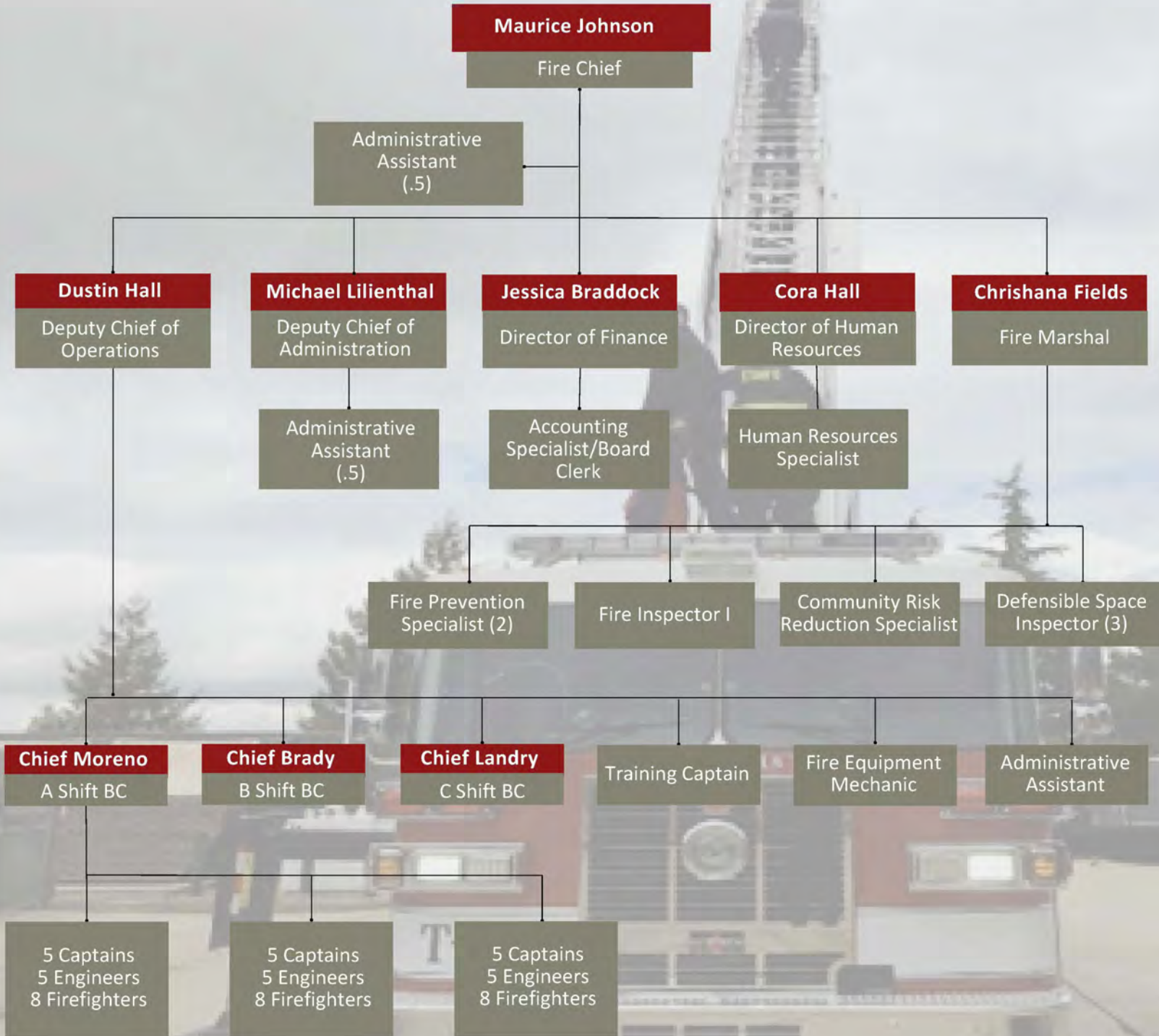
Chrishana Fields  
Fire Marshal

## BATTALION CHIEFS

Antonio Moreno, A-Shift  
David Brady, B-Shift  
Christopher Landry, C-Shift

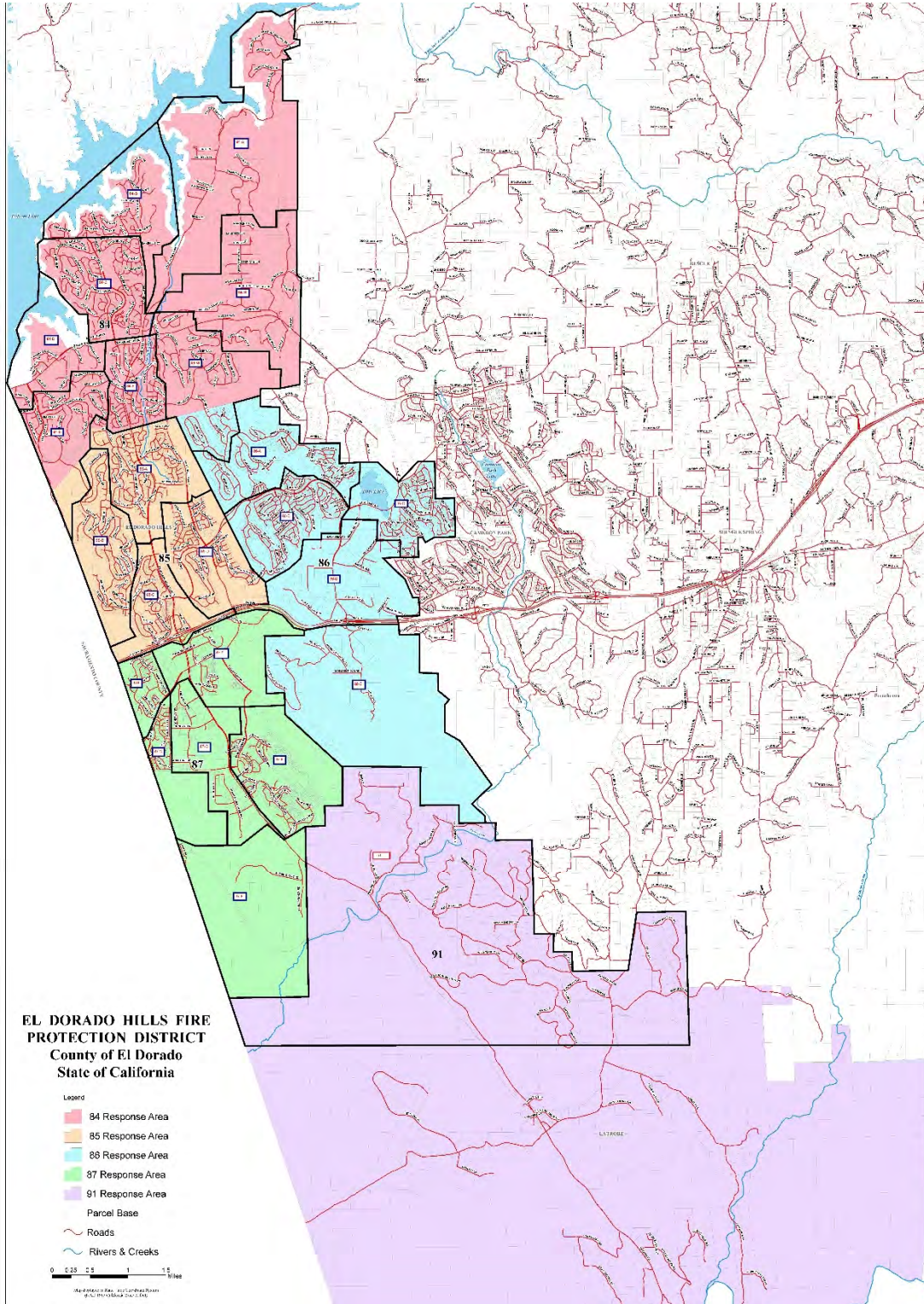
# El Dorado Hills Fire Department Organizational Chart

As of June 30, 2023





# District Map





# Stations and Facilities



**Station 84**  
2180 Francisco Dr.  
El Dorado Hills



**Station 85**  
1050 Wilson Blvd.  
El Dorado Hills



**Station 86**  
3670 Bass Lake Rd.  
El Dorado Hills



**Station 87**  
4680 Golden Foothill Pkwy.  
El Dorado Hills



**Station 91**  
7660 South Shingle Rd.  
Shingle Springs



**Employee Development Center**  
4640 Golden Foothill Pkwy. Ste. 10  
El Dorado Hills



**Training Center**  
Cypress Point Ct.  
El Dorado Hills





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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 Hills County Water District  
(dba El Dorado Hills Fire Department)  
El Dorado Hills, California

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities and the major fund of the El Dorado Hills County Water District (dba El Dorado Hills Fire Department) (the District) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the District as of June 30, 2023, and the respective changes in financial position for the year 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.

#### ***Basis for Opinions***

We conducted our audit 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Change in Accounting Principle***

As discussed in Note K to the financial statements, during the year ended June 30, 2023, the District adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 96, *Subscription-Based Information Technology Arrangements*. Our opinion is not modified with respect to this matter.

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the

To the Board of Directors  
El Dorado Hills County Water District  
(dba El Dorado Hills Fire Department)

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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibility for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.



To the Board of Directors  
El Dorado Hills County Water District  
(dba El Dorado Hills Fire Department)

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of revenues, expenditures and changes in fund balance - budget and actual – General Fund, the schedule of proportionate share of the net pension liability, schedule of contributions to the pension plan, schedule of changes in the net OPEB liability and related ratios and schedule of contributions to the OPEB 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***

Management is responsible for the other information in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion of any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 1, 2023 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 the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

*Richardson & Company, LLP*

December 1, 2023



## MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

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As management of the El Dorado Hills County Water District ("Fire Department" or "District"), we offer this Management Discussion and Analysis Report as an overview and analysis of the financial activities of the Fire Department for the fiscal year ended June 30, 2023.

Our discussion and analysis of the Fire Department provides the reader with an overview of its financial position and performance. The MD&A describes the significant changes from the prior year that occurred in general operations and discusses the activities during the year for capital assets. We encourage the reader to consider the information presented here in conjunction with the additional information furnished in our annual financial report, including the financial statements and notes to the financial statements.

### FINANCIAL HIGHLIGHTS

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#### Government-wide Financial Statements

- The District ended the fiscal year with a positive net position of \$41,449,719. This is made up of \$33,782,588 in net capital assets, \$2,874,187 in assets that are restricted for qualifying capital improvements related to District growth, and another \$6,539,051 in assets that are restricted for the payment of pension benefits. Unrestricted net position ended at a *deficit* of \$1,746,107, a decrease of \$1,710,273 from the prior year's unrestricted net position *deficit*.
- The net pension liability increased from the prior year to \$26,158,670 and the net OPEB (other post-employment benefits) liability increased to \$14,335,551. Total combined net pension and OPEB liabilities were \$40,494,221 as of June 30, 2023, a total net increase of \$18,648,437 from the prior year. This significant increase is mostly due to the impact of lower-than-expected investment earnings in fiscal year 2021/22 and is *partially* offset by a decrease in pension and OPEB deferred inflows of \$6,054,440 and \$1,499,187, respectively. The decrease in deferred inflows reflects the deferral of recognizing the 2021/22 investment loss as well as differences between the employer's contributions and its proportionate share of contributions. Pension and OPEB deferred outflows increased by \$7,306,587 and \$1,294,125, respectively, which represents changes in assumptions, differences between projected and actual investment earnings (deferral of the investment loss), difference between expected and actual experience, change in employer's proportion and contributions made subsequent to the measurement date of 6/30/2022.

#### Fund Financial Statements

- General fund expenditures for the year exceeded revenues by \$5,417,956. This is the result of non-recurring purchases, including capital outlay expenditures of \$10,972,253.
- A net amount of \$73,725 was transferred out of the District's capital replacement fund in fiscal year 2022/23, which is reported as the committed fund balance.
- The District's general fund reported a total fund balance of \$31,797,452. Of this balance, \$22,384,214 is unrestricted. The portion of the unrestricted balance committed for future capital replacements is \$5,036,291. Another \$379,991 of the unrestricted balance is comprised of

prepaid amounts that are reported as non-spendable funds. The remaining \$16,967,932 of unrestricted fund balance represents approximately 72% of the year's total fund operating expenditures, a decrease from 74% in the prior year. This is consistent with the District's Reserve policy, which requires a minimum unrestricted fund balance of 50% annual operating expenditures.

## **ANNUAL REPORT OVERVIEW**

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The District maintains its accounts in accordance with general accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB). The attached audit report is comprised of the management's discussion and analysis (this section), the basic financial statements, and the required supplementary information (RSI). The basic financial statements include governmental fund financial statements, government-wide financial statements and notes to the basic financial statements.

### **Government-Wide Financial Statements**

The government-wide financial statements include a *Statement of Net Position* and *Statement of Activities*. These statements report financial information using the full accrual basis of accounting and reflect a longer-term perspective of the District's activities and financial position.

The *Statement of Net Position* presents all of the District's assets, deferred outflows, liabilities and deferred inflows, both current and non-current, on a full accrual basis. The difference between assets/deferred outflows and liabilities/deferred inflows is reported as net position, an important indicator of the financial health of the District.

The *Statement of Activities* presents the District's revenues and expenses on the full accrual basis (i.e. revenue is recorded when earned and expenses are recorded when incurred, regardless of the timing of the associated cash flows), and shows how the District's net position changed during the reported fiscal year.

### **Governmental Fund Financial Statements**

Unlike the government-wide financial statements, the governmental fund financial statements present a near-term perspective and focus on the short-term activities of the District. All the District's activities are reported in the general fund. A modified accrual basis of accounting is reflected, which measures cash and all other financial assets that can be readily converted into cash.

The fund statements are comprised of a *Balance Sheet* and a *Statement of Revenues, Expenditures, and Changes in Fund Balances*. The fund *Balance Sheet* reflects assets and liabilities that are generally current in nature. The differences between governmental activities (government-wide statements) and governmental funds are reconciled as shown in the "adjustments" column between the two statements and in Note J to the financial statements.

### **Notes to the Basic Financial Statements and Required Supplementary Information**

Notes provide additional information that is essential for a reader to fully understand the data provided in the government-wide and fund financial statements. In addition to the notes, the report contains required supplementary information which provides detail to further support the information in the basic financial statements.

## FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

The analysis below is based on information found in the District’s Government-Wide Statement of Activities and Statement of Net Position using the full accrual basis of accounting.

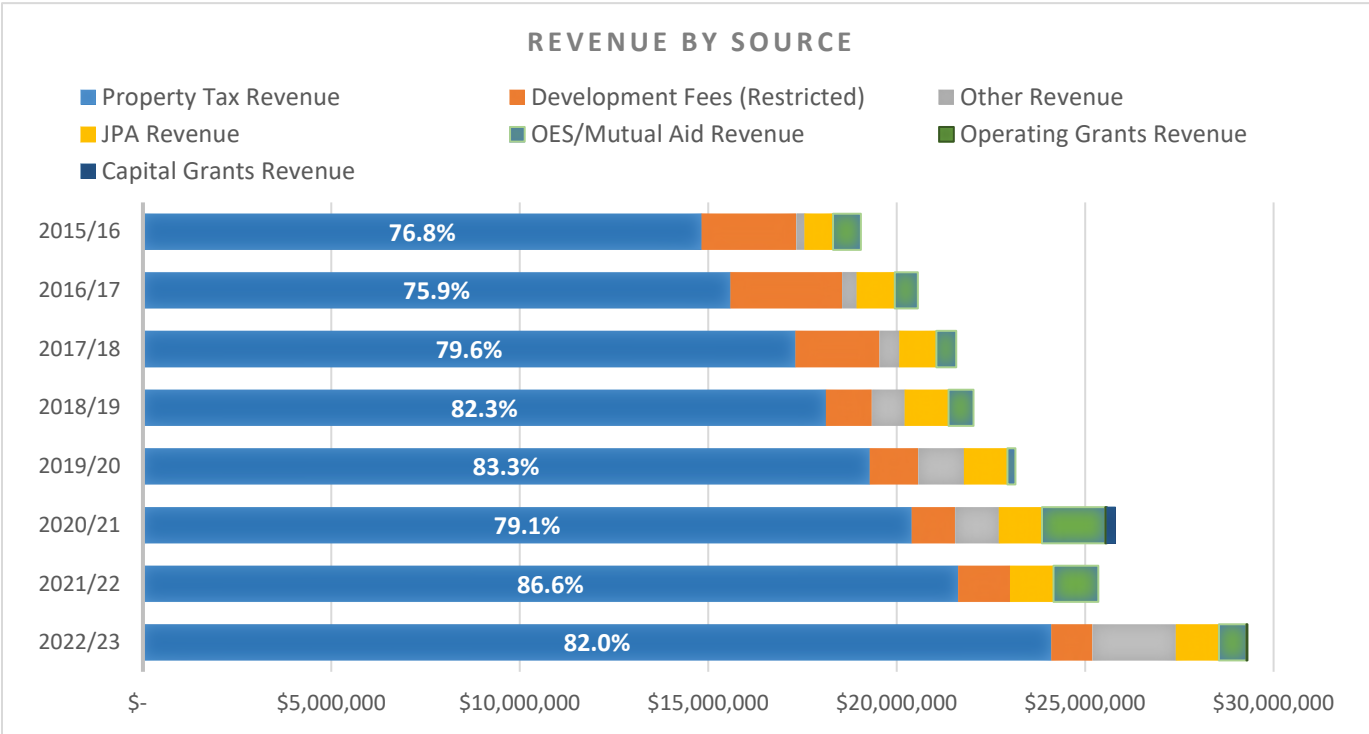
### General and Program Revenues

Table 1 shows a condensed schedule of revenues compared with the prior year. Total revenues for fiscal year 2022/23 increased by \$4,414,636 from the prior year. The primary source of funding for the District to provide services is property taxes, which made up approximately 82% of total revenues in 2022/23. Property tax revenues increased by \$2,471,991, or 11.4% from the prior year, primarily due to growth in the District’s assessed value and growth in supplemental tax revenue. Development fee revenue decreased by \$293,090 or 21.3% from the prior year as the result of a decrease in new development permits within the District. Investment Earnings increased by \$1,977,842, or 180.5% from the prior year due to unrealized gains on investments as well as an increase in interest earnings from the prior year. Other revenue increased by \$602,567, or 82.2% from the prior year, mostly due to contributions of \$200,000, an increase in hosted training revenue, and an increase in Community Risk Reduction Division (CRRD) cost recovery fees. JPA revenue increased by \$100,688, or 8.8%, from the prior year due to an increase in the contracted Class 30 reimbursement cap. There was a decrease of \$470,044, or 39.4%, in California Office of Emergency Service (OES)/Mutual-Aid revenue due to a less severe fire season resulting in fewer resources dedicated to strike team incidents. The District collected \$24,683 in federal operating grants in 2022/23 to reimburse for qualifying COVID-19 expenditures that were incurred in prior years.

**TABLE 1**  
Condensed Schedule of Revenues

	2022/23	2021/22	\$ Change	% Change
<b>General Revenues</b>				
Property Tax Revenue	\$ 24,102,775	\$ 21,630,784	\$ 2,471,991	11.4%
Development Fees	1,083,578	1,376,668	(293,090)	-21.3%
Investment Earnings	882,103	(1,095,739)	1,977,842	180.5%
Other Revenue	1,335,922	733,355	602,567	82.2%
Total General Revenues	\$ 27,404,378	\$ 22,645,068	\$ 4,759,310	21.0%
<b>Program Revenues</b>				
JPA Revenue	\$ 1,250,688	\$ 1,150,000	\$ 100,688	8.8%
OES/Mutual Aid Revenue	724,136	1,194,181	(470,044)	-39.4%
Operating Grants Revenue	24,683	-	24,683	N/A
Capital Grants Revenue	-	-	-	N/A
Total Program Revenues	\$ 1,999,507	\$ 2,344,181	\$ (344,674)	-14.7%
<b>Total Revenues</b>	<b>\$ 29,403,885</b>	<b>\$ 24,989,249</b>	<b>\$ 4,414,636</b>	<b>17.7%</b>

The chart on the following page shows revenue by source from fiscal year 2015/16 to present. Property tax revenues have historically represented between 75-87 percent of total District revenues.



**Expenses**

Table 2 shows a condensed schedule of expenses compared with the prior year. Total expenses for fiscal year 2022/23 increased from prior year by \$6,909,126 or 34.1%. Most of the District’s cost to operate is comprised of labor costs. Wages and benefits made up approximately 84.8% of total expenses for the fiscal year and increased by \$6,229,983, or 37%, from 2021/22. This is mostly due to a significant increase in pension and OPEB expense in 2022/23 resulting from an increase in the District’s calculated pension and OPEB unfunded liabilities. There were also significant cost increases in base salaries and wages, workers’ compensation insurance premiums, health premiums, and the compensated absences liability true-up. Professional services and IT costs increased by \$152,693, or 22.4% from the previous fiscal year mostly due to an increase in legal fees, consulting services, and software license costs. Maintenance costs increased by \$108,895, or 29.1% from the prior year, which is due to a rise in the cost of parts & supplies, tires, radio maintenance, and facilities maintenance. Other operating expenses also increased from prior year by \$359,082, or 30.8%, mostly due to increases in the following expense categories: hosted training, non-hosted training, transportation & travel, utilities, network/communications, and property/general liability insurance. Finally, depreciation and amortization expense increased due to an increase in depreciable capital assets as well as the implementation of GASB 96 for software subscriptions.

**Table 2**  
**Condensed Schedule of Expenses**

	2022/23	2021/22	\$ Change	% Change
<u>Public Protection</u>				
Wages & Benefits	\$ 23,064,777	\$ 16,834,794	\$ 6,229,983	37.0%
Professional Services & IT	833,683	680,990	152,693	22.4%
Maintenance	483,867	374,882	108,985	29.1%
Other Operating Expense	1,524,865	1,165,783	359,082	30.8%

**Table 2 (continued)**  
**Condensed Schedule of Expenses**

	2022/23	2021/22	\$ Change	% Change
Total Public Protection	\$ 25,907,192	\$ 19,056,449	\$ 6,850,743	35.9%
Debt Service Interest Expense	\$ 7,096	\$ 7,033	\$ 63	0.9%
Depreciation/Amortization Expense	\$ 1,274,020	\$ 1,215,700	\$ 58,320	4.8%
<b>Total Expenses</b>	<b>\$ 27,188,308</b>	<b>\$ 20,279,182</b>	<b>\$ 6,909,126</b>	<b>34.1%</b>

**Net Position**

The District's net position of \$41,449,719 at June 30, 2023 increased by \$2,233,827, or 5.7% from the prior year. Tables 3 and 4 summarize the components of the District's net position compared to the prior year.

**Table 3**  
**Condensed Schedule of Net Position**

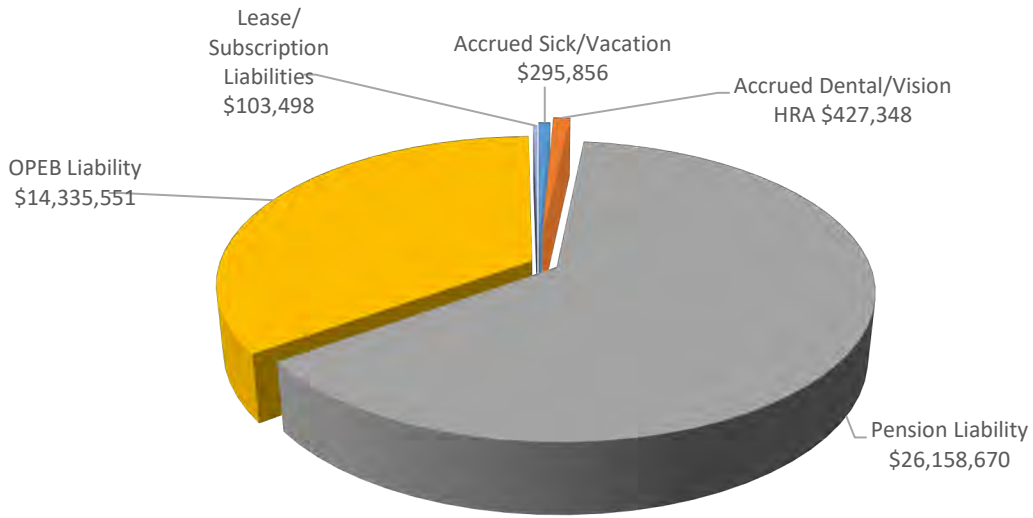
	June 30, 2023	June 30, 2022	\$ Change	% Change
<b>Assets:</b>				
Cash and Investments	\$ 29,764,786	\$ 38,236,060	\$ (8,471,274)	-22.2%
Other Current Assets	3,400,910	467,675	2,933,235	627.2%
Lease Receivable - Non-Current	650,775	677,741	(26,966)	-4.0%
Capital Assets	34,583,232	24,606,202	9,977,030	40.5%
Total Assets	68,399,703	63,987,678	4,412,025	6.9%
<b>Deferred Outflows of Resources</b>	<b>21,808,227</b>	<b>13,207,515</b>	<b>8,600,712</b>	<b>65.1%</b>
<b>Total Assets &amp; Deferred Outflows</b>	<b>\$ 90,207,930</b>	<b>\$ 77,195,193</b>	<b>\$ 13,012,737</b>	<b>16.9%</b>
<b>Liabilities:</b>				
Current Liabilities	\$ 2,425,170	\$ 2,481,624	\$ (56,454)	-2.3%
Long-Term Liabilities	41,320,923	22,884,106	18,436,817	80.6%
Total Liabilities	43,746,093	25,365,730	18,380,363	72.5%
<b>Deferred Inflows of Resources</b>	<b>5,012,118</b>	<b>12,613,571</b>	<b>(7,601,453)</b>	<b>-60.3%</b>
<b>Total Liabilities &amp; Deferred Inflows</b>	<b>\$ 48,758,211</b>	<b>\$ 37,979,301</b>	<b>\$ 10,778,910</b>	<b>28.4%</b>
<b>Net Position:</b>				
Net Investment in Capital Assets	\$ 33,782,588	\$ 23,347,848	\$ 10,434,740	44.7%
Restricted for Capital Improvements	2,874,187	9,577,853	(6,703,666)	-70.0%
Restricted for Pension Benefits	6,539,051	6,326,025	213,026	3.4%
Unrestricted	(1,746,107)	(35,834)	(1,710,273)	4,772.8%
<b>Total Net Position</b>	<b>\$ 41,449,719</b>	<b>\$ 39,215,892</b>	<b>\$ 2,233,827</b>	<b>5.7%</b>

The increase in net position from prior year is attributable to the following:

- **Other Current Assets** increased by \$2,933,235, or 627.2% from the prior year. This increase is primarily due to deposits made for the purchase of two Type I Engines that are expected to be delivered in fiscal year 2024/25. There was also an increase in District receivables due to the timing of invoice collection.
- **Capital Assets** increased by \$9,977,030, or 40.5% from the prior year mostly as a result of significant progress made on the phase 1 training facility construction during fiscal year 2022/23.
- **Deferred Outflows** relating to both pension and OPEB increased by \$8,600,712, or 65.1% from prior year due to changes in assumptions, differences between projected and actual investment earnings, difference between expected and actual experience, change in employer’s proportion and contributions made subsequent to the measurement date of 6/30/2022.
- **Deferred Inflows** relating to both pension and OPEB decreased by \$7,601,453, or 60.3% from the prior year due to differences between projected and actual investment earnings and differences between the employer’s contributions and its proportionate share of contributions.

