

AGENDA
EL DORADO HILLS COUNTY WATER DISTRICT
(FIRE DEPARTMENT)
BOARD OF DIRECTORS
EIGHT HUNDRED FIFTY EIGHTH MEETING
Thursday, December 15, 2022
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: due to the concerns about the COVID-19 virus, 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 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 54956.8, Real Property Negotiations; upcoming expiration/potential extension/alternatives to current lease of Career Development Center; 4697 Golden Foothill Pkwy, El Dorado Hills, CA 95762 (APN: 117-100-009-000); District Negotiator: Bob Kuhl (KW Commercial) and Chief Johnson; Property owner's Representative: Cole Sweatt (Tri Commercial)
- III. Pledge of Allegiance
- IV. 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 856th Special Board meeting held November 9, 2022
 - B. Approve Minutes of the 857th Board meeting held November 17, 2022
 - C. Approve Financial Statements and Check Register for November 2022
End Consent Calendar
- V. Presentation
 - A. Presentation of citizen recognition

- 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 Hartley)
 - E. CRR Services (Ad-Hoc) (Directors Hartley and White)
 - F. Ambulance Deployment (Ad Hoc) (Directors Giraudo and White)
- X. Fire Chief's Report
- XI. Operations Report
 - A. Operations Report (Receive and File)
- XII. Community Risk Reduction Report
 - A. CRRD Report
- XIII. Fiscal Items
 - A. Review and approve 2021/2022 Final Audit Report and SAS 114 Governance Letter
 - B. Receive and file Accountability Act Annual Report (2021/22) for the Latrobe Zone Special Tax
- XIV. New Business
 - A. Election of Board President and Vice President for 2023
 - B. Reorganization of Committees for 2023
 - C. Review and establish meeting dates for 2023
 - D. Review and approve Abercrombie contract
 - E. Review and approve Lawson HVAC maintenance contract
 - F. Review and approve contract with David Taussig & Associates (DTA) for a CFD study
- XV. Old Business
 - A. Training Facility Update
 - B. EDHCSD/EDHFD 2x2 update (Directors Bennett and Durante)
- XVI. Oral Communications
 - A. Directors
 - B. Staff
 - C. Schedule upcoming committee meetings
- XVII. Adjournment

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 FIFTY SIXTH MEETING OF THE BOARD OF DIRECTORS

Wednesday, November 9, 2022

9:00 a.m.

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

The El Dorado Hills Fire Department had a special meeting for Board, Labor, and Staff to discuss ambulance staffing and the El Dorado County Emergency Medical Services Authority JPA Ambulance RFP Response. It was agreed that the District would not put in a proposal at this time.

Approved:

Bobbi Bennett, President

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.

EL DORADO HILLS COUNTY WATER DISTRICT

EIGHT HUNDRED FIFTY SEVENTH MEETING OF THE BOARD OF DIRECTORS

Thursday, November 17, 2022, 5:00 p.m.

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

I. CALL TO ORDER

President Bennett called the meeting to order 5:00 p.m. Directors in attendance: Bennett, Durante, Giraud, and Hartley. 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

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

The meeting reconvened at 6:06 p.m. No action was taken in closed session.

III. PLEDGE OF ALLEGIANCE

IV. CONSENT CALENDAR

- A. Approve Minutes of the 855th Board meeting held October 20, 2022**
- B. Approve Financial Statements and Check Register for October 2022**

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

V. FEE APPEAL

- A. CRRD Fee Appeal Consideration** – Chief Fields presented a fee appeal request from Jay Chop with Marina Village Middle School for a school sponsored haunted house. Mr. Chop presented his case for having the fee waived and staff recommended for consistency that the Board deny his request.

Director Durante made a motion to waive the fee, seconded by Director Hartley and the motion failed.

Director Giraud made a motion to deny the appeal request, seconded by Director Bennett, and motion was unanimously carried.

VI. ORAL COMMUNICATIONS

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

VII. CORRESPONDENCE – None.

VIII. ATTORNEY ITEMS – None

IX. COMMITTEE REPORTS

- A. Administrative Committee (Directors Durante and Bennett) – No report.**
- B. Finance Committee (Directors White and Giraudo) – Director Giraudo reported that there was a meeting, and all items covered in the meeting would be discussed at later points on the agenda.**
- C. Joint Powers Authority (Directors Giraudo and White) – Chief Johnson reported that the JPA issued an RFP to staff Medic 49. He added that there was a Board workshop on November 9 where the Board, Staff and Labor agreed that the District would not be submitting a proposal at this time.**
- D. Communications (Ad-Hoc) (Directors Hartley and Durante) – Director Hartley stated that the committee met to review the options for a new communications system and gave the Chief direction to work with Motorola to get more firm numbers to present to the full Board.**
- E. CRR Services (Ad-Hoc) (Directors Hartley and White) – No report.**
- F. Ambulance Deployment (Ad-Hoc) (Directors Giraudo and White) – No report**

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

- Congratulations to Firefighter Minnich and Engineer Hemstalk for reaching 20 years of service.
- Staff has had a lot of meetings with different agencies about the training center and he is looking forward to seeing how it will be utilized.
- He and Chief Fields met with the El Dorado County Planning Building Director to discuss how they can work better together and provide more consistency to the customers.

XI. OPERATIONS REPORT

- A. Operations Report (Receive and File) – Chief Hall reported that Fire Equipment Mechanic Dave Dixon has been doing an excellent job getting the apparatus back in service quickly when repairs are needed. He also highlighted the revitalization of the Explorer program by Firefighter Vogan.**

XII. COMMUNITY RISK REDUCTION REPORT

- A. CRRD Report – Chief Fields summarized the activity in the Community Risk Reduction Division for October.**

XIII. FISCAL ITEMS

XIV. NEW BUSINESS

- A. Review and approve Resolution 2022-23 identifying the terms and conditions for the Fire Department while in jurisdiction and away from their official duty station and assigned to an emergency incident – Chief Lilienthal presented an updated Cal OES resolution and recommended the Board approve it.**

Director Girauo made a motion to approve Resolution 2022-23 identifying the terms and conditions for the Fire Department while in jurisdiction and away from their official duty station and assigned to an emergency incident, seconded by Director Hartley and unanimously carried. (Roll call: Ayes: 4; Noes: 0)

- B. Review and approve Resolution 2022-24 amending the Chief Officer Wages & Benefits Resolution** – Director of HR Hall presented an updated Chief Officer Wages and Benefits Resolution.

Director Hartley made a motion to approve Resolution 2022-24 amending the Chief Officer Wages & Benefits Resolution, seconded by Director Durante and unanimously carried. (Roll call: Ayes: 4; Noes: 0)

- C. Update on District General Liability and Property Insurance** – Director of Finance Braddock updated the Board about a recent change in the District’s general liability and property insurance coverage.
- D. Review and approve lake boat purchase** – Chief Hall presented the results of the Lake Boat RFQ and requested authorization to move forward with Rogue Jet Boat Works utilizing funds provided by a grant from El Dorado County.

Director Girauo made a motion to award the purchase of the lake boat to Rogue Jet Boat Works, seconded by Director Durante and unanimously carried.

- E. Discuss new Employee Development Center lease and options** – Chief Johnson reported that the current lease for the Employment Development Center will end in roughly 18 months. He added that there are some challenges with the current facility, including limited parking, so Staff is seeking direction to look at other properties and potentially negotiate a lease at a different location. The Board gave direction to pursue other options and report to the Finance Committee on the process.

XV. OLD BUSINESS

- A. Training Facility Update** – Chief Hall reported that the training center project is both on schedule and on budget and is approximately 62% complete.
- B. EDHCSD/EDHFD 2x2 update (Directors Bennett and Durante)** – No report.

XVI. ORAL COMMUNICATIONS

- A. Directors** – Director Girauo expressed his appreciation to Local 3604 for holding the Mustaches and Mulligans Golf Tournament and wished everyone a Happy Thanksgiving. Director Durante stated he read some very nice things about the Fire Department on social media and wanted to pass the community appreciation onto the Staff.
- B. Staff** – Chief Johnson thanked the Staff for their hard work and wished everyone a Happy Thanksgiving.

C. Schedule upcoming committee meetings – None

XVII. ADJOURNMENT

The meeting adjourned at 7:19 p.m.

Approved:

Bobbi Bennett, President

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.

El Dorado Hills Fire Department
Revenue and Expense Summary - ALL FUNDS
For the Period Ending November 30, 2022



				(Target 42%)		
	Final Budget FY22/23	Actual November 2022	Actual YTD November 30, 2022	Variance YTD Actual to Full Year Budget	YTD Actual % of Full Year Budget	
						Notes/Comments
Revenue						
3240 · Tax Revenue						
3260 · Secured Tax Revenue	22,548,795	2,251,783	2,297,685	(20,251,110)		
3270 · Unsecured Tax Revenue	432,189	82,510	413,161	(19,028)		
3280 · Homeowners Tax Revenue	153,640	-	-	(153,640)		
3320 · Supplemental Tax Revenue	600,000	103,702	296,557	(303,443)		Timing of property tax collection
3330 · Sacramento County Revenue	31,000	-	-	(31,000)		
3335 · Latrobe Revenue						
3335.2 · Latrobe Special Tax	35,000	4,380	4,440	(30,560)		
3335.3 · Latrobe Base Transfer	91,000	-	-	(91,000)		
3340 · Property Tax Administration Fee	(417,651)	-	-	417,651		
Total 3240 · Tax Revenue	23,473,973	2,442,375	3,011,843	(20,462,130)	13%	
3500 · Misc. Operating Revenue						
3506 · CRRD Cost Recovery Fees	610,000	25,457	324,376	(285,624)	53%	
3507 · Hosted Training Revenue	95,000	-	119,954	24,954	126%	Hosted training course offerings/registrations higher than budget
3508 · Mechanic Cost Recovery Fees	10,000	-	4,796	(5,204)	48%	
3512 · JPA Revenue	1,150,000	-	-	(1,150,000)	0%	Timing of collection; pending new contract implementation
3513 · Rental Income (Cell site)	54,180	4,515	22,575	(31,605)	42%	
3514.1 · Operating Grants Revenue	113,635	-	-	(113,635)	0%	Timing of grant proceeds
3514.2 · Capital Grants Revenue	31,170	-	-	(31,170)	0%	Timing of grant proceeds
3515 · OES/Mutual Aid Reimbursement	1,000,000	293,799	634,479	(365,521)	63%	Timing of fire season
3520 · Interest Earned	130,000	415	40,736	(89,264)	31%	
3500 · Misc. Operating Revenue - Other	90,000	20,636	109,987	19,987	122%	Workers' Compensation Dividends received in Jul-22; higher workers' compensation reimbursements than assumed in budget
Total 3500 · Misc. Operating Revenue	3,283,985	344,822	1,256,903	(2,027,082)	38%	
Total Operating Revenue	\$ 26,757,958	\$ 2,787,197	\$ 4,268,746	\$ (22,489,212)	16%	
3550 · Development Fee						
3560 · Development Fee Revenue	1,400,000	47,697	406,125	(993,875)	29%	Development fee collections trending lower than budget
3561 · Development Fee Interest	-	8,321	34,055	34,055	100%	
Total 3550 · Development Fee	1,400,000	56,018	440,180	(959,820)	31%	
3568 · Proceeds from Insurance	-	-	-	-	0%	
3570 · Proceeds from Sale of Assets	-	-	-	-	0%	
Total Revenue	\$ 28,157,958	\$ 2,843,216	\$ 4,708,926	\$ (23,449,032)	17%	

El Dorado Hills Fire Department
Revenue and Expense Summary - ALL FUNDS
For the Period Ending November 30, 2022



				(Target 42%)		
	Final Budget FY22/23	Actual November 2022	Actual YTD November 30, 2022	Variance YTD Actual to Full Year Budget	YTD Actual % of Full Year Budget	Notes/Comments
Expenditures						
6000 · Salaries & Wages						
6001 · Salaries & Wages, Fire	7,833,151	580,606	2,961,769	4,871,382	38%	
6011 · Education/Longevity Pay	487,850	37,258	189,064	298,786	39%	
6015 · Salaries & Wages, CRRD	835,897	64,200	319,385	516,512	38%	
6016 · Salaries & Wages, Administration	802,113	55,423	258,772	543,340	32%	
6017 · Intern/Volunteer Stipends	4,500	650	845	3,655	19%	
6018 · Director Pay	16,000	1,100	4,200	11,800	26%	
6019 · Overtime						
6019.1 · Overtime, Operational	2,070,399	237,488	823,874	1,246,524	40%	
6019.2 · Overtime, Outside Aid	826,446	29,621	470,680	355,766	57%	Timing of fire season
Total 6019 · Overtime	2,896,845	267,109	1,294,554	1,602,291	45%	
6020 · P.E.R.S. Retirement	3,619,325	143,622	2,515,351	1,103,974	69%	Annual required lump sum payments made in Jul-22
6030 · Workers Compensation	754,353	53,874	269,370	484,983	36%	Budgeted increase in Jan-23
6031 · Life Insurance	7,118	460	2,772	4,346	39%	
6032 · P.E.R.S. Health Benefits	1,951,037	153,415	923,051	1,027,986	47%	Paid Dec premium in Nov
6033 · Disability Insurance	22,066	-	8,938	13,128	41%	
6034 · Health Cost of Retirees	1,187,065	70,586	724,045	463,020	61%	CERBT Lump Sum Payment made in Sep-22; paid Dec premium in Nov
6040 · Dental/Vision Expense	254,520	21,769	97,805	156,715	38%	
6050 · Unemployment Insurance	15,120	11	1,131	13,989	7%	
6070 · Medicare	183,615	14,987	75,640	107,975	41%	
Total 6000 · Salaries & Wages	20,870,575	1,465,070	9,646,693	11,223,882	46%	
6100 · Clothing & Personal Supplies						
6101 · Uniform Allowance	54,867	77	25,700	29,167	47%	Uniform allowance 1st installment paid Jul-22
6102 · Other Clothing & Personal Supplies	61,970	3,557	20,905	41,065	34%	
Total 6100 · Clothing & Personal Supplies	116,837	3,634	46,605	70,231	40%	
6110 · Network/Communications						
6111 · Telecommunications	51,720	4,948	21,582	30,137	42%	
6112 · Dispatch Services	70,000	-	-	70,000	0%	Timing of Q1 22/23 dispatch invoice

El Dorado Hills Fire Department
Revenue and Expense Summary - ALL FUNDS
For the Period Ending November 30, 2022