The increases in net position described above were *partially* offset by the following:

- **Cash and investments** decreased by \$8,471,274, or 22.2% mostly due to a decrease in restricted funds that were used to fund training facility construction costs.
- **Long-term Liabilities** increased by \$18,436,817, or 80.6% from the previous year. This increase is due to significant increases in the net pension and OPEB liabilities. Pension and OPEB unfunded liabilities make up approximately 98% of the District’s total long-term liabilities. The net pension liability does not reflect approximately \$6.5M in District assets held in a section 115 trust account that is restricted for pension benefits. The pie chart below shows a breakdown of the District’s long-term liabilities as of June 30, 2023:



■ Accrued Sick/Vacation ■ Accrued Dental/Vision ■ Pension Liability ■ OPEB Liability ■ Lease/ Subscription Liabilities



**Table 4**  
**Schedule of Changes in Net Position**

	2022/23	2021/22	\$ Change	% Change
<b>Revenues</b>				
Program Revenues:				
Charges for Services	\$ 1,974,824	\$ 2,344,181	\$ (369,357)	-15.8%
Operating Grants and Contributions	24,683	-	24,683	N/A
General Revenues:				
Property Taxes and Assessments	24,102,775	21,630,784	2,471,991	11.4%
Fire Impact Fees	1,083,578	1,376,668	(293,090)	-21.3%
Investment Earnings	882,103	(1,095,739)	1,977,842	180.5%
Other Revenues	1,335,922	733,355	602,567	82.2%
<b>Total Revenues</b>	<b>\$ 29,403,885</b>	<b>\$ 24,989,249</b>	<b>\$ 4,414,636</b>	<b>17.7%</b>
<b>Expenses</b>				
Public Protection	25,907,192	19,056,449	6,850,743	35.9%
Interest on Long-term Debt	7,096	7,033	63	0.9%
Depreciation and Amortization	1,274,020	1,215,700	58,320	4.8%
<b>Total Expenses</b>	<b>\$ 27,188,308</b>	<b>\$ 20,279,182</b>	<b>\$ 6,909,126</b>	<b>34.1%</b>
Increase/(Decrease) in Net Position	2,215,577	4,710,067	2,494,490	53.0%
Net Position - Beginning (Restated)	39,234,142	34,505,825	4,728,317	13.7%
<b>Net Position - Ending</b>	<b>\$ 41,449,719</b>	<b>\$ 39,215,892</b>	<b>\$ 2,233,827</b>	<b>5.7%</b>

## FINANCIAL ANALYSIS OF THE DISTRICT'S GENERAL FUND

The District's general fund is broken down into an unassigned fund, a non-spendable fund (prepaids), a capital replacement fund (committed), a development fee fund (restricted), and a pension benefit fund (restricted). Fund balances totaled \$31,797,452 at the end of 2022/23, a decrease of \$5,417,956 from 2021/22. There were notable decreases in the capital replacement fund and the development fee fund due to construction of the training facility. The unassigned, non-spendable, and restricted pension benefit funds increased from the prior year.

Table 5 below shows the detail of fund balances compared to prior fiscal year:

**Table 5**  
**Summary of Total Fund Balances**

	2022/23	2021/22	\$ Change	% Change
General Reserve Fund - Unassigned	\$ 16,967,932	\$ 15,896,200	\$ 1,071,732	6.7%
General Reserve Fund – Non-spendable	379,991	305,313	74,678	24.5%
Capital Replacement Fund - Committed	5,036,291	5,110,017	(73,726)	-1.4%

**Table 5 (continued)**  
**Summary of Total Fund Balances**

	2022/23	2021/22	\$ Change	% Change
<b>Unrestricted Fund Balances</b>	<b>\$ 22,384,214</b>	<b>\$ 21,311,530</b>	<b>\$ 1,072,684</b>	<b>5.0%</b>
Development Fee Fund - Restricted	2,874,187	9,577,853	(6,703,666)	-70.0%
Pension Benefit Fund - Restricted	6,539,051	6,326,025	213,026	3.4%
<b>Restricted Fund Balances</b>	<b>\$ 9,413,238</b>	<b>\$ 15,903,878</b>	<b>\$ (6,490,640)</b>	<b>-40.8%</b>
<b>Total Fund Balances</b>	<b>\$ 31,797,452</b>	<b>\$ 37,215,408</b>	<b>\$ (5,417,956)</b>	<b>-14.6%</b>

- The unassigned general reserve fund ended the fiscal year with a balance of \$16,967,932, an increase of \$1,071,732, or 6.7% from the prior year. This increase is due to an excess of revenues over expenditures excluding capital outlay expenditures, which were funded by the capital replacement and development fee funds.
- The non-spendable fund increased by \$74,678, or 24.5% from the prior year due to an increase in prepayments for future expenses.
- The committed, or capital replacement fund balance, decreased by \$73,726 from the prior year to \$5,036,291. This decrease is the result of capital outlay expenditures during the fiscal year in excess of contributions, or transfers into the fund.
- The restricted development fee fund balance ended the fiscal year at \$2,874,187, a 70% decrease from the prior year. This decrease resulted from qualifying expenditures from the fund, mostly for the training facility construction, in excess of development fee revenue and interest collections for the fiscal year. Outstanding reimbursements due to the general reserve fund from the development fee fund of \$1,098,333 for qualifying expenditures made in 2022/23 are reflected in these balances.
- No contributions were made to the District’s pension section 115 trust account during fiscal year 2022/23. The increase of \$213,026, or 3.4% in the pension benefit fund is due to an unrealized gain on investments.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

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Actual financial results are evaluated against the adopted (original) final budget and/or mid-year final budget on a monthly basis at the District’s regular board meetings. Table 6 on the following page shows a comparison of the final mid-year budget and actual results for fiscal year 2022/23:

**Table 6**  
**Condensed Schedule of Revenues and Expenditures**  
**Budget vs. Actual - General Fund**

	2022/23 Mid-Year Budget	2022/23 Actual	\$ Variance Favorable/ (Unfavorable)	% Variance Favorable/ (Unfavorable)
Total Revenues	\$ 28,620,398	\$ 29,123,697	\$ 503,299	1.8%
Total Expenditures	35,412,559	34,541,653	870,906	2.5%
<b>Net Change in Fund Balance</b>	<b>\$ (6,792,161)</b>	<b>\$ (5,417,956)</b>	<b>\$ 1,374,205</b>	<b>20.2%</b>

- Actual revenues exceeded budgeted revenues by \$503,299 due to the following:
  - There were unbudgeted gains on investment of \$185,521 due to unrealized gains in the District’s restricted PARS Section 115 trust accounts as of June 30, 2023.
  - Secured property tax revenue was favorable to budget by \$109,197 and supplemental tax revenue was favorable by \$59,826.
  - There was an increase of \$240,750 in the fair value adjustment from the prior year on El Dorado County cash balances.
  - There were partially offsetting unfavorable variances in the following revenue categories:
    - CRRD cost recovery fees were unfavorable to budget by \$130,708 due to the deferral of fees collected that were not earned as of June 30, 2023.
    - OES/Mutual-Aid revenue was unfavorable to budget by \$104,864 due to the deferral of revenue not collected within 90 days of the fiscal year-end.
    - Development fee revenue was unfavorable to budget by \$114,387.
- Actual expenditures were favorable to the final budget by \$870,906, mostly due to the following:
  - Wages and benefits were favorable to budget by \$542,351, mostly due to the delay in timing of a budgeted OPEB discretionary lump sum payment. Base salaries and wages were also slightly favorable to the budget.
  - Capital outlay costs were favorable to budget by \$270,371, mostly due to a delay in the timing of training facility expenditures.

**CAPITAL ASSETS**

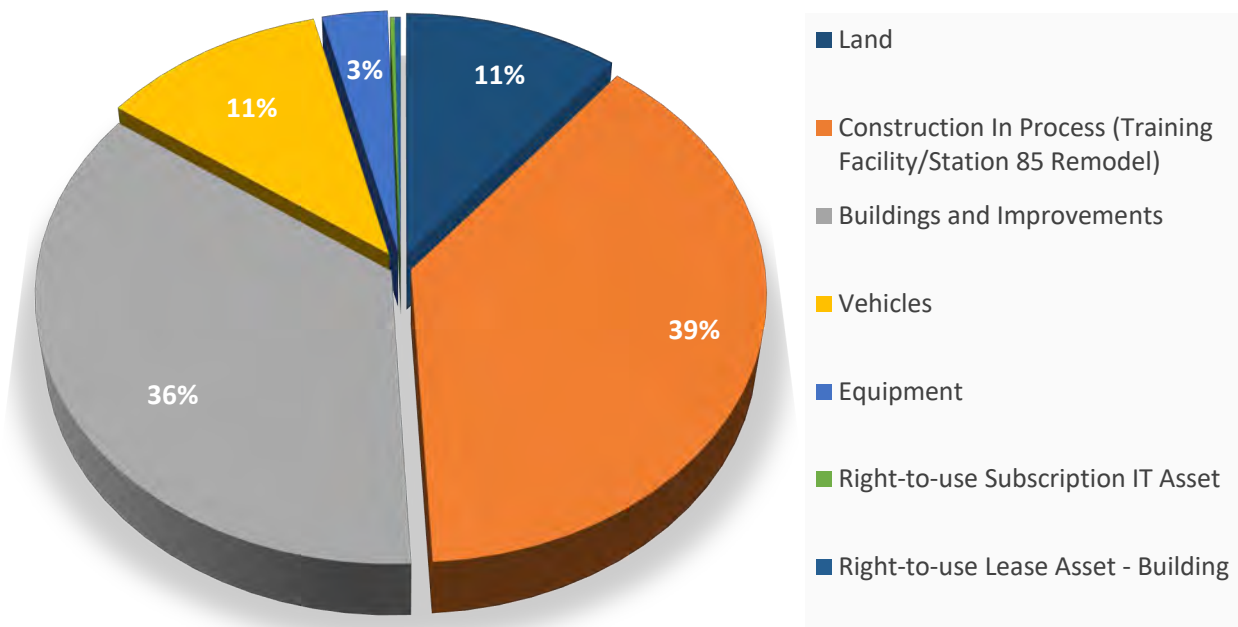
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The District purchased capital assets totaling \$10,972,252 in 2022/23. This includes \$9,217,062 in construction expenditures on Phase 1 of the Training Center and \$1,141,752 on the purchase of new apparatus, including a Type 3 Engine, a command vehicle, two (2) Deputy Chief vehicles, a mechanic vehicle, a Battalion Chief vehicle, and a mechanic lube trailer. The District also purchased new SCBA’s for \$533,683, a new air compressor for \$89,633 and six (6) thermal imaging cameras for \$20,546.

Portable radios were purchased for \$118,866, and another \$9,998 was spent on office equipment. Finally, \$5,505 was spent on the design phase of the planned Station 85 administration office remodel.

Approximately \$969,863 in assets were written off or disposed of in fiscal year 2022/23. The District recognized a nominal loss on disposal of \$14,638, as several of the disposed assets had a small remaining book value. District capital assets are valued at historical cost and depreciated over their estimated useful lives using the straight-line method. More information about capital assets may be found in Note C of the financial statements.

The chart and Table 7 below show a breakdown of the District’s capital assets (net of depreciation and amortization) by category:



**Table 7**  
**Capital Assets by Category (Net of Depreciation and Amortization)**

	2022/23	2021/22 (Restated)	\$ Change	% Change
Land	\$3,714,639	\$3,714,639	\$-	0.0%
Construction In Process (Training Facility/Station 85 Remodel)	\$13,284,459	\$4,061,892	\$9,222,567	227.1%
Buildings and Improvements	\$12,381,210	\$12,921,853	\$(540,643)	-4.2%
Vehicles	\$3,895,183	\$3,177,741	\$717,442	22.6%
Equipment	\$1,127,435	\$574,194	\$553,241	96.4%
Right-to-use Subscription IT Asset	\$77,863	\$93,436	\$(15,573)	N/A
Right-to-use Lease Asset - Building	\$102,443	\$155,883	\$(53,440)	-34.3%
<b>Total Capital Assets, Net</b>	<b>\$ 34,583,232</b>	<b>\$ 24,699,638</b>	<b>\$ 9,883,594</b>	<b>40.0%</b>

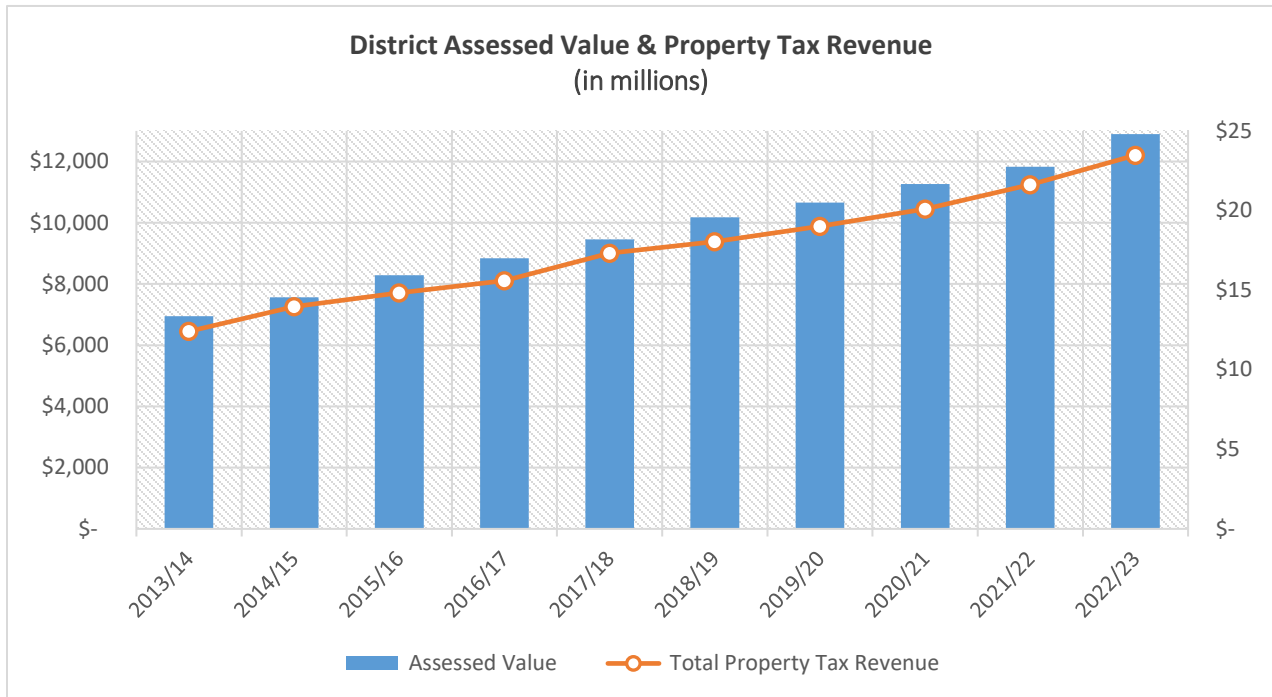
## LONG-TERM DEBT

The District's long-term liabilities consist of compensated absences, a health reimbursement arrangement (HRA) liability, lease/subscription liabilities, and the net pension and OPEB liabilities. The District does not have any other outstanding long-term debt. Additional information about the District's long-term debt may be found in Note E to the financial statements.

## ECONOMIC OUTLOOK

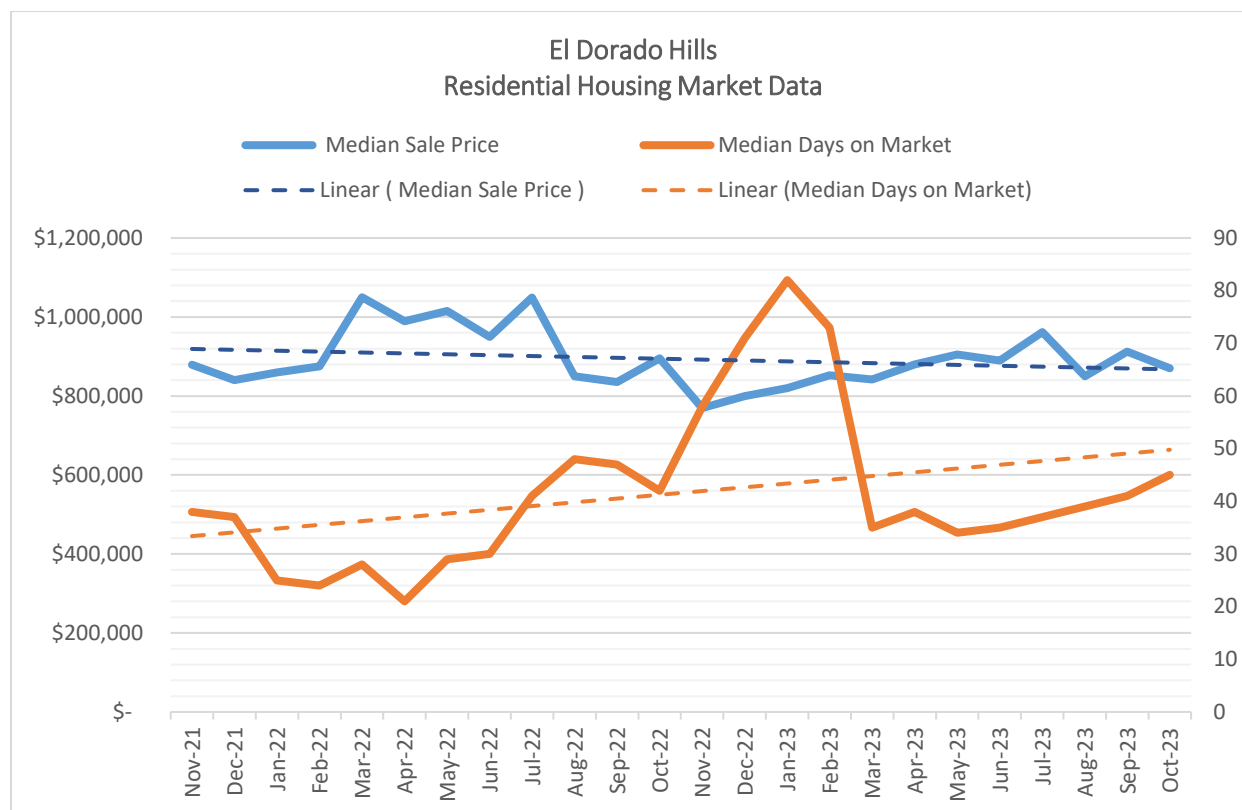
The District's net position remains strong and reflects financial stability. There is a continuing trend of increased Development within the District and property values remain at historic highs. However, the District continues to be mindful of the potential for an economic recession in the near term and the probable tapering of assessed value and property tax revenue growth. The District also expects the trend of rising costs to continue, anticipating further increases in insurance costs, pension and healthcare costs, and the cost of general goods and services due to economic inflation.

The District's primary source of revenue is property taxes, which are directly tied to property assessed values, new development, and the sale of existing properties. The chart below shows the rising trend in District assessed value and property tax revenue over the past 10 fiscal years:



Residential parcels comprise about 89% of the District's total assessed value. The local residential housing market has been very strong for several years, as is shown in the growing assessed value and property tax revenue trends above. However, the real estate market is starting to show signs of slowing. The chart on the following page shows a flattening, or slight decline, in the median home sales price in El Dorado Hills over the past two years and an increase in the average number of days a home is on the market. In June 2023, the median sales price of a home in El Dorado Hills was \$890,000, a 6.3% decrease from the median sales price of \$950,000 in June 2022. Furthermore, 13 of the previous 15 months ending October 2023

show a decrease in the median sales price from the same month the previous year. The median number of days a home stays on the market has increased in 21 of the 24 months shown in the chart below when compared to the same month the previous year.



District management continuously monitors and communicates economic trends, forecasts, and financial projections to ensure a sound fiscal position. Budgeting and spending is prioritized to align with the District’s mission, core values, and goals. The Fire Department is committed to maintaining and further enhancing its high level of service to the community. Part of doing so is ensuring the financial stability and longevity of the Department.

The Board of Directors and staff continue to be proactive in their efforts to keep healthy reserve balances and prefund pension and OPEB obligations whenever feasible. While the District did not make any discretionary transfers to its PARS pension or OPEB Section 115 trust accounts in fiscal year 2022/23, there are transfers totaling \$951,865 budgeted in 2023/24. These transfers serve to offset the District’s unfunded liability balances and may also be utilized to offset future qualifying pension and OPEB expenditures in the event of an economic downturn.

### CONTACTING THE DISTRICT’S FINANCIAL MANAGEMENT

For questions regarding this report, please contact the El Dorado Hills Fire Department Director of Finance at 1050 Wilson Blvd., El Dorado Hills, CA 95762. More information about the District can also be found at [www.edhfire.com](http://www.edhfire.com).



EL DORADO HILLS COUNTY WATER DISTRICT  
(DBA EL DORADO HILLS FIRE DEPARTMENT)

STATEMENT OF NET POSITION AND GOVERNMENTAL FUND BALANCE SHEET

June 30, 2023

	General Fund	Adjustments (Note J)	Statement of Net Position
<b>ASSETS</b>			
Cash and investments - unrestricted	\$ 20,351,548		\$ 20,351,548
Cash and investments - restricted	9,413,238		9,413,238
Receivables:			
Interest receivable - unrestricted	104,913		104,913
Due from other governments	506,637		506,637
Other receivables			
Deposits	2,386,874	\$ (4,471)	2,382,403
Prepaid costs	379,991		379,991
Leases receivable - current	26,966		26,966
Leases receivable - noncurrent	650,775		650,775
Capital assets:			
Nondepreciable		16,999,098	16,999,098
Depreciable, net		17,584,134	17,584,134
<b>TOTAL ASSETS</b>	<b>33,820,942</b>	<b>34,578,761</b>	<b>68,399,703</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension plan		13,525,373	13,525,373
Other postemployment benefits plan		8,282,854	8,282,854
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>		<b>21,808,227</b>	<b>21,808,227</b>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$ 33,820,942</b>	<b>56,386,988</b>	<b>90,207,930</b>
<b>LIABILITIES</b>			
Accounts payable	\$ 357,325		357,325
Salaries and benefits payable	159,858		159,858
Retention payable	559,957		559,957
Unearned revenue	208,244		208,244
Current portion of long-term liabilities		1,139,786	1,139,786
Noncurrent portion of long-term liabilities		41,320,923	41,320,923
<b>TOTAL LIABILITIES</b>	<b>1,285,384</b>	<b>42,460,709</b>	<b>43,746,093</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue	104,872	(104,872)	
Leases receivable	633,234		633,234
Pension plan		3,327,711	3,327,711
Other postemployment benefits plan		1,051,173	1,051,173
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>738,106</b>	<b>4,274,012</b>	<b>5,012,118</b>
<b>FUND BALANCES/NET POSITION</b>			
Fund balance:			
Nonspendable - prepaid costs	379,991	(379,991)	
Restricted for capital improvements	2,874,187	(2,874,187)	
Restricted for pension benefits	6,539,051	(6,539,051)	
Committed	5,036,291	(5,036,291)	
Unassigned	16,967,932	(16,967,932)	
<b>TOTAL FUND BALANCES</b>	<b>31,797,452</b>	<b>(31,797,452)</b>	
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 33,820,942</b>		
Net position:			
Net investment in capital assets		33,782,588	33,782,588
Restricted for capital improvements		2,874,187	2,874,187
Restricted for pension benefits		6,539,051	6,539,051
Unrestricted		(1,746,107)	(1,746,107)
<b>TOTAL NET POSITION</b>		<b>\$ 41,449,719</b>	<b>\$ 41,449,719</b>

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

EL DORADO HILLS COUNTY WATER DISTRICT  
(DBA EL DORADO HILLS FIRE DEPARTMENT)

STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUND REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCE

For the Year Ended June 30, 2023

	General Fund	Adjustments (Note J)	Statement of Activities
<b>EXPENDITURES/EXPENSES</b>			
Current:			
Public protection	\$ 23,500,728	\$ 2,406,464	\$ 25,907,192
Capital outlay	10,972,253	(10,972,253)	
Debt service - principal	61,576	(61,576)	
Debt service - interest	7,096		7,096
Depreciation and amortization		1,274,020	1,274,020
<b>TOTAL EXPENDITURES/EXPENSES</b>	<b>34,541,653</b>	<b>(7,353,345)</b>	<b>27,188,308</b>
<b>PROGRAM REVENUES</b>			
Charges for services			
Reimbursements from other agencies	1,974,824		1,974,824
Federal operating grants	24,683		24,683
<b>TOTAL PROGRAM REVENUES</b>	<b>1,999,507</b>		<b>1,999,507</b>
<b>NET PROGRAM EXPENSE</b>	(32,542,146)	7,353,345	(25,188,801)
<b>GENERAL REVENUES</b>			
Property taxes and assessments	24,102,775		24,102,775
Fire impact fees	1,083,578		1,083,578
Investment earnings	882,103		882,103
Other revenues	1,055,734	280,188	1,335,922
<b>TOTAL GENERAL REVENUES</b>	<b>27,124,190</b>	<b>280,188</b>	<b>27,404,378</b>
<b>NET CHANGE IN FUND BALANCE</b>	(5,417,956)	5,417,956	
<b>CHANGE IN NET POSITION</b>		7,633,533	2,215,577
Fund balance/net position, beginning of year	37,215,408	2,000,484	39,215,892
Restatement		18,250	18,250
Fund balance/net position, beginning of year	<b>37,215,408</b>	<b>2,018,734</b>	<b>39,234,142</b>
<b>FUND BALANCE/NET POSITION, END OF YEAR</b>	<b>\$ 31,797,452</b>	<b>\$ 9,652,267</b>	<b>\$ 41,449,719</b>

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

EL DORADO HILLS COUNTY WATER DISTRICT  
(DBA EL DORADO HILLS FIRE DEPARTMENT)

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements present the El Dorado Hills County Water District, which is doing business as (DBA) the El Dorado Hills Fire Department. The financial statements of the El Dorado Hills County Water District (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America 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 most significant accounting policies of the District are described below.

Background: The El Dorado Hills County Water District was formed by the Board of Supervisors of the County of El Dorado pursuant to Division 12, Part 2, Chapter 4, Section 30320 of the Water Code of the State of California. In 1963, the El Dorado Hills Fire Department was established under the El Dorado Hills County Water District. Ten years later, the citizens of El Dorado Hills voted to transfer all water and sewer system powers to the El Dorado Irrigation District; thereby leaving only fire protection under the direction of the District's Board.

The District's functions are governed by a five-member Board of Directors elected by the District's voting population. The Board of Directors manages the Fire Chief who oversees all financial, administrative and operational aspects of the District for the purpose of carrying-out fire and emergency services.

The District operates five fire stations. The District provides emergency medical services, rescue, fire suppression, and other public services as needed. The District is a member of the El Dorado County Emergency Services Authority (Authority), which also provides advanced life support and ambulance transport within the County. The District serves approximately 58,500 acres with approximately 18,644 homes and an estimated population of 49,617.

As discussed above, the District is a member of the Authority under a Joint Powers Agreement. The District is not responsible for the liabilities of the Authority upon withdrawal from the Authority and has a proportionate residual equity interest in any assets of the Authority upon its dissolution.

Basis of Presentation – Fund Financial Statements: The accounts of the District are organized on the basis of funds. A fund is a separate accounting entity with a self-balancing set of accounts. All of the District's activities are reported in the General Fund.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers all revenues to be available if they are collected within 90 days of the end of the current fiscal period or 60 days for taxes. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Payable balances consist primarily of payables to vendors.

Property and other tax revenues, reimbursements and interest earnings associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

EL DORADO HILLS COUNTY WATER DISTRICT  
(DBA EL DORADO HILLS FIRE DEPARTMENT)

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The District reports the following major governmental fund:

General Fund – The General Fund is the general operating fund of the District and accounts for revenues collected to provide services and finance the fundamental operations of the District. The fund is charged with all costs of operations.

Budgets: Budgets are adopted on a basis consistent with generally accepted accounting principles and in accordance with the District’s policy and procedure. Budgetary control is exercised by major object. All budgetary changes during the fiscal year require the approval of the District’s Board of Directors. Unencumbered budget appropriations lapse at the end of the fiscal year.

Restricted Assets: Restricted assets consist of \$2,874,187 of unspent fire impact fees collected by the County of El Dorado on the District’s behalf as well as \$6,539,051 of contributions to a Section 115 trust fund with the Public Agency Retirement Services (PARS) and related interest that is restricted to contributions to the District’s CalPERS pension plan as described in Note F. The impact fees are required to be spent on public facilities and equipment by the related County of El Dorado Ordinance. See Note H.

Prepaid Costs: Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid costs in both government-wide and fund financial statements. Prepaid costs of governmental funds are offset by a nonspendable portion of fund balance to indicate they do not represent resources available for future appropriation.

Capital Assets: Capital assets for governmental funds are not capitalized in the funds used to acquire or construct them. Capital acquisitions are reflected as expenditures in the governmental fund, and the related assets are reported in the government-wide financial statements. Capital assets are stated at historical cost or estimated historical cost if actual historical cost is not available. The cost of normal repairs and maintenance that do not add to the value of the asset or materially extend asset lives are not capitalized. Contributed capital assets are recorded at their acquisition value, which is the price that would be paid to acquire an asset with equivalent service potential in an orderly market transaction at the acquisition date.

Capital assets are defined by the District as assets with at least three years expected life and meet the required minimum value threshold seen below. Costs of assets sold or retired are eliminated from the accounts in the year of sale or retirement and the resulting gain or loss is included in the operating statement. In governmental funds, the sale of general capital assets is included in the statement of revenues, expenditures and changes in fund balances as proceeds from sale. Depreciation is recorded using the straight-line method over the useful lives of the assets as follows:

EL DORADO HILLS COUNTY WATER DISTRICT  
(DBA EL DORADO HILLS FIRE DEPARTMENT)

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

<u>Capital Asset Category</u>	<u>Threshold</u>	<u>Estimated Useful Life</u>
Land & easements	-	N/A
Building/improvements	50,000	39.5 years
Fire equipment (SCBA's)	1,000	8-15 years
Fire equipment (Other)	3,000	5-15 years
Hose (LDH)	3,000	15-20 years
Office equipment	3,000	3-7 years
Radio communications equipment	3,000	5 years
Fire apparatus	3,000	15 years
Vehicles	3,000	5-7 years
Furniture/fixtures/tools	3,000	3-7 years

Right-to-use lease assets are recognized at the lease commencement date and represent the District’s right to use an underlying asset for the lease term. Right-to-use lease assets are measured at the initial value of the lease liability plus any payments made to the lessor before the commencement of the lease term, less any lease incentives received from lessor at or before the commencement of the lease term, plus any initial direct costs necessary to place the lease asset into service. Right-to-use lease assets are amortized over the shorter of the lease term or useful life of the underlying asset using the straight-line method. The amortization period is 4 years.

Right-to-use subscription IT assets are recognized at the subscription commencement data and represent the District’s right to use the underlying IT asset for the subscription term. Right-to-use subscription IT assets are measured at initial value of the subscription liability plus and payments made to the vendor at the commencement of the subscription term, less any subscription incentives received from the vendor at or before the commencement of the subscription term, plus any capitalizable initial implementation costs necessary to place the subscription asset into service. Right-to-use subscription term or useful life of the underlying asset using the straight-line method. The amortization period is 6 years.

Deferred Outflows and Inflows of Resources: In addition to assets and liabilities, the balance sheet will sometimes report separate sections for deferred outflows and inflows of resources. Deferred outflows of resources represent a consumption of net assets by the government that is applicable to a future reporting period. Deferred inflows of resources represent an acquisition of net assets that is applicable to a future reporting period. These amounts will not be recognized as an outflow of resources (expense) or an inflow of resources (revenue) until the earnings process is complete. Deferred outflows and inflows of resources include amounts deferred related to the District’s leases receivable described in Note C and the pension and OPEB plans under GASB Statements No. 68 and No. 75, respectively, as described in Notes F and G. Unavailable revenues in governmental funds arise when a potential revenue source does not meet both the “measurable” and “available” criteria for recognition in the current period. Revenues unavailable because they were not received in the availability period are recognized for the government-wide presentation.

Unearned Revenues: Unearned revenues arise when resources are received by the District before it has legal claim to them (i.e., when grant monies are received prior to the incurrence of qualifying expenditures). The District’s unearned revenues at year-end consisted mainly of unearned Community Risk Reduction Division fees and Hosted Training Registration fees.

Compensated Absences: The District compensates employees for unused vacation and, subject to certain

EL DORADO HILLS COUNTY WATER DISTRICT  
(DBA EL DORADO HILLS FIRE DEPARTMENT)

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

conditions, sick leave upon separation from the District. The District's policy for sick leave states that sick leave will not be paid upon separation due to termination for cause, but otherwise up to 60% of accumulated sick leave will be paid to the employee or employee's beneficiary at retirement, separation or in the event of death. Sick leave may also be converted to service credit under the District's pension plan with CalPERS, which is excluded from the liability under GASB 16. All vacation is accrued when earned. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. The General Fund is used to liquidate compensated absences.

Lease and Subscription Liabilities: Lease liabilities represent the District's obligation to make lease payments arising from leases. Lease liabilities are recognized at the lease commencement date based on the present value of future lease payments expected to be made during the lease term. The lease payments are discounted at the rate inherent in the lease agreement or, if not determinable, at an estimated incremental borrowing rate.

Subscription liabilities represent the District's obligation to make subscription payments arising from subscription contracts. Subscription liabilities are recognized at the subscription commencement date based on the present value of the future subscription payments expected to be made during the subscription term. The subscription payments are discounted at the rate inherent in the lease agreement or, if not determinable, at an estimated incremental borrowing rate.

Fund Balance: In the fund financial statements, governmental funds report nonspendable, restricted, committed, assigned and unassigned balances.

Nonspendable Funds – Fund balance should be reported as nonspendable when the amounts cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. Nonspendable balances are not expected to be converted to cash within the next operating cycle, which are comprised prepaid costs.

Restricted Funds – Fund balance should be reported as restricted when constraints placed on the use of resources are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. Amounts reported as restricted funds represent impact fees collected for future capital expenditures as well as amounts held in a Section 115 trust fund for future contributions to the District's pension plan.

Committed Funds – Fund balance should be reported as committed when the amounts can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, which is a Resolution of the Board of Directors. These amounts cannot be used for any other purpose unless the Board modifies or removes the fund balance commitment with another Resolution of the Board of Directors. Committed fund balance represents the capital replacement fund approved by the Board of Directors for replacement or necessary improvement of fleet and facilities that exceeds routine maintenance.

Assigned Funds – Fund balance should be reported as assigned when the amounts are constrained by the government's intent to be used for specific purposes but are neither restricted nor committed.

Unassigned Funds – Unassigned fund balance is the residual classification and includes all spendable amounts that have not been restricted, committed, or assigned to specific purposes.



EL DORADO HILLS COUNTY WATER DISTRICT  
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NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

When both restricted and unrestricted resources are available, it is the District’s policy to use restricted resources, then unrestricted resources as they are needed.

Net Position: The government-wide financial statements report net position. Net position is categorized as the net investment in capital assets, restricted and unrestricted.

Net Investment in Capital Assets – This category groups all capital assets into one component of net position. The outstanding balance of debt and other payables that are attributable to the acquisition, construction or improvement of the assets reduces the balance in this category. The District had lease and subscription liabilities.

Restricted Net Position – This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position – This category represents net position of the District not restricted for any project or other purpose.

Property Taxes: The District receives property taxes from El Dorado County. Property taxes become a lien on the first day of the year they are levied. Secured property tax is levied on July 1 and 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 become delinquent on August 31. The District elected to receive the property taxes from the County under the Teeter Bill Program. Under this Program, the District receives 100% of the levied property taxes in periodic payments, with the County assuming responsibility for delinquencies. These taxes are accrued as intergovernmental revenue only if they are received from the County within 60 days after year end in the governmental fund. They are accrued when earned regardless of the timing of the related cash flows in the government-wide statement.

Joint Powers Authority: The District is a member agency of the El Dorado County Emergency Services Authority, a Joint Powers Authority (JPA), which provides ambulance and other pre-hospital emergency transport services on the west slope of El Dorado County. There are ten member agencies in total. The governing Board of Directors controls the operations of the JPA. The JPA Board is made up of a Fire Chief or authorized alternate from each member agency. The JPA is independently accountable for its fiscal matters and maintains its own accounting records under the oversight of the El Dorado County board of Supervisors. The JPA contracts with the District for one medic unit and six employees working shift work. The JPA reimburses actual costs incurred by the District for services with a maximum limit of \$1,250,000. The District is not responsible for the liabilities of the JPA upon dissolution. Separate financial statements for the JPA are available by contacting the JPA staff through the link at [edcjsa.org](http://edcjsa.org).

Health Reimbursement Arrangement: The District provides an optional health reimbursement arrangement (HRA) for each full-time and part-time employee hired prior to October 1, 2019 working a minimum of 32 hours per week for dental and vision expenses. The benefit is also offered to the eligible employee’s spouse and dependents. Eligible participants are allowed to submit qualifying dental and vision expenses for reimbursement under the HRA as defined in the Department Policy Manual. The benefit provided is \$145, \$175 and \$225 per month for employees with no dependents, one dependent and two or more dependents, respectively. HRA benefits are extended to legacy retirees that retired prior to October 1, 2019. Retirees electing the HRA benefit are provided a monthly benefit of \$100 and \$150 with no dependents and one dependent, respectively, which is included as part of the OPEB liability.

EL DORADO HILLS COUNTY WATER DISTRICT  
(DBA EL DORADO HILLS FIRE DEPARTMENT)

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The HRA benefits are not available to employees/retirees hired/retired on or after October 1, 2019 and instead, the employees/retirees are provided a District paid dental and vision insurance plan. Employees hired prior to October 1, 2019 also have the option to elect a paid dental/vision insurance plan in lieu of the HRA. The district excludes District paid retiree dental and vision insurance premiums included in the net OPEB liability from the HRA liability. The District does not have a trust where the HRA assets are set aside for the benefit of employees. Consequently, the HRA assets are available to the District's creditors. The General Fund is used to liquidate the HRA liability.

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

Other Postemployment Benefits Plan (OPEB): For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the plan and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, the plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

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, deferred outflows of resources, liabilities and deferred inflows of resources at the date of the financial statements and the reported amounts of revenues and expenditures during the reported period. Actual results could differ from these estimates.

New Pronouncements: In June 2022, the GASB issued Statement No. 100, *Accounting Changes and Error Corrections, an Amendment of GASB Statement No. 62*. This Statement prescribes the accounting and financial reporting for each type of accounting change, including changes in accounting principles, changes in accounting estimates and changes to or within the financial reporting entity, and error corrections. This Statement requires changes in accounting principles and error corrections to be reported retroactively by restating prior periods; requires changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period; and requires changes in accounting estimates to be reported prospectively by recognizing the change in the current period. The requirements of this Statement for changes in accounting principles apply to the implementation of new pronouncements in absence of specific transition provisions in the new pronouncement. This Statement also requires the aggregate amount of adjustments to and restatements of beginning net position, fund balance or fund net position, as applicable, to be displayed by reporting unit in the financial statements. Furthermore, this Statement requires information presented in required supplementary information or supplementary information to be restated for error corrections, if practicable, but not for changes in accounting principles. The provisions of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023.

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NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In June 2022, the GASB issued Statement No. 101, *Compensated Absences*. This statement requires that liabilities for compensated absences be recognized for leave that has not been used that is attributable to services already rendered, accumulates and is more likely than not to be used for time off or paid in cash or settled through noncash means and leave that has been used but not paid in cash or settled through noncash means. Leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in the liability for compensated absences. This Statement requires that a liability for certain types of compensated absences, including parental leave, military leave and jury duty leave, not be recognized until the leave commences. Certain salary-related payments that are directly and incrementally associated with payments for leave also should be included in the measurement of the liabilities. With respect to financial statements prepared using the current financial resources measurement focus, this Statement requires that expenditures be recognized for the amount that normally would be liquidated with expendable available financial resources. Governments are allowed to disclose the net change in the liability if identified as such in the footnotes to the financial statements. The provisions of this Statement are effective for years beginning after December 15, 2023.

The District is currently analyzing the impact of the required implementation of these new statements.

NOTE B – CASH AND INVESTMENTS

As of June 30, 2023, the District’s cash and investments consisted of the following:

Cash and investments - unrestricted	\$ 20,351,548
Cash and investments - restricted	<u>9,413,238</u>
	<u>\$ 29,764,786</u>
Deposits in financial institutions	\$ 1,736,212
California Local Agency Investment Fund (LAIF)	16,710,350
Investment in County of El Dorado investment pool	4,779,173
Public Agency Retirement Services (PARS) Trust	<u>6,539,051</u>
Total cash and investments	<u>\$ 29,764,786</u>

Investment policy: California statutes authorize districts to invest idle or surplus funds in a variety of credit instruments as provided for in the California Government Code, Section 53600, Chapter 4 – Financial Affairs. The investments held by the pension plan rate stabilization PARS Section 115 Trust are governed by an investment guideline document and not the California Government Code. The District’s investment policy does not limit interest rate risk, credit risk or concentration of credit risk beyond what is required by the California Government Code, with the exception of limiting the maximum investment in one issuer for numerous investment types beyond what is required by the California Government Code. The average maturity of each investment pool is disclosed below.

Interest Rate Risk: Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

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 issued by a nationally

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NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023

NOTE B – CASH AND INVESTMENTS (Continued)

recognized statistical rating organization. The County's investment pool does not have a rating provided by a nationally recognized statistical rating organization.

Custodial Credit Risk: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the District's investment policy does 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 June 30, 2023, the carrying amount and balance per banks of the District's bank deposits were \$1,736,212 and \$2,116,490, respectively. Of the balance per banks, \$250,000 was covered by federal depository insurance and the remaining amount was collateralized by the pledging financial institution's investment securities, which were not in the name of the District.

California Local Agency Investment Fund (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 \$176,442,053,163 which is managed by the State Treasurer. Approximately 2.78% of the LAIF carrying cost plus accrued interest purchased in is invested in structured notes and asset-backed commercial paper and investments. The Local Investment Advisory Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by State Statute. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair 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 260 days at June 30, 2023.

Investment in the County of El Dorado's Investment Pool: The District maintains an investment in the County of El Dorado cash and investment pool, which is managed by the County Treasurer. The County pool is stated at fair value. The amount invested by all public agencies in El Dorado County's cash and investment pool is \$922,066,953 at June 30, 2023. The County does not invest in any derivative financial products. The County Treasury Investment Oversight Committee has oversight responsibility for the investment pool. The Committee consists of ten members as designated by State law. The value of pool shares in El Dorado County that may be withdrawn is determined on an amortized cost basis, which is different than the fair value of the District's position in the pool. Investments held in the County's investment pool are available on demand to the District and are stated at amortized cost. This investment is not subject to categorization under GASB No. 3. As of June 30, 2023, the weighted average maturity of the investments contained in the County's investment pool was approximately 689 days.

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NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023

NOTE B – CASH AND INVESTMENTS (Continued)

Investment in the PARS Trust: The District invested in a PARS Section 115 Trust Fund as a pension plan rate stabilization strategy. The District elected a discretionary investment approach, which allows the District to maintain oversight of the investment management, discretionary investment approach, control over target yield and the portfolio’s risk tolerance. The District has elected to invest in the Moderately Conservative Index PLUS investment option for the pension account, which is invested in index-based mutual funds and exchange-traded funds. PARS uses Highmark Capital Management to help manage investment options. The assets are withdrawn from the PARS trust on an amortized cost basis. The average maturity of the PARS trust was 8.2 years at June 30, 2023.

Fair Value Measurement: The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The District’s investments in LAIF and the County of El Dorado investment pool are not subject to the fair value hierarchy. The District’s investment in PARS is valued at the net asset value of the underlying mutual funds of the PARS pool in which the District invests as provided by PARS, which is not categorized under the fair value hierarchy.

NOTE C – LEASES RECEIVABLE

On March 31, 2014, the District entered into a lease agreement with AT&T Wireless to provide space for a cell tower located at the District’s Station 84. The initial lease term was five years, with three five-year automatic renewals. The lease provides for monthly principal and interest payments ranging from \$2,415 to \$3,194. Interest is imputed at 4.25% as of July 1, 2021, which is the GASB Statement No. 87 implementation date for the District.

On January 16, 2019, the District entered into a lease agreement with Verizon Wireless to provide space for a cell tower located at the District’s Station 85. The initial lease term was five years, with three five-year automatic renewals. The lease provides for monthly principal and interest payments ranging from \$2,100 to \$3,194. Interest is imputed at 4.25% as of July 1, 2021. Lease income was \$54,180 during the year ended June 30, 2023.

Future principal and interest payments for the above leases received were as follows at June 30, 2022:

Year Ending June 30:	Principal	Interest	Total
2024	\$ 26,966	\$ 28,300	\$ 55,266
2025	34,353	27,009	61,362
2026	36,821	25,486	62,307
2027	38,417	23,890	62,307
2028	40,081	22,226	62,307
2029-2033	268,897	80,185	349,082
2034-2038	185,629	28,497	214,126
2039-2040	46,577	1,331	47,908
	<u>\$ 677,741</u>	<u>\$ 236,924</u>	<u>\$ 914,665</u>

EL DORADO HILLS COUNTY WATER DISTRICT  
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NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023

NOTE D – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2023 was as follows:

	Balance at June 30, 2022 (As Restated)	Additions	Retirements	Balance at June 30, 2023
Capital assets not being depreciated:				
Land	\$ 3,714,639			\$ 3,714,639
Construction in process:				
Station 85 remodel		\$ 5,505		5,505
Training facility	4,061,892	9,217,062		13,278,954
Total capital assets, not being depreciated	<u>7,776,531</u>	<u>9,222,567</u>		<u>16,999,098</u>
Capital assets being depreciated/amortized:				
Buildings and improvements	20,027,567	14,853		20,042,420
Vehicles	7,657,936	1,141,752	\$ (519,605)	8,280,083
Equipment	2,680,082	793,080	(450,258)	3,022,904
Right-to-use subscription IT asset	93,436			93,436
Right-to-use lease asset - building	209,323			209,323
Total capital assets being depreciated/amortized	<u>30,668,344</u>	<u>1,949,685</u>	<u>(969,863)</u>	<u>31,648,166</u>
Less accumulated depreciation/amortization:				
Buildings and improvements	(7,105,714)	(555,496)		(7,661,210)
Vehicles	(4,480,195)	(421,686)	516,981	(4,384,900)
Equipment	(2,105,888)	(227,825)	438,244	(1,895,469)
Right-to-use subscription asset		(15,573)		(15,573)
Right-to-use lease asset - building	(53,440)	(53,440)		(106,880)
Total accumulated depreciation/amortization	<u>(13,745,237)</u>	<u>(1,274,020)</u>	<u>955,225</u>	<u>(14,064,032)</u>
Total capital assets being depreciated/amortized, net	<u>16,923,107</u>	<u>675,665</u>	<u>(14,638)</u>	<u>17,584,134</u>
Capital assets, net	<u>\$ 24,699,638</u>	<u>\$ 9,898,232</u>	<u>\$ (14,638)</u>	<u>\$ 34,583,232</u>

The June 30, 2022 balances were restated to implement GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, which required the District to recognize a subscription liability and right-to-use subscription asset. See Note E for additional information about this agreement.



EL DORADO HILLS COUNTY WATER DISTRICT  
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NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023

NOTE E – LONG-TERM LIABILITIES

The following is a summary of long-term liabilities activity for the year ended June 30, 2023:

	Balance June 30, 2022 (As Restated)	Additions	Reductions	Balance June 30, 2023	Due Within One Year	Due in More Than One Year
Compensated absences	\$ 1,283,949	\$ 898,976	\$ (975,943)	\$ 1,206,982	\$ 911,126	\$ 295,856
Health reimbursement arrangement (HRA) liability	614,890	151,060	(176,365)	589,585	162,237	427,348
Lease liability	156,311		(51,574)	104,737	55,492	49,245
Subscription IT liability	75,186		(10,002)	65,184	10,931	54,253
Net pension liability	11,738,830	14,419,840		26,158,670		26,158,670
Net OPEB liability	10,106,954	4,228,597		14,335,551		14,335,551
	<u>\$23,976,120</u>	<u>\$ 19,698,473</u>	<u>\$ (1,213,884)</u>	<u>\$42,460,709</u>	<u>\$1,139,786</u>	<u>\$41,320,923</u>

Lease Liability: On November 6, 2019, the District entered into a 5-year lease agreement for two units of a building in El Dorado Hills of 3,439 square feet from May 22, 2020 to May 21, 2025. The lease contains two 5-year options to renew the lease. It is not considered reasonably certain that the option periods would be exercised; therefore, the option periods were not included in the lease term for the lease liability calculation. The District’s incremental borrowing rate was 4.25% at the July 1, 2021 GASB 87 implementation date. The facility will be used for training classes until a permanent training facility is constructed, which is expected to be funded with development fees. The implementation of this Statement resulted in the recognition of a leased building of \$209,323 (lease liability plus initial payment) and lease liability of \$204,852 at July 1, 2021. Monthly payments of principal and interest range from \$4,471 to \$5,021. The future lease payments and the net present of value of the payments for the building were as follows at June 30, 2023:

Year Ending June 30:	Principal	Interest	Total
2024	\$ 55,492	\$ 3,384	\$ 58,876
2025	49,245	964	50,209
	<u>\$ 104,737</u>	<u>\$ 4,348</u>	<u>\$ 109,085</u>

Subscription Liability: The July 1, 2022 column of the table above was restated to include a subscription IT liability in accordance with GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. On April 26, 2022, the District entered into a 6-year user license agreement with no options to extend the agreement for its plan review and inspection software. The agreement did not state an interest rate, so the District’s estimated incremental borrowing rate of 3.07% at the July 1, 2022 GASB 96 implementation date was used as a discount rate. The software is used to track permits and calculate fees. The implementation of this Statement resulted in the recognition of a subscription asset of \$93,436 (subscription IT liability plus initial payment) and subscription liability of \$75,186 at July 1, 2022. Yearly payments of principal and interest range from \$12,000 to \$15,315. The future subscription payments and net present value of the payments for the subscription were as follows at June 30, 2023:

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NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023

NOTE E – LONG-TERM LIABILITIES (Continued)

Year Ending June 30:	Principal	Interest	Total
2024	\$ 10,931	\$ 1,669	\$ 12,600
2025	11,919	1,311	13,230
2026	12,970	922	13,892
2027	14,088	498	14,586
2028	15,276	39	15,315
	<u>\$ 65,184</u>	<u>\$ 4,439</u>	<u>\$ 69,623</u>

NOTE F – PENSION PLAN AND DEFERRED COMPENSATION PLANS

Defined Benefit Plan Description: All qualified permanent and probationary employees are eligible to participate in the District’s Cost-Sharing Multiple Employer Defined Benefit Pension Plan (the Plan or PERFC) administered by the California Public Employees’ Retirement System (CalPERS). PERFC consists of a miscellaneous risk pool and a safety risk pool, which are comprised of the following rate plans:

- Miscellaneous Rate Plan
- Miscellaneous Second Tier Rate Plan
- PEPRA Miscellaneous Rate Plan
- Safety Rate Plan
- Safety Second Tier Rate Plan
- PEPRA Safety Police Rate Plan

Although one Plan exists, CalPERS provides the information separately for the Miscellaneous and Safety Risk Pools and the information is presented separately below where available. Benefit provisions under the Plan are established by State statute and District resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website at [www.calpers.ca.gov](http://www.calpers.ca.gov).

Benefits Provided: CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 (52 for PEPRA Miscellaneous Plan) with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the 1959 Survivor Benefit level 4, or the Optional Settlement 2W Death Benefit. The cost-of-living adjustments for each plan are applied as specified by the Public Employees’ Retirement Law.

EL DORADO HILLS COUNTY WATER DISTRICT  
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NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023

NOTE F – PENSION PLAN AND DEFERRED COMPENSATION PLANS (Continued)

The rate plans' provisions and benefits in effect at June 30, 2023, are summarized as follows:

	<b>Miscellaneous Rate Plan</b>	<b>Miscellaneous Second Tier Rate Plan</b>	<b>PEPRA Miscellaneous Rate Plan</b>
	Prior to <u>August 13, 2011</u>	August 13, 2011 to <u>December 31, 2012</u>	On or after <u>January 1, 2013</u>
Hire date			
Benefit formula (at full retirement)	3.0% @ 60	2.0% @ 55	2.0% @ 62
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Final average compensation period	one year	three year	three year
Retirement age	50 - 60	50 - 63	52 - 67
Monthly benefits, as a % of eligible compensation	2.0% to 3.0%	1.426% to 2.418%	1.0% to 2.5%
Gross employee contribution rates	8.00%	7.00%	6.75%
Employee contribution rates paid by the District	8.00%	7.00%	0.00%
Gross employer contribution rates	15.25%	10.32%	7.47%
Employer contribution rates paid by employees	8.00%	8.00%	0.00%

	<b>Safety Rate Plan</b>	<b>Safety Second Tier Rate Plan</b>	<b>PEPRA Safety Rate Plan</b>
	Prior to <u>August 13, 2011</u>	August 13, 2011 to <u>December 31, 2012</u>	On or after <u>January 1, 2013</u>
Benefit formula (at full retirement)	3.0% @ 50	3.0% @ 55	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Final average compensation period	one year	three year	three year
Retirement age	50 - 55	50 - 55	50 - 57
Monthly benefits, as a % of eligible compensation	3.00%	2.40% to 3.00%	2.00% to 2.70%
Gross employee contribution rates	9.00%	9.00%	13.00%
Employee contribution rates paid by the District	9.00%	9.00%	0.00%
Gross employer contribution rates	23.75%	20.64%	12.78%
Employer contribution rates paid by employees	12.00%	12.00%	0.00%

The employer contribution rates above do not include Unfunded Liability (UAL) payments of \$85,237 and \$1,710,680 made for Miscellaneous and Public Safety employees during the year ended June 30, 2023, respectively. The tables above reflect employer contribution percentages before an employee pick-up of employer contributions of 8% for Miscellaneous First and Second Tier and 12% for Safety First and Second Tier Rate Plans under the District's MOU. The District pays the required employee contribution under the District's MOU for all rate plans except the PEPRA rate plans. All rate plans except the PEPRA rate plans are closed to new members that are not CalPERS participants. All rate plans are combined and reported below as the Miscellaneous Risk Pool and as the Safety Risk Pool.

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NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023

NOTE F – PENSION PLAN AND DEFERRED COMPENSATION PLANS (Continued)

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

For the year ended June 30, 2023, the employer contributions of \$141,095 and \$2,820,519 were made to the Miscellaneous and Safety Risk Pools, respectively, for total contributions of \$2,961,614.

**A. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources**

As of June 30, 2023, the District reported net pension liabilities for its proportionate shares of the net pension liability of each risk pool as follows:

Miscellaneous Risk Pool	\$ 1,168,291
Safety Risk Pool	<u>24,990,379</u>
Total Net Pension Liability	<u>\$ 26,158,670</u>

The District’s net pension liability for each risk pool is measured as the proportionate share of the net pension liability. The net pension liability of each risk pool is measured as of June 30, 2022, and the total pension liability for each risk pool used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021 rolled forward to June 30, 2022 using standard update procedures. The District’s proportion of the net pension liability was based on a projection of the District’s long-term share of contributions to the risk pool relative to the projected contributions of all participating employers, actuarially determined.

The District’s proportionate share of the net pension liability for each risk pool as of June 30, 2023 and 2022 were as follows:

	Miscellaneous Risk Pool	Safety Risk Pool	Total
Proportion - June 30, 2022	0.02966%	0.31844%	0.21705%
Proportion - June 30, 2023	<u>0.02497%</u>	<u>0.36368%</u>	<u>0.22647%</u>
Change - increase (decrease)	-0.00469%	0.04524%	0.00942%

EL DORADO HILLS COUNTY WATER DISTRICT  
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NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023

NOTE F – PENSION PLAN AND DEFERRED COMPENSATION PLANS (Continued)

For the year ended June 30, 2023, the District recognized a pension expense of \$4,020,427 for both risk pools combined. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources for the Plan from the following sources:

	Miscellaneous Risk Pool		Safety Risk Pool		Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 141,095		\$ 2,820,519		\$ 2,961,614	
Differences between actual and expected experience	23,462	\$ (15,714)	1,034,261	\$ (271,375)	1,057,723	\$ (287,089)
Changes in assumptions	119,716		2,519,787		2,639,503	
Differences between the employer's contribution and the employer's proportionate share of contributions		(54,821)		(2,976,528)		(3,031,349)
Change in employer's proportion	11,266	(9,273)	2,694,937		2,706,203	(9,273)
Net differences between projected and actual earnings on plan investments	214,000		3,946,330		4,160,330	
Total	\$ 509,539	\$ (79,808)	\$13,015,834	\$ (3,247,903)	\$13,525,373	\$ (3,327,711)

The amount above reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the following fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the risk pools will be recognized as pension expense as follows:

Year Ended June 30	Miscellaneous Risk Pool	Safety Risk Pool	Total
2024	\$ 68,479	\$ 1,983,502	\$ 2,051,981
2025	57,426	1,641,141	1,698,567
2026	31,841	915,456	947,297
2027	130,890	2,407,313	2,538,203
	\$ 288,636	\$ 6,947,412	\$ 7,236,048

EL DORADO HILLS COUNTY WATER DISTRICT  
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NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023

NOTE F – PENSION PLAN AND DEFERRED COMPENSATION PLANS (Continued)

Actuarial Assumptions: The total pension liabilities at the June 30, 2022 measurement date for each risk pool was determined using the following actuarial assumptions:

Valuation date	June 30, 2021
Measurement date	June 30, 2022
Actuarial cost method	Entry-Age Normal Cost Method
Amortization method	Level percent of payroll
Asset valuation method	Market value
Actuarial assumptions:	
Discount rate	6.90%
Inflation	2.30%
Payroll growth	2.80%
Projected salary increases	0.20% to 7.64% Miscellaneous and 0.77% to 15.49% Safety, depending on entry age and service
Investment rate of return	6.90%
Mortality <sup>1</sup>	Derived using CalPERS membership data for all funds

<sup>1</sup> The mortality table used was developed based on CalPERS-specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvement using 80% of Scale MP 2020 published by Society of Actuaries. For more details on this table, please refer to the 2021 Experience Study report that can be found on the CalPERS website. The Experience Study Report can be found on CalPERS’ website under Forms and Publications.