					(Target 42%)	
	Final Budget FY22/23	Actual November 2022	Actual YTD November 30, 2022	Variance YTD Actual to Full Year Budget	YTD Actual % of Full Year Budget	Notes/Comments
6113 · Network/Connectivity	90,883	6,644	27,614	63,270	30%	
Total 6110 · Communications	212,603	11,592	49,196	163,407	23%	
6120 · Housekeeping	67,204	5,606	28,852	38,352	43%	
6130 · Insurance						
6131 · General Insurance	120,000	-	28,958	91,042	24%	2022-23 premium paid in Dec-22
Total 6130 · Insurance	120,000	-	28,958	91,042	24%	
6140 · Maintenance of Equipment						
6141 · Tires	25,000	-	16,273	8,727	65%	
6142 · Parts & Supplies	55,000	2,150	28,716	26,284	52%	
6143 · Outside Work	70,000	1,623	9,037	60,963	13%	
6144 · Equipment Maintenance	45,020	178	3,060	41,960	7%	
6145 · Radio Maintenance	22,950	2,092	3,207	19,743	14%	
Total 6140 · Maintenance of Equipment	217,970	6,043	60,293	157,677	28%	Timing of maintenance
6150 · Facilities Maintenance	397,308	7,984	69,798	327,510	18%	Timing of facilities projects
6160 · Medical Supplies						
6161 · Medical Supplies	50,000	1,881	17,974	32,026	36%	
Total 6160 · Medical Supplies	50,000	1,881	17,974	32,026	36%	
6170 · Dues and Subscriptions	17,319	273	12,623	4,696	73%	Subscriptions paid for Business Park Homeowners, LCW ERC Membership, Cal Fire Chiefs Annual Membership, FDAC Annual Membership
6180 · Miscellaneous						
6181 · Miscellaneous	13,000	5,388	7,832	5,168	60%	
6182 · Honor Guard	4,000	-	145	3,855	4%	
6183 · Explorer Program	2,500	-	3,331	(831)	133%	
6184 · Pipes and Drums	-	-	-	-	0%	
Total 6180 · Miscellaneous	19,500	5,388	11,307	8,193	58%	
6190 · Office Supplies	37,106	2,752	13,258	23,848	36%	
6200 · Professional Services						
6201 · Audit	15,900	-	10,720	5,180	67%	Financial statement audit completion Dec-22; ACFR review Jan-23
6202.1 · Legal Fees	142,000	20,662	65,736	76,264	46%	
6202.2 · Human Resources	96,550	24,050	35,969	60,581	37%	Timing of promotional exam consulting

El Dorado Hills Fire Department
Revenue and Expense Summary - ALL FUNDS
For the Period Ending November 30, 2022



	Final Budget FY22/23	Actual November 2022	Actual YTD November 30, 2022	Variance YTD Actual to Full Year Budget	(Target 42%) YTD Actual % of Full Year Budget	Notes/Comments
6203 · Notices	700	-	387	313	55%	
6204 · Other Professional Services	176,464	8,169	44,936	131,527	25%	Timing of budgeted consulting projects
6205 · Elections/Tax Administration	-	-	-	-	0%	
6206 · Public Relations	18,850	490	3,281	15,569	17%	
Total 6200 · Professional Services	450,464	53,371	161,030	289,434	36%	
6210 · Information Technology						
6211 · Software Licenses/Subscriptions	181,293	9,013	120,737	60,556	67%	Paid Telestaff, Learning Stream, ArcGIS, Tablet Command, NeoGov, Zoom, Radio Mobile, Concur, IDT Plans, Target Solutions, ImageTrend, etc., EMS Narcotic Tracking
6212 · IT Support/Implementation	234,272	10,500	82,435	151,837	35%	
6213 · IT Equipment	170,010	15,732	41,591	128,419	24%	Timing of budgeted purchases
Total 6210 · Information Technology	585,575	35,245	244,763	340,813	42%	
6220 · Rents and Leases						
6221 · Facilities/Equipment Lease	83,064	5,106	25,508	57,556	31%	
6222 · Solar Lease	-	-	-	-	0%	
Total 6220 · Rents and Leases	83,064	5,106	25,508	57,556	31%	
6230 · Small Tools and Supplies	100,445	70,402	88,370	12,075	88%	SCBA Facepieces, Voice Amplifiers, Tool Adapters received Oct-22
6240 · Special Expenses						
6241 · Non-Hosted Training	185,337	2,271	7,132	178,205	4%	Timing of outside training
6241.1 · EDC Hosted Training	85,000	10,662	33,913	51,087	40%	
6242 · Fire Prevention	131,060	1,780	38,146	92,914	29%	
Total 6240 · Special Expenses	401,397	14,713	79,191	322,206	20%	
6250 · Transportation and Travel						
6251 · Fuel and Oil	140,000	9,441	55,685	84,315	40%	
6252 · Travel	42,000	2,738	11,920	30,080	28%	
6253 · Meals & Refreshments	23,000	2,016	11,827	11,173	51%	
Total 6250 · Transportation and Travel	205,000	14,195	79,432	125,568	39%	
6260 · Utilities						
6261 · Electricity	40,000	2,749	19,947	20,053	50%	
6262 · Natural Gas/Propane	35,000	984	2,846	32,154	8%	Seasonal timing
6263 · Water/Sewer	20,500	-	6,721	13,779	33%	
Total 6260 · Utilities	95,500	3,733	29,514	65,986	31%	
Total Operating Expenditures	\$ 24,047,866	\$ 1,706,989	\$ 10,693,364	\$ 13,354,502	44%	

El Dorado Hills Fire Department
Revenue and Expense Summary - ALL FUNDS
For the Period Ending November 30, 2022



	Final Budget FY22/23	Actual November 2022	Actual YTD November 30, 2022	Variance YTD Actual to Full Year Budget	(Target 42%) YTD Actual % of Full Year Budget	Notes/Comments
Operating Revenue - Operating Expenditures	\$ 2,710,092	\$ 1,080,208	\$ (6,424,618)	\$ 9,134,709		
6570 · OPEB UAL Lump Sum Payment	-	-	-	-	0%	
6720 · Capital Outlay	11,657,609	1,771,533	5,048,434	6,609,175	43%	
Total Expenditures	\$ 35,705,476	\$ 3,478,522	\$ 15,741,798	\$ 19,963,677	44%	
Total Revenue - Total Expense	\$ (7,547,518)	\$ (635,306)	\$ (11,032,872)	\$ (3,485,355)		
<u>FUND TRANSFERS</u>						
Transfers to Development Fee Fund	\$ (1,400,000)					
Transfers from Development Fee Fund	8,810,499					
Transfers to Pension Reserve Fund	-					
Transfers from Capital Replacement Fund	2,847,111					
Transfers to Capital Replacement Fund	(2,710,092)					
Net Change in Unassigned/Non-Spendable Fund Balance	\$ 0					

El Dorado Hills Fire Department

12/12/2022 2:18 PM

Register: 1000 · Bank of America
 From 11/01/2022 through 11/30/2022
 Sorted by: Date, Type, Number/Ref

Date	Number	Payee	Account	Memo	Payment	C	Deposit	Balance
11/01/2022		Deposit	6201 · Audit	VOID Lost Ch...		X	4,020.00	1,118,568.13
11/01/2022	EFT	Sterling Administrati...	-split-		150.00	X		1,118,418.13
11/01/2022	EFT	Sterling Administrati...	-split-		189.31	X		1,118,228.82
11/01/2022	EFT	De Lage Landen Fina...	-split-	Account # 159...	175.03	X		1,118,053.79
11/01/2022	25692	Aflac	2100 · Payroll Liabilities	Inv # 332051	648.94	X		1,117,404.85
11/01/2022	25693	Allstar Fire Equipme...	-split-	Inv # 243602	600,251.88	X		517,152.97
11/01/2022	25694	Aramark	6120 · Housekeeping	Acct. # 175878...	41.20	X		517,111.77
11/01/2022	25695	AT&T	-split-	Oct-22	95.36	X		517,016.41
11/01/2022	25696	Bartel Associates, LLC	6204 · Other Professio...	Invoice # 22-613	2,250.00	X		514,766.41
11/01/2022	25697	Burkett's	-split-		205.83	X		514,560.58
11/01/2022	25698	Cal Fire	6241.1 · EDC Hosted ...		2,380.00	X		512,180.58
11/01/2022	25699	Caltronics Business ...	-split-	Invoice # 3604...	463.73	X		511,716.85
11/01/2022	25700	Cascade Fire Equipm...	6102 · Other Clothing ...	Invoice # 127533	889.55	X		510,827.30
11/01/2022	25701	Deal Heating & Air, ...	-split-		1,375.22	X		509,452.08
11/01/2022	25702	Digital Evidence Ven...	6202.1 · Legal Fees	Invoice # 3354	138.75	X		509,313.33
11/01/2022	25703	El Dorado Disposal ...	-split-	10/01/22-10/31...	406.06	X		508,907.27
11/01/2022	25704	Riebes Auto Parts	-split-	VOID:		X		508,907.27
11/01/2022	25705	Golden State Emerge...	-split-	Invoice # CI03...	1,622.83	X		507,284.44
11/01/2022	25706	Hefner, Stark & Mar...	-split-		8,695.50	X		498,588.94
11/01/2022	25707	InterState Oil Compa...	-split-		3,236.31	X		495,352.63
11/01/2022	25708	Jack Clancy Associates	6202.2 · Human Resou...	Invoice # 1437	23,500.00	X		471,852.63
11/01/2022	25709	Liberty Bell Smart H...	-split-	Invoice # 640661	74.99	X		471,777.64
11/01/2022	25710	Life Assist	-split-	Invoice # 1260...	168.38	X		471,609.26
11/01/2022	25711	Longyear & Lavra, L...	6202.1 · Legal Fees	Inv # 21642	1,720.00	X		469,889.26
11/01/2022	25712	Managed Health Net...	6204 · Other Professio...	Invoice # PRM...	654.59	X		469,234.67
11/01/2022	25713	The Permanente Med...	6204 · Other Professio...	Invoice # EDH...	2,000.00	X		467,234.67
11/01/2022	25714	Ultimate Fire System...	-split-	Invoice # 2347	1,300.00	X		465,934.67
11/01/2022	25715	Valley Health and Sa...	6241.1 · EDC Hosted ...		800.00	X		465,134.67
11/01/2022	25716	Bobbi Bennett	-split-	Oct-22	300.00	X		464,834.67
11/01/2022	25717	Greg F. Durante (Dir...	-split-	Oct-22	300.00	X		464,534.67
11/01/2022	25718	Charles J. Hartley	-split-	Oct-22	100.00	X		464,434.67
11/01/2022	25719	John Giraud	-split-	Oct-22	300.00	X		464,134.67
11/01/2022	25720	Timothy J. White	-split-	Oct-22	100.00	X		464,034.67
11/01/2022	25721	Chase Bank	2029 · Other Payable	Oct 2022	450.00	X		463,584.67
11/01/2022	25722	Wells Fargo Bank	2026 · EDH Associate...	Oct 2022	5,399.55	X		458,185.12
11/01/2022	25723	Triangle Well Drilling	3506 · CRRD Cost Rec...	Refund Reside...	355.35	X		457,829.77
11/01/2022	25724	Thomas Vasey	3506 · CRRD Cost Rec...	Refund Reside...	255.00			457,574.77
11/01/2022	25725	Richardson & Comp...	-split-	Invoice No. 11...	4,020.00	X		453,554.77
11/02/2022		Transfer from LAIF	1074 · Local Agency I...	Confirm #1677...		X	600,000.00	1,053,554.77
11/02/2022	EFT	Sterling Administrati...	-split-		363.66	X		1,053,191.11

El Dorado Hills Fire Department

12/12/2022 2:18 PM

Register: 1000 · Bank of America
 From 11/01/2022 through 11/30/2022
 Sorted by: Date, Type, Number/Ref

Date	Number	Payee	Account	Memo	Payment	C	Deposit	Balance
11/02/2022	EFT	VSP Vision Care	6043 · Vision Insurance	Nov-22	787.00	X		1,052,404.11
11/02/2022	EFT	El Dorado Disposal ...	-split-	10/01/22-10/31...	965.76	X		1,051,438.35
11/02/2022	25726	John Thorne	6241 · Non-Hosted Tra...	PALS	280.00	X		1,051,158.35
11/02/2022	25727	Genuine Parts Comp...	-split-		1,101.11	X		1,050,057.24
11/03/2022	EFT	P.E.R.S. Retirement	-split-	PR22-1-1 Adju...	118,298.24	X		931,759.00
11/03/2022	EFT	Sterling Administrati...	-split-		292.00	X		931,467.00
11/03/2022	PR22-11-1		-split-	Total Payroll T...	110,757.80	X		820,709.20
11/03/2022	PR22-11-1		1000 · Bank of Americ...	Direct Deposit	331,725.78	X		488,983.42
11/03/2022	PR22-11-1		1000 · Bank of Americ...	Payroll Checks		X		488,983.42
11/04/2022	EFT	Nationwide Retireme...	-split-	PR22-11-1	21,484.01	X		467,499.41
11/04/2022	EFT	ADP HCM	6204 · Other Professio...	Workforce No...	323.90	X		467,175.51
11/04/2022	EFT	P. G. & E.	-split-		47.18	X		467,128.33
11/04/2022	EFT	ADP	-split-	Payroll Process...	806.50	X		466,321.83
11/06/2022	EFT	Sterling Administrati...	-split-		3,680.00	X		462,641.83
11/07/2022	EFT	Sterling Administrati...	-split-		2.05	X		462,639.78
11/08/2022	EFT	Sterling Administrati...	-split-		420.60	X		462,219.18
11/08/2022	EFT	Sterling Administrati...	-split-		1,082.00	X		461,137.18
11/08/2022	EFT	P. G. & E.	-split-		334.88	X		460,802.30
11/09/2022		Deposit	-split-	Deposit		X	15,770.47	476,572.77
11/09/2022	EFT	Sterling Administrati...	-split-		4,353.85	X		472,218.92
11/10/2022		Deposit	-split-	VOID Check # ...		X	450.00	472,668.92
11/10/2022		Deposit	6190 · Office Supplies	VOID Check # ...		X	50.00	472,718.92
11/10/2022	EFT	Sterling Administrati...	-split-		4.58	X		472,714.34
11/10/2022	EFT	Sterling Administrati...	6204 · Other Professio...	Oct-22	434.00	X		472,280.34
11/10/2022	25728	ACC Business	-split-		751.32	X		471,529.02
11/10/2022	25729	A-CHECK	6202.2 · Human Resou...	Inv # 59-06918...	10.00	X		471,519.02
11/10/2022	25730	Advanced IPM	-split-		123.00	X		471,396.02
11/10/2022	25731	Aramark	-split-	Acct. # 175878...	82.40	X		471,313.62
11/10/2022	25732	Arnolds for Awards	6102 · Other Clothing ...		64.35	X		471,249.27
11/10/2022	25733	Bruce Martin	-split-	Invoice # 22-10	7,482.00	X		463,767.27
11/10/2022	25734	Burkett's	-split-		228.53	X		463,538.74
11/10/2022	25735	Caltronics Business ...	6213 · IT Equipment	Invoice # 3611...	9,681.71	X		453,857.03
11/10/2022	25736	Cascade Fire Equipm...	6102 · Other Clothing ...	Invoice # 127638	451.97			453,405.06
11/10/2022	25737	Datacate, Inc.	-split-	Invoice # 2046...	10,334.00	X		443,071.06
11/10/2022	25738	Deal Heating & Air, ...	6150 · Facilities Maint...		207.00	X		442,864.06
11/10/2022	25739	Dtech Communications	6204 · Other Professio...		1,195.00	X		441,669.06
11/10/2022	25740	Ferrell Gas	6262 · Natural Gas/Pro...	Account # 886...	556.08	X		441,112.98
11/10/2022	25741	Governmentjobs.com...	-split-	Invoice # INV-...	13,136.00			427,976.98
11/10/2022	25742	Harris Watson	6017 · Intern/Voluntee...		650.00	X		427,326.98
11/10/2022	25743	InterState Oil Compa...	-split-		2,888.73	X		424,438.25

El Dorado Hills Fire Department

12/12/2022 2:18 PM

Register: 1000 · Bank of America
 From 11/01/2022 through 11/30/2022
 Sorted by: Date, Type, Number/Ref