Discount Rate: The discount rate used to measure the total pension liability for PERF C was 6.90%, which declined from 7.15% used at the June 30, 2021 measurement date. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all of the funds’ asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

EL DORADO HILLS COUNTY WATER DISTRICT  
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NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023

NOTE F – PENSION PLAN AND DEFERRED COMPENSATION PLANS (Continued)

The table below reflects the long-term expected real rate of return by asset class for each risk pool. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

Asset Class	New Strategic Allocation	Real Return Years 1 - 10(1,2)
Global equity- cap weighted	30.0%	4.45%
Global equity non-cap-weighted	12.0%	3.84%
Private equity	13.0%	7.28%
Treasury	5.0%	0.27%
Mortgage-backed securities	5.0%	0.50%
Investment grade corporates	10.0%	1.56%
High yield	5.0%	2.27%
Emerging market debt	5.0%	2.48%
Private debt	5.0%	3.57%
Real assets	15.0%	3.21%
Leverage	-5.0%	-0.59%
Total	100.00%	

- (1) An expected inflation of 2.30% used for this period.  
(2) Figures are based on the 2021-22 Asset Liability Management Study

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

	Miscellaneous Risk Pool	Safety Risk Pool	Total
1% Decrease	5.90%	5.90%	5.90%
Net pension liability	\$ 1,764,204	\$ 38,774,046	\$ 40,538,250
Current discount rate	6.90%	6.90%	6.90%
Net pension liability	\$ 1,168,291	\$ 24,990,379	\$ 26,158,670
1% increase	7.90%	7.90%	7.90%
Net pension liability	\$ 678,003	\$ 13,725,344	\$ 14,403,347

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

**B. Payable to the Pension Plan**

At June 30, 2023, the District reported payables for the outstanding amount of employer contributions to the Plan of \$15,344.



EL DORADO HILLS COUNTY WATER DISTRICT  
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NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023

NOTE F – PENSION PLAN AND DEFERRED COMPENSATION PLANS (Continued)

PARS Section 115 Trust: The District has made contributions to a defined contribution multiple employer Public Agency Retirement Services (PARS) Section 115 pension trust as a rate stabilization strategy. PARS acts as a common investment and administrative agent for participating public agencies. The District did not contribute to the PARS pension trust during the year ended June 30, 2023. Assets in the PARS trust were \$6,539,051 at June 30, 2023. Assets were invested in the PARS Moderately Conservative Index PLUS investment option. The assets in the trust are restricted for contributions to the District's CalPERS pension plan. The assets are not considered pension plan assets under GASB 68 as the assets are not available for pension benefits until contributed to CalPERS. The assets are not reachable by the District's creditors and are considered restricted for pension benefits. PARS has financial statements available upon request for its pension trust funds, which can be obtained by contacting the District's Finance Department.

Deferred Compensation Plans: The District offers two Internal Revenue Code (IRC) Section 457 deferred compensation plans (the Plans) to eligible employees. Benefit terms, including contribution requirements for the Plans, were established by and may be amended by the Board of Directors, subject to bargaining unit MOUs. One Plan is administered by CalPERS and the other plan is administered by Nationwide Retirement Solutions, Inc. (Nationwide). All permanent employees may participate in either plan at their hire date. The District had no contribution requirements for either plan at June 30, 2023 and the participants may contribute voluntarily to the Plans up to the applicable IRC contribution limits. The District will be required to match PEPPRA employee contributions to the plans up to \$100 per month beginning the first pay period in July 2024. Employees vest immediately in their own contributions. The District made no contribution to either Plan and employees contributed \$64,414 and \$660,102 to the CalPERS and Nationwide Plans during the year ended June 30, 2023, respectively. Contributions are made to individual accounts held in qualifying trusts for each participant and participants self-direct investment options.

NOTE G – OTHER POSTEMPLOYMENT BENEFITS PLAN

Plan Description: The District's defined benefit OPEB plan (the Plan), is an agent multiple-employer defined benefit OPEB plan that provides OPEB benefit for all miscellaneous and public safety employees once they have a minimum of five years of CalPERS credited service with the District and a minimum of ten years of CalPERS credited service, including service at other public agencies. Employees hired prior to March 1, 2012 receive the same benefits as other employees whether or not the District remains in CalPERS. Eligible employees' surviving spouses and dependents are also eligible for benefits. The California Water Code grants the Board of Directors the authority to establish and amend the benefit terms, subject to the Memorandums of Understanding (MOU's) with the employees. The District participates in the CalPERS California Employers' Retiree Benefits Trust Fund (CERBT), which is a Section 115 trust fund administered by CalPERS. The CERBT is included in the CalPERS publicly available financial statements that can be obtained at [www.calpers.ca.gov](http://www.calpers.ca.gov) under Forms and Publications.

During the year ended June 30, 2018, the District joined a defined contribution multiple employer Section 115 trust fund for OPEB benefits administered by Public Agency Retirement Services (PARS). PARS acts as a common investment and administrative agent for participating public agencies. The PARS trust provides an alternative investment option for the District's existing OPEB plan assets. The assets in PARS are invested in the Capital Appreciation Index Plus investment option. PARS has financial

EL DORADO HILLS COUNTY WATER DISTRICT  
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NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023

NOTE G – OTHER POSTEMPLOYMENT BENEFITS PLAN (Continued)

statements available upon request for its OPEB trust funds, which can be obtained by contacting the District’s Finance Department. No other publicly available reports are available for the Plan.

Benefits Provided: The Plan provides healthcare benefits for retirees, surviving spouses and their dependents. Benefits are provided through CalPERS, and the full cost of the benefits are covered by the Plan. Effective January 1, 2021, the District covered a maximum of the fourth highest cost plan offered in CalPERS Region 1 for represented employees, and up to \$2,850 for unrepresented employees. Beginning January 1, 2022, the District covered a maximum of the fifth highest cost plan offered in CalPERS Region 1 for represented employees, and up to \$2,850 per month for unrepresented employees.

The Plan provides a cash subsidy for monthly insurance premiums on a graded scale of 50% of insurance premium costs at ten years of service up to 100% of insurance premium costs at twenty years of service. Benefits do not cease at age 65 when the retiree or spouse is eligible for Medicare. Retirees are eligible to continue medical coverage as a participant with active employees at a blended premium rate until eligible for Medicare under CalPERS requirements. Retirees hired before October 1, 2019 are also eligible for a contribution to a health reimbursement arrangement (HRA) \$100 for a single retiree and \$150 for the retiree plus spouse per month for dental and vision expenses. The HRA contributions are not held in a trust for the benefit of participants and, therefore, are not considered plan assets. Employees who retire after October 1, 2019 are offered dental and vision insurance benefits in retirement after 10 years of CalPERS credited employment with the District instead of the HRA benefits. The dental and vision insurance offered to retirees is limited to the employee plus one dependent.

Employees Covered by Benefit Terms: At June 30, 2023 (June 30, 2022 measurement date), the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	41
Active employees	71
Total	112

Contributions: The Board of Directors has the authority to establish and amend the contribution requirements of the District and employees under powers granted to it under the California Water Code, subject to the District’s Memorandum of Understanding with employee bargaining units.

The Board of Directors has established reimbursement percentages of actual insurance premiums paid by Plan members. No other contribution requirements exist under the Plan. Employees are not required to contribute to the Plan. During the fiscal year ended June 30, 2023, the District’s direct payments of insurance premiums were \$922,650, cash contributions to the trust were \$300,000, implied subsidy benefit payments were \$93,000 and administrative expenses paid outside of trust were \$2,841, resulting in total contributions of \$1,318,491. The District made contributions of \$300,000 to the CERBT Trust and none to the PARS Trust during the year ended June 30, 2023.

Net OPEB Liability: The District's net OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

EL DORADO HILLS COUNTY WATER DISTRICT  
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NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023

NOTE G – OTHER POSTEMPLOYMENT BENEFITS PLAN (Continued)

Actuarial Assumptions: The total OPEB liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions:

Valuation date	June 30, 2022
Measurement date	June 30, 2022
Actuarial cost method	Entry-age normal cost method
Actuarial assumptions:	
Discount rate	6.25%
Inflation	2.50%
Salary increases	2.75%
Investment rate of return	6.25%
Dental/vision cap increase	2.75%
Mortality rate	CalPERS 2000-2019 Experience Study
Pre-retirement turnover	CalPERS 2000-2019 Experience Study
Healthcare trend rate:	
Non-Medicare	8.50% for 2024, decreasing to 3.45% in 2076
Medicare (Non-Kaiser)	7.50% for 2024, decreasing to 3.45% in 2076
Medicare (Kaiser)	6.25% for 2024, decreasing to 3.45% in 2076
Participation rate	Tier 1 100%; Tier 2 and 3: 90% to 98% depending on vesting

Pre-retirement mortality information and post-retirement mortality information was derived from data collected during 2000 to 2019 2021 CalPERS Experience Study. Mortality improvement was projected fully generational Scale MP-2021. The Experience Study Reports may be accessed on the CalPERS website [www.calpers.ca.gov](http://www.calpers.ca.gov) under Forms and Publications.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target allocation and best estimates of arithmetic real rates of return for each major asset class for CERBT and PARS investments as of the measurement date are summarized in the following table:

Asset Class	Target Allocation CERBT- Strategy 1	CERBT Expected Real Rate of Return	Target Allocation PARS-Capital Appreciation	PARS Expected Real Rate of Return
Global equity	49.0%	4.56%	75.0%	4.56%
Fixed income	23.0%	1.56%	20.0%	0.78%
TIPS	5.0%	-0.08%		
Commodities	3.0%	1.22%		
REITs	20.0%	4.06%		
Cash			5.0%	-0.50%
Total	100.0%		100.0%	

EL DORADO HILLS COUNTY WATER DISTRICT  
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NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023

NOTE G – OTHER POSTEMPLOYMENT BENEFITS PLAN (Continued)

Discount Rate: The discount rate used to measure the total OPEB liability was 6.25%. The projection of cash flows used to determine the discount rate assumed that District’s contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability/(Asset)
Balance at June 30, 2022	\$ 23,435,234	\$ 13,328,280	\$ 10,106,954
Changes in the year:			
Service cost	926,849		926,849
Interest	1,553,107		1,553,107
Differences between expected and actual experience	(189,566)		(189,566)
Changes in assumptions	2,272,553		2,272,553
Contributions - employer		2,259,943	(2,259,943)
Investment income		(1,914,114)	1,914,114
Benefit payments	(936,235)	(936,235)	
Administrative expenses		(11,483)	11,483
Net changes	<u>3,626,708</u>	<u>(601,889)</u>	<u>4,228,597</u>
Balance at June 30, 2023	<u>\$ 27,061,942</u>	<u>\$ 12,726,391</u>	<u>\$ 14,335,551</u>

Changes in Assumptions: The discount rate was changed to 6.25% and the 2021 CalPERS Experience Study was used at the June 30, 2022 measurement date, which was changed from the 6.50% discount rate used and the 2017 CalPERS Experience Study used at the June 30, 2021 measurement date.

Changes in Benefit Terms: None

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

	1% Decrease	Current	1% Increase
	5.25%	Discount Rate 6.25%	7.25%
Net OPEB liability	\$ 18,205,048	\$ 14,335,551	\$ 11,166,217

EL DORADO HILLS COUNTY WATER DISTRICT  
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NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023

NOTE G – OTHER POSTEMPLOYMENT BENEFITS PLAN (Continued)

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

	1% Decrease	Current Healthcare Cost Trend Rates	1% Increase
Net OPEB liability	\$ 10,780,589	\$ 14,335,551	\$ 18,737,005

OPEB Plan Fiduciary Net Position: Detailed information about the OPEB plan's fiduciary net position is available in the separately issued CERBT financial report at [www.calpers.ca.gov](http://www.calpers.ca.gov) and in a PARS financial report available from the District.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB: For the year ended June 30, 2023, the District recognized OPEB expense of \$2,753,776. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	\$ 1,318,491	
Differences between actual and expected experience	87,339	\$ (551,462)
Changes in assumptions	5,768,400	(499,711)
Net differences between projected and actual earnings on plan investments	1,108,624	
Total	\$ 8,282,854	\$ (1,051,173)

The amount reported as deferred outflows of resources related to contributions after the measurement date will be recognized as a reduction of the net pension liability in the following fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30	
2024	\$ 1,186,390
2025	1,176,307
2026	1,098,843
2027	1,538,504
2028	343,390
Thereafter	569,756
	\$ 5,913,190

Payable to the OPEB Plan: At June 30, 2023, there was no payable to the OPEB Plan.

EL DORADO HILLS COUNTY WATER DISTRICT  
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NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023

NOTE H – FIRE IMPACT FEES

The use of fire impact fees is restricted solely for financing public facilities and equipment necessary to serve new developments. Changes in unspent fire impact fees reported as restricted cash and investments were as follows during the year ended June 30, 2023:

Amount available at June 30, 2022	\$ 9,577,853
Add fees collected and investment income	1,452,760
Less qualifying expenditures and county administration fees	<u>(8,156,426)</u>
Amount available at June 30, 2023	<u><u>\$ 2,874,187</u></u>

NOTE I – COMMITMENTS AND CONTINGENCIES

Contingencies: The District is a party to claims and lawsuits arising in the normal course of business. The District’s management does not believe that the ultimate liability, if any, arising from these claims will have a material adverse impact on the financial position of the District.

The District has a number of funding sources under grant and other funding agreements that are subject to compliance audits by the provider. The amount of expenditures, if any, which may be disallowed by the provider cannot be determined although the District expects such amounts, if any, to be immaterial.

The County of El Dorado (the County) collects fire impact fees imposed on behalf of the District and deposits those fees into a separate account within the County’s investment pool. The balance of the account in the County’s investment pool holding the impact fees is reported as part of the District’s cash and investments. The County will only release the fees from the County investment pool when the District incurs qualifying expenditures and provides supporting documentation for expenditures incurred that is acceptable to the County. It is possible that the County could disallow costs incurred by the District as part of the approval process.

Participation in Insurance Risk Pool: Effective November 1, 2022, the District joined the California Association of Mutual Water Companies (Cal Mutuals) Joint Powers Risk and Insurance Management Authority (JPRMIA). The Authority is a public entity risk pool of governments that provides property & casualty, pollution and employee benefits insurance coverage. Loss contingency reserves established by the Authority are funded by contributions from member agencies. The District pays an annual premium to the JPRMIA that includes its pro-rata share of excess insurance premiums, charges for the pooled risk, claims adjustments, legal costs and administrative and other costs to operate the Authority. Private insurers may provide excess coverage over the Authority’s coverage limits. Cal Mutuals may be contacted at [www.calmutualsjprima.org](http://www.calmutualsjprima.org).

In addition to the insurance coverage below, JPRMIA secures commercial excess insurance of \$5,000,000. The District continues to carry separate commercial workers’ compensation insurance. Settled claims have not exceeded the insurance limits in the past three years and there have been no reductions of insurance limits.

The District’s coverage limits were as follows as of June 30, 2023:

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NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023

NOTE I – COMMITMENTS AND CONTINGENCIES (Continued)

Auto liability and uninsured motorist (including comprehensive and collision)	\$ 1,000,000	None - \$5,000
Auto medical payments	5,000	None
Property coverage	25,303,393	5,000
Coverage extension blanket limit	2,000,000	5,000
Mobile equipment (including borrowed, rented or leased)	50,000-183,000	5,000
Additional property coverage (depending on type)	2,500-1,000,000	None
Crime coverage (includes employee theft, forgery, theft, robbery and computer, funds transfer and money order fraud)	250,000	1,000
General liability (includes bodily injury, property damage, professional healthcare, medical expenses, personal, damage to premises rented and medical expenses)	10,000-10,000,000	None
Public officials and management liability (includes wrongful acts employment practices, employee benefit plans and injunctive relief)	5,000-1,000,000	10,000-25,000

In addition to the insurance above, JPRMIA secures commercial excess insurance of \$5,000,000. The District continues to carry commercial workers' compensation insurance. Settled claims have not exceeded the insurance limits in the past three years and there have been no reductions of insurance limits.

Commitments: In March 2022, the District entered into a construction contract for the El Dorado Hills Fire Training Facility project. The remaining cost of the contract as of June 30, 2023 was approximately \$513,000. Construction costs of the project are expected to be \$11.7 million. Total project costs included in construction in progress, including design costs, were \$13,278,954 at June 30, 2023.

Contract with County of El Dorado Sherriff's Office of Emergency Services (OES): The District began providing personnel, training, uniforms, vehicle and technology services to the County of El Dorado Sherriff's OES under an agreement for emergency management services from November 1, 2023 to June 30, 2027. Compensation of the District by the County under the agreement has a not to exceed amount of \$850,000.



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NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023

NOTE J – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Amounts reported for governmental activities in the governmental funds balance sheet are being adjusted to arrive at the statement of net position. The adjustments are as follows at June 30, 2023:

Fund balances - Total Governmental Funds	\$ 31,797,452
Deferred outflows of resources on the pension and OPEB plans are not reported in the governmental funds.	21,808,227
Capital assets used in governmental activities are not financial resources and therefore not reported in the governmental funds.	34,583,232
<p>Long-term liabilities applicable to the District's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the statement of net position. The initial lease deposit was included as an initial payment for the leased assets.</p>	
Lease deposit added to leased building cost	(4,471)
Compensated absences	(1,206,982)
HRA liability	(589,585)
Lease liability	(104,737)
Subscription liability	(65,184)
Net pension liability	(26,158,670)
Net OPEB liability	(14,335,551)
Revenues that are deferred in the governmental funds because they are not current financial resources are recognized in the government-wide statements.	104,872
Deferred inflows of resources on the pension and OPEB plans are not reported in the governmental funds.	<u>(4,378,884)</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 41,449,719</u>

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NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023

NOTE J – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS  
(CONTINUED)

Amounts reported for governmental activities in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances are adjusted to arrive at the Statement of Activities for Government-wide presentation. The adjustments for the fiscal year ended June 30, 2023 are as follows:

Net change in fund balance - Governmental Funds	\$ (5,417,956)
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The change in net position for governmental activities in the statement of activities is different because:

Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense:

Capital outlay	10,972,253
Donated vehicles	200,000
Depreciation	(1,274,020)

Governmental funds report proceeds from disposal of capital assets as revenues. However, in the government-wide statement of activities only the gain or (loss) on the sale of capital assets is reported. This is the difference between the gain or (loss) and proceeds.	(14,638)
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Changes in deferred inflows and outflows related to the pension and OPEB plans do not result in the receipt or use of current financial resources and are not reported in the governmental funds.	
Change in deferred outflows of resources	8,600,712
Change in deferred inflows of resources	7,553,627

Governmental funds do not present revenues that are not available to pay current expenditures. Such revenues are recognized in the Statement of Activities.	80,188
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Governmental funds report debt issuance as revenue and debt service payments as expenditures. However, in the statements of activities, borrowing and repayments of principal of indebtedness increase and reduce long-term liabilities in the statement of net position.	
Principal payments on leases and subscription liabilities	61,576

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental	
Change in compensated absences liability	76,967
Change in health reimbursement arrangement liability	25,305
Change in net pension liability	(14,419,840)
Change in net OPEB liability	<u>(4,228,597)</u>

NET CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 2,215,577</u>
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EL DORADO HILLS COUNTY WATER DISTRICT  
(DBA EL DORADO HILLS FIRE DEPARTMENT)

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2023

NOTE K – RESTATEMENT

During the year ended June 30, 2023, the District implemented GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. Due to implementation of this Statement, the District recognized a subscription asset of \$93,436 and a subscription liability of \$75,186, resulting in an increase of net position of \$18,250 as of July 1, 2022.

NOTE L – SUBSEQUENT EVENTS

In July 2022, the District's Board of Directors approved the purchase of one Type 1 Engine and one Truck totaling \$2.4 million. These apparatus are expected to be delivered in late 2024.

In July 2023, the District's Board of Directors approved the purchase of a Type I Engine for \$1.25 million including a \$15,000 motor contingency and changes/mounting. The build time for the apparatus is expected to be 40.5 to 43.5 months.

On August 30, 2023, the Board of Directors approved a Memorandum of Understanding (MOU) with Professional Firefighters, Local 3604 and the Unrepresented Safety Management, Non-Safety Management and Non-Safety Administrative Support for July 1, 2023 through June 30, 2025 that provides a 5% increase to base salaries effective the first full pay period on or after July 1, 2023 plus an additional 1% increase effective the first full pay period on or after October 1, 2023 contingent upon the property tax revenue growth for the year ending June 30, 2024 meeting or exceeding 7% as estimated by the County El Dorado. Effective the first pay period on or after July 1, 2024, an additional 2% pay increase to the base salary was approved with an additional 1% or 2% being awarded the first full pay period on or after October 1, 2024 depending on whether cumulative growth in property tax revenue for fiscal years ending June 30, 2024 and 2025 meets or exceeds 12% and growth in property tax during the fiscal year ending June 30, 2024 meets or exceeds 7%. Total wages and benefits are budgeted at \$22.76 million for the year ended June 30, 2024 under the new MOU compared to actual wages and benefits of \$20.67 million for the year ended June 30, 2023.

REQUIRED SUPPLEMENTARY INFORMATION

EL DORADO HILLS COUNTY WATER DISTRICT  
(DBA EL DORADO HILLS FIRE DEPARTMENT)

SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL – GENERAL FUND

For the Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Property taxes and assessments	\$ 23,473,973	\$ 23,921,707	\$ 24,102,775	\$ 181,068
Reimbursements from other agencies	2,150,000	2,053,459	1,974,824	(78,635)
Fire impact fees	1,400,000	1,197,965	1,083,578	(114,387)
Use of money and property	130,000	269,889	882,103	612,214
Federal capital grants	31,170			
Federal operating grants	113,635		24,683	24,683
Other revenues	859,180	1,177,378	1,055,734	(121,644)
<b>TOTAL REVENUES</b>	<b>28,157,958</b>	<b>28,620,398</b>	<b>29,123,697</b>	<b>503,299</b>
<b>EXPENDITURES</b>				
Current:				
Public protection				
Wages and benefits:				
Salaries and wages	11,849,011	11,852,775	11,825,612	27,163
Overtime	2,896,845	2,682,330	2,666,445	15,885
Retirement	1,729,325	1,810,375	1,766,581	43,794
Health insurance	1,951,037	1,895,373	1,896,864	(1,491)
Retiree health insurance	1,187,065	1,626,397	1,174,862	451,535
Workers compensation insurance	754,353	862,567	862,567	
Employment taxes and benefits	482,439	485,487	480,022	5,465
Total wages and benefits	20,850,075	21,215,304	20,672,953	542,351
Professional services and information technology:				
Professional services	450,464	390,636	411,188	(20,552)
Information technology	568,170	461,561	422,494	39,067
Total professional services and information technology:	1,018,634	852,197	833,682	18,515
Maintenance:				
Equipment	217,970	239,789	247,736	(7,947)
Structures	397,308	224,823	236,131	(11,308)
Total maintenance:	615,278	464,612	483,867	(19,255)
Other operating expense:				
Other insurance	120,000	164,435	164,435	
Communications	212,603	205,010	197,232	7,778
Special department expenditures	401,397	394,980	342,721	52,259
Clothing and personal supplies	116,837	121,263	113,806	7,457
Transportation and travel	205,000	189,741	199,399	(9,658)
Rents and leases	58,064	61,164	5,212	55,952
Other expenditures	407,574	501,229	487,421	13,808
Capital outlay	11,657,609	11,242,624	10,972,253	270,371
Debt service - lease principal			61,576	(61,576)
Debt service - lease interest			7,096	(7,096)
<b>TOTAL EXPENDITURES</b>	<b>35,663,071</b>	<b>35,412,559</b>	<b>34,541,653</b>	<b>870,906</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ (7,505,113)</b>	<b>\$ (6,792,161)</b>	<b>(5,417,956)</b>	<b>\$ 1,374,205</b>
Fund balance at beginning of year			37,215,408	
<b>FUND BALANCE AT END OF YEAR</b>			<b>\$ 31,797,452</b>	

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

EL DORADO HILLS COUNTY WATER DISTRICT  
(DBA EL DORADO HILLS FIRE DEPARTMENT)

REQUIRED SUPPLEMENTARY INFORMATION

For the Year Ended June 30, 2023

**SCHEDULE OF THE PROPORTIONATE SHARE OF THE  
NET PENSION LIABILITY (UNAUDITED)**

Last 10 Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Proportion of the net pension liability	0.22647%	0.21705%	0.19966%	0.18922%	0.17820%	0.17227%	0.16884%	0.17644%	0.16673%
Proportionate share of the net pension liability	\$ 26,158,670	\$ 11,738,830	\$ 21,723,405	\$ 19,389,047	\$ 17,171,498	\$ 17,084,133	\$ 14,609,638	\$ 12,110,427	\$ 10,374,901
Covered payroll - measurement period	\$ 9,840,569	\$ 9,303,656	\$ 9,330,278	\$ 8,240,341	\$ 7,786,603	\$ 7,684,157	\$ 7,132,639	\$ 6,686,466	\$ 6,342,947
Proportionate share of the net pension liability as a percentage of covered payroll	265.82%	126.17%	232.83%	235.29%	220.53%	222.33%	204.83%	181.12%	163.57%
Plan fiduciary net position as a percentage of the total pension liability	74.89%	87.53%	75.56%	76.64%	77.96%	76.22%	74.06%	78.40%	79.82%
Changes in assumptions:									
Discount rate changes (measurement date)	6.90%	7.15%	7.15%	7.15%	7.15%	7.15%	7.65%	7.65%	7.50%

**SCHEDULE OF CONTRIBUTIONS TO THE PENSION PLAN (UNAUDITED)**

Last 10 Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution (actuarially determined)	\$ 2,961,614	\$ 2,616,130	\$ 2,390,487	\$ 2,145,247	\$ 1,898,684	\$ 1,615,849	\$ 1,609,245	\$ 1,506,948	\$ 1,535,189
Contributions in relation to the actuarially determined contributions	(2,961,614)	(2,616,130)	(2,390,487)	(2,145,247)	(1,898,684)	(1,615,849)	(1,609,245)	(2,706,948)	(1,535,189)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,200,000)	\$ -
Covered payroll - employer's fiscal year	\$ 10,799,863	\$ 9,840,569	\$ 9,303,656	\$ 9,330,278	\$ 8,240,341	\$ 7,786,603	\$ 7,684,157	\$ 7,132,639	\$ 6,686,466
Contributions as a percentage of covered payroll	27.42%	26.59%	25.69%	22.99%	23.04%	20.75%	20.94%	37.95%	22.96%
Notes to schedule:									
Contribution valuation date - June 30	2020	2019	2018	2017	2016	2015	2014	2013	2012
Reporting valuation date - June 30	2021	2020	2019	2018	2017	2016	2015	2014	2013
Reporting measurement date: June 30	2022	2021	2020	2019	2018	2017	2016	2015	2014

Change in benefit terms: There were no changes to benefit terms.