Date	Number	Payee	Account	Memo	Payment	C	Deposit	Balance
11/10/2022	25744	Interwest Consulting ...	6242 · Fire Prevention	Invoice # 82446	1,396.25	X		423,042.00
11/10/2022	25745	Quadient Finance US...	-split-	Account # 790...	100.00	X		422,942.00
11/10/2022	25746	Ross Drulis Cusenbery	-split-	Invoice # 2019...	9,437.00	X		413,505.00
11/10/2022	25747	Silverado Avionics	6145 · Radio Maintena...	Invoice # 2481	1,967.05	X		411,537.95
11/10/2022	25748	Streamline	6212 · IT Support/Impl...		400.00	X		411,137.95
11/10/2022	25749	Chase Bank	-split-	Re-issue Lost ...	450.00			410,687.95
11/11/2022	EFT	Sterling Administrati...	-split-		26.00	X		410,661.95
11/12/2022	EFT	Sterling Administrati...	-split-		2,708.40	X		407,953.55
11/14/2022		Transfer from LAIF	1074 · Local Agency I...	Confirm #1678...		X	1,000,000.00	1,407,953.55
11/14/2022		Transfer from LAIF	1074 · Local Agency I...	Confirm #1678...		X	700,000.00	2,107,953.55
11/14/2022	EFT	P. G. & E.	-split-		1,148.15	X		2,106,805.40
11/14/2022	EFT	Verizon Wireless	-split-	Oct-22	3,706.92	X		2,103,098.48
11/15/2022			6204 · Other Professio...	Service Charge	505.36	X		2,102,593.12
11/15/2022	EFT	Sterling Administrati...	-split-		11.54	X		2,102,581.58
11/15/2022	EFT	Sterling Administrati...	-split-		1,134.00	X		2,101,447.58
11/15/2022	EFT	De Lage Landen Fina...	-split-	Account # 152...	301.30	X		2,101,146.28
11/15/2022	EFT	Verizon Wireless	-split-	Oct-22	70.22	X		2,101,076.06
11/15/2022	25750	Lithia of Billings, Inc.	-split-	Stock No. NG3...	80,721.24	X		2,020,354.82
11/16/2022	EFT	P.E.R.S. Health	-split-	Dec 2022	221,311.31	X		1,799,043.51
11/16/2022	EFT	P.E.R.S. ING	-split-	PR22-11-1	2,436.23	X		1,796,607.28
11/16/2022	EFT	P.E.R.S. Retirement	-split-	PR22-11-2	118,372.92	X		1,678,234.36
11/16/2022	EFT	Sterling Administrati...	-split-		377.98	X		1,677,856.38
11/17/2022	EFT	Nationwide Retireme...	-split-	PR22-11-2	21,484.01	X		1,656,372.37
11/17/2022	EFT	P.E.R.S. ING	-split-	PR22-11-2	2,436.23	X		1,653,936.14
11/17/2022	EFT	Sterling Administrati...	-split-		530.00	X		1,653,406.14
11/17/2022	EFT	Sterling Administrati...	-split-		146.03	X		1,653,260.11
11/17/2022	EFT	P. G. & E.	-split-		574.38	X		1,652,685.73
11/17/2022	25751	4640 Golden Foothill...	-split-	Invoice # 21341	5,618.22	X		1,647,067.51
11/17/2022	25752	Abercrombie Creativ...	-split-	Invoice # EDH...	111,911.94			1,535,155.57
11/17/2022	25753	Aramark	6120 · Housekeeping	Acct. # 175878...	41.20	X		1,535,114.37
11/17/2022	25754	AT&T	-split-	Oct-22	121.01	X		1,534,993.36
11/17/2022	25755	Caltronics Business ...	6190 · Office Supplies	Invoice # 3614...	638.34	X		1,534,355.02
11/17/2022	25756	Capital Building Mai...	-split-	Invoice # 14336	1,567.35	X		1,532,787.67
11/17/2022	25757	Colantuono, Highsmi...	6202.1 · Legal Fees	Invoice# 53631	105.00	X		1,532,682.67
11/17/2022	25758	DG Granade	6720 · Capital Outlay	Application # 7	931,080.94	X		601,601.73
11/17/2022	25759	Larry R. Fry	-split-		476.20	X		601,125.53
11/17/2022	25760	Green Valley Road S...	6221 · Facilities/Equip...	Unit: H19 Tena...	360.00			600,765.53
11/17/2022	25761	Hefner, Stark & Mar...	-split-		10,003.00	X		590,762.53
11/17/2022	25762	The Home Depot Pro	-split-		913.15	X		589,849.38
11/17/2022	25763	Hunt & Sons	6251 · Fuel and Oil	Fuel	1,859.27	X		587,990.11

El Dorado Hills Fire Department

12/12/2022 2:18 PM

Register: 1000 · Bank of America
 From 11/01/2022 through 11/30/2022
 Sorted by: Date, Type, Number/Ref

Date	Number	Payee	Account	Memo	Payment	C	Deposit	Balance
11/17/2022	25764	InterState Oil Compa...	-split-		1,456.65	X		586,533.46
11/17/2022	25765	L.N. Curtis & Sons	-split-		1,181.16	X		585,352.30
11/17/2022	25766	Liberty Bell Smart H...	-split-	Invoice # 642484	214.45	X		585,137.85
11/17/2022	25767	Life Assist	-split-		1,397.26	X		583,740.59
11/17/2022	25768	Metropolitan Life Ins...	6031 · Life Insurance	Customer Num...	459.90	X		583,280.69
11/17/2022	25769	Roebbelen Construct...	-split-	RCMS Billing:...	29,738.25	X		553,542.44
11/17/2022	25770	Trace Analytics, Inc.	6144 · Equipment Mai...	Invoice # 22-2...	178.00	X		553,364.44
11/17/2022	25771	TFT Task Force Tips	6142 · Parts & Supplies	Invoice # 1376...	153.74	X		553,210.70
11/17/2022	25772	Kaiser Foundation H...	-split-	Account # 320...	540.00	X		552,670.70
11/17/2022	25773	Zoll Medical Corpor...	6161 · General Medica...	Invoice # 3605...	245.94	X		552,424.76
11/17/2022	PR22-11-2		-split-	Total Payroll T...	98,359.82	X		454,064.94
11/17/2022	PR22-11-2		1000 · Bank of Americ...	Direct Deposit	322,324.44	X		131,740.50
11/17/2022	PR22-11-2		1000 · Bank of Americ...	Payroll Checks		X		131,740.50
11/18/2022			-split-	Deposit		X	100,480.87	232,221.37
11/18/2022			1114 · Due from other ...	Deposit		X	24,683.47	256,904.84
11/18/2022	EFT	Sterling Administrati...	-split-		33.00	X		256,871.84
11/19/2022	EFT	Sterling Administrati...	-split-		99.70	X		256,772.14
11/21/2022		Transfer from LAIF	1074 · Local Agency I...	Confirm #1678...		X	200,000.00	456,772.14
11/21/2022	EFT	U.S. Bank Telepay	2010 · Accounts Payable	Reference # 15...	34,455.36	X		422,316.78
11/21/2022	EFT	Verizon Wireless	-split-	Oct-22	364.17	X		421,952.61
11/21/2022	EFT	P. G. & E.	-split-		472.58	X		421,480.03
11/21/2022	25774	Lithia of Billings, Inc.	-split-	VOID: Stock N...		X		421,480.03
11/22/2022	EFT	P. G. & E.	-split-		193.20	X		421,286.83
11/22/2022	25775	Lithia of Billings, Inc.	-split-	Stock No. NG3...	74,961.24	X		346,325.59
11/23/2022	EFT	Sterling Administrati...	-split-		109.00	X		346,216.59
11/24/2022	EFT	State Compensation ...	6030 · Workers Compe...	Policy # 11048...	53,873.92	X		292,342.67
11/25/2022		Deposit	3500 · Misc. Operating...	Deposit		X	1,714.96	294,057.63
11/25/2022	EFT	Sterling Administrati...	-split-		152.95	X		293,904.68
11/25/2022	EFT	Allied Administrator...	6042 · Dental Insurance	Dec 2022	5,361.91	X		288,542.77
11/27/2022	EFT	Sterling Administrati...	-split-		25.00	X		288,517.77
11/29/2022		Transfer from LAIF	1074 · Local Agency I...	Confirm #1678...		X	650,000.00	938,517.77
11/29/2022	EFT	Sterling Administrati...	-split-		1,016.98	X		937,500.79
11/29/2022	EFT	Sterling Administrati...	-split-		327.94	X		937,172.85
11/30/2022	EFT	P.E.R.S. ING	-split-	PR22-12-1	2,436.23			934,736.62
11/30/2022	AJE # 7		3513 · Rental Income (...)	Verizon Month...		X	2,100.00	936,836.62

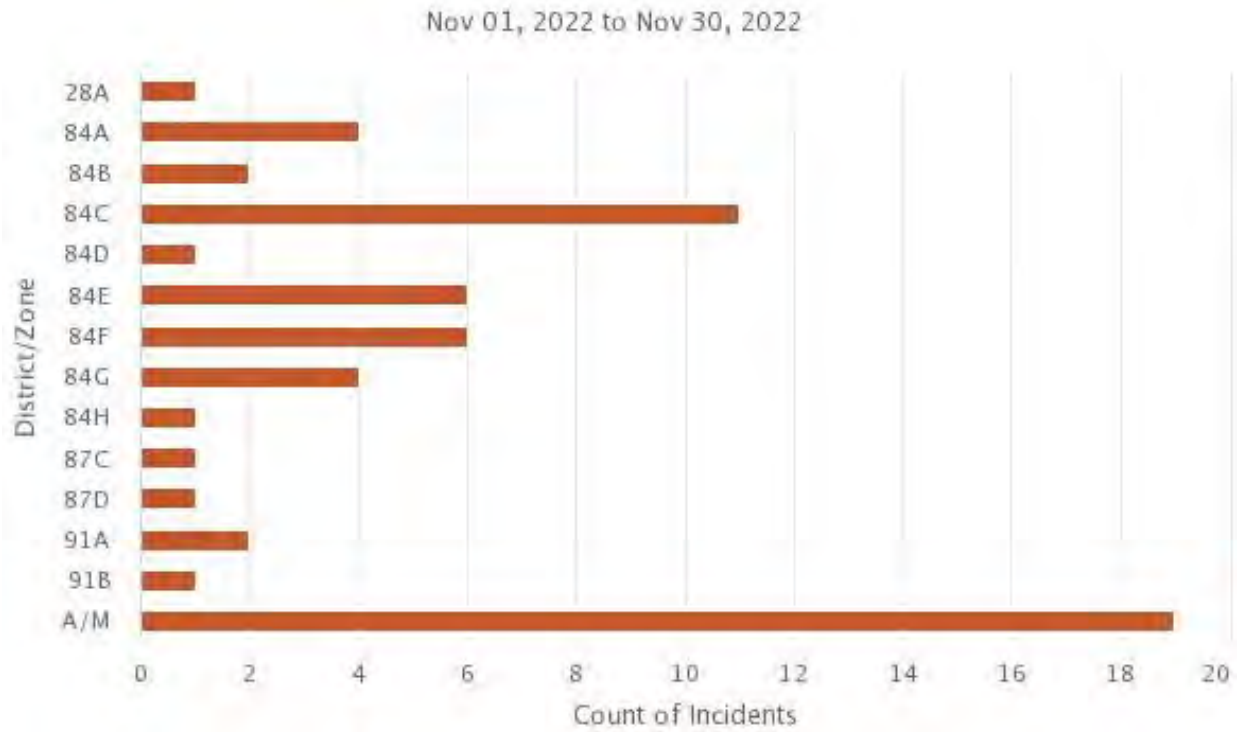
EL DORADO HILLS FIRE DEPARTMENT
“YOUR SAFETY ... OUR COMMITMENT”



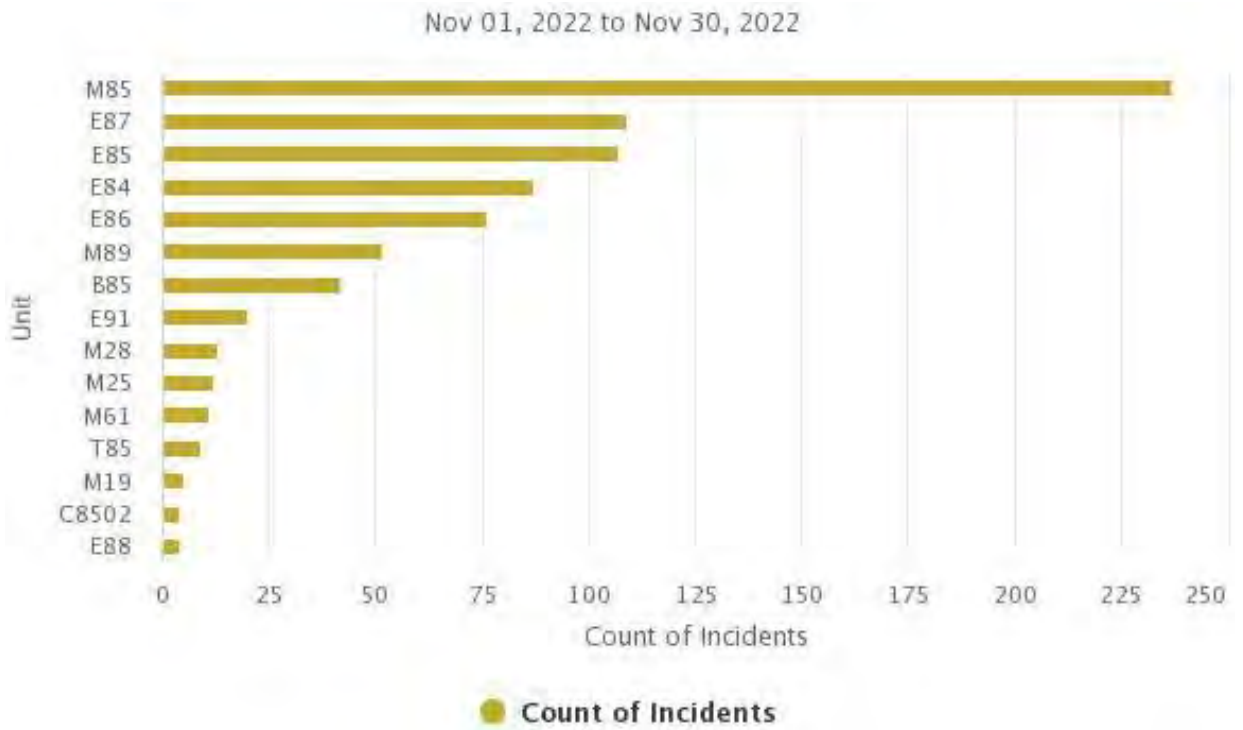
MONTHLY OPERATIONS REPORT
NOVEMBER 2022

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

Incidents by District/Zone



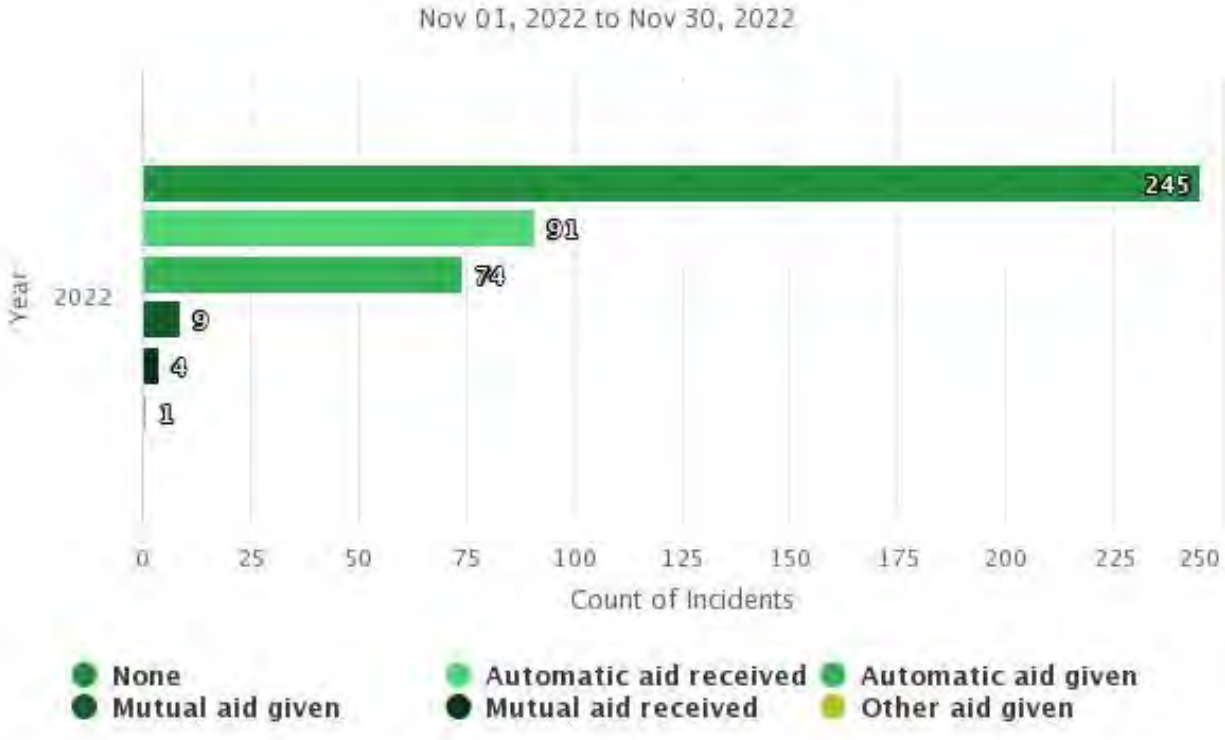
Response by Unit (Top 15 Resources)