Methods and assumptions used to determine contribution rates:

Actuarial method									
Amortized method									
Remaining amortization period									
Asset valuation method									
Inflation	2.500%	2.500%	2.500%	2.625%	2.75%	2.75%	2.75%	2.75%	2.75%
Salary increases									
Investment rate of return and discount rate used to compute contribution rates	7.00%	7.00%	7.00%	7.25%	7.375%	7.50%	7.50%	7.50%	7.50%
Retirement age									
Mortality									

Entry age normal cost method  
Level percentage of payroll, closed  
Varies by rate plan, but not more than 30 years  
Market value  
Varies by entry age and service  
50-67 years. Probabilities of retirement are based on the the most recent CalPERS Experience Study.  
Most recent CalPERS Experience Study

Omitted Years: GASB Statement No. 68 was implemented during the year ended June 30, 2015. No information was available prior to this date. Future years will be reported prospectively as they become available.

EL DORADO HILLS COUNTY WATER DISTRICT  
(DBA EL DORADO HILLS FIRE DEPARTMENT)

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)  
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS

For the Year Ended June 30, 2023

	2023	2022	2021	2020	2019	2018
Total OPEB liability						
Service cost	\$ 926,849	\$ 853,907	\$ 860,120	\$ 835,068	\$ 365,211	\$ 355,436
Interest	1,553,107	1,463,721	1,534,984	1,429,582	899,012	841,728
Changes in benefit terms			(1,288,437)			
Differences between expected and actual experience	(189,566)		(580,362)		191,319	
Changes in assumptions	2,272,553	722,288	(753,802)		7,047,446	
Benefit payments	(936,235)	(871,073)	(773,002)	(683,394)	(590,325)	(552,110)
Net change in total OPEB liability	3,626,708	2,168,843	(1,000,499)	1,581,256	7,912,663	645,054
Total OPEB liability - beginning	23,435,234	21,266,391	22,266,890	20,685,634	12,772,971	12,127,917
Total OPEB liability - ending (a)	<u>\$ 27,061,942</u>	<u>\$ 23,435,234</u>	<u>\$ 21,266,391</u>	<u>\$ 22,266,890</u>	<u>\$ 20,685,634</u>	<u>\$ 12,772,971</u>
Plan fiduciary net position						
Contributions - employer	\$ 2,259,943	\$ 1,173,022	\$ 1,079,446	\$ 1,584,856	\$ 1,890,325	\$ 852,110
Investment income	(1,914,114)	2,897,600	273,647	529,216	553,479	597,001
Benefit payments	(936,235)	(871,073)	(773,002)	(683,394)	(590,325)	(552,110)
Administrative expenses	(11,483)	(10,009)	(14,584)	(5,760)	(13,212)	(5,054)
Net change in plan fiduciary net position	(601,889)	3,189,540	565,507	1,424,918	1,840,267	891,947
Plan fiduciary net position - beginning	13,328,280	10,138,740	9,573,233	8,148,315	6,308,048	5,416,101
Plan fiduciary net position - ending (b)	<u>\$ 12,726,391</u>	<u>\$ 13,328,280</u>	<u>\$ 10,138,740</u>	<u>\$ 9,573,233</u>	<u>\$ 8,148,315</u>	<u>\$ 6,308,048</u>
Net OPEB liability - ending (a)-(b)	<u>\$ 14,335,551</u>	<u>\$ 10,106,954</u>	<u>\$ 11,127,651</u>	<u>\$ 12,693,657</u>	<u>\$ 12,537,319</u>	<u>\$ 6,464,923</u>
Plan fiduciary net position as a percentage of the total OPEB liability	<u>47.03%</u>	<u>56.87%</u>	<u>47.67%</u>	<u>42.99%</u>	<u>39.39%</u>	<u>49.39%</u>
Covered-employee payroll - measurement period	<u>\$ 11,713,352</u>	<u>\$ 11,238,742</u>	<u>\$ 9,958,091</u>	<u>\$ 9,694,044</u>	<u>\$ 7,786,603</u>	<u>\$ 7,684,157</u>
Net OPEB liability as percentage of covered-employee payroll	<u>122.39%</u>	<u>89.93%</u>	<u>111.74%</u>	<u>130.94%</u>	<u>161.01%</u>	<u>84.13%</u>

Notes to schedule:

Valuation date - June 30	2022	2020	2020	2018	2018	2017
Measurement period - fiscal year ended June 30	2022	2021	2020	2019	2018	2017

Benefit changes:  
The health reimbursement arrangement benefit was discontinued for employees hired on or after October 1, 2019. The District covered the highest cost HMO health plan premium through December 31, 2019. Beginning January 1, 2020, 2021 and 2022 the District began to offer a maximum benefit of the third, fourth and fifth highest cost health insurance plan offered in CalPERS Region 1, respectively.

Changes in assumptions: Changes in actuarial assumptions are listed in the schedule of contributions to the OPEB plan on the next page.

Omitted years: GASB Statement No. 75 was implemented during the year ended June 30, 2018. No information was available prior to this date. Information will be added prospectively as it becomes available until 10 years are reported.



EL DORADO HILLS COUNTY WATER DISTRICT  
(DBA EL DORADO HILLS FIRE DEPARTMENT)

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)  
SCHEDULE OF CONTRIBUTIONS TO THE OPEB PLAN  
LAST TEN FISCAL YEARS

For the Year Ended June 30, 2023

	2023	2022	2021	2020	2019	2018
Contractually determined contribution - employer fiscal year	\$ 1,015,650	\$ 936,234	\$ 871,073	\$ 773,002	\$ 683,394	\$ 890,325
Contributions in relation to the contractually determined contributions	<u>(1,318,491)</u>	<u>(2,259,943)</u>	<u>(1,173,022)</u>	<u>(1,079,446)</u>	<u>(1,584,856)</u>	<u>(1,890,325)</u>
Contribution deficiency (excess)	<u>\$ (302,841)</u>	<u>\$ (1,323,709)</u>	<u>\$ (301,949)</u>	<u>\$ (306,444)</u>	<u>\$ (901,462)</u>	<u>\$ (1,000,000)</u>
Covered-employee payroll - employer fiscal year	\$ 11,986,824	\$ 11,713,352	\$ 11,238,742	\$ 9,958,091	\$ 9,694,044	\$ 7,786,603
Contributions as a percentage of covered-employee payroll	11.00%	19.29%	10.44%	10.84%	16.35%	24.28%
Notes to Schedule:						
Valuation date - June 30	2022	2020	2020	2018	2018	2017
Measurement period - fiscal year ended June 30	2022	2021	2020	2019	2018	2017
Methods and assumptions used to determine contribution rates:						
Discount rate	6.25%	6.50%	6.75%	6.75%	6.75%	7.00%
Investment rate of return	6.25%	6.75%	6.75%	6.75%	6.75%	7.00%
Inflation	2.50%	2.75%	2.75%	2.75%	2.75%	2.75%
Payroll growth	2.75%	3.00%	3.00%	3.00%	3.00%	2.75%
Healthcare trend initial, non-Medicare	8.50%	6.75%	7.00%	7.50%	7.50%	4.00%
Healthcare trend initial, Medicare (Non-Kaiser)	7.50%	5.90%	6.10%	6.50%	6.50%	4.00%
Healthcare trend initial, Medicare (Kaiser)	6.25%	4.85%	5.00%	6.50%	6.50%	4.00%
Healthcare trending down to	3.45%	4.00%	4.00%	4.00%	4.00%	4.00%
Actuarial cost method		Entry Age Normal Cost Method				
Amortization period (average expected remaining service life in years)	8.3	8.5	8.9	9.2	9.2	9.2
Asset valuation method		Market value				
Mortality - CalPERS Experience Study Date	2021	2017	2017	2017	2017	2014

Omitted years: GASB Statement No. 75 was implemented during the year ended June 30, 2018. No information was available prior to this date. Information will be added prospectively as it becomes available until 10 years are reported.



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# EL DORADO HILLS COUNTY WATER DISTRICT

## STATISTICAL SECTION

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This part of the District’s annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statement, note disclosures, and required supplementary information says about the government overall financial health.

### CONTENTS

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#### Financial Trends

These schedules contain trend information to help the reader understand how the government’s financial performance and well-being have changed over time:

- Net Position by Component
- Changes in Net Position
- Fund Balances of Governmental Funds
- Changes in Fund Balances of Governmental Funds
- General Expenditures by Function

#### Revenue Capacity

These schedules contain information to help the reader assess the government’s most significant local revenue source, the property tax:

- General Revenues by Source
- Assessed Value of Taxable Property
- Assessed and Estimated Actual Value of Taxable Property
- Property Tax Levies and Collections
- Property Tax Rates, All Overlapping Governments
- Principal Property Taxpayers

#### Debt Capacity

These schedules present information to help the reader assess the affordability of the government’s current level of outstanding debt and the government’s ability to issue additional debt in the future:

- Ratio of Outstanding Debt by Type
- Computation of Direct and Overlapping Debt
- Computation of Legal Bonded Debt Margin

#### Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the government’s financial activities take place:



- Demographic Statistics
- Private Sector Principal Employers
- Demographic and Economic Statistics

### **Operating Information**

These schedules contain service and infrastructure data to help the reader understand how the information in the government’s financial report relates to the services the government provides and the activities it performs:

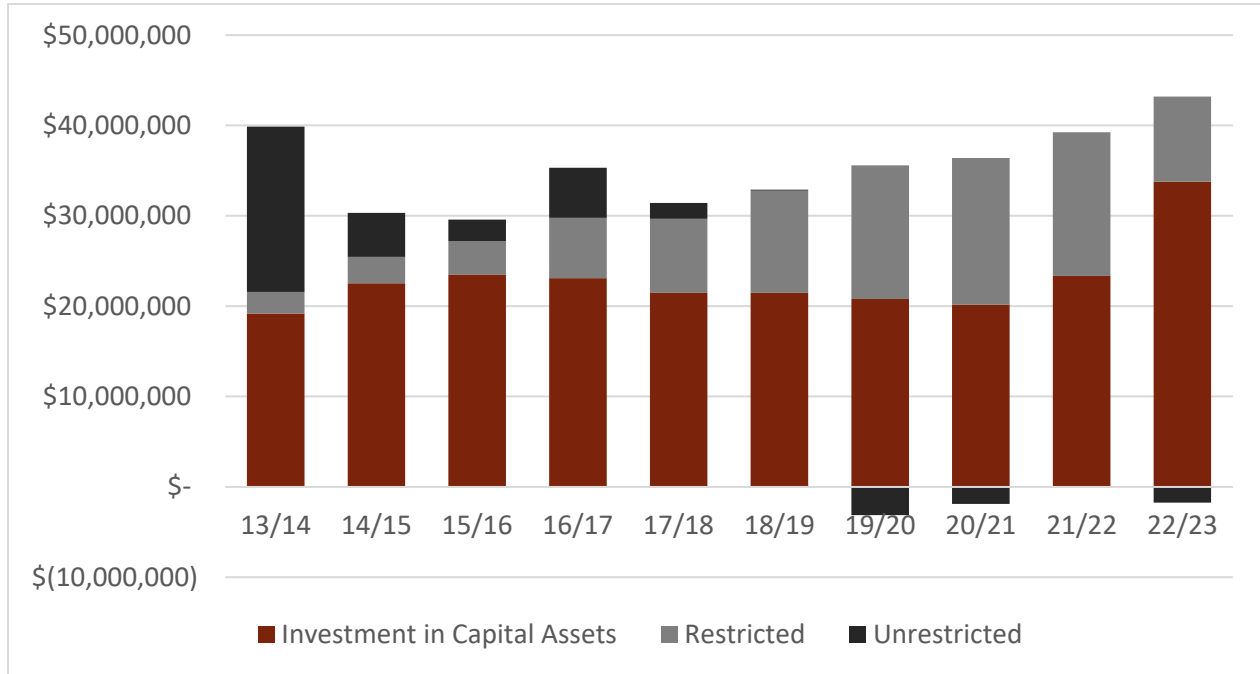
- Summary of District Activities
- Comparative Annual Graph – Total Responses
- Emergency Response Detail Analysis
- Emergency Response Detail History Graph
- Training Hours by Category
- Service Connected Illness/Injury Report
- Staffing Summary
- Capital Asset Statistics

### **SOURCES**

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Sources utilized to compile the data presented in the statistical section of this report are noted at the bottom of each page.

**El Dorado Hills County Water District  
Net Position By Component  
Last Ten Fiscal Years  
(Accrual Basis of Accounting)**



	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Net Investment in Capital Assets	\$19,174,005	\$22,522,649	\$23,505,810	\$23,089,566	\$21,475,181	\$21,474,147	\$20,785,082	\$20,166,870	\$23,347,848	\$33,782,588
Restricted	2,399,629	2,927,126	3,697,146	6,682,221	8,190,667	11,317,832	14,795,543	16,224,136	15,903,878	9,413,238
Unrestricted	18,300,883	4,867,335	2,378,443	5,550,889	1,754,055	104,306	(3,129,387)	(1,885,181)	(35,834)	(1,746,107)
<b>Total Net Position</b>	<b>\$39,874,517</b>	<b>\$30,317,110</b>	<b>\$29,581,399</b>	<b>\$35,322,676</b>	<b>\$31,419,903</b>	<b>\$32,896,285</b>	<b>\$32,451,238</b>	<b>\$34,505,825</b>	<b>\$39,215,892</b>	<b>\$41,449,719</b>

Source: El Dorado Hills County Water District Financial Records



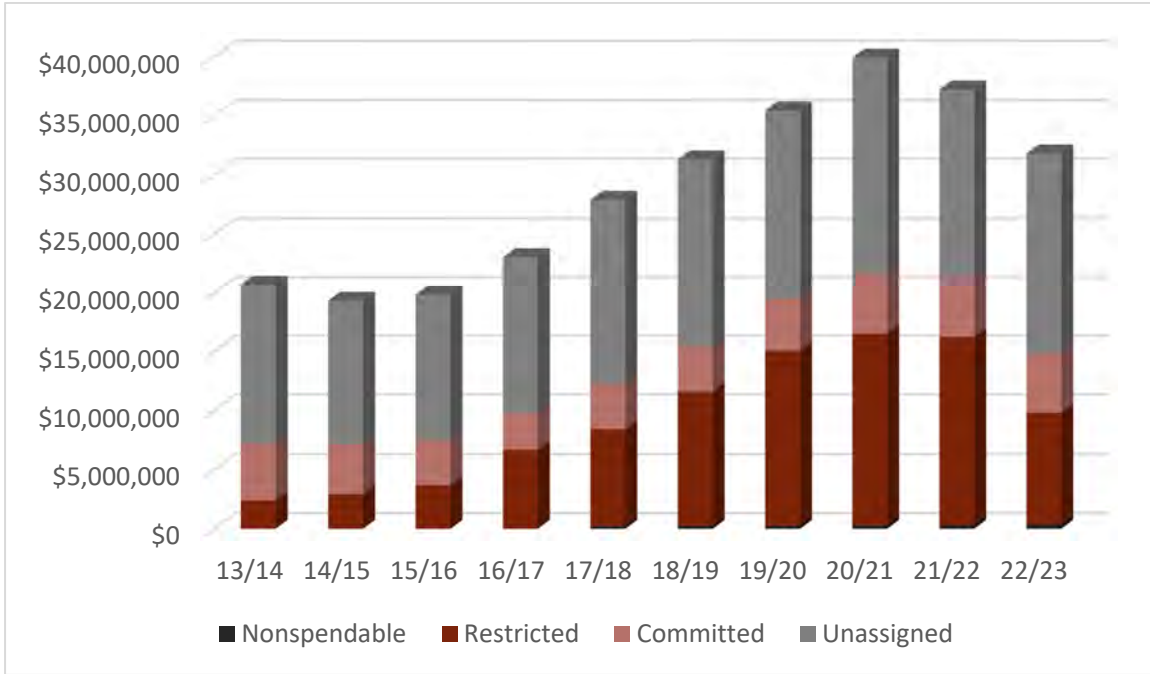
**El Dorado Hills County Water District**  
**Changes In Net Position**  
**Last Ten Fiscal Years**  
**(Accrual Basis of Accounting)**

	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
<b>EXPENSES</b>										
Governmental Activities:										
Public Protection	\$13,426,765	\$14,125,411	\$19,011,011	\$17,191,622	\$18,129,093	\$19,822,310	\$22,518,684	\$22,682,001	\$19,056,449	\$25,907,192
Interest on Long-term Debt	-	-	-	-	-	-	-	-	7,033	7,096
Depreciation and Amortization	861,948	879,123	1,029,978	1,092,104	1,117,604	1,185,816	1,073,392	1,066,471	1,215,700	1,274,020
<b>Total Government Activities</b>	<b>14,288,713</b>	<b>15,004,534</b>	<b>20,040,989</b>	<b>18,283,726</b>	<b>19,246,697</b>	<b>21,008,126</b>	<b>4,526,729</b>	<b>23,748,472</b>	<b>20,279,182</b>	<b>27,188,308</b>
<b>PROGRAM REVENUES</b>										
Governmental Activities:										
Charges for Services	957,300	1,213,829	1,746,363	1,657,201	1,686,713	1,816,922	1,361,426	2,827,353	2,344,181	1,974,824
Operating Grants	-	-	-	-	-	-	-	44,379	-	24,683
Federal Capital Grants	-	-	-	-	-	-	-	225,566	-	-
<b>Total Program Revenues</b>	<b>957,300</b>	<b>1,213,829</b>	<b>1,746,363</b>	<b>1,657,201</b>	<b>1,686,713</b>	<b>1,816,922</b>	<b>1,361,426</b>	<b>3,097,298</b>	<b>2,344,181</b>	<b>1,999,507</b>
<b>NET (EXPENSES)/REVENUE</b>										
<b>Total Net Expense</b>	<b>(13,331,413)</b>	<b>(13,790,705)</b>	<b>(18,294,626)</b>	<b>(16,626,525)</b>	<b>(17,559,984)</b>	<b>(19,191,204)</b>	<b>(22,230,650)</b>	<b>(20,651,174)</b>	<b>(17,935,001)</b>	<b>(25,188,801)</b>
<b>GENERAL REVENUES (EXPENSES)</b>										
Governmental Activities:										
Property Taxes	12,407,577	13,969,063	14,831,881	15,593,084	17,315,334	18,124,296	19,284,974	20,399,159	21,630,784	24,102,775
Fire Impact Fees	1,205,622	1,737,512	2,489,829	2,954,286	2,229,285	1,209,930	1,286,926	1,146,558	1,376,668	1,083,578
Investment Earnings	46,080	50,652	77,353	140,505	-	753,953	787,399	430,157	(1,095,739)	882,103
Other Revenues	131,019	167,575	159,852	187,647	525,516	123,647	426,304	729,887	733,355	1,335,922
<b>Total General Revenues</b>	<b>13,790,298</b>	<b>15,924,802</b>	<b>17,558,915</b>	<b>18,875,522</b>	<b>20,070,135</b>	<b>20,211,826</b>	<b>21,785,603</b>	<b>22,705,761</b>	<b>22,645,068</b>	<b>27,404,378</b>
<b>CHANGE IN NET POSITION</b>										
Governmental Activities:	458,885	2,134,097	(735,711)	2,248,997	2,510,151	2,020,622	(445,047)	2,054,587	4,710,067	2,215,577
Net Position, Beginning of year	39,415,632	28,183,013*	30,317,110	33,073,679*	28,909,752*	31,875,663*	32,896,285	32,451,238	34,505,825	39,234,142*
<b>Net Position, End of year</b>	<b>\$39,874,517</b>	<b>\$30,317,110</b>	<b>\$29,581,399</b>	<b>\$35,322,676</b>	<b>\$31,419,903</b>	<b>\$32,896,285</b>	<b>\$32,451,238</b>	<b>\$34,505,825</b>	<b>\$39,215,892</b>	<b>\$41,449,719</b>

\*As restated

Source: El Dorado Hills County Water District Financial Records

**El Dorado Hills County Water District  
Fund Balances of Governmental Funds  
Last Ten Fiscal Years  
(Modified Accrual Basis of Accounting)**



	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
<b>GENERAL FUND</b>										
Nonspendable	-	-	-	-	\$219,700	\$245,612	\$265,302	\$263,542	\$305,313	\$379,991
Restricted	\$2,399,629	\$2,927,126	\$3,697,146	\$6,682,221	8,190,667	11,317,832	14,795,543	16,224,136	15,903,878	9,413,238
Committed	4,829,631	4,245,134	3,826,024	3,052,680	3,803,787	3,790,697	4,402,926	5,230,513	5,110,017	5,036,291
Unassigned	13,471,252	12,105,645	12,269,006	13,313,205	15,699,175	15,929,339	15,979,729	18,209,519	15,896,200	16,967,932
<b>Total Fund Balances</b>	<b>\$20,700,512</b>	<b>\$19,277,905</b>	<b>\$19,792,176</b>	<b>\$23,048,106</b>	<b>\$27,913,329</b>	<b>\$31,283,480</b>	<b>\$35,443,500</b>	<b>\$39,927,710</b>	<b>\$37,215,408</b>	<b>\$31,797,452</b>

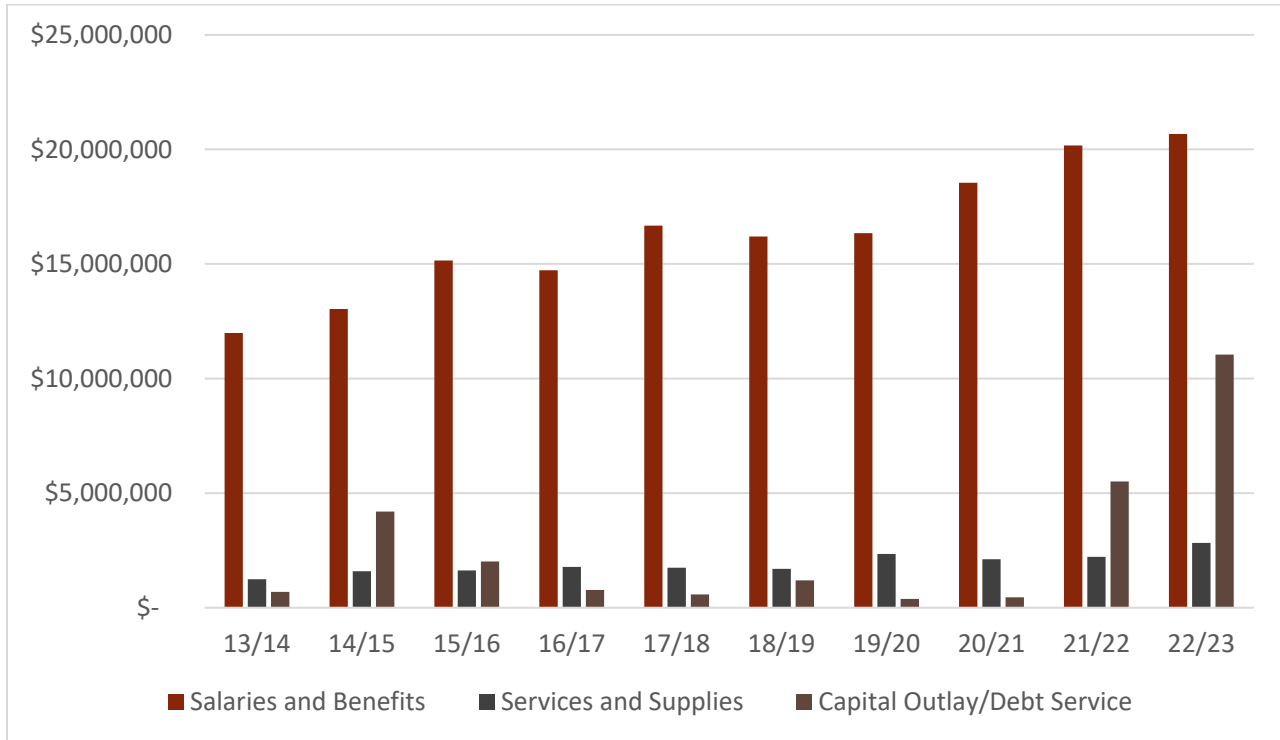
Source: El Dorado Hills County Water District Financial Records

**El Dorado Hills County Water District**  
**Changes In Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**(Modified Accrual Basis of Accounting)**

	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
<b>REVENUES</b>										
Property Taxes	\$12,407,577	\$13,969,063	\$14,831,881	\$15,593,084	\$17,315,334	\$18,045,958	\$19,363,312	\$20,399,159	\$21,630,784	\$24,102,775
Development Fees	1,205,622	1,737,512	2,489,829	2,954,286	2,229,285	1,209,930	1,286,926	1,146,558	1,376,668	1,083,578
Charges for Services	957,300	1,213,829	1,746,363	1,657,201	1,686,713	1,816,922	1,361,426	2,827,353	2,344,181	1,974,824
Operating Grants	-	-	-	-	-	-	-	44,379	-	24,683
Federal Capital Grants	-	-	-	-	-	-	-	225,566	-	-
Investment Earnings	46,080	50,652	77,353	140,505	303,280	753,953	787,399	430,157	(1,095,739)	882,103
Other Revenues	223,409	167,575	159,852	187,647	174,956	170,927	426,304	500,681	925,313	1,055,734
<b>Total Revenues</b>	<b>14,839,988</b>	<b>17,138,631</b>	<b>19,305,278</b>	<b>20,532,723</b>	<b>21,709,568</b>	<b>21,997,690</b>	<b>23,225,367</b>	<b>25,573,853</b>	<b>25,181,207</b>	<b>29,123,697</b>
<b>EXPENDITURES</b>										
Current:										
Wages and Benefits	11,985,515	13,037,571	15,152,287	14,722,340	16,672,621	16,200,363	16,340,848	18,544,320	20,170,571	20,672,951
Services and Supplies	1,241,333	1,589,074	1,622,224	1,781,109	1,745,861	1,695,539	2,340,172	2,109,629	2,219,721	2,827,777
Capital Outlay	691,417	4,194,193	2,016,496	773,344	579,635	1,189,046	384,327	448,259	5,450,646	10,972,253
Debt Service:										
Principal Repayment	-	-	-	-	-	-	-	-	48,541	61,576
Interest	-	-	-	-	-	-	-	-	7,033	7,096
<b>Total Expenditures</b>	<b>13,918,265</b>	<b>18,820,838</b>	<b>18,791,007</b>	<b>17,276,793</b>	<b>18,998,117</b>	<b>19,084,948</b>	<b>19,065,347</b>	<b>21,102,208</b>	<b>27,896,512</b>	<b>34,541,653</b>
Excess (deficiency) of Revenues over (under) Expenditures	921,723	(1,682,207)	514,271	3,255,930	2,711,451	2,912,742	4,160,020	4,471,645	(2,715,305)	(5,417,956)
<b>Other Financing Sources (Uses)</b>										
Proceeds from Sale of Capital Assets	-	-	-	-	752,375	1,649	-	12,565	-	-
Proceeds from Insurance	-	-	-	-	81,988	-	-	-	3,003	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>834,363</b>	<b>1,649</b>	<b>-</b>	<b>12,656</b>	<b>3,003</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>\$921,723</b>	<b>\$(1,682,207)</b>	<b>\$514,271</b>	<b>\$3,255,930</b>	<b>\$3,545,814</b>	<b>\$2,914,391</b>	<b>\$4,160,020</b>	<b>\$4,484,210</b>	<b>\$(2,712,302)</b>	<b>\$(5,417,956)</b>
Debt Service as a Percentage of Noncapital Expenditures	0%	0%	0%	0%	0%	0%	0%	0%	0.25%	0.29%