Primary Action Taken-Categories

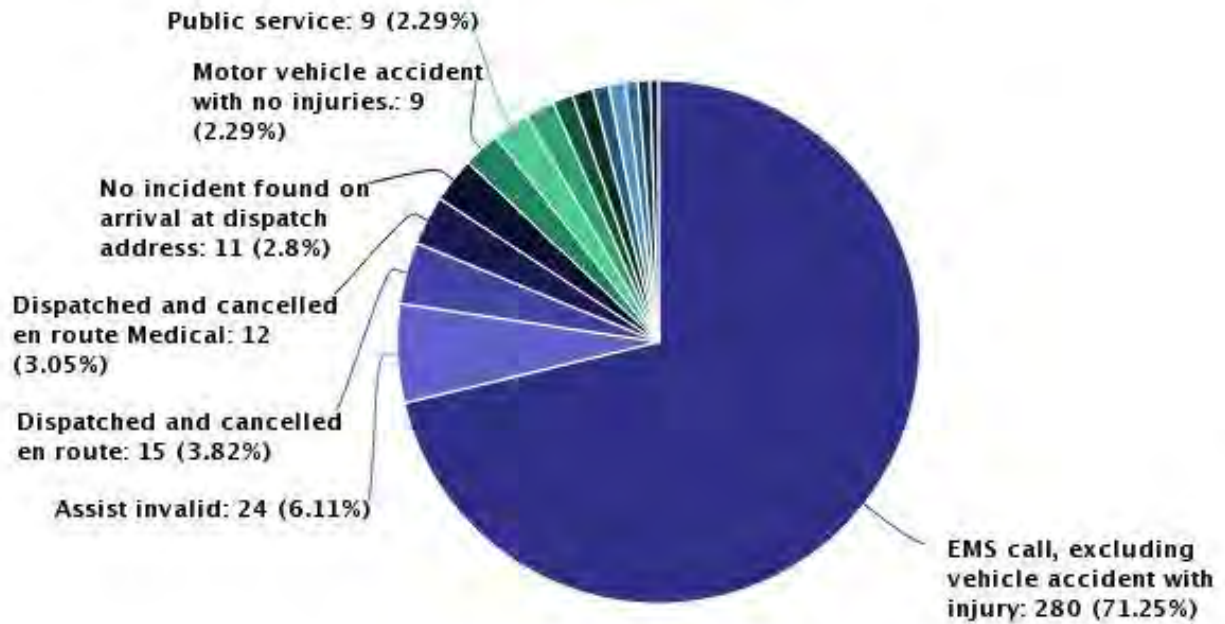


Aid Given/Received



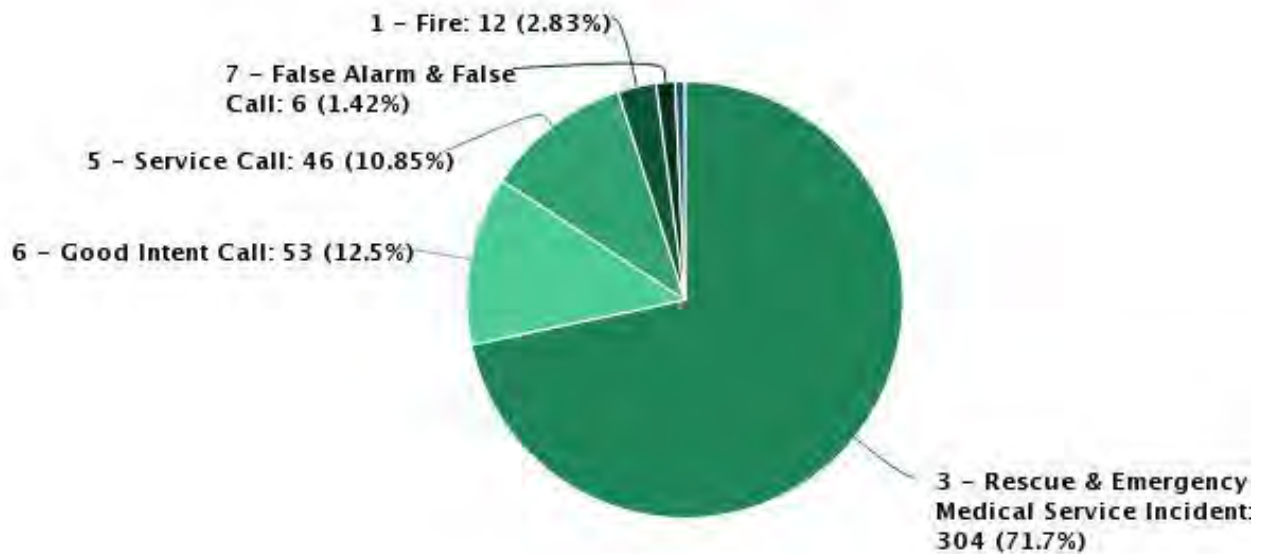
Response/Incident Types & Categories

Nov 01, 2022 to Nov 30, 2022

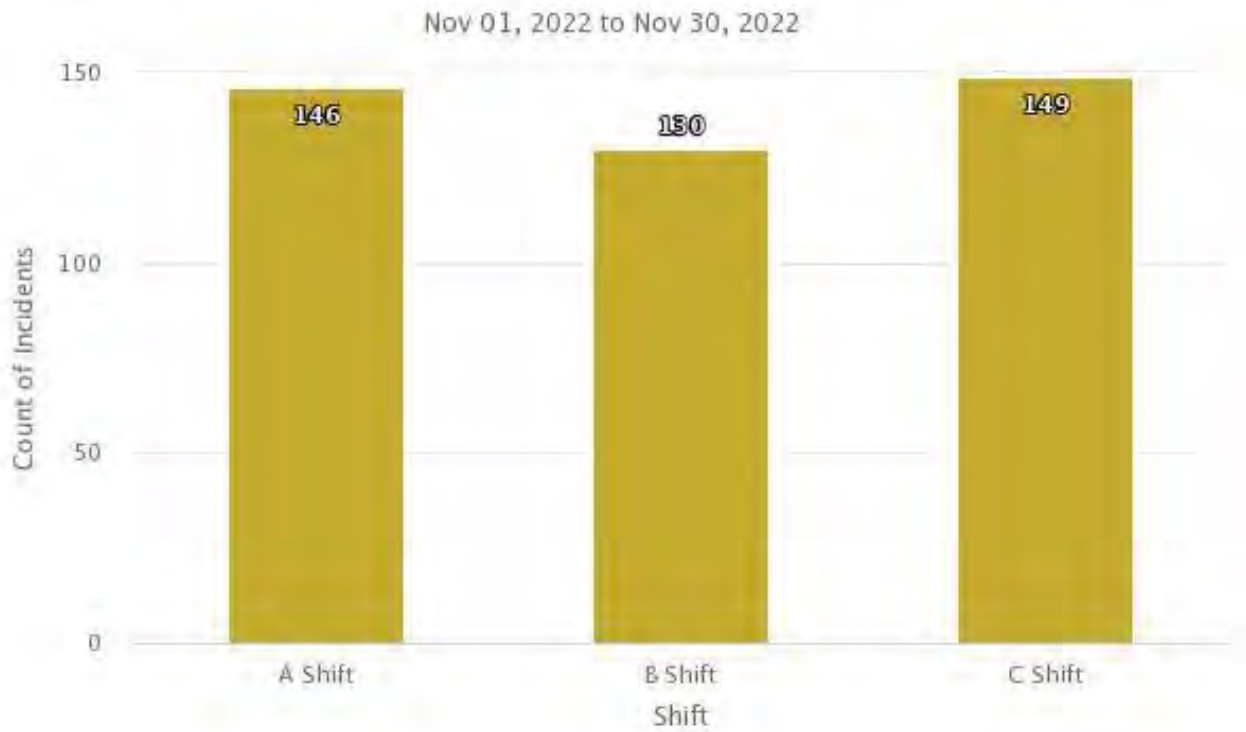


Incident Type Categories

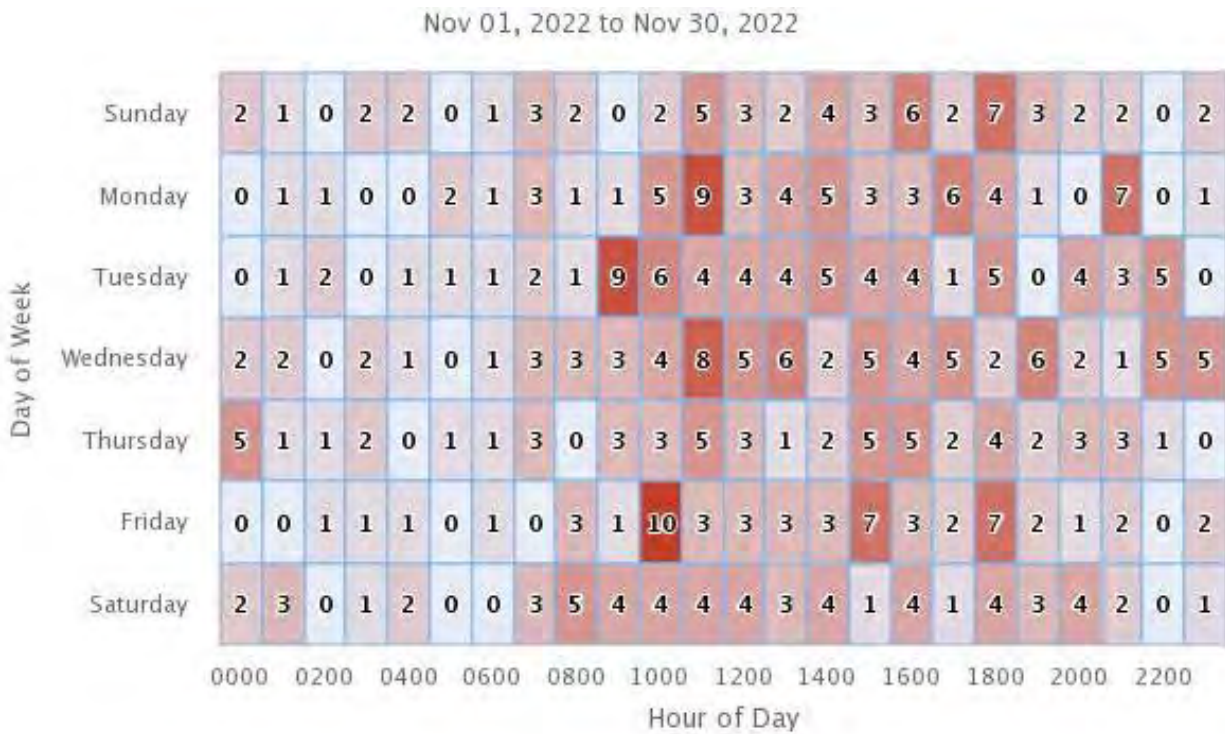
Nov 01, 2022 to Nov 30, 2022



Incident Response by Shift



Incidents by Hour of the Day



*Emergency Response Summary –
Medic Units Response Time - El Dorado
November 2022*

URBAN RESPONSE,

11-minutes, 90% of time

Response Time Between 00:00:00 - 00:00:59	1.82%
Response Time Between 00:01:00 - 00:01:59	3.64%
Response Time Between 00:02:00 - 00:02:59	10.30%
Response Time Between 00:03:00 - 00:03:59	20.30%
Response Time Between 00:04:00 - 00:04:59	32.12%
Response Time Between 00:05:00 - 00:05:59	48.18%
Response Time Between 00:06:00 - 00:06:59	59.39%
Response Time Between 00:07:00 - 00:07:59	70.30%
Response Time Between 00:08:00 - 00:08:59	80.00%
Response Time Between 00:09:00 - 00:09:59	85.45%
Response Time Between 00:10:00 - 00:10:59	88.48%

Medic Unit Response Comparison by Month/Year

MONTH	2022	2021
January	91.28%	93.57%
February	90.98%	91.13%
March	95.33%	93.59%
April	93.70%	91.67%
May	92.04%	89.19%
June	91.24%	88.48%
July	86.31%	89.59%
August	91.13%	85.71%
September	87.02%	89.32%
October	88.26%	89.96%
November	88.48%	90.98%
December		87.54%

The percentages represented do not reflect reconciled percentages from exception reporting

Training

November's training focused on nozzle and hose management as part of an implementation of the department's nozzles. The department is transitioning from 75psi/175gpm nozzles to 50psi/150gpm nozzles for improved efficiency, effectiveness, and ultimately firefighter safety. Company level training occurred across all three shifts to bolster confidence prior to final deployment of the new nozzle flows. Each shift participated in an extensive "back to basics" drill taught by the Training Division and a shift representative. Drills included a ground school to discuss proper hose management techniques and advantages as well as challenges with new equipment. Crews also participated in real-time drills to hone their hose management, communications, and water application techniques.

Personnel also participated in Advance Cardiac Life Support (ACLS), Pediatric Advance Life Support (PALS), and CPR training.



Fleet Services

Fleet services were busy again this month with minor to moderate repairs. Mechanic Dixon worked with Suppression personnel on pump testing to better understand the process and expectations.

Truck 85 received its annual maintenance and inspection, which included tightening of the aerial cables, load testing of the hydraulic cylinders, lubrication, and cleaning of all slides. In the end, Truck 85 passed and continues to be ready for service.

There were eight moderate to major issues resolved by Mechanic Dixon with approximately 52 days saved from being out of service and a approximately \$9,700 saved in outside work and parts.



Battalion Chief Updates

B-Shift – Chief Antonio Moreno

Incidents

Apartment Fire – Knollwood Ct. Cameron Park



Miscellaneous Fire – Keyston Dr. El Dorado Hills



Community Events

Football Coverage Oakridge H.S

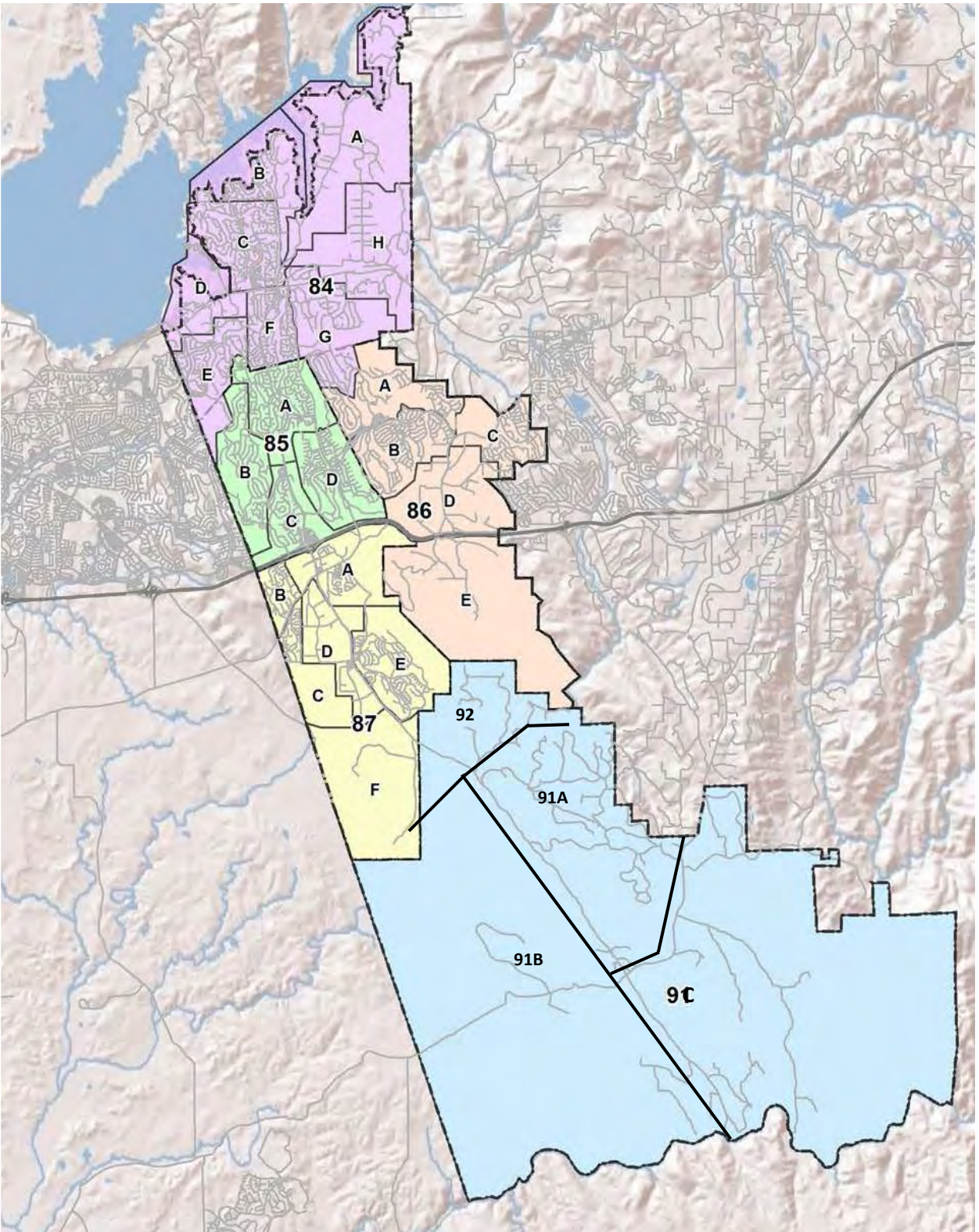
EMS standby for the Varsity Playoff game vs. Turlock

Public Education Station 84 E84, E85

Station Tours for Pre-school and Cub Scouts.

Public Education Station 87 E87

Station Tour for John Adams Academy



EL DORADO HILLS FIRE DEPARTMENT

“YOUR SAFETY ... OUR COMMITMENT”



Community Risk Reduction Division

November 2022 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 Saratoga Estates, Carson Creek, Bell Ranch, Hawk View, and Bass Lake North areas of the District. New commercial construction consisting of El Dorado Irrigation District (EID) Wastewater Facility, Tractor Supply in the Business Park area, Aloft Hotel in Town Center, as well as the training center continues to progress.

CRRD has received a total of **1134** permit to construct plan review submittals since January 1, 2022, with **99** received in the month of November. Home construction permit activity was the leading permit submittal type with **517** plan applications received followed by **237** residential fire protection system applications and **175** miscellaneous applications.

CRRD investigated **27** Defensible Space re-inspections on behalf of the County of El Dorado as part of their Vegetation Management program. CRRD staff additionally completed **158** Defensible Space inspections as part of the 2022 County Emphasis Areas.

MAJOR ACCOMPLISHMENTS

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

- Completed **124** construction inspections and **167** smoke and carbon monoxide alarm inspections.
- Completed **23** fire and life safety inspections of residential and commercial occupancies.
- Completed **27** defensible space complaint inspections.
- Completed **158** County Emphasis Areas defensible space inspections.
- Implemented new plan intake and plan review records management systems (RMS) to improve customer satisfaction and streamlining permit processes.

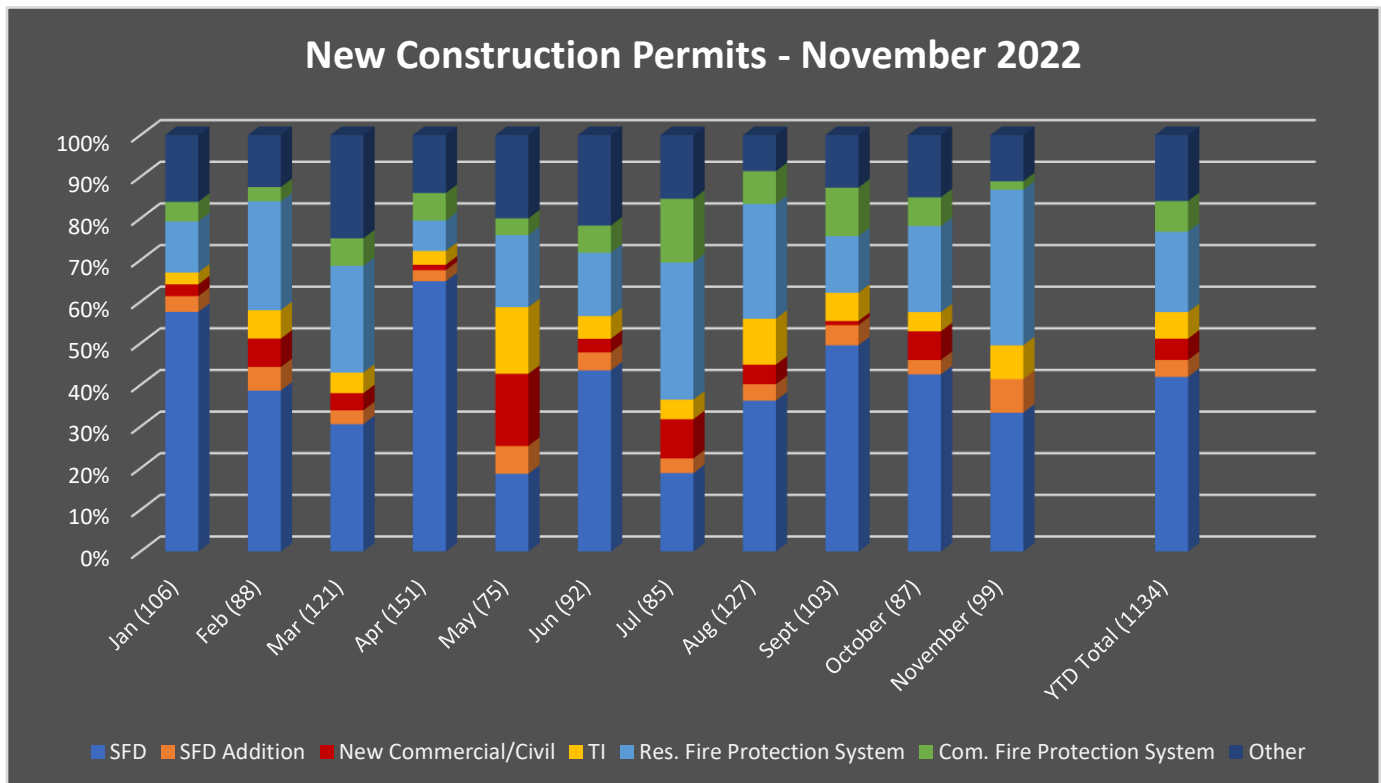


Table 1: Plan Review by Month Report

Fire and Life Safety Inspections - November 2022

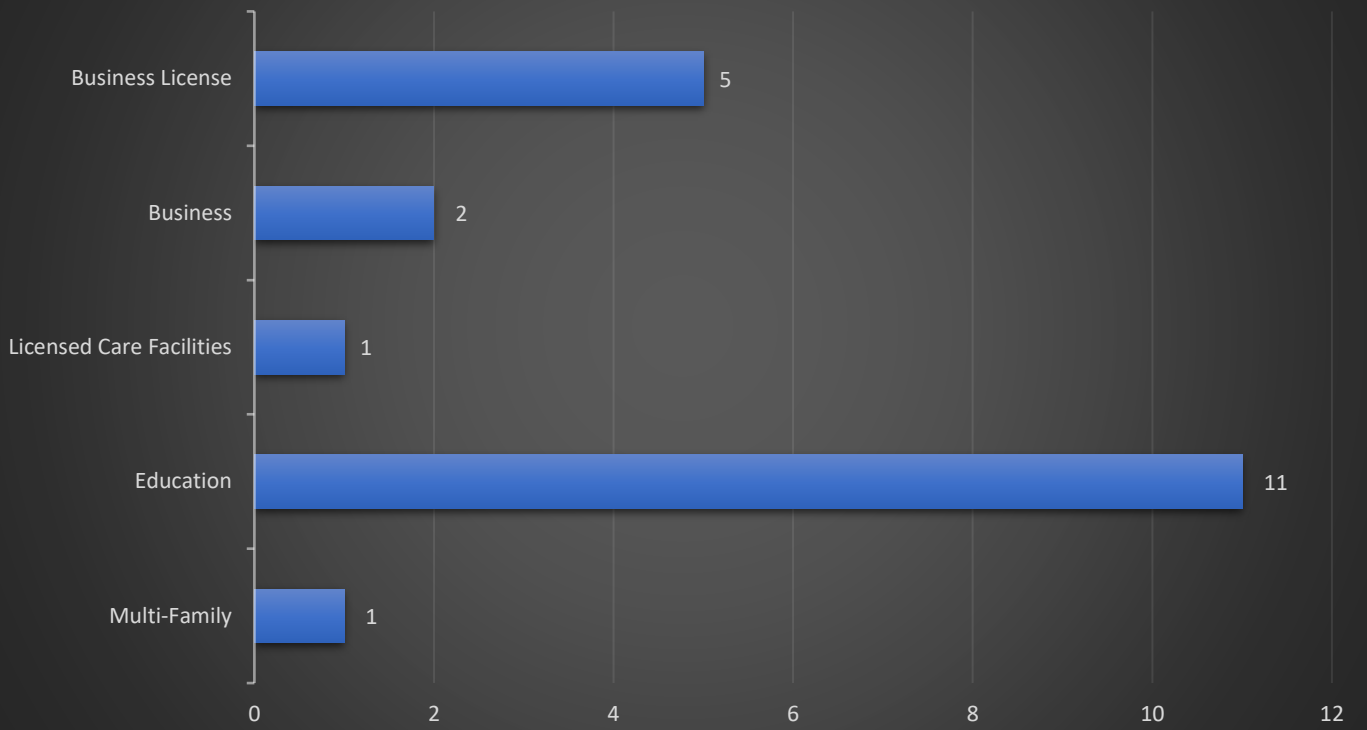


Table 2: Fire and Life Safety Inspections by Month Report

Vegetation & Defensible Space Inspections November 2022

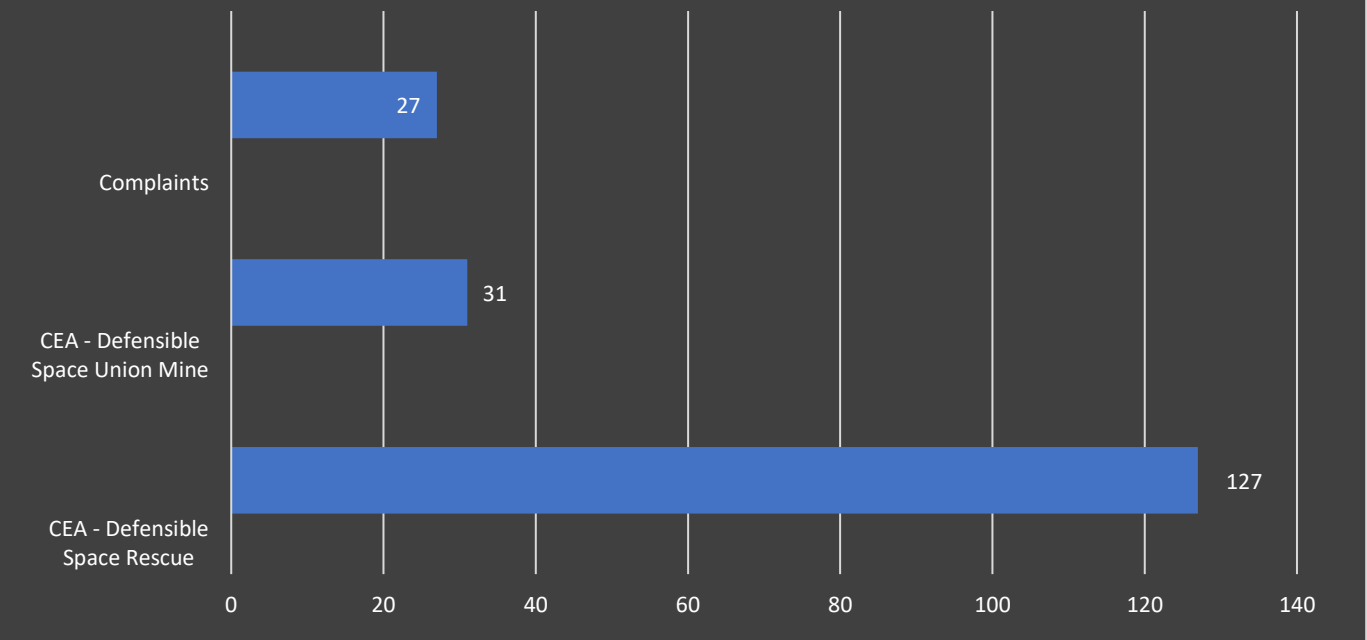


Table 3: Vegetation Management/ Defensible Space Inspections by Month Report
End of Report



550 Howe Avenue, Suite 210
Sacramento, California 95825

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

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, 2022, and have issued our report thereon dated December 9, 2022. 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 May 23, 2022. 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. 87, *Leases*. Due to the implementation of this Statement the District recorded a lease receivable and deferred inflows for its cell tower leases and a right-to-use asset and lease liability for its training center lease. 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 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 audit adjustments and closing entries during the audit, including entries to reclassify lease income and other entries recorded under GASB Statement No. 87 implemented this year, true-up the net investment in capital assets and adjust the sick leave liability due to more employees converting their sick leave to service credit in the pension plan.

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 9, 2022.