Source: El Dorado Hills County Water District Financial Records

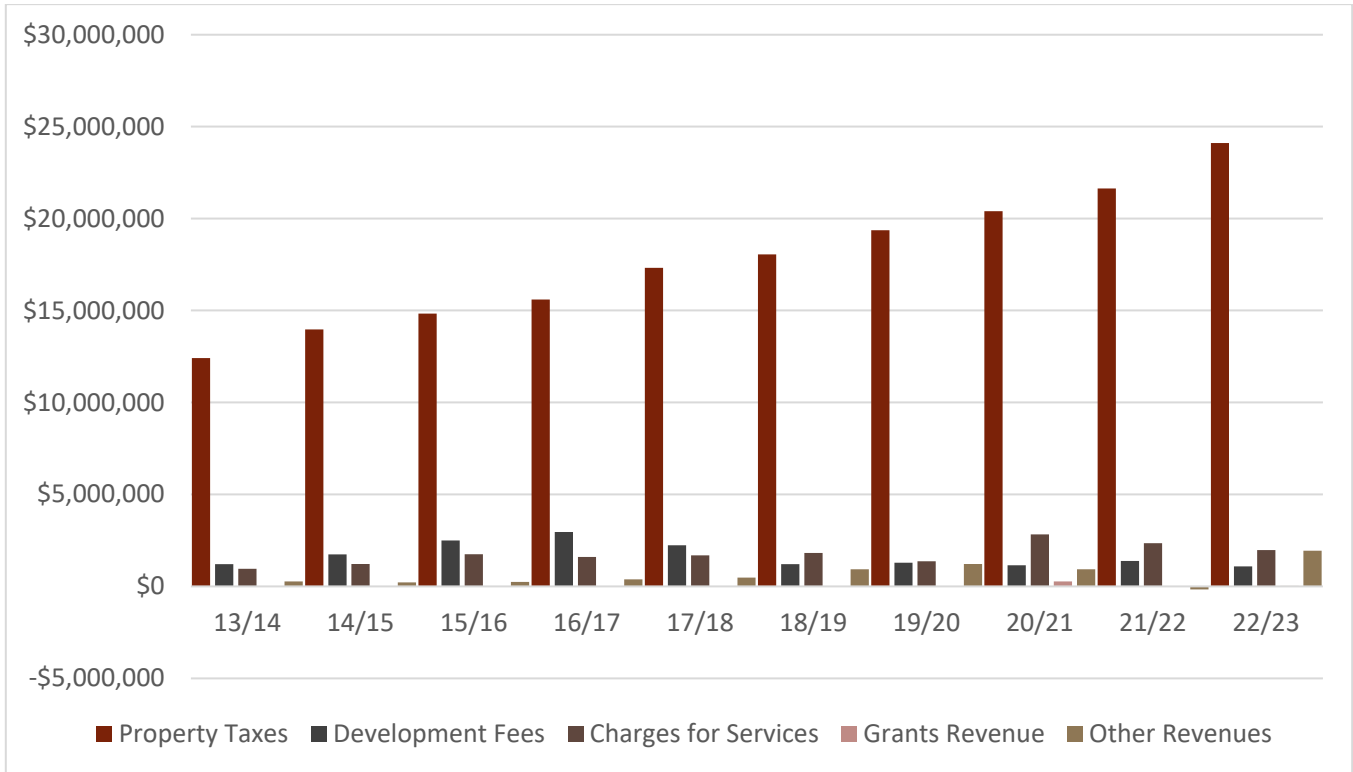
**El Dorado Hills County Water District  
Expenditures by Function  
Last Ten Fiscal Years  
(Modified Accrual Basis of Accounting)**



<b>Fiscal Year</b>	<b>Salaries and Benefits</b>	<b>Services and Supplies</b>	<b>Capital Outlay/Debt Service</b>	<b>Total</b>
2013/14	\$11,985,515	\$1,241,333	\$691,417	\$13,918,265
2014/15	13,037,571	1,589,074	4,194,193	18,820,838
2015/16	15,152,287	1,622,224	2,016,496	18,791,007
2016/17	14,722,340	1,781,109	773,344	17,276,793
2017/18	16,672,621	1,745,861	579,635	18,998,117
2018/19	16,200,363	1,695,539	1,189,046	19,084,948
2019/20	16,340,848	2,340,172	384,327	19,065,347
2020/21	18,544,320	2,109,629	448,259	21,102,208
2021/22	20,170,571	2,219,721	5,506,220	27,896,512
2022/23	20,672,953	2,827,775	11,040,925	34,541,653

Source: El Dorado Hills County Water District Financial Records

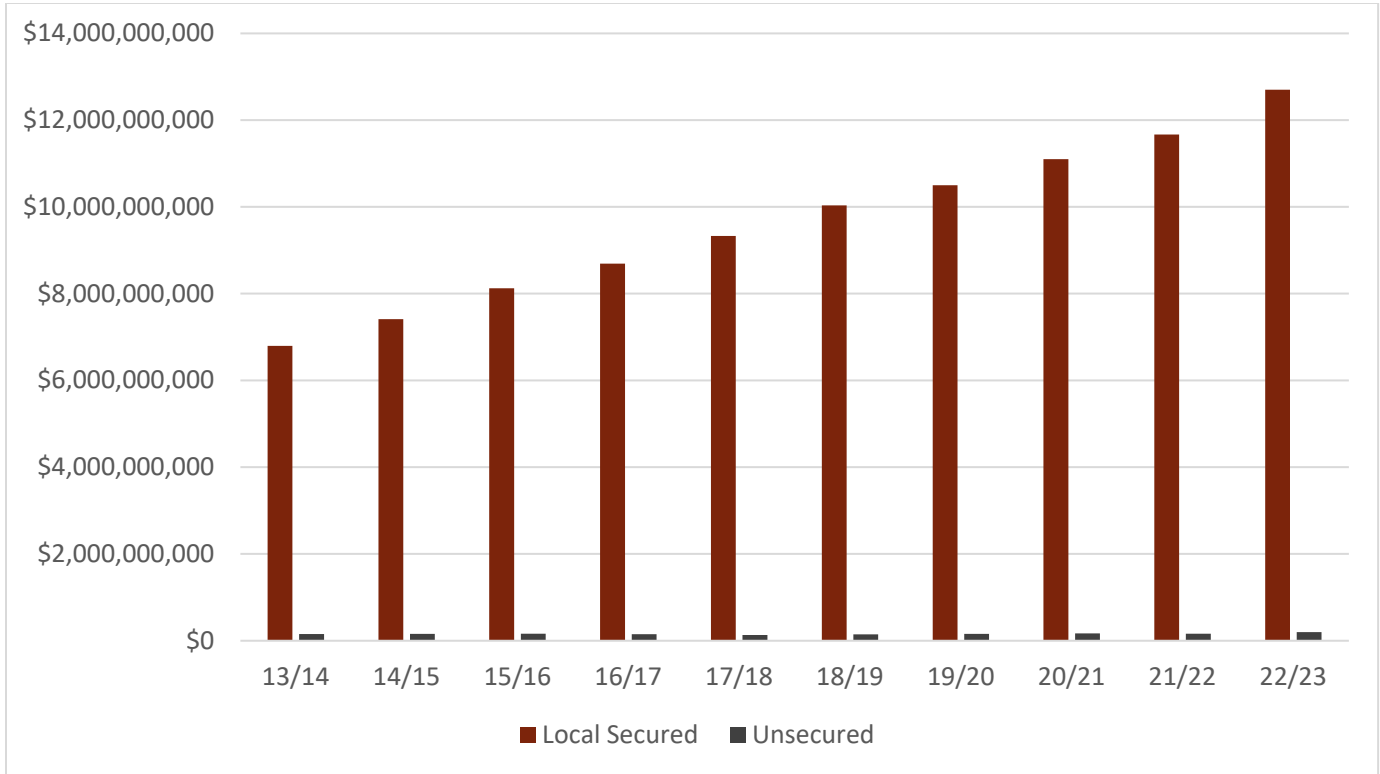
**El Dorado Hills County Water District  
General Revenues by Source  
Last Ten Fiscal Years  
(Modified Accrual Basis of Accounting)**



Fiscal Year	Property Taxes	Charges for Services	Development Fees	Grants Revenue	Other Revenues	Total
2013/14	\$12,407,577	\$957,300	\$1,205,622	-	\$269,489	\$14,839,988
2014/15	13,969,063	1,213,829	1,737,512	-	218,227	17,138,631
2015/16	14,831,881	1,746,363	2,489,829	-	237,205	19,305,278
2016/17	15,593,084	1,595,764	2,954,286	-	382,152	20,532,723
2017/18	17,315,334	1,686,713	2,229,285	-	478,236	21,709,568
2018/19	18,045,958	1,816,922	1,209,930	-	924,880	21,997,690
2019/20	19,363,312	1,361,426	1,286,926	-	1,213,703	23,225,367
2020/21	20,399,159	2,827,353	1,146,558	\$269,945	930,838	25,573,853
2021/22	21,630,784	2,344,181	1,376,668	-	(170,426)	25,181,207
2022/23	24,102,775	1,974,824	1,083,578	24,683	1,937,837	29,123,697

Source: El Dorado Hills County Water District Financial Records

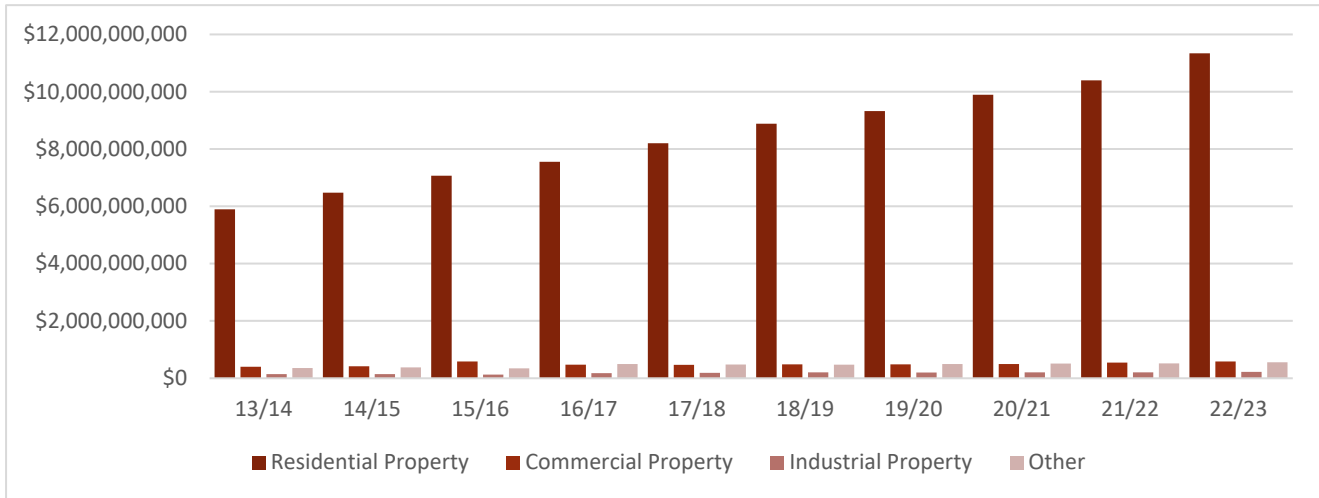
## El Dorado Hills County Water District Assessed Value of Taxable Property Last Ten Fiscal Years



<u>Fiscal Year</u>	<u>Local Secured</u>	<u>Unsecured</u>	<u>Total Assessed Value</u>
2013/14	\$6,794,816,737	\$153,060,235	\$6,947,876,972
2014/15	7,409,935,581	155,826,717	7,565,762,298
2015/16	8,124,657,737	159,182,960	8,283,840,697
2016/17	8,690,090,206	149,471,838	8,839,562,044
2017/18	9,331,200,367	128,621,737	9,459,822,104
2018/19	10,035,288,547	145,220,467	10,180,509,014
2019/20	10,500,618,343	154,591,806	10,655,210,149
2020/21	11,099,909,459	165,537,213	11,265,446,672
2021/22	11,667,394,311	157,668,653	11,825,062,964
2022/23	12,702,032,569	194,823,969	12,896,856,538

Source: El Dorado County Auditor Certified Values by Tax Base

## El Dorado Hills County Water District Assessed and Estimated Actual Value of Taxable Property Last Ten Fiscal Years



### Real Secured Property

Fiscal Year	Residential Property	Commercial Property	Industrial Property	Other	Total
13/14	\$5,896,637,931	\$401,518,277	\$140,443,593	\$356,216,936	\$6,794,816,737
14/15	6,477,726,657	413,604,705	141,376,533	377,227,686	7,409,935,581
15/16	7,067,889,880	483,927,207	127,780,678	345,059,972	8,124,657,737
16/17	7,551,387,153	470,660,892	173,372,997	494,669,164	8,690,090,206
17/18	8,199,466,352	468,439,386	186,008,117	477,286,512	9,331,200,367
18/19	8,880,539,858	482,952,186	202,115,599	469,680,904	10,035,288,547
19/20	9,325,947,176	484,844,612	198,075,997	491,750,558	10,500,618,343
20/21	9,891,287,240	496,433,497	201,753,534	510,435,188	11,099,909,459
21/22	10,395,574,365	546,996,029	206,345,757	518,478,160	11,667,394,311
22/23	11,338,605,334	584,781,636	220,933,583	557,712,016	12,702,032,569

### Total Assessed Values

Fiscal Year	Total Real Secured Property	Unsecured Property	Total Assessed (a)	Estimated Full Market (a)	Total Direct Tax Rate (b)
13/14	\$6,794,816,737	\$153,060,235	\$6,947,876,972	\$6,947,876,972	1%
14/15	7,409,935,581	155,826,717	7,565,762,298	7,565,762,298	1%
15/16	8,124,657,737	159,182,960	8,283,840,697	8,283,840,697	1%
16/17	8,690,090,206	149,471,838	8,839,562,044	8,839,562,044	1%
17/18	9,331,200,367	128,621,737	9,459,822,104	9,459,822,104	1%
18/19	10,035,288,547	145,220,467	10,180,509,014	10,180,509,014	1%
19/20	10,500,618,343	154,591,806	10,655,210,149	10,655,210,149	1%
20/21	11,099,909,459	165,537,213	11,265,446,672	11,265,446,672	1%
21/22	11,667,394,311	157,688,653	11,825,062,964	11,825,062,964	1%
22/23	12,702,032,569	194,823,969	12,896,856,538	12,896,856,538	1%

Source: ParcelQuest Data & Maps, El Dorado County

(a) The State Constitution requires property to be assessed at one hundred percent of the most recent purchase price, plus an increment of no more than two percent annually, plus any local over-rides. These values are considered to be full market values.

(b) California local governments do not set their own direct tax rate. The State Constitution establishes the rate at 1% and allocates a portion of that amount, by an annual calculation, to all the taxing entities within a tax rate area.



## El Dorado Hills County Water District Property Tax Levies and Collections Last Ten Fiscal Years



<u>Fiscal Year</u>	<u>Property Tax Levies</u>	<u>Current Collections</u>	<u>Percent of Levy Collected (a)</u>	<u>Value of Property Subject to Local Tax Rate</u>
2013/14	\$ 12,399,470	\$ 12,399,470	100%	\$ 6,947,876,972
2014/15	13,623,591	13,623,591	100%	7,565,762,298
2015/16	14,548,046	14,548,046	100%	8,283,840,697
2016/17	15,576,913	15,576,913	100%	8,839,562,044
2017/18	16,798,671	16,798,671	100%	9,459,822,104
2018/19	18,028,862	18,028,862	100%	10,180,509,014
2019/20	19,173,472	19,173,472	100%	10,655,210,149
2020/21	20,282,263	20,282,263	100%	11,265,446,672
2021/22	21,508,955	21,508,955	100%	11,825,062,964
2022/23	23,952,882	23,952,882	100%	12,896,856,538

Source: El Dorado Hills County Water District Financial Records and El Dorado County Tax Rolls

(a) El Dorado Hills County Water District participates in a Teeter Plan wherein it receives three distributions equal to the actual amount of property taxes collected. Any delinquencies at June 30 are purchased by the County and remitted to El Dorado Hills County Water District. As part of the plan, the County retains the penalties and interest on the delinquent taxes.

**El Dorado Hills County Water District  
Direct and Overlapping Property Tax Rates  
Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Basic County Wide Levy</b>	<b>Los Rios Community College District</b>	<b>Rescue Unified School District</b>	<b>Buckeye Unified School District</b>	<b>El Dorado High School District</b>	<b>Total</b>
2013/14	1.0000%	0.0181%	0.0334%	0.0286%	0.0214%	1.1015%
2014/15	1.0000	0.0113	0.0319	0.0271	0.0199	1.0902
2015/16	1.0000	0.0091	0.0326	0.0255	0.0196	1.0868
2016/17	1.0000	0.0141	0.0312	0.0207	0.0183	1.0843
2017/18	1.0000	0.0130	0.0294	0.0205	0.0164	1.0793
2018/19	1.0000	0.0131	0.0268	0.0196	0.0147	1.0742
2019/20	1.0000	0.0232	0.0294	0.0199	0.0157	1.0882
2020/21	1.0000	0.0223	0.0295	0.0195	0.0129	1.0842
2021/22	1.0000	0.0249	0.0298	0.0196	0.0138	1.0881
2022/23	1.0000	0.0226	0.0275	0.0186	0.0110	1.0796

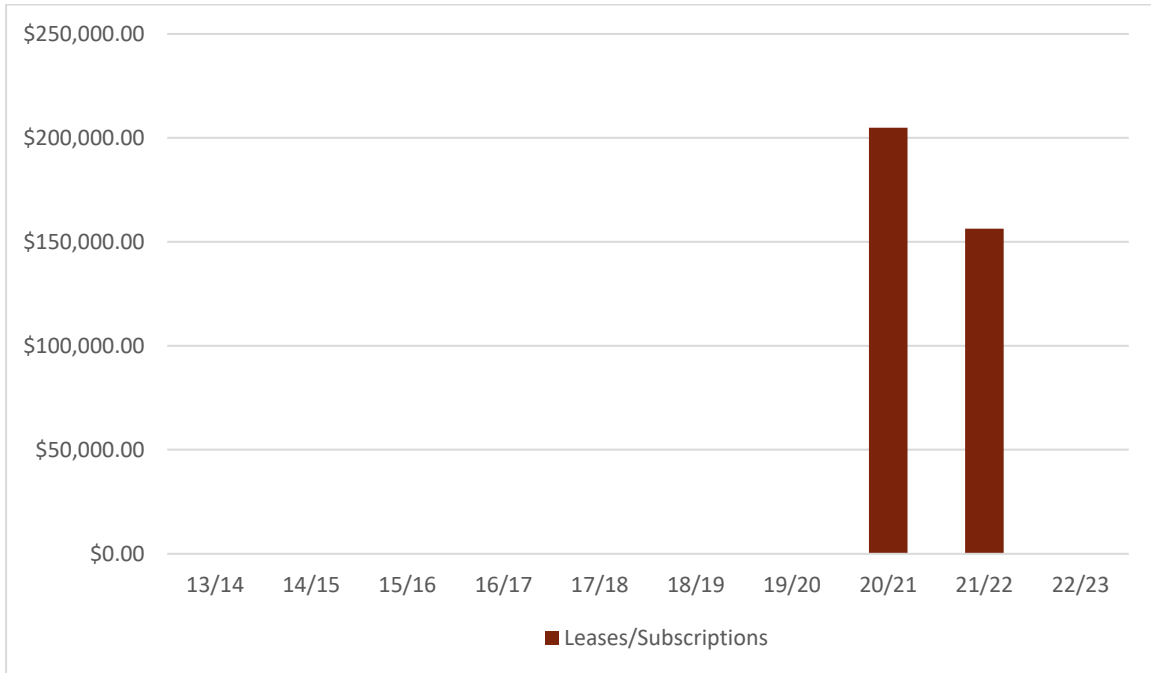
Source: El Dorado County Tax Rolls

**El Dorado Hills County Water District  
Principal Property Taxpayers  
Current and Nine Years Ago**

Taxpayer	2022-23			2013-14		
	Taxable Assessed Value	Rank	Percentage of Total Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Assessed Value
OAKMONT PROPERTIES ELEMENT 79 A DE LLC & OAKMONT P	\$85,600,000	1	0.66%			
ARG STELDCA001 A DE LLC	\$58,575,000	2	0.45%			
CALIF PHYSICIANS SERVICE DBA & BLUE SHIELD OF CALI	\$46,231,275	3	0.36%	\$52,137,577	1	0.75%
ELLIOTT HOMES INC AN AZ CORP	\$44,972,879	4	0.35%			
SI 48 A CA LLC	\$35,650,920	5	0.28%	\$35,546,676	2	0.51%
OAKMONT PROP LESARRA A DE LLC	\$31,791,819	6	0.25%			
EDH RETIREMENT RESIDENCE WA LP	\$27,649,533	7	0.21%			
TARGET CORPORATION A MN CORP	\$25,887,458	8	0.20%	\$22,952,755	8	0.33%
WELL OSL EL DORADO A DE LLC	\$25,745,301	9	0.20%			
MARKETPLACE AT TOWN CTR CA LP	\$24,420,000	10	0.19%	\$23,723,771	5	0.34%
TOWN CENTER EAST LP				\$34,570,749	3	0.50%
LANDSOURCE HOLDING CO A DE				\$25,175,448	4	0.36%
DST REALTY OF CA INC				\$23,706,361	6	0.34%
LBA RLTY FUND III CO II DE				\$23,469,000	7	0.34%
TARGET CORPORATION A MN CO				\$22,952,755	8	0.33%
SERRANO ASSOCIATES LLC				\$22,527,521	9	0.32%
CSS PROPERTIES LLC				\$21,959,407	10	0.32%
	<u>\$406,524,185</u>		<u>3.15%</u>	<u>\$285,769,265</u>		<u>4.11%</u>

Source: ParcelQuest Data & Maps, El Dorado County

## El Dorado Hills County Water District Ratio of Outstanding Debt by Type Last Ten Fiscal Years



<u>Fiscal Year</u>	<u>Leases/Subscriptions</u>	<u>Total Primary Government</u>	<u>Percentage of Personal Income<sup>[1]</sup></u>	<u>Debt per Capita<sup>[1]</sup></u>
13/14	-	-	0%	-
14/15	-	-	0%	-
15/16	-	-	0%	-
16/17	-	-	0%	-
17/18	-	-	0%	-
18/19	-	-	0%	-
19/20	-	-	0%	-
20/21	\$204,852	\$204,852	0.001%	\$4.10
21/22	231,497 <sup>[2]</sup>	231,497 <sup>[2]</sup>	0.001%	4.70
22/23	169,921	169,921	n/a <sup>[3]</sup>	3.42

<sup>[1]</sup> See page 65 (Demographic Statistics) for population data and page 66 for personal income.

<sup>[2]</sup> As restated.

<sup>[3]</sup> Information unavailable at time of report.

Source: El Dorado Hills County Water District Financial Records

**El Dorado Hills County Water District**  
**Computation of Direct and Overlapping Debt**  
**June 30,2023**

2022-23 Assessed Valuation: \$12,896,856,538	Total Debt 6/30/23	% Applicable <sup>(1)</sup>	District's Share of Debt 6/30/23
<b>DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT</b>			
Los Rios Community College District	\$448,500,000	5.197%	\$ 23,308,545
Folsom-Cordova Unified School District School Facilities Improvement District No. 2	12,039,210	0.121%	14,567
Folsom-Cordova Unified School District School Facilities Improvement District No. 3	185,384,024	0.583%	1,080,789
El Dorado Union High School District	58,205,831	46.192%	26,886,437
Buckeye Union School District	21,135,000	70.076%	14,810,563
Rescue Union School District	16,219,885	66.536%	10,792,063
El Dorado Hills County Water District Leases and Subscriptions	169,921	100%	169,921
El Dorado County Community Facilities Districts	112,825,000	77.235% – 100%	108,795,595
California Statewide Communities Development Authority Assessment Districts	19,350,227	100%	19,350,227
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT			\$205,208,707
<b>OVERLAPPING GENERAL FUND DEBT</b>			
El Dorado County General Fund Obligations	\$55,233,000	31.654%	\$17,483,454
Sacramento County General Fund Obligations	116,785,623	0.010%	11,679
Sacramento County Pension Obligation Bonds	540,586,779	0.010%	54,059
Sacramento County Office of Education General Fund Obligations	2,150,000	0.010%	215
El Dorado Union High School District Certificates of Participation	16,435,000	46.192%	7,591,655
Buckeye Union School District Certificates of Participation	13,295,000	70.076%	9,316,604
Rescue Union School District Certificates of Participation	10,220,000	66.536%	6,799,979
City of Folsom General Fund Obligations	814,635	0.117%	953
TOTAL GROSS DIRECT AND OVERLAPPING GENERAL FUND DEBT			\$41,258,598
Less: Sacramento County supported obligations			1,245
TOTAL NET DIRECT AND OVERLAPPING GENERAL FUND DEBT			\$41,257,353
<b>OVERLAPPING TAX INCREMENT DEBT</b>			
GROSS COMBINED TOTAL DEBT			\$246,468,550 <sup>(2)</sup>
NET COMBINED TOTAL DEBT			\$246,467,305

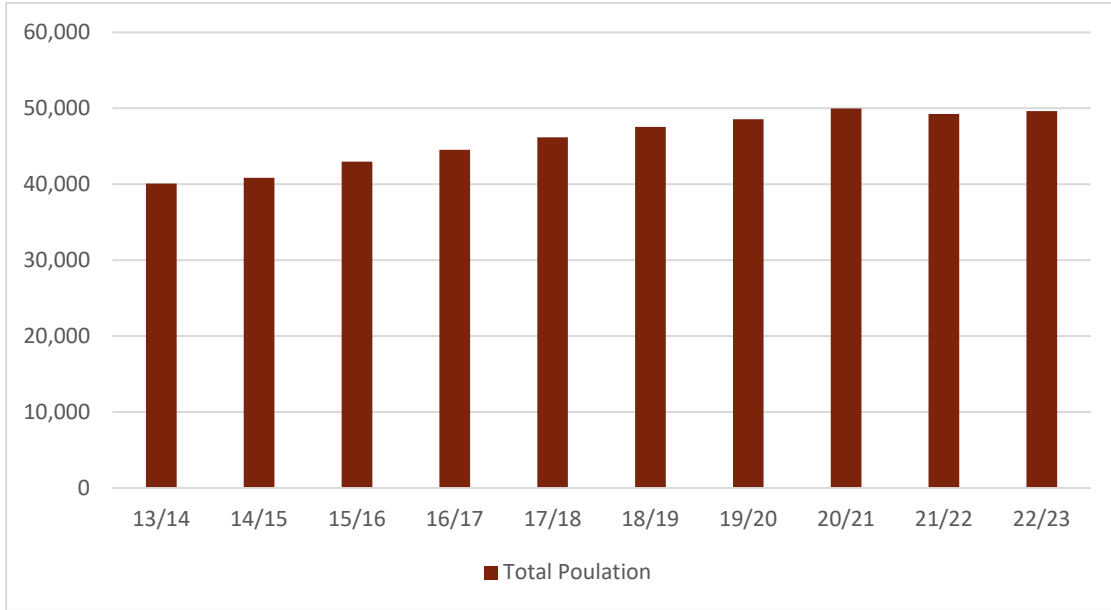
<sup>(1)</sup> The percentage of overlapping debt applicable to the District is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the District divided by the overlapping district's total taxable assessed value.

<sup>(2)</sup> Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded lease obligations.