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 information related to the District's budgetary comparison schedule, pension plan and other post-employment benefits plan

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

identified in the table of contents, which are required supplementary information (RSI) that supplement the basic financial statements. Our procedures consisted of inquiries of 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.

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 9, 2022



550 Howe Avenue, Suite 210
Sacramento, California 95825
Telephone: (916) 564-8727
FAX: (916) 564-8728

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, 2022. 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 2021/2022 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.

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 2021/2022 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 2021/2022.

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 9, 2022

APPENDIX A

EL DORADO HILLS COUNTY WATER DISTRICT
(DBA EL DORADO HILLS FIRE DEPARTMENT)
APPROPRIATIONS LIMIT CALCULATION
For the Year Ended June 30, 2022

APPROPRIATION LIMIT

ADOPTED BY DISTRICT:

Recorded in Final 2021/2022 Budget \$ 51,776,676

APPROPRIATION LIMIT

COMPUTATION PER REVIEW:

2020/2021 Appropriation Limit	\$ 47,599,783	
Cost of Living Factor:		
Change in California per capita income	1.0573	
Population Adjustment Factor:		
Population growth in district population	1.0288	
Auditor computed limitation		<u>51,776,675</u>
Variance		<u><u>\$ 1</u></u>

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

Audited Financial Statements and
Compliance Report

June 30, 2022

(This page intentionally left blank.)

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

AUDITED FINANCIAL STATEMENTS AND
COMPLIANCE REPORTS

June 30, 2022

TABLE OF CONTENTS

Independent Auditor’s Report.....	1
Management’s Discussion and Analysis.....	4
<u>Basic Financial Statements</u>	
Statement of Net Position and Governmental Fund Balance Sheet	15
Statement of Activities and Governmental Fund Revenues, Expenditures and Changes in Fund Balances	16
Notes to Basic Financial Statements.....	17
<u>Required Supplementary Information</u>	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual – General Fund.....	43
Schedule of the Proportionate Share of the Net Pension Liability and Schedule of Contributions to the Pension Plan (Unaudited)	44
Schedule of Changes in the Net OPEB Liability and Related Ratios (Unaudited)	45
Schedule of Contributions to the OPEB Plan (Unaudited)	46
<u>Compliance Report</u>	
Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	47



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, 2022, 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, 2022, 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.

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 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.

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

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.

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

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

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 9, 2022 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 9, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

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, 2022.

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

Government-wide Financial Statements

- The District ended the fiscal year with a positive net position of \$39,215,892. This is made up of \$23,347,848 in net capital assets, \$9,577,853 in assets that are restricted for qualifying capital improvements related to District growth, and another \$6,326,025 in assets that are restricted for the payment of pension benefits. Unrestricted net position ended at a *deficit* of \$35,834, an increase from prior year's unrestricted net position *deficit* of \$1,849,347.
- The net pension liability decreased from prior year to \$11,738,830 and the net OPEB (other post-employment benefits) liability decreased to \$10,106,954. Total combined net pension and OPEB liabilities were \$21,845,784 as of June 30, 2022, a total net decrease of \$11,005,272 from prior year. This significant decrease is mostly due to the impact of higher-than-expected investment earnings in fiscal year 2020-21 and is partially offset by an increase in pension and OPEB deferred inflows of \$7,721,765 and \$1,366,102, respectively. The increase in deferred inflows reflects the deferral of recognizing these 2020-21 investment gains. Pension and OPEB deferred outflows increased by \$358,277 and \$658,642, respectively, which mostly represents an increase in contributions subsequent to the measurement date of 6/30/2021.

Fund Financial Statements

- General fund expenditures for the year exceeded revenues by \$2,712,302. The excess of expenditures is the result of non-recurring purchases, including capital outlay expenditures of \$5,450,646 and a discretionary lump sum transfer into the OPEB Section 115 trust account of \$1,021,551. Further, there were unrealized losses on investments of \$875,947 in fiscal year 2021/22.
- A net amount of \$120,496 was transferred out of the District's capital replacement fund in fiscal year 2021/22, which is reported as the committed fund balance. There were contributions of \$2,250,000 and \$1,021,551 to the District's PARS (Public Agency Retirement Services) Section 115 pension and OPEB trust accounts, respectively. Contributions to the pension trust account are reported as restricted assets on the fund balance sheet.

- The District's general fund reported a total fund balance of \$37,215,408. Of this balance, \$21,311,530 is unrestricted. The portion of the unrestricted balance committed for future capital replacements is \$5,110,017. Another \$305,313 of the unrestricted balance is comprised of prepaid amounts that are reported as nonspendable funds. The remaining \$15,896,200 of unrestricted fund balance represents approximately 74% of the year's total fund operating expenditures, a decrease from 88% in 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

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 the 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.

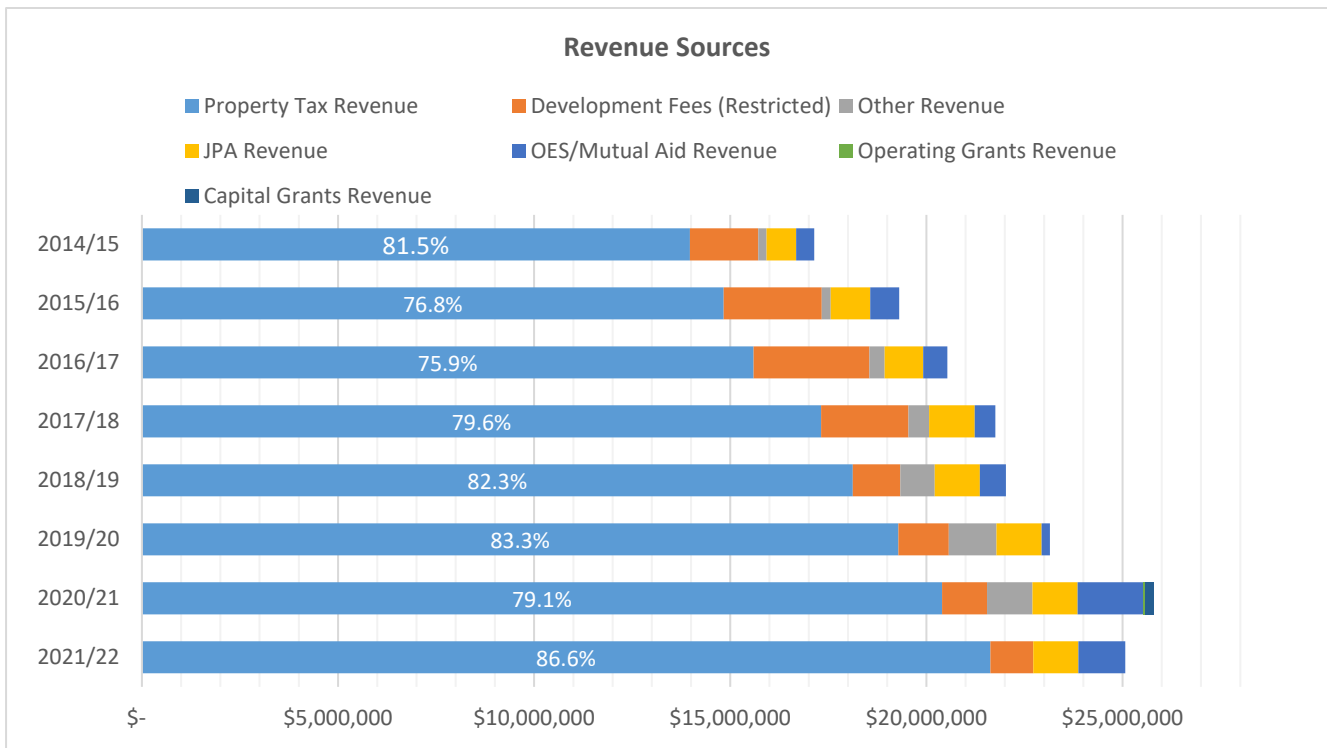
General and Program Revenues

Table 1 shows a condensed schedule of revenues compared with prior year. Total revenues for fiscal year 2021/22 decreased by \$818,746 from prior year. The primary source of funding for the District to provide services is property taxes, which made up approximately 86.6% of total revenues in 2021/22. Property tax revenues increased by \$1,231,624, or 6% from prior year, primarily due to growth in the District’s assessed value. Development fee revenue increased by \$230,110 or 20.1% from prior year as a result of an increase in development within the District, as well as an annual inflationary increase to the impact fee schedule. Other Revenue decreased by \$1,527,365, or 131.7% from prior year, mostly due to of unrealized losses on cash investments. JPA revenue remained consistent with last fiscal year. There was a decrease of \$483,173, or 28.8%, in OES/Mutual-Aid revenue due to the severity of fire season and the District’s participation on strike teams. The District did not have operating or capital grants revenue in 2021/22.

TABLE 1
Condensed Schedule of Revenues

	2021/22	2020/21	\$ Change	% Change
General Revenues				
Property Tax Revenue	\$ 21,630,784	\$ 20,399,158	\$ 1,231,624	6.0%
Development Fees	1,376,668	1,146,558	230,110	20.1%
Other Revenue	(367,321)	1,160,044	(1,527,365)	-131.7%
Total General Revenues	\$ 22,640,131	\$ 22,705,760	\$ (108,521)	-0.3%
Program Revenues				
JPA Revenue	\$ 1,150,000	\$ 1,150,000	\$ -	0.0%
OES/Mutual Aid Revenue	1,194,181	1,677,353	(483,173)	-28.8%
Operating Grants Revenue	-	44,379	(44,379)	N/A
Capital Grants Revenue	-	225,566	(225,566)	N/A
Total Program Revenues	\$ 2,344,181	\$ 3,097,299	\$ (753,118)	-24.3%
Total Revenues	\$ 24,984,313	\$ 25,803,059	\$ (818,746)	-3.2%

The chart on the following page shows revenue by source from fiscal year 2014-15 to present. Property tax revenues have historically represented between 75-87 percent of total District revenues.



Expenses

Total expenses for fiscal year 2021/22 decreased from prior year by \$3,474,227 or 14.6%. Most of the District’s cost to operate is comprised of labor costs. Wages and benefits made up approximately 83.0% of total expenses for the fiscal year and decreased by \$3,737,577, or 18.2%, from 2020/21. This is due to a decrease in pension expense in 2021/22 resulting from a reduction in the District’s calculated pension unfunded liability. Professional services and IT costs increased slightly from prior fiscal year mostly due to an rise in IT support costs. Maintenance costs decreased by \$71,513, or 16.0% from prior year, which is mostly due to a reduction in outside maintenance costs on apparatus after an internal Fire Equipment Mechanic was hired. Other operating expenses also increased from prior year by \$141,233, or 13.9%, mostly due to increases in the following expense categories: hosted training, fire prevention, clothing/PPE, small tools, fuel, and general/property liability insurance cost.

TABLE 2
Condensed Schedule of Expenses

	2021/22	2020/21	\$ Change	% Change
<u>Public Protection</u>				
Wages & Benefits	\$ 16,834,794	\$ 20,572,371	\$ (3,737,577)	-18.2%
Professional Services & IT	680,990	643,617	37,373	5.8%
Maintenance	374,882	446,400	(71,513)	-16.0%
Other Operating Expense	1,160,846	1,019,613	141,233	13.9%
Total Public Protection	\$ 19,051,512	\$ 22,682,001	\$ (3,630,489)	-16.0%
Debt Service Interest Expense	\$ 7,033	\$ -	\$ 7,033	N/A
Depreciation/Amortization Expense	\$ 1,215,700	\$ 1,066,471	\$ 149,229	14.0%
Total Expenses	\$ 20,274,245	\$ 23,748,472	\$ (3,474,227)	-14.6%

Net Position

The District's net position of \$39,215,892 at June 30, 2022 increased by \$4,710,067, or 13.7% from prior year. Tables 3 and 4 summarize the components of the District's net position compared to prior year.

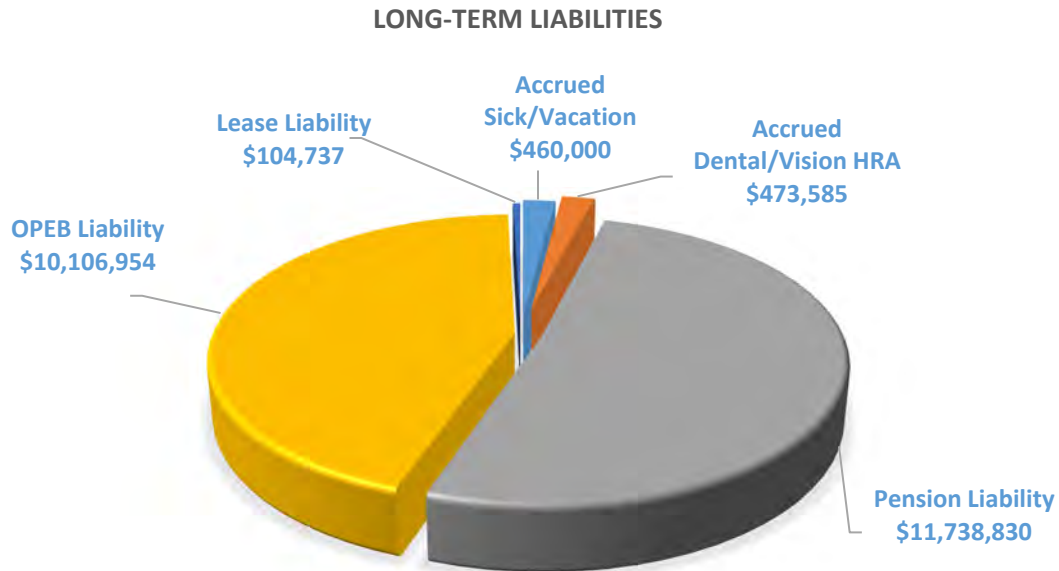
TABLE 3
Condensed Schedule of Net Position

	June 30, 2022	June 30, 2021	\$ Change	% Change
Assets:				
Cash and Investments	\$ 38,236,060	\$ 38,493,848	\$ (257,788)	-0.7%
Other Current Assets	1,145,416	2,524,355	(1,378,939)	-54.6%
Capital Assets	24,606,202	20,166,870	4,439,332	22.0%
Total Assets	63,987,678	61,185,073	2,802,606	4.6%
Deferred Outflows of Resources	13,207,515	12,190,596	1,016,919	8.3%
Total Assets & Deferred Outflows	\$ 77,195,193	\$ 73,375,669	\$ 3,819,525	5.2%
Liabilities:				
Current Liabilities	\$ 2,481,624	\$ 1,802,753	\$ 678,871	37.7%
Long-Term Liabilities	22,884,106	34,222,447	(11,338,341)	-33.1%
Total Liabilities	25,365,730	36,025,200	(10,659,470)	-29.6%
Deferred Inflows of Resources	12,613,571	2,844,644	9,768,927	343.4%
Total Liabilities & Deferred Inflows	\$ 37,979,301	\$ 38,869,844	\$ (890,543)	-2.3%
Net Position:				
Net Investment in Capital Assets	\$ 23,347,848	\$ 20,166,870	\$ 3,180,978	15.8%
Restricted for Capital Improvements	9,577,853	11,503,774	(1,925,921)	-16.7%
Restricted for Pension Benefits	6,326,025	4,720,362	1,605,663	34.0%
Unrestricted	(35,834)	(1,885,181)	1,849,347	-98.1%
Total Net Position	\$ 39,215,892	\$ 34,505,825	\$ 4,710,067	13.7%

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

- **Capital Assets** increased by \$4,439,332, or 22% from prior year as a result of significant progress made on the Phase 1 Training Facility Construction-in-Progress during fiscal year 2021/22 and the addition of two (2) Type 1 Engines.
- **Deferred Outflows** increased by \$1,016,919, or 8.3% from prior year due to an increase in pension and OPEB contributions made after the measurement date.
- **Long-term Liabilities** decreased by \$11,338,431, or 33.1% from prior year. The majority of this decrease, or \$9,984,575, was in the pension unfunded liability, a result of higher-than-expected investment earnings in fiscal year 2020/21. There were also significant decreases of \$1,020,697 and \$434,067 in the OPEB unfunded liability and non-current portion of the compensated absences accrual, respectively.

The pie chart below shows a breakdown of the District's long-term liabilities:



Pension and OPEB unfunded liabilities make up approximately 95.5% of the District's total long-term liabilities. The net pension liability does not reflect approximately \$6.3M in District assets held in a Section 115 trust account that is restricted for pension benefits.

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

- **Other Current Assets** decreased by \$1,378,939, or 54.6% from prior year as a result of a decrease in OES receivables and deposits (prepayments) on apparatus purchases.
- **Current Liabilities** increased by \$678,871, or 37.7% from prior year due to an increase in accrued expenses at year-end.
- **Deferred Inflows** increased by \$9,768,927 from prior year, offsetting most of the decrease in long-term liabilities. This increase, mostly attributable to pension deferred inflows, is due to a delay in the recognition of CalPERS' higher-than-expected investment earnings in fiscal year 2020/21.

TABLE 4
Schedule of Changes in Net Position

	2021/22	2020/21	\$ Change	% Change
Total Revenues	\$ 24,984,312	\$ 25,803,059	\$ (818,747)	-3.2%
Total Expenses	20,274,245	23,748,472	(3,474,227)	-14.6%
Excess (Deficiency)	\$ 4,710,067	\$ 2,054,587	\$ 2,655,480	129.2%
Beginning Net Position	34,505,825	32,451,238	2,054,587	6.3%
Ending Net Position	\$ 39,215,892	\$ 34,505,825	\$ 4,710,067	13.7%

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 \$37,215,408 at the end of 2021/22, a decrease of \$2,712,302 from 2020/21. The District saw decreases in the unassigned general reserve fund, the capital replacement fund, and the development fee fund. The non-spendable and restricted pension benefit funds increased from prior year.

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

Table 5
Summary of Total Fund Balances

	2021/22	2020/21	\$ Change	% Change
General Reserve Fund - Unassigned	\$ 15,896,200	\$ 18,209,519	\$ (2,313,319)	-12.7%
General Reserve Fund - Non-spendable	305,313	263,542	41,771	15.8%
Capital Replacement Fund	5,110,017	5,230,513	(120,496)	-2.3%
Unrestricted Fund Balances	\$ 21,311,530	\$ 23,703,574	\$ (2,392,044)	-10.1%
Development Fee Fund	9,577,853	11,503,774	(1,925,921)	-16.7%
Pension Benefit Fund	6,326,025	4,720,362	1,605,663	34.0%
Restricted Fund Balances	\$ 15,903,878	\$ 16,224,136	\$ (320,258)	-2.0%
Total Fund Balances	\$ 37,215,408	\$ 39,927,710	\$ (2,712,302)	-6.8%

- The unassigned general reserve fund ended the fiscal year with a balance of \$15,896,200, a decrease of \$2,313,319, or 12.7% from prior year. This decrease is due to transfers to the capital replacement fund, restricted pension benefit fund and the OPEB Section 115 trust account.
- The committed, or capital replacement fund balance, decreased by \$120,496 from prior year to \$5,110,017. This decrease is the result of fund capital purchases during the fiscal year in excess of contributions, or transfers into the fund.
- The restricted development fee fund balance ended at \$9,577,853, a 16.7% decrease from prior year. This decrease resulted from qualifying expenditures from the fund 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 \$1,356,515 for qualifying expenditures made in 2021/22 are reflected in these balances.
- Contributions of \$2,250,000 were made to the District's pension Section 115 trust account during fiscal year 2021/22, increasing the restricted pension benefit fund balance. This increase was partially offset by an unrealized loss on investments of \$644,337 for the fiscal year ending June 30, 2022.

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 below shows a comparison of the final mid-year budget and actual results for fiscal year 2021/22:

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

	2021/22 Mid-Year Budget	2021/22 Actual	\$ Variance Favorable/ (Unfavorable)	% Variance Favorable/ (Unfavorable)
Total Revenues	\$ 26,020,633	\$ 25,181,207	\$ (839,426)	-3.2%
Total Expenditures	(27,223,760)	(27,896,512)	(672,752)	-2.5%
Other Financing Sources (Uses)	1,315	3,003	1,688	-128.4%
Net Change in Fund Balance	\$ (1,201,810)	\$ (2,712,302)	\$ (1,510,492)	-125.7%

- Actual revenue was less than budgeted revenue by \$839,426 due to the following:
 - There was an unbudgeted loss on investments of \$875,947 due to unrealized losses in the District’s restricted PARS Section 115 trust and a fair value adjustment to the District’s LAIF (Local Agency Investment Fund) balance at June 30, 2022
 - There was an unrealized loss the District’s development fee fund, resulting in an unfavorable variance of \$282,544 in development fee interest earnings
 - There were partially offsetting favorable variances in the following revenue categories:
 - Property tax revenue was favorable by \$173,979 above the budgeted amount
 - CRRD cost recovery fees were favorable to budget by \$95,250
 - OES/Mutual-Aid revenue was favorable to budget by \$31,815

- Actual expenditures were unfavorable to the final budget by \$672,752, mostly due to the following:
 - Capital outlay expenditures exceeded the budgeted amount by \$486,808 due to timing of Phase 1 construction of the Training Facility
 - Salaries & Wages and Overtime costs were unfavorable to budget by \$373,619, mostly due to higher overtime costs and vacation sellbacks than anticipated

CAPITAL ASSETS

The District purchased capital assets totaling \$5,450,646 in 2021/22. This includes \$3,482,700 in construction expenditures on Phase 1 of the Training Center and \$1,523,979 on the purchase of two (2) Type I Engines. The District also purchased the previously leased solar systems at four stations totaling \$351,204. Portable radios were purchased for \$82,867, and another \$9,896 was spent on a mechanic diagnostic computer.

Approximately \$41,589 in assets were written off or disposed of in fiscal year 2021/22. The District recognized a nominal loss on disposal of \$4,937, 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 to the financial statements.

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

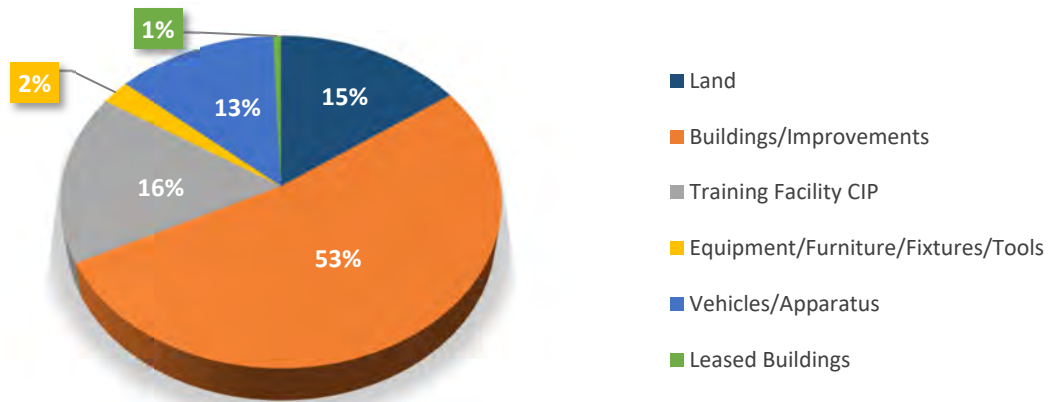


Table 7
Capital Assets by Category (Net of Depreciation)

Asset Category	2021/22	2020/21	\$ Change	% Change
Land	\$ 3,714,639	\$ 3,714,639	\$ -	0.0%
Buildings/Improvements	\$ 12,921,853	\$ 13,086,909	\$ (165,055)	-1.3%
Training Facility CIP	\$ 4,061,892	\$ 616,808	\$ 3,445,084	558.5%
Equipment/Furniture/Fixtures/Tools	\$ 574,194	\$ 695,060	\$ (120,866)	-17.4%
Vehicles/Apparatus	\$ 3,177,741	\$ 2,053,455	\$ 1,124,286	54.8%
Leased Buildings	\$ 155,883	\$ 209,323	\$ (53,440)	-25.5%
Total Capital Assets, Net of Depreciation	\$ 24,606,202	\$ 20,376,193	\$ 4,230,009	20.8%

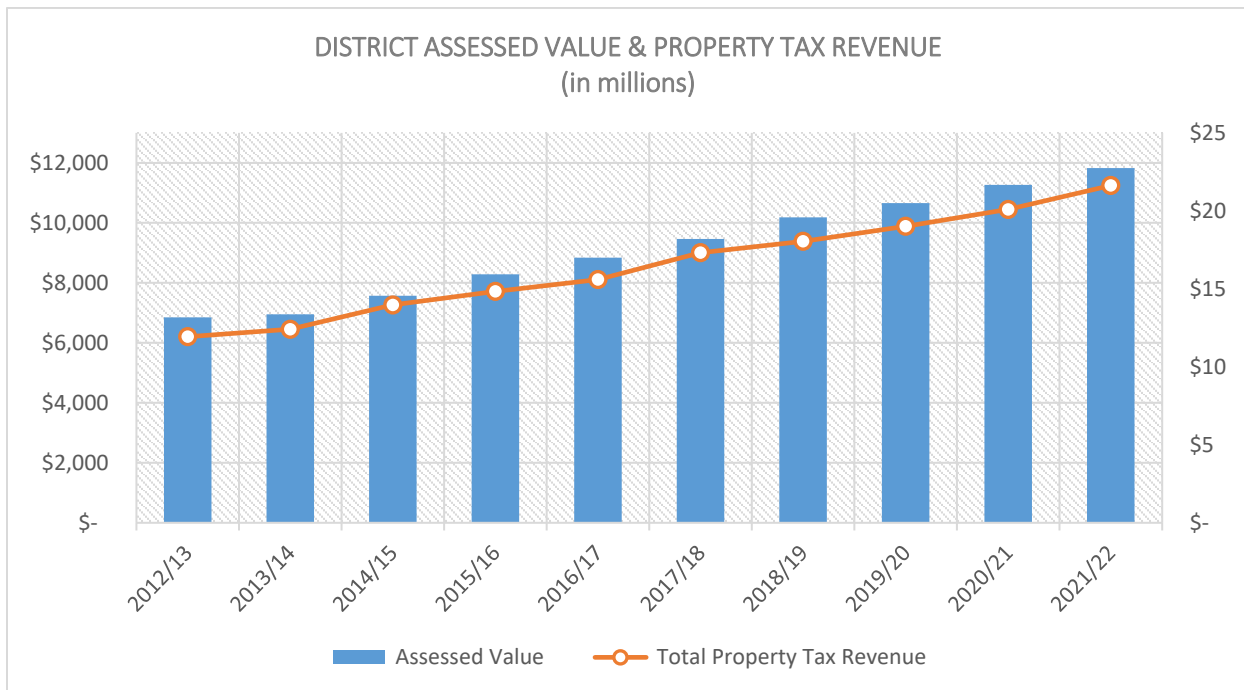
LONG-TERM DEBT

The District's long-term debt consists of a building lease payable outstanding of \$156,311, which will be paid over the next three fiscal years. The District has no other debt. Additional information about the District's long-term debt may be found in Note E to the financial statements.

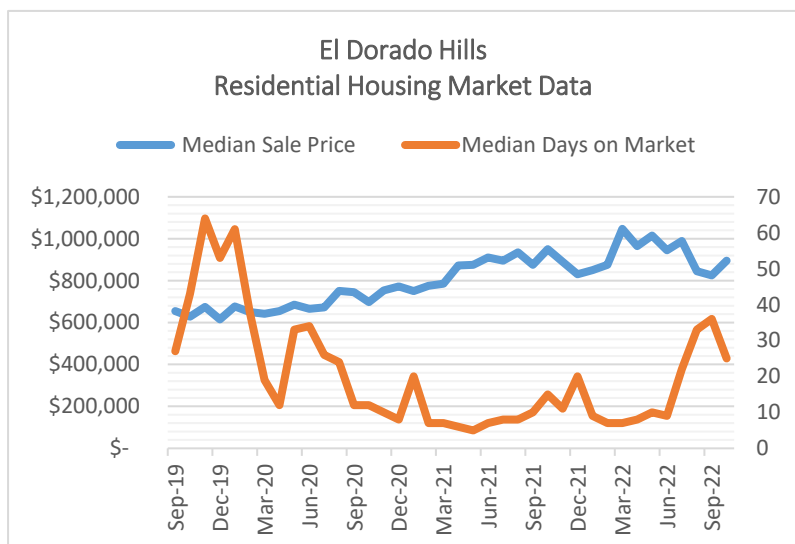
ECONOMIC OUTLOOK

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 are at historic highs. However, the District is cognizant of the increased likelihood of an economic recession in the near term and the significant challenges that may come with that, including but not limited to a tapering of revenue growth. Further, in the nearer term, the District expects to see significant increases in insurance costs, pension and healthcare costs, and the cost of general of goods and services due to historically high inflation.

The District's primary source of revenue is property taxes, which are significantly dependent on property values, new development, and the sale of existing properties. The chart below shows the increasing 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 the past couple of years, as is shown in the growing assessed value and property tax revenue trends, but it is starting to show signs of slowing. In June 2022, the median sales price of a home in El Dorado Hills was \$945,000, a 3.8% increase from June 2021. While positive, this is a noticeable decrease in the median price growth rate from one year prior. In June



2021, the median sales price grew 36.9% from that in June 2020. In September 2022, the median sales price dropped to \$825,000, a 12.7% decline from June 2022 and a 5.7% decrease from one year prior in September 2021. Further, the median number of days a home stays on the market increased to 36 days in September 2022, up from 10 days in September 2021.

The District's financial management continuously monitors and communicates economic trends, forecasts, and financial projections to ensure a sound fiscal position. Budgeting and spending is prioritized in alignment with the District's mission and the values of the community it serves. 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 pro-active in their efforts to keep healthy reserve balances and prefund pension and OPEB obligations whenever feasible. The District made deposits of \$2.25 million and \$1.02 million to its PARS pension and OPEB Section 115 trust accounts, respectively, in fiscal year 2021/22. 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.