**Ratios to 2022-23 Assessed Valuation:**

<b>Direct Debt</b>	<b>0.001%</b>
Total Direct and Overlapping Tax and Assessment Debt	1.59%
Gross Combined Total Debt	1.91%
Net Combined Total Debt	1.91%

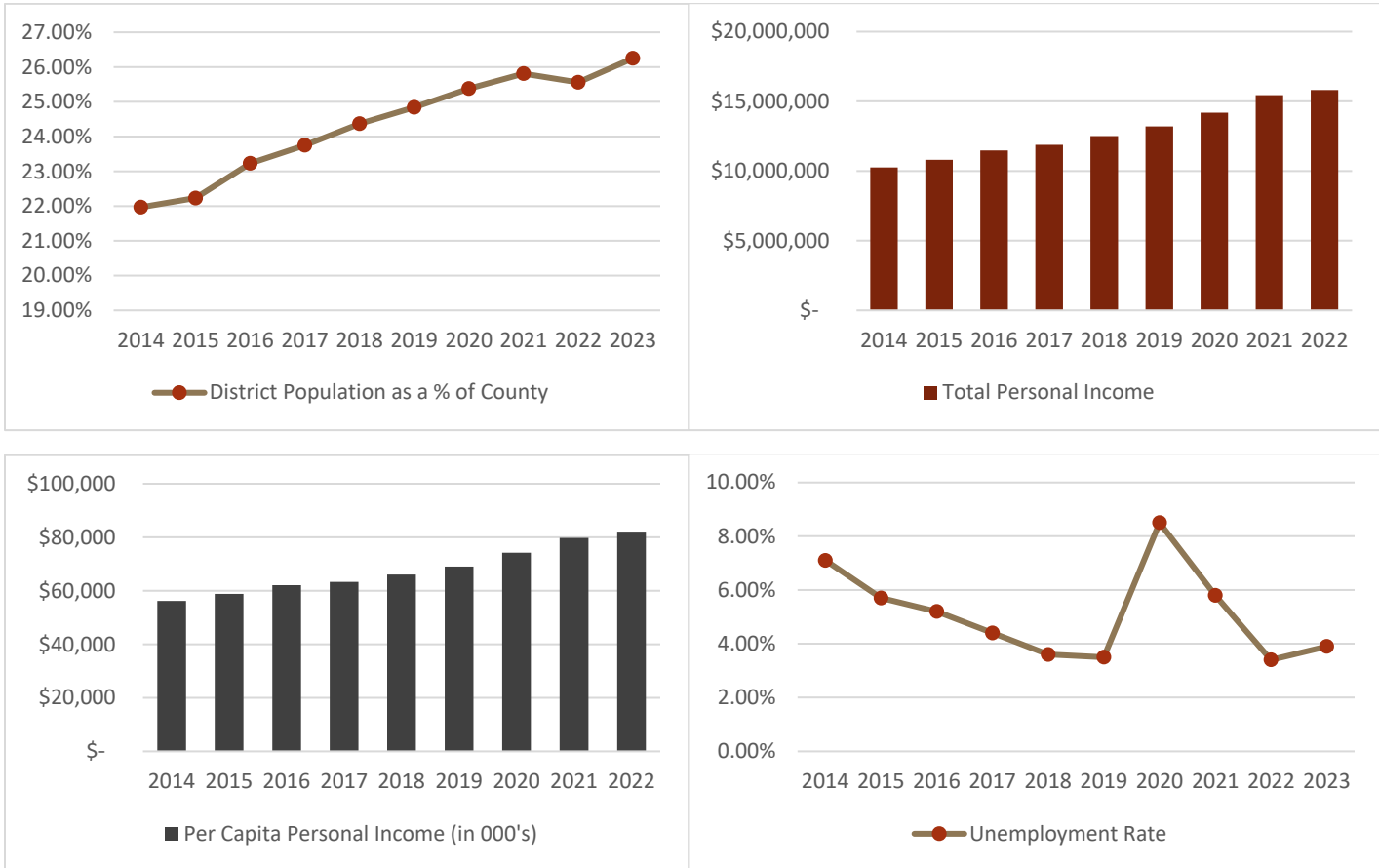
## El Dorado Hills County Water District Demographic Statistics Last Ten Fiscal Years



Year	Unincorporated Population	% Increase
2014	40,079	1.21%
2015	40,836	1.89%
2016	42,966	5.22%
2017	44,530	3.64%
2018	46,173	3.69%
2019	47,530	2.94%
2020	48,540	2.12%
2021	49,960	2.93%
2022	49,244	-1.43%
2023	49,617	0.76%

Source: California Department of Finance

## El Dorado Hills County Water District Demographic and Economic Statistics Last Ten Fiscal Years



Year	District Population	Total Personal Income (in \$ 000's)	Per Capita Personal Income	Unemployment Rate (%)	County Population	District Population as a % of County
2014	40,079	\$10,253,863	\$56,210	7.1%	182,420	21.97%
2015	40,836	10,805,487	58,818	5.7%	183,711	22.23%
2016	42,966	11,479,612	62,076	5.2%	184,929	23.23%
2017	44,530	11,874,184	63,328	4.4%	187,502	23.75%
2018	46,173	12,509,360	66,033	3.6%	189,442	24.37%
2019	47,530	13,203,465	68,992	3.5%	191,376	24.84%
2020	48,540	14,187,909	74,197	8.5%	191,220	25.38%
2021	49,960	15,436,024	79,736	5.8%	193,590	25.81%
2022	49,244	15,808,893	82,062	3.4%	192,646	25.56%
2023	49,617	n/a <sup>[1]</sup>	n/a <sup>[1]</sup>	3.9%	189,006	26.25%

<sup>[1]</sup> Information unavailable at time of report.

Sources: United States Bureau of Economic Analysis (revised personal income, per capita personal income and County population statistics for 2014-2022), California Department of Finance (District Population), California Department of Finance (Report E-4) (2023 County population), Employment Development Department (Unemployment Rate %)

Note: All data presented is for El Dorado County except District population.



**El Dorado Hills County Water District  
Private Sector Principal Employers  
Current Year and Nine Years Ago**

Employer	2023			2014		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
El Dorado County	1,929	1	2.15%	1,859	2	2.24%
Marshall Medical Center	1,498	2	1.67%	1,154	4	1.39%
Red Hawk Casino	1,200	3	1.34%	1,250	3	1.50%
Barton Healthcare Systems	867	4	0.97%	839	6	1.01%
Safeway	843	5	0.94%			
U.S Government	647	6	0.72%			
Sierra at Tahoe <sup>[1]</sup>	630	7	0.70%	650	10	0.78%
State of California	568	8	0.63%	764	7	0.92%
Buckeye Union Elementary School	525	9	0.59%			
Raley's	433	10	0.48%			
Blue Shield of California				2,069	1	2.49%
DST Output				850	5	1.02%
El Dorado Union High School District				670	8	0.81%
El Dorado County Office of Education				664	9	0.80%
<b>Total</b>	<b>9,140</b>		<b>10.19%</b>	<b>10,769</b>		<b>12.96%</b>

<sup>[1]</sup> Peak season employment.

Sources: Sacramento Business Journal, El Dorado Irrigation District Annual Comprehensive Financial Report

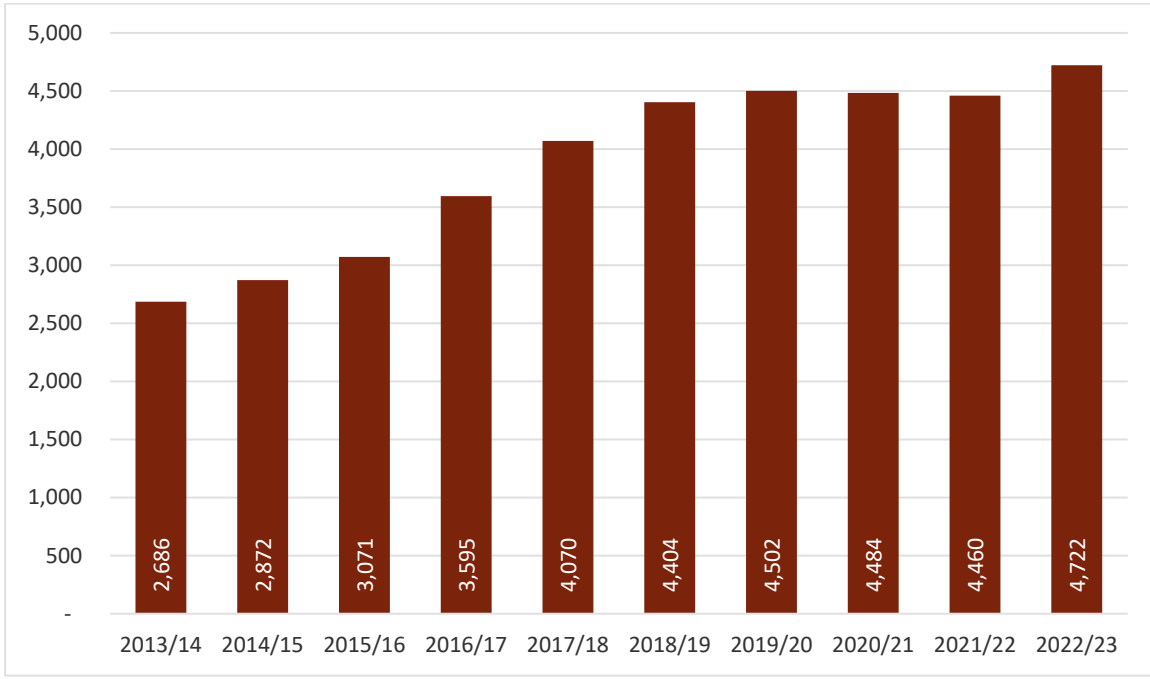
Note: Information presented is for El Dorado County since separate data is not available for the District.

**El Dorado Hills County Water District  
Summary of District Activities  
Fiscal Year 2022-2023**

CATEGORY	TOTAL	% CHANGE
POPULATION	49,617	0.76%
OPERATIONAL FIRE STATIONS	5	0%
INCIDENTS	4,722	5.87%
TOTAL FULL-TIME EMPLOYEES	82	9.33%
WORKERS' COMPENSATION CLAIMS		
Claims Expenditures	\$123,042	-6.92%
LEAVE HOURS		
Sick Leave Used	7,369	11.35%
Service Connected Disability Leave	2,430	-23.44%
Vacation Time Used	13,842	23.06%
TRAINING FOR SUPPRESSION PERSONNEL		
Total Training Hours	15,072	-15.89%

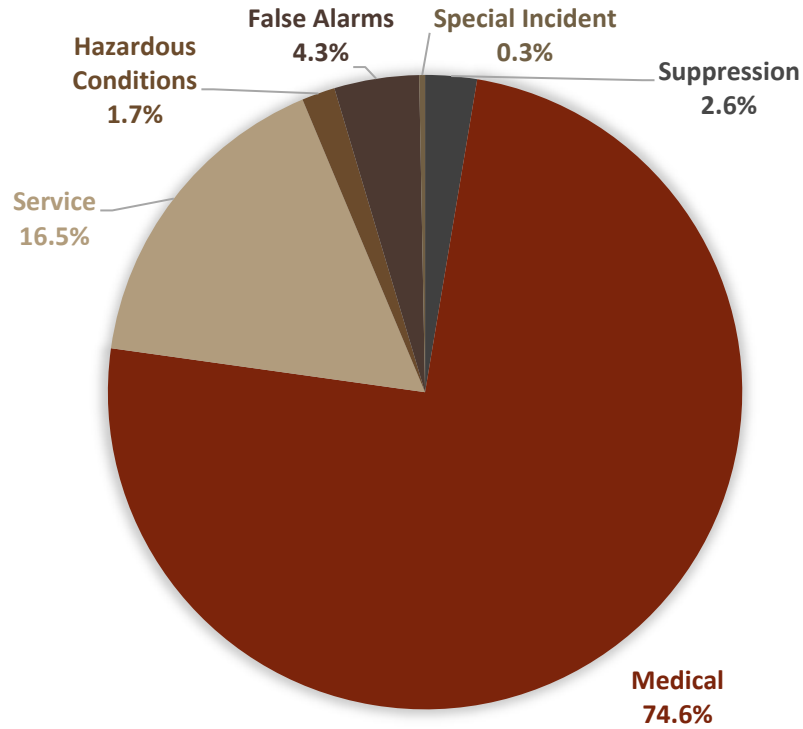
Sources: Various Divisions within El Dorado Hills County Water District

**El Dorado Hills County Water District  
Total Responses  
Fiscal Year 2022-2023**



Sources: El Dorado Hills County Water District Operations Division

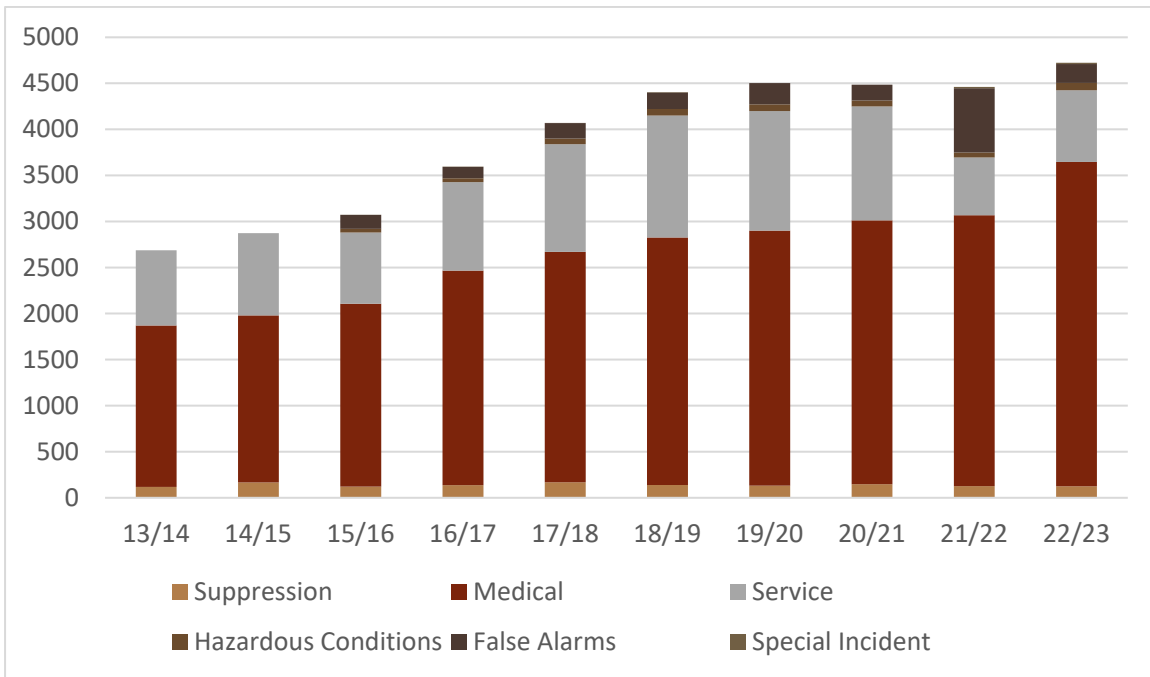
## El Dorado Hills County Water District Emergency Response Detail Analysis Fiscal Year 2022-2023



CATEGORY DESCRIPTION	NUMBER OF INCIDENTS
Suppression	124
Medical	3,522
Service	778
Hazardous Conditions	80
False Alarms	204
Special Incident	14

Sources: El Dorado Hills County Water District Operations Division

## El Dorado Hills County Water District Emergency Response Detail Analysis Last Ten Fiscal Years

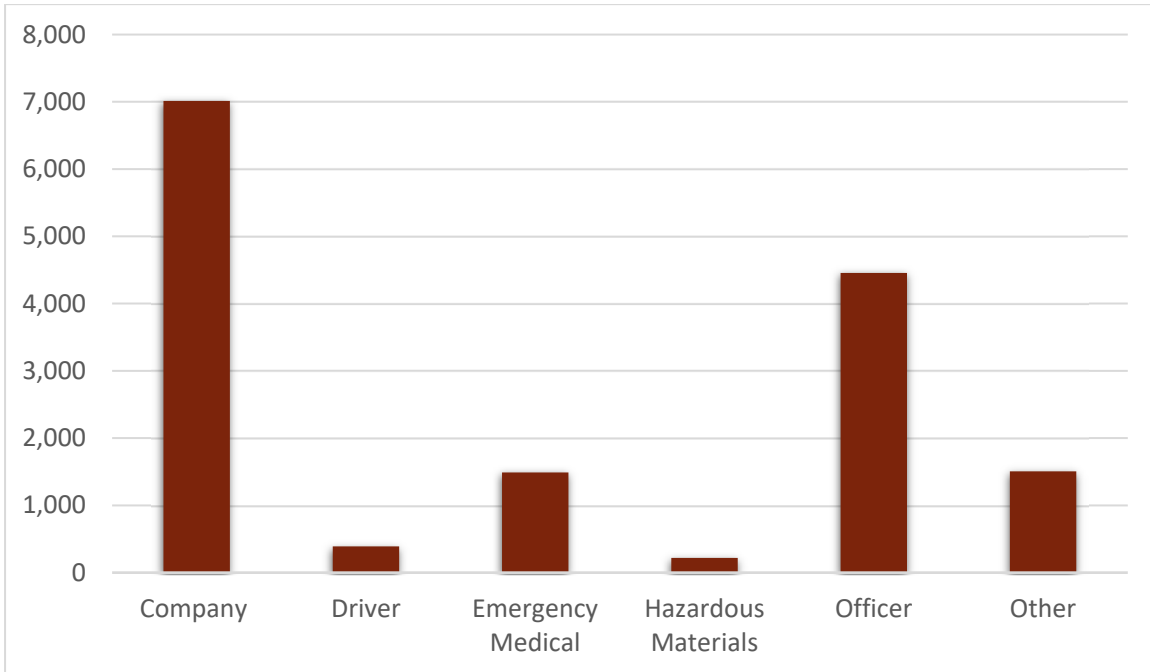


FUNCTION	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Suppression	118	167	121	137	169	138	131	148	126	124
Medical	1,752	1,813	1,986	2,330	2,501	2,688	2,770	2,863	2,941	3,522
Service	816	892	772	960	1,169	1,323	1,297	1,238	628	778
Hazardous Conditions	-	-	41	42	61	71	73	63	53	80
False Alarms	-	-	150	123	168	180	231	172	698	204
Special Incident	-	-	1	3	2	4	-	-	14	14

Sources: El Dorado Hills County Water District Operations Division

**El Dorado Hills County Water District  
Training Hours  
Fiscal Year 2022-23**

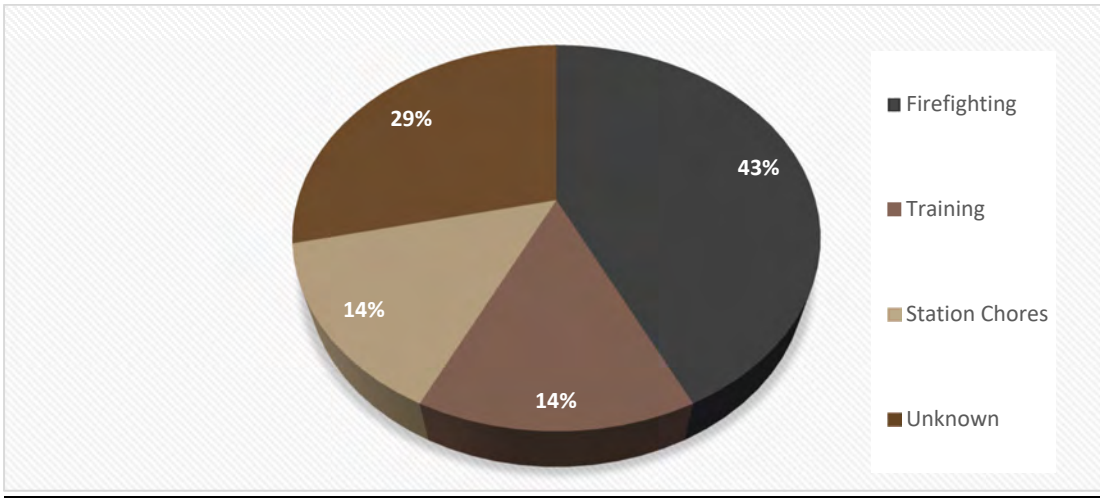
TRAINING CATEGORY	HOURS
Company	7,013
Driver	390
Emergency Medical	1,490
Hazardous Materials	218
Officer	4,456
Other	1,506
<b>Total Training Hours</b>	<b>15,072</b>



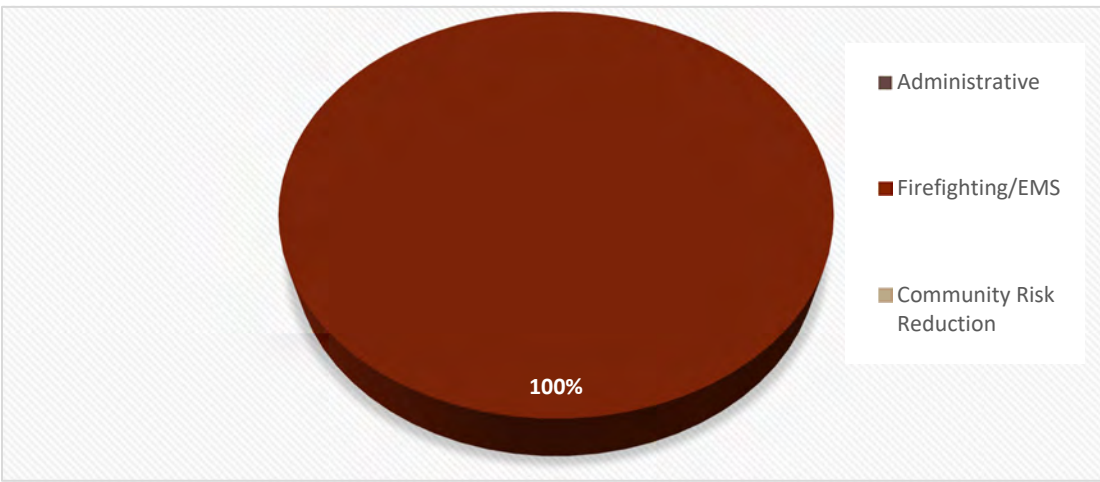
Sources: El Dorado Hills County Water District Operations Division

## El Dorado Hills County Water District Service-Connected Injury/Illness Report Fiscal Year 2022-23

Incident Activity	Number	Percentage of Total
Firefighting	3	42.86%
Training	1	14.29%
Station Chores	1	14.29%
Unknown	2	28.57%
<b>Total Number of Medical Injuries</b>	<b>7</b>	



Employee Category	Number	Percentage of Total
Administrative	-	-
Firefighting/EMS	7	100%
Community Risk Reduction	-	-
<b>Total Number of Medical Injuries</b>	<b>7</b>	



Sources: El Dorado Hills County Water District Human Resources Division



## El Dorado Hills County Water District Staffing Summary Last Ten Fiscal Years

	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
<b>Office of the Fire Chief</b>										
Fire Chief	1	1	1	1	1	1	1	1	1	1
Administrative Support	0	0	0	0	0	0	0.5	1	0.5	.5
Community Risk Reduction	4	3	3	3	3	3	4	4	4	9
Training Coordinator	0	0	0	0	0	0	0	0	0	1
<b>Operations</b>										
Deputy Chief	1	1	1	1	1	1	1	1	1	1
Administrative Support	0	0	0	0	0	0	1	1	1	1
Emergency Medical Services	3	0	0	0	0	0	0.5	0	0.5	0.5
Training/Safety	0	1	1	1	1	1	0.5	0	0.5	0.5
Fire Suppression	47	54	54	55	55	55	57	56	57	61
Operations Specialist	1	1	1	1	1	1	0	1	0	0
Fire Equipment Mechanic	0	0	0	0	0	0	0	0	1	1
<b>Administration/Support Services</b>										
Deputy Chief	0	1	1	1	1	1	1	1	1	1
Administrative Support	4	2	2	2	2	3	0.675	0.675	1	.5
Human Resources	0	0	0	0	0	0	1.5	1	1.5	2
Finance	1	2	2	2	2	2	2	2	2	2
<b>TOTAL</b>	<b>62</b>	<b>66</b>	<b>66</b>	<b>67</b>	<b>67</b>	<b>68</b>	<b>70.675</b>	<b>69.675</b>	<b>72</b>	<b>82</b>

Sources: El Dorado Hills County Water District Records

**El Dorado Hills County Water District  
Capital Asset Statistics  
Last Ten Fiscal Years**

ASSET CATEGORY	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Fire Stations	4	5	5	5	5	5	5	5	5	5
Ladder Trucks	1	1	1	1	1	1	1	1	1	1
Engines	9	9	9	8	8	9	10	10	10	11
Patrol Units	0	0	1	1	2	2	2	2	0	0
Water Tenders	0	2	2	1	1	1	1	1	1	1
Air Support Vehicles	1	1	1	1	1	1	1	1	1	1
Special Operations Vehicles	0	1	1	1	1	1	1	1	1	2
Staff Vehicles	4	3	3	4	4	5	5	5	5	10
Prevention Vehicles	2	4	4	5	5	5	5	5	4	4
Utility Vehicles	2	4	4	4	4	4	5	5	4	6

Sources: El Dorado Hills County Water District Records





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550 Howe Avenue, Suite 210  
Sacramento, California 95825  
Telephone: (916) 564-8727  
FAX: (916) 564-8728

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 Hills County Water District  
(dba El Dorado Hills Fire Department)  
El Dorado Hills, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of the El Dorado Hills Fire Department (dba El Dorado Hills Fire Department) (the District) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 1, 2023.

**Report on 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 audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

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

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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 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 result of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Richardson & Company, LLP*

December 1, 2023



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El Dorado Hills County Water District  
1050 Wilson Blvd., El Dorado Hills, CA 95762  
Phone: 916-933-6623



# El Dorado Hills Fire Department

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1050 Wilson Blvd. • El Dorado Hills, CA 95762 • Phone (916) 933-6623 • Fax (916) 933-5983

**Maurice Johnson**  
Fire Chief

**DATE:** December 14, 2023  
**TO:** Board of Directors  
**AGENDA ITEM:** Item XIV-A  
**SUBJECT:** Type 3 Engine Purchase

## TOPIC

Staff seeks Board authorization to purchase a Boise Mobile Equipment (BME) “Targhee” Model 34 Type 3 engine.

## SUMMARY

The Department’s response capabilities include responding to wildland/vegetation fires. The Department has two Type 3 engines, one of which is built on the International, West Mark platform. This engine, 8563/E-386, is 16 years old and is in need of replacement. Staff has completed a replacement assessment on this engine and determined the score to be 32 - Condition 4 “Needs Immediate Consideration”. Any score of 28 or more places the apparatus in this category. The assessment is based on maintenance and repair costs, reliability, age, miles/hours, type of service, and overall condition.

## DISCUSSION

Both of the Department’s Type 3 engines have been identified as “past due” for replacement on the Capital Replacement Schedule. The first Type 3 engine, originally scheduled for replacement in 2020, was replaced when the Board of Directors approved the purchase of a 2019 BME, “CAL Fire” Model 34 spec engine from the Buena Vista Rancheria Tribe at the June 20, 2023, board meeting.

Since then, Staff have been working on a plan to replace the second Type 3 engine, which was originally due for replacement in 2022 according to the Capital Replacement Schedule. After researching available options, it was discovered that BME is not currently taking orders for “CAL Fire” Model 34 spec engine and does not currently have a date of when orders will resume. Staff also learned there is a significant delay with the delivery of purchased apparatus, some deliveries being more than three years out.

Staff was contacted by Golden State Fire Apparatus, the sales dealer for BME, and notified of an opportunity to purchase a new “Targhee” Model 34 Type 3 engine. The apparatus is similar to the “CAL Fire” Model 34 Type 3 engine the Department purchased



from Buena Vista Rancheria. The engine is a stock model that is already in the build process and has an expected delivery date of April 2024.

Engine 8563 has met its service life obligation. Staff continues to update the Capital Replacement Schedule to ensure that the heavy fleet is well maintained, the most current, and has the most up-to-date safety equipment available on the market for Department personnel. The proposed new engine will replace 8563, at which point 8563's disposition will be determined at a later date.

With current market conditions, a lack of supply, an undetermined timeframe of when orders will be accepted, an unknown timeline for delivery after a unit is ordered, coupled with the current need to replace the existing engine with similar equipment for operational consistency, it has been determined the need for this purchase as urgent.

### FISCAL IMPACT

While the replacement of this Type 3 Engine was not included in the 2023/24 Final Budget, the purchase is fully allocated in the Capital Replacement Fund (73.5%) and the Development Fee Fund (26.5%), as the original planned replacement year was 2022. A budget amendment to increase capital outlay expenditures for this purchase may be proposed if needed as we near the end of this fiscal year.


The table below outlines the estimated total cost for this purchase:

<b>Description</b>	<b>Price</b>
<u>One (1) 2023 BME, Inc. Model 34 "Targhee" Type 3</u>	\$482,200.00
Taxes and Fees	\$ 34,970.00
<u>Sub Total</u>	<u>\$517,170.00</u>
Changes/Mounting	33,000.00
<b>GRAND TOTAL</b>	<b>\$550,170.00</b>

## RECOMMENDATION

Staff respectfully recommends the Board approve the purchase of one (1) 2023 BME Inc., Targhee Model 34 Type 3 Fire Engine. The total cost for this unit and associated upgrades, equipment, in-service inspections, and taxes/registration is not to exceed \$551,000.00.

Submitted by:



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Dustin Hall  
Deputy Chief – Operations

Approved by:



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Maurice Johnson  
Fire Chief

## PRODUCT PROPOSAL FOR:

### El Dorado Hills Fire Department

1050 Wilson Blvd.  
El Dorado Hills, CA 95762

### Sales Consultant

Brad Hansen  
[brad@goldenstatefire.com](mailto:brad@goldenstatefire.com)  
Mobile: (916) 869-6072

SUBMITTED DATE	EXPIRATION DATE	GSFA PROPOSAL #	MANUFACTURER BID #	MANUFACTURER	CONSORTIUM
11/09/2023	12/22/2023	11109-23B	Job 3512	BME Fire Trucks, LLC.	NONE

Golden State Fire Apparatus, Inc. ("GSFA") is pleased to provide this proposal for the fire apparatus(es) and equipment identified below (the "Product") to EL DORADO HILLS FIRE DEPARTMENT ("Customer") for consideration. This proposal (this "Product Proposal") includes the following exhibits attached hereto: the Standard Terms and Conditions attached as Exhibit A (the "Terms and Conditions"); the Product Specifications attached as Exhibit B (the "Specifications"); the Product Warranties attached as Exhibit C; and the Dealer Supplied Products and/or Services attached as Exhibit D (the "Dealer Supplied Products/Services List") (all of the foregoing, collectively, the "Agreement"). Through its signature below or other Acceptance (as defined on page 2), Customer acknowledges having received and read, and agrees to be bound by, the Agreement. The Agreement shall be effective as of the latest date appearing the signature blocks below (the "Executed Date").

ITEM	PRODUCT DESCRIPTION	UNIT PRICE
A	One (1) BME Fire Trucks, LLC. <u>STOCK</u> 4X4 International "Targhee" Model 34 Type 3 Engine	482,200.00
B	7.25% State Sales Tax	34,959.50
C	California Tire Fee	10.50
D	<b>GRAND TOTAL PURCHASE PRICE</b>	<b>517,170.00</b>

**PAYMENT TERMS** – Customer shall pay the total purchase price set forth directly above (the "Grand Total Purchase Price") to GSFA no later than the time of GSFA's delivery of the applicable Product to Customer's address listed above (or Customer's pick up of such Product at GSFA's facilities, if approved by GSFA). GSFA shall have no obligation to deliver, or permit pick up of the Product if the Customer does not have full payment ready when the Product is complete and ready to deliver or pick up, as applicable. Customer shall pay any balance due as a result of Change Orders as described in the Terms and Conditions.

**MANUFACTURER** – Customer acknowledges that GSFA is not an agent of the Product manufacturer identified above ("Manufacturer") and is not capable of binding Manufacturer. Within five (5) business days of the Executed Date, GSFA shall submit an order form to Manufacturer for the Product. GSFA's further performance under the Agreement is contingent upon Manufacturer's acceptance of such order form at the price and on the terms GSFA believed to be available when submitting this Product Proposal to Customer. If Manufacturer rejects such order as submitted or fails to respond to GSFA within a reasonable amount of time, GSFA shall notify Customer in writing, and unless GSFA and Customer otherwise agree in writing the Agreement shall then terminate and have no further force or effect.

**PRODUCT COMPLETION** – The Product shall be ready for final inspection by Customer at the manufacturing facility within approximately **5 to 6 MONTHS** after the Executed Date. The foregoing estimate is provided as a good faith approximation as of the date of submission of this Product Proposal and is subject to the Terms and Conditions.

**PREDELIVERY SERVICE** – If applicable, after transportation from the manufacturing facility and prior to final delivery or pick up, the Product shall receive those additional Products and/or services identified on the Dealer Supplied Products/Services List. It is estimated that such service will add approximately **1 to 2 MONTH(S)** to the above Product completion estimate. The foregoing estimate is provided as a good faith approximation as of the date of submission of this Product Proposal, and is subject to the Terms and Conditions.

**PROPOSAL EXPIRATION** – This Product Proposal supersedes any previous proposal(s) presented to Customer by GSFA and its employees and may be accepted by Customer on or before the Expiration Date identified above. Unless accepted by the Expiration Date, GSFA reserves the right to withdraw this Product Proposal or to alter its terms (including by providing updated Product pricing) prior to an order being accepted.

**PURCHASE ORDER** – Any PO shall be made out to: *Golden State Fire Apparatus, Inc. – 7400 Reese Road – Sacramento, CA 95828.*

**ACCEPTANCE** – ACCEPTANCE OF THIS PROPOSAL CREATES AN ENFORCEABLE BINDING AGREEMENT BETWEEN GSFA AND CUSTOMER. “ACCEPTANCE” MEANS THAT THE CUSTOMER DELIVERS TO GSFA: (A) A SIGNED COPY OF THIS PRODUCT PROPOSAL, OR (B) A SIGNED COPY OF A PURCHASE ORDER INCORPORATING THE AGREEMENT IN ITS ENTIRETY. ANY ADDITIONAL OR DIFFERENT TERMS, WHETHER CONTAINED IN CUSTOMER’S FORMS OR OTHERWISE PRESENTED BY CUSTOMER AT ANY TIME, ARE HEREBY REJECTED AND OF NO EFFECT UNLESS APPROVED IN WRITING SIGNED BY GSFA.

**COUNTERPARTS** - This Product Proposal may be executed in multiple counterparts, each of which shall be deemed an original (including copies sent to a party by electronic transmission) as against the party signing such counterpart, but which together shall constitute one and the same instrument. A signed copy of this Product Proposal delivered by facsimile, email or other means of electronic transmission will be deemed to have the same legal effect as delivery of an original signed copy of this Product Proposal. If this Product Proposal is returned to GSFA with the signature of Customer’s authorized representative but without an attestation or co-signers signature, then absent Customer’s written notice to the contrary, GSFA shall be entitled to rely on such single signature as sufficient evidence of the signatory’s authority to execute the Agreement and bind Customer thereby.

**INTENDING TO CREATE A BINDING AGREEMENT**, Customer and GSFA have each caused this Product Proposal dated 11/09/2023, GSFA Proposal Number 11109-23B to be executed by their duly authorized representatives effective as of the Executed Date.

ACCEPTED AND AGREED TO BY CUSTOMER

ACCEPTED AND AGREED TO BY GSFA

\_\_\_\_\_  
Signature of Authorized Customer Representative

\_\_\_\_\_  
Signature of Authorized GSFA Representative

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date



# El Dorado Hills Fire Department

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1050 Wilson Blvd. • El Dorado Hills, CA 95762 • Phone (916) 933-6623 • Fax (916) 933-5983

**Maurice Johnson**  
Fire Chief

**DATE:** December 14, 2023  
**TO:** Board of Directors  
**AGENDA ITEM:** XIV-B  
**SUBJECT:** Community Risk Reduction Division Vehicle Purchase

## TOPIC

Staff seeks Board authorization to purchase one (1) Ford Explorer Sport Utility Vehicles (SUV) for the Community Risk Reduction Division.

## SUMMARY

The Department's Community Risk Reduction Division (CRRD) responsibilities include new construction plan review and inspection, annual State mandate inspection, complaint investigation, defensible space and vegetation inspection, fire investigation, and public education. CRRD obligatory duties are achieved through the work of four (4) Fire Inspector/Fire Prevention Specialists, three (3) Defensible Space Inspectors, and one (1) Defensible Space Inspector Trainee.

Staff has evaluated current vehicle needs and based on the number of personnel and required functions within CRRD, there is a need of three (3) additional vehicles. The Board of Directors approved the purchase of two (2) of the three (3) vehicles at the November 16, 2023, board meeting. Since the November board meeting, staff has worked with a dealer to locate a third 2023 Ford Explorer that meets the minimum specifications for the Division and ensures consistency with other Division vehicles.

Staff was able to secure the vehicle utilizing the same public contract utilized for the purchase of the other two (2) vehicles. The contract is through the State of California (State of California Contract #1-22-23-14C) and was developed through a competitive bid process for a substantially similar vehicle. Contract 1-22-23-14C has a maturity date of May 10, 2025.



### FISCAL IMPACT

This vehicle was approved in the 2023/24 Final Budget for \$75,000. The quoted cost of the proposed vehicle is shown below, resulting in a projected budget savings of roughly \$10,000.

<b>Description</b>	<b>Price</b>
One (1) Ford Explorer SUV	\$45,110.00
Sales tax and Fees	\$3,279.23
Subtotal	\$48,389.23
Radio, technology, & associated equipment for both vehicles	\$15,000.00
Grand Total	\$63,389.23

### RECOMMENDATION


Staff recommends the Board approve the purchase of a Ford Explorer SUV and associated equipment and installation for a total not to exceed \$65,000.

Submitted by:



Dustin Hall  
Deputy Chief – Administration

Approved by:



Maurice Johnson  
Fire Chief

PRICE QUOTATION  
FOLSOM LAKE FORD  
12755 FOLSOM BLVD.  
FOLSOM, CA 95630  
(916) 351-4238 - Direct

---

To: Deputy Chief Dustin Hall / El Dorado Hills Fire Department /  
From: Rychard Rosada / Fleet & Commercial Account Manager / Folsom Lake Ford  
Subject: Pricing for 2023 Ford Explorer (State of California Contract #1-22-23-14C)

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\$45,814.00 - Bid Price (2023 Ford Police Explorer Utility AWD / 3.3L V6 Gas Eng)  
811.00 - Upgrade to XLT Package (202A)  
-1,600.00 - Government Price Concession  
\$45,025.00 - Selling Price (Rapid Red)  
85.00 - Documentation Fee  
\$45,110.00 - Subtotal  
3,270.48 - Sales Tax (7.25%)  
0.00 - Delivery to El Dorado Hills, CA  
0.00 - License Fees (Exempt)  
8.75 - California Tire Fee  
\$48,389.23 - Total Price (EACH) F.O.B. El Dorado Hills, CA

Payment Terms: Net 20

K8DE EXPLORER XLT 4WD  
2023 MODEL YEAR  
D4 RAPID RED MET TINTED CC  
S6 EBONY ACTIVEX SEAT MTRL

INCLUDED ON THIS VEHICLE  
EQUIPMENT GROUP 202A  
REMOTE START SYSTEM  
HEATED STEERING WHEEL  
8-WAY POWER PASSENGER SEAT

OPTIONAL EQUIPMENT/OTHER  
.18" 5-SPOKE PAINTED ALUM WHLS  
99H .2.3L ECOBOOST I-4 ENGINE  
44T .10-SPEED AUTO TRANSMISSION  
.P255/65R18 A/S BSW TIRES  
17U 2ND RW SPLT BENCH W/E-Z ENTRY  
425 50 STATE EMISSIONS  
52T CLASS IV TRAILER TOW PACKAGE  
59W 4G LTE WI-FI HOTSPOT CREDIT  
91X REAR AUXILIARY CNTRLS CREDIT  
153 FRONT LICENSE PLATE BRACKET



State of California  
Bid Specification  
MIDSIZE UTILITY VEHICLE,  
LAW ENFORCEMENT HIGH SPEED VEHICLE  
POLICE PURSUIT

2310-5644, Rev 0  
1-22-23-14C  
Attachment B1

**Document Summary**

<b>Detail Type</b>	<b>Detail</b>
Event ID	0000020265
Commodity	MIDSIZE UTILITY VEHICLE, LAW ENFORCEMENT HIGH SPEED VEHICLE POLICE PURSUIT
Attachment (Exhibit)	Attachment B1
Group-Class	23-10
Bid Specification	2310-5644
Revision Level	Original
Revision Date	September 30, 2021
Agency Name	Statewide

**Revision History**

<b>Bid Spec</b>	<b>Rev Level</b>	<b>Revision Date</b>	<b>Author</b>	<b>Summary of Changes</b>
2310-4264	Original	April 12, 2018	MADUELL, R	First Bid Development
2310-5644	Original	Sept 30, 2021	Lai, Y	Bid Development

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## 1.0 SCOPE

This specification describes the State of California minimum requirements for an **all or rear wheel drive** midsize utility vehicle (UV) to be used in high-speed highway traffic and general law enforcement work. The vehicle will at times be operated at speeds in excess of 100 miles per hour for both short and long durations. It will be driven on all types of roads, and road surfaces and at altitudes ranging from approximately 200 feet below sea level to 10,000 feet above sea level. Ambient temperatures to which the vehicle will be exposed will range from approximately 0°F to 120°F.

The manufacturer shall use components, materials and design practices that are the best available in the industry for the type of operational conditions to which the vehicles will be subjected. Engine, transmission, driveline, differential, brake, suspension, wheel, tire and other component parts of the vehicle shall be selected to give maximum performance, service life, as well as safety and not merely meet the minimum requirements of this specification. Where necessary, the component parts shall exceed the usual quantity, quality, or capacity generally supplied with standard production vehicles in order to withstand the unusual strain, exposure, temperature, wear and use required for a police application.

## 2.0 APPLICABLE LAWS and INDUSTRY STANDARDS

Specifications, standards and codes referenced in this document in effect on the opening of the 'Invitation for Bid', form a part of this specification.

### 2.1 LAWS and REGULATIONS

- 2.1.1 Applicable California Vehicle Code (CVC).
- 2.1.2 Code of Federal Regulations, Title 49, "Federal Motor Vehicle Safety Standard" (FMVSS)
- 2.1.3 California Code of Regulations, Title 13, "Motor Vehicles" rules and regulations (except emissions regulations)
- 2.1.4 Federal and State rules, regulations, and safety standards applicable to the vehicle type in effect on the date of the opening of the invitation for bid.
- 2.1.5 Vehicles shall meet 50 State emissions requirements that allow the resale of these vehicles to the general public as originally equipped upon emergency vehicle "service life" completion

### 2.2 INDUSTRY STANDARDS

- 2.2.1 Society of Automotive Engineers (SAE) J 1100, "Motor Vehicle Dimensions" and other applicable SAE standards.

## 3.0 TECHNICAL REQUIREMENTS

All vehicles offered in compliance with these specifications shall be the manufacturer's "Police Pursuit" rated midsize UV model and shall be suitable for high-speed pursuit and emergency driving. All vehicles shall meet the following minimum specifications:

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### 3.1 GENERAL REQUIREMENTS

3.1.1 Each vehicle shall be new (unused), current model year production. Each vehicle shall be supplied with all equipment and accessories indicated as standard equipment in the manufacturer's published literature unless specifically deleted as stated in this specification. Optional equipment necessary to meet the requirements of this specification shall also be installed.

### 3.2 ENGINE

3.2.1 The engine shall be a manufacturer's "**Police Package**" configuration and shall have a displacement, to be determined by the manufacturer, sufficient so that all performance requirements described in Section 1.0, Scope and Section 3.25, Performance Requirements are achieved.

3.2.2 The engine shall be designed to operate knock free at all engine and vehicle speeds on unleaded fuel with a minimum octane rating of 87  $[(RM + MM) \div 2]$ .

### 3.3 ENGINE OIL COOLER

3.3.1 An auxiliary engine oil cooler shall be installed if required to maintain oil operating temperatures  $\leq 300^{\circ}\text{F}$ , under operating conditions described in the Section 1.0 of this specification.

### 3.4 FUEL SUPPLY SYSTEM

3.4.1 The fuel supply system shall be of such a design to eliminate vapor lock when the engine is operating in high ambient temperatures or during periods of extended idling.

### 3.5 FUEL TANK

3.5.1 The fuel tank furnished shall be the largest capacity available.

### 3.6 COOLING SYSTEM

3.6.1 The cooling system shall be liquid pressurized, forced circulation type. The manufacturer shall provide the heaviest duty cooling system components and recovery system applicable to the model offered. The cooling system design and capacity shall maintain the engine at optimum temperature, under all operating conditions specified, without any loss of coolant or overheating of engine or components. The cooling system shall be free of contaminants that may affect cooling system component longevity and performance. Optimum engine temperature shall be maintained with the vehicle loaded to the vehicle manufacturer's published maximum gross vehicle weight rating (GVWR) and continually operated in all operating environments described within the scope of this specification.



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### 3.7 ELECTRICAL SYSTEM

- 3.7.1 The electrical system shall be 12-volt negative ground. All wiring shall include weather-proof connectors.
- 3.7.2 The vehicle battery shall be the optional heaviest duty type available, compatible with the vehicle charging system and intended for police service. The vehicle battery shall have a minimum of 700 cold cranking amps, with a manufacturing date not exceeding six (6) months prior to vehicle delivery. Vehicles will not be accepted with batteries exhibiting less than 90 percent of full charge at time of delivery.
- 3.7.3 The generator/alternator shall be the highest capacity optional generator/alternator listed in the manufacturer's current police package brochure applicable to the vehicle bid. It shall have a minimum 200-amp output.

### 3.8 TRANSMISSION

- 3.8.1 The transmission shall be fully automatic transmission equipped with auxiliary transmission fluid coolers, if necessary, to maintain oil operating temperatures not to exceed 275°F, maximum. Console or floor mounted shifters are acceptable but must be capable of allowing the installation of California Highway Patrol (CHP) radio and equipment.

### 3.9 BRAKES

- 3.9.1 The brakes shall be power assisted and feature an anti-lock brake system (ABS). All four wheels shall be equipped with disc brakes. Friction material shall be designed for police applications.

### 3.10 WHEELS AND TIRES

- 3.10.1 Each vehicle shall be supplied with five (5) matching wheels and tires. One (1) of the five (5) shall be a matching full-size wheel and spare tire. A space saver type spare tire is not acceptable. The wheels shall have a safety ridge rolled into the rim or otherwise designed to prevent the tire from separating from the wheel in the event of a flat. Wheels shall be steel construction, designed for police applications. Lug nuts shall be covered with a center cap. Manufacturer's standard Tire Pressure Monitoring System shall be supplied. If a tire pressure activation tool is needed to reset the light on the tire pressure monitoring system, one tool shall be provided for each vehicle as part of this requirement.
- 3.10.2 The vehicle manufacturer shall test and certify tires as acceptable for original equipment and replacement installation on the police package vehicle specified in this invitation for bid.
- 3.10.3 Any wheel weights used shall be "non-lead" type.



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### 3.11 SUSPENSION

3.11.1 The front and rear suspension including shock absorbers shall be designed for police work. Front and rear stabilizer bars are required.

### 3.12 DIFFERENTIAL

3.12.1 The differential shall be the conventional type, ring and pinion gears, with a ratio designed to give the best overall performance for the transmission and tire size installed on the vehicle. The gear ratio shall be the same on all vehicles.

### 3.13 RADIO SUPPRESSION

3.13.1 The vehicle shall not cause the radio system to be affected by any electromagnetic interference (EMI) or radio frequency interference (RFI) including but not limited to the following radio frequencies currently in use by CHP vehicles:

- a) Low Band: 39 - 46 MHz Transmit and Receive.
- b) Repeaters: 153 -155 MHz Transmit and Receive.
- c) Radio, UHF 440 - 490 MHz Transmit and Receive.
- d) Allied Radio 806 - 870 MHz Transmit and Receive.
- e) Allied Radio 581 - 866 MHz Transmit and Receive.
- f) Allied Radio 159 - 173 MHz Transmit and Receive.
- g) Allied Radio 150 - 174 MHz Transmit and Receive.
- h) Radio / Repeater 764 - 806 MHz Transmit and Receive.
- i) Canines 26 - 28 MHz Receive.
- j) Canines 303.9 MHz Receive.
- k) Computers: 896-901 MHz Transmit, 935-940 MHz Receive.
- l) Canines: 303.875 MHz Receive.

3.13.2 The vehicle should not cause the radio system more than one (1) dB of radio degradation at the antenna whether it be radiated or conducted radio frequency interference (RFI), or electromagnetic interference (EMI). If the vehicle causes the radio system any two or all three types of interference, the total combined allowable receiver degradation is 1 dB at all CHP frequencies. See Exhibit 2 for radio degradation testing details.

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### 3.14 BODY

3.14.1 The body shall be a four door, midsize SUV with center post. Protective side molding shall not be installed on the vehicle. This is to permit installation of an Agency insignia (33" long by 20" high) without trim interference.

3.14.2 The wheel wells shall be constructed so that OEM approved tire chains or cables may be installed in a conventional manner, without clearance problems and without causing body or structural damage to the vehicle.

### 3.15 EXTERIOR COLOR

3.15.1 The body shall be painted manufacturer's gloss black. The roof panel and lower portion of both front doors below the window belt line shall be painted manufacturer's gloss bright white. After-factory applied paint to accomplish the white portion of the two-tone paint scheme is acceptable if factory applied black and white two-tone paint configuration is unavailable from the manufacturer.

### 3.16 INTERIOR/SEAT UPHOLSTERY

3.16.1 Front seats shall be bucket type accommodating the installation of a center console by the end user. A 60/40 split bench/bucket type seat is not acceptable. The driver's seat shall be power adjustable and shall be designed for maximum comfort, support and durability. **The front and rear seats shall be the manufacturer's standard cloth upholstery (A vinyl rear set is acceptable provided the manufacturer warrants the vinyl seat material against sun and heat damage for not less than three (3) years).**

### 3.17 SPEEDOMETER

3.17.1 The vehicle described in this specification will be used in law enforcement and speedometer accuracy is essential. The speedometer shall be calibrated and be accurate within two (2) miles per hour at speeds from 15 to 100 miles per hour of the true vehicle speed, within the environmental operating conditions specified in Section 1.0 Scope. A digital only speedometer is preferred and shall be installed if offered. If equipped with an analog speedometer, the dial face shall be marked up to a minimum of 140 miles per hour and the face markings shall be in increments no greater than two (2) miles per hour. The design of the speedometer, whether analog or digital, shall be such to ensure accuracy throughout the life of the vehicle. A letter of certification of accuracy shall be provided with each unit and shall be applicable to both digital and analog displays. The bidder shall specify the size of tires for which the speedometer is certified.

### 3.18 PAYLOAD

3.18.1 The vehicle shall have a minimum payload of 1500 lbs when configured in the standard Police Pursuit rated version.

### 3.19 RADIO

3.19.1 Vehicle shall be factory equipped with the factory base radio and at least two (2) front mounted radio speakers and two (2) rear mounted radio speakers.

### 3.20 SPOTLIGHTS

3.20.1 Factory installed A-Pillar incandescent spotlights with 2 wire handles, one spotlight on each A-Pillar. Shall be a glass sealed beam incandescent bulb H-7635. The two wire handles shall have one black and one red color wire each 48 inches in length and non-terminated. If factory is unable to install the spotlights, factory shall prepare the vehicle structure ready for spotlight installation (i.e. manufacturer shall at a minimum install spotlight brackets and drill A-pillar through-holes) and send the spotlight assemblies to CHP for installation.

### 3.21 HOOD-LATCH RELEASE

3.21.1 The hood latch release shall be mounted inside the front passenger compartment so that the hood cannot be readily opened from outside the vehicle. The release shall be readily accessible to the seated driver.

### 3.22 FLOOR COVERING

3.22.1 The floor covering of the front and rear floor shall be standard rubber, vinyl or carpet. The color shall be keyed to the upholstery color. OEM floor mats shall be included for carpeted vehicles.

### 3.23 INTERIOR AREA

3.23.1 The Vehicle shall be equipped with 1st and 2nd row seats only and shall have a seating capacity of minimum 5.

### 3.24 CONTROLLER AREA NETWORK (CAN) SYSTEM

3.24.1 At a minimum, the vehicle shall make available in usable format the following vehicle signals via the vehicle's CAN for use by the CHP's emergency vehicle equipment (Whelen CenCom Core ® or similar): engine running, vehicle speed, brake-service (indicator of brake pedal being applied), doors (open/closed state of all doors and hatch), turn signal (right, left), transmission selector position (park, reverse, neutral, drive), and key position (off, accessory, run, crank).

### 3.25 MISCELLANEOUS EQUIPMENT

3.25.1 The vehicle shall be equipped with the following miscellaneous equipment:

- a) Backup camera with display.
- b) Reverse sensing.
- c) Heated driver and passenger mirrors.
- d) Tilt steering wheel.
- e) Fresh air type heater and defroster. Refrigeration air conditioning of a size and type recommended and installed by the manufacturer of the vehicle.
- f) Intermittent windshield wiper system.
- g) Fuel level and water temperature indicator gauges.
- h) 12-volt DC power outlet in front compartment.
- i) **Ballistic Door Panels (left front and right front doors), threat level 3+ or better. (Door Panels shall meet and pass National Institute of Justice Certification level III plus test standards. Testing certification shall be provided upon request).**
- j) Cruise control.
- k) Dual electric horns or dual note horn.
- l) Headlight wigwag capability.
- m) Map/dome/courtesy light(s) which provide the following functions:
  - When vehicle front doors are opened, none of the interior map/dome/courtesy light(s) shall illuminate automatically.
  - At least one map/dome/courtesy light (at both front and second row) that shall be manually operated to illuminate the seating areas.
- n) Quick release style driver's side inside door handle to allow the driver's door to be unlocked by pulling on the inside handle.
- o) Driver and front passenger front impact air bag.
- p) Driver and front passenger side impact air bag.

- q) All four (4) doors shall contain power locking and unlocking mechanisms controlled by switches located on the driver's side door control panel.
- r) All four windows shall be power actuated and controlled from the driver's side door control panel with a lockout feature to prevent other windows from being operated when locked out by the driver.
- s) Rear window defogger/defroster on a separate switch.
- t) The vehicle shall use the same single key or fob for ignition, door, rear, and glove box (if vehicle includes). A set of four (4) total keys or fobs shall be supplied for each vehicle. Each vehicle shall be keyed individually.
- u) Arm rests on each of the four (4) doors (arm rests in rear passenger compartment may be mounted on other than the door if vehicle is so designed).
- v) Left and right remote control outside mirrors. Similar in appearance and mounted on left and right front doors. Both mirrors shall be controllable from the driver's seat.
- w) Windshield and all windows shall feature tinted glass.
- x) Light in rear cargo area with rear cargo door actuated switch.
- y) Standard tool kit including wheel changing tools and jack adequate to safely lift the vehicle.

3.26 PERFORMANCE REQUIREMENTS: See Exhibit 1 for testing methodology

3.26.1 All vehicles shall meet the following **Top Speed and Acceleration** requirements:

- a) 0 to 60 miles per hour in 9.0 seconds or less.
- b) 0 to 100 miles per hour in 23.0 seconds or less.
- c) 50 to 100 miles per hour in 18.0 seconds or less.
- d) Attain a top speed of not less than 130 miles per hour within a distance of two (2) miles.
- e) 0 to 60 miles per hour in 11.0 seconds or less at approximately 5,500-6,000 feet of elevation.

3.26.2 All vehicles shall be tested for the following **Vehicle Dynamics**:

- 
- a) Steering – Response, Road Feel.
  - b) Suspension – Roll Resistance, Front-end Dive, Rear-end Squat.
  - c) Handling – High-speed Curves, Medium-speed Curves, Tight Cornering, Predictability.

3.26.3 All vehicles shall meet the following **Braking** requirements/tests:

a) **ABS Braking:**

- Full ABS stop from 90 MPH. Stopping distance shall not to exceed 325 feet.
- Vehicle stops in a straight line, within its own lane and without evidence of brake fade or excessive pedal travel.

b) **Pursuit Course Testing:**

- No evidence of excessive brake pedal travel or brake fade.
- Braking system provided acceptable stopping power.
- No steering pull or wheel lock-up.
- No flame occurring within the test.

**Statewide Contract 1-22-23-14C Enforcement Vehicles, Police Pursuit**

***\*Attachment A - Contract Pricing, 9/2/2022, Supplement 1\****

Contractor: Folsom Lake Ford

Non-core discount = 0% off catalog list price. To access a complete list of contract Non-Core catalog pricing contact Folsom Lake Ford

**CORE ITEMS**

***\*Effective September 9, 2022, orders for 23MY will not be accepted and 23MY vehicles will not be available until further notice.***

***Note: The cut-off date to submit orders for 23MY is close of business September 8, 2022.\****

Contact Line Item # (CLIN)	Commodity Description	Manufacturer (OEM)	Model	SKU # / Item #	Unit of Measure	Quantity in Unit of Measure	Contract Price
C1	Law Enforcement Mid-size Utility Vehicle with Police Package in accordance with specification #2310-5644 dated 9/30/2021.	Ford	Explorer	K8A	Each	1	<b><i>*\$45,813.00*</i></b>
C2	Law Enforcement HEV/PHEV Police Pursuit/Interceptor in accordance with specification #2310-5712 dated 9/30/2021	Ford	Explorer	K8A	Each	1	<b><i>*\$48,339.00*</i></b>
C3	5yr. / 100,000 mi. - Extended Powertrain Warranty Utility Vehicle	Ford	N/A	N/A	Each	1	\$ -
C4	OPTIONAL BADGE DELETE: Manufacturer's nameplate(s) / badge(s) shall be removed from the vehicle on both front doors below the window belt molding and on the tailgate. "After-factory" dealer nameplate / badge removal is acceptable if factory badge delete is unavailable from the manufacturer <b>Note: Option not available for Ford Explorer HEV, Item T2</b>	Ford	16D	N/A	Each	1	\$ -
C5	BALLISTIC DOOR PANEL DELETE OPTION: Remove front driver and passenger door mounted ballistic panels	Ford	Level 3 +	N/A	Set	2	\$ 2,853.00

End of Sheet