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

STATEMENT OF NET POSITION AND GOVERNMENTAL FUND BALANCE SHEET

June 30, 2022

	General Fund	Adjustments (Note J)	Statement of Net Position
ASSETS			
Cash and investments - unrestricted	\$ 22,332,182		\$ 22,332,182
Cash and investments - restricted	15,903,878		15,903,878
Receivables:			
Interest receivable - unrestricted	34,127		34,127
Due from other governments	98,010		98,010
Other receivables	5,424		5,424
Deposits	4,471	\$ (4,471)	
Prepaid costs	305,313		305,313
Leases receivable - current	24,801		24,801
Leases receivable - noncurrent	677,741		677,741
Capital assets:			
Nondepreciable		7,776,531	7,776,531
Depreciable, net		16,829,671	16,829,671
TOTAL ASSETS	39,385,947	24,601,731	63,987,678
DEFERRED OUTFLOWS OF RESOURCES			
Pension plan		6,218,786	6,218,786
Other postemployment benefits plan		6,988,729	6,988,729
TOTAL DEFERRED OUTFLOWS OF RESOURCES		13,207,515	13,207,515
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 39,385,947	37,809,246	77,195,193
LIABILITIES			
Accounts payable	\$ 1,080,925		1,080,925
Salaries and benefits payable	142,992		142,992
Retention payable	135,959		135,959
Unearned revenue	104,920		104,920
Current portion of long-term liabilities		1,016,828	1,016,828
Noncurrent portion of long-term liabilities		22,884,106	22,884,106
TOTAL LIABILITIES	1,464,796	23,900,934	25,365,730
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue	24,683	(24,683)	
Leases receivable	681,060		681,060
Pension plan		9,382,151	9,382,151
Other postemployment benefits plan		2,550,360	2,550,360
TOTAL DEFERRED INFLOWS OF RESOURCES	705,743	11,907,828	12,613,571
FUND BALANCES/NET POSITION			
Fund balance:			
Nonspendable - prepaid costs	305,313	(305,313)	
Restricted for capital improvements	9,577,853	(9,577,853)	
Restricted for pension benefits	6,326,025	(6,326,025)	
Committed	5,110,017	(5,110,017)	
Unassigned	15,896,200	(15,896,200)	
TOTAL FUND BALANCES	37,215,408	(37,215,408)	
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 39,385,947		
Net position:			
Net investment in capital assets		23,347,848	23,347,848
Restricted for capital improvements		9,577,853	9,577,853
Restricted for pension benefits		6,326,025	6,326,025
Unrestricted		(35,834)	(35,834)
TOTAL NET POSITION		\$ 39,215,892	\$ 39,215,892

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, 2022

	General Fund	Adjustments (Note J)	Statement of Activities
EXPENDITURES/EXPENSES			
Current:			
Public protection	\$ 22,390,292	\$ (3,338,780)	\$ 19,051,512
Capital outlay	5,450,646	(5,450,646)	
Debt service - lease principal	48,541	(48,541)	
Debt service - lease interest	7,033		7,033
Depreciation and amortization		1,215,700	1,215,700
TOTAL EXPENDITURES/EXPENSES	<u>27,896,512</u>	<u>(7,622,267)</u>	<u>20,274,245</u>
PROGRAM REVENUES			
Charges for services			
Reimbursements from other agencies	2,344,181		2,344,181
TOTAL PROGRAM REVENUES	<u>2,344,181</u>		<u>2,344,181</u>
NET PROGRAM EXPENSE	(25,552,331)	7,622,267	(17,930,064)
GENERAL REVENUES			
Property taxes and assessments	21,630,784		21,630,784
Fire impact fees	1,376,668		1,376,668
Investment earnings	(1,095,739)		(1,095,739)
Other revenues	925,313	(191,958)	733,355
Loss on disposal of capital assets		(4,937)	(4,937)
TOTAL GENERAL REVENUES	<u>22,837,026</u>	<u>(196,895)</u>	<u>22,640,131</u>
EXCESS OF REVENUES OVER EXPENDITURES	(2,715,305)	2,715,305	
OTHER FINANCING SOURCES/(USES)			
Proceeds from sale of capital assets			
Proceeds from insurance	3,003	(3,003)	
TOTAL OTHER FINANCING SOURCES/(USES)	<u>3,003</u>	<u>(3,003)</u>	
NET CHANGE IN FUND BALANCE	(2,712,302)	2,712,302	
CHANGE IN NET POSITION		7,422,369	4,710,067
Fund balance/net position, beginning of year	39,927,710	(5,421,885)	34,505,825
FUND BALANCE/NET POSITION, END OF YEAR	<u>\$ 37,215,408</u>	<u>\$ 2,000,484</u>	<u>\$ 39,215,892</u>

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, 2022

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 (DBA El Dorado Hills Fire District) (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 (the 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 close to 18,000 homes and an estimated population of 48,736.

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, 2022

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.

Risk Management: The District has liability and workers’ compensation insurance program provided through a private insurance company. The District’s claims have not exceeded the insurance coverage and no reductions of coverage have occurred during the past three years.

Restricted Assets: Restricted assets consist of \$9,577,853 of unspent fire impact fees collected by the County of El Dorado on the District’s behalf as well as \$6,326,025 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, 2022

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

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 position by the government that is applicable to a future reporting period. Deferred inflows of resources represent an acquisition of net position 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.

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

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.

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.

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

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 of the District’s funds and includes all spendable amounts that have not been restricted, committed, or assigned to specific purposes.

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 investment in capital assets, restricted and unrestricted.

Investment in Capital Assets – This category groups all capital assets into one component of net position. The outstanding balance of debt that is attributable to the acquisition, construction or improvement of the assets reduces the balance in this category. The District had no outstanding debt.

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.

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

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 District was provided a flat fee for services by the JPA through June 30, 2022. Beginning July 1, 2022, the JPA will reimburse 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 edcjpga.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 grandfathered 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. 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.

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

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 2017, the GASB issued Statement No. 87, *Leases*. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. A lease is defined as a contract that conveys control of the right to use another entity's nonfinancial asset as specified in the contract for a period of time in an exchange or exchange like transaction. Examples of nonfinancial assets include buildings, land, vehicles, and equipment. Any contract that meets this definition should be accounted for under the lease guidance, unless specifically excluded in this Statement. The District has implemented this statement during the year ended June 30, 2022. As a result of implementation, leases receivable, capital assets, deferred inflows of resources, and lease liabilities increased by \$728,886, \$209,323, \$728,886, and \$204,852, respectively. There was no effect on beginning fund balance and net position.

In May 2020, the GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements* (SBITA). This Statement 1) defines the term SBITA; 2) establishes that a SBITA results in a right-to-use subscription asset – an intangible asset – and a corresponding subscription liability; 3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs to a SBITA; and 4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITA are based on the standards established in Statement No. 87, *Leases*, as amended. This statement is effective for fiscal years beginning after June 15, 2022.

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
(DBA EL DORADO HILLS FIRE DEPARTMENT)

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

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, 2022, the District’s cash and investments consisted of the following:

Cash and investments - unrestricted	\$ 22,332,182
Cash and investments - restricted	<u>15,903,878</u>
	<u>\$ 38,236,060</u>
Deposits in financial institutions	\$ 2,203,259
California Local Agency Investment Fund (LAIF)	17,628,642
Investment in County of El Dorado investment pool	12,078,134
Public Agency Retirement Services (PARS) Trust	<u>6,326,025</u>
Total cash and investments	<u>\$ 38,236,060</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.

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

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

NOTE B – CASH AND INVESTMENTS (Continued)

Credit Risk: Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating issued by a nationally 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, 2022, the carrying amount and balance per banks of the District's bank deposits were \$2,203,259 and \$2,431,534, 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 \$231,570,067,770 which is managed by the State Treasurer. Of that amount, 1.88% 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 311 days at June 30, 2022.

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 \$823,362,829 at June 30, 2022. 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

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

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

NOTE B – CASH AND INVESTMENTS (Continued)

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, 2022, the weighted average maturity of the investments contained in the County's investment pool was approximately 710 days.

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 5.69 years at June 30, 2022.

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.

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

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

NOTE C – LEASES RECEIVABLE (Continued)

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

Year Ending June 30:	Principal	Interest	Total
2023	\$ 24,801	\$ 29,379	\$ 54,180
2024	26,967	28,300	55,267
2025	34,353	27,009	61,362
2026	36,821	25,486	62,307
2027	38,417	23,890	62,307
2028-2031	248,593	91,143	339,736
2033-2037	210,490	36,963	247,453
2038-2039	82,100	4,133	86,233
	<u>\$ 702,542</u>	<u>\$ 266,303</u>	<u>\$ 968,845</u>

NOTE D – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2022 was as follows:

	Balance at June 30, 2021 (As Restated)	Additions	Retirements	Transfers	Balance at June 30, 2022
Capital assets not being depreciated:					
Land	\$ 3,714,639				\$ 3,714,639
Construction in process:					
Training facility	616,808	\$ 3,482,700		\$ (37,616)	4,061,892
Total capital assets, not being depreciated	<u>4,331,447</u>	<u>3,482,700</u>		<u>(37,616)</u>	<u>7,776,531</u>
Capital assets being depreciated/amortized:					
Buildings and improvements	19,638,747	351,204		37,616	20,027,567
Vehicles	6,135,471	1,523,979	\$ (1,514)		7,657,936
Equipment	2,627,394	92,763	(40,075)		2,680,082
Leased building	209,323				209,323
Total capital assets being depreciated/amortized	<u>28,610,935</u>	<u>1,967,946</u>	<u>(41,589)</u>	<u>37,616</u>	<u>30,574,908</u>
Less accumulated depreciation/amortization:					
Buildings and improvements	(6,551,838)	(553,876)			(7,105,714)
Vehicles	(4,082,016)	(399,444)	1,265		(4,480,195)
Equipment	(1,932,335)	(208,940)	35,387		(2,105,888)
Leased building		(53,440)			(53,440)
Total accumulated depreciation/amortization	<u>(12,566,189)</u>	<u>(1,215,700)</u>	<u>36,652</u>		<u>(13,745,237)</u>
Total capital assets being depreciated/amortized, net	<u>16,044,746</u>	<u>752,246</u>	<u>(4,937)</u>	<u>37,616</u>	<u>16,829,671</u>
Capital assets, net	<u>\$ 20,376,193</u>	<u>\$ 4,234,946</u>	<u>\$ (4,937)</u>	<u>\$ -</u>	<u>\$ 24,606,202</u>

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

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

NOTE D – CAPITAL ASSETS (Continued)

The June 30, 2021 balances were restated to implement GASB Statement No. 87, which required the building leased by the District, as described in Note E, to be recorded as a leased asset.

NOTE E – LONG-TERM LIABILITIES

The following is a summary of long-term liabilities activity for the year ended June 30, 2022:

	Balance June 30, 2021 (As Restated)	Additions	Reductions	Balance June 30, 2022	Due Within One Year	Due in More Than One Year
Compensated absences	\$ 1,691,543	\$ 1,282,715	\$ (1,690,309)	\$ 1,283,949	\$ 823,949	\$ 460,000
Health reimbursement arrangement (HRA) liability	608,749	172,764	(166,623)	614,890	141,305	473,585
Lease liability	204,852		(48,541)	156,311	51,574	104,737
Net pension liability	21,723,405		(9,984,575)	11,738,830		11,738,830
Net OPEB liability	11,127,651		(1,020,697)	10,106,954		10,106,954
	<u>\$35,356,200</u>	<u>\$ 1,455,479</u>	<u>\$(12,910,745)</u>	<u>\$23,900,934</u>	<u>\$1,016,828</u>	<u>\$22,884,106</u>

The table above was restated to include a building lease liability in accordance with GASB Statement No. 87, *Leases*. 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, which were not expected to be exercised. 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 \$209,853 (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 are as follows:

Year Ending June 30:	Principal	Interest	Total
2023	\$ 51,574	\$ 5,651	\$ 57,225
2024	55,492	3,384	58,876
2025	49,245	964	50,209
	<u>\$ 156,311</u>	<u>\$ 9,999</u>	<u>\$ 166,310</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:

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

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

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

- Miscellaneous Rate Plan
- Safety Rate Plan
- Miscellaneous Second Tier Rate Plan
- Safety Second Tier Rate Plan
- PEPRAs Miscellaneous Rate Plan
- PEPRAs 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.

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 PEPRAs 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.

The rate plans’ provisions and benefits in effect at June 30, 2022, are summarized as follows:

	Miscellaneous Rate Plan	Miscellaneous Second Tier Rate Plan	PEPRAs Miscellaneous Rate Plan
	Prior to August 13, 2011	August 13, 2011 to December 31, 2012	On or after January 1, 2013
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%	10.34%	7.59%
Employer contribution rates paid by employees	8.00%	8.00%	0.00%

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

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

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

	Safety Rate Plan	Safety Second Tier Rate Plan	PEPRA Safety Rate Plan
	Prior to August 13, 2011	August 13, 2011 to December 31, 2012	On or after January 1, 2013
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	23.71%	20.64%	13.13%
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 \$74,129 and \$1,461,870 made for Miscellaneous and Public Safety employees during the year ended June 30, 2022, 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.

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, 2022, the employer contributions of \$117,306 and \$2,498,824 were made to the Miscellaneous and Safety Risk Pools, respectively, for total contributions of \$2,616,130.

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

As of June 30, 2022, the District reported net pension liabilities for its proportionate shares of the net pension liability of each risk pool as follows:

Miscellaneous Risk Pool	\$ 563,158
Safety Risk Pool	<u>11,175,672</u>
Total Net Pension Liability	<u>\$ 11,738,830</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, 2021, and the total pension liability for each risk pool used to calculate the net pension liability was determined by an

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

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

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

actuarial valuation as of June 30, 2020 rolled forward to June 30, 2021 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, 2022 and 2021 were as follows:

	Miscellaneous Risk Pool	Safety Risk Pool	Total
Proportion - June 30, 2021	0.02325%	0.31134%	0.19966%
Proportion - June 30, 2022	0.02966%	0.31844%	0.21705%
Change - increase (decrease)	0.00641%	0.00710%	0.01739%

For the year ended June 30, 2022, the District recognized a pension benefit of \$4,956 for both risk pools combined. At June 30, 2022, 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	\$ 117,306		\$ 2,498,824		\$ 2,616,130	
Differences between actual and expected experience	63,152		1,909,354		1,972,506	
Differences between the employer's contribution and the employer's proportionate share of contributions		\$ (40,770)		\$ (2,198,101)		\$ (2,238,871)
Change in employer's proportion	28,785		1,601,365		1,630,150	
Net differences between projected and actual earnings on plan investments		(491,607)		(6,651,673)		(7,143,280)
Total	\$ 209,243	\$ (532,377)	\$ 6,009,543	\$ (8,849,774)	\$ 6,218,786	\$ (9,382,151)

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
2023	\$ (92,680)	\$ (926,503)	\$ (1,019,183)
2024	(99,390)	(1,149,742)	(1,249,132)
2025	(112,515)	(1,432,363)	(1,544,878)
2026	(135,855)	(1,830,447)	(1,966,302)
	\$ (440,440)	\$ (5,339,055)	\$ (5,779,495)

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

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

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

Actuarial Assumptions: The total pension liabilities at the June 30, 2021 measurement date for each risk pool was determined using the following actuarial assumptions:

Valuation date		June 30, 2020
Measurement date		June 30, 2021
Actuarial cost method	Entry-Age Normal Cost Method	
Amortization Method		Level percent of payroll
Asset valuation method		Market value
Actuarial assumptions:		
Discount rate		7.15%
Inflation		2.50%
Payroll growth		2.75%
Projected salary increases	0.4% to 8.5% Miscellaneous and 0.97% to 17.0% Safety, depending on entry age and service	
Investment rate of return		7.15%
Mortality ¹	Derived using CalPERS membership data for all funds	

¹ The mortality table used was developed based on CalPERS-specific data. The table includes 15 years of mortality improvements using Society of Actuaries Scale 90% of scale MP 2016. For more details on this table, please refer to the December 2017 experience study report (based on CalPERS demographic data from 1997 to 2015) that can be found on the CalPERS website. All other actuarial assumptions used in the valuation were based on the results of an actuarial experience study for the period from 1997 to 2015, including updates to salary increase, mortality and retirement rates. 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 7.15%. 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
(DBA EL DORADO HILLS FIRE DEPARTMENT)

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

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)	Real Return Years 11+(2)
Public equity	50.0%	4.80%	5.98%
Fixed income	28.0%	1.00%	2.62%
Inflation assets	0.0%	0.77%	1.81%
Private equity	8.0%	6.30%	7.23%
Real assets	13.0%	3.75%	4.93%
Liquidity	1.0%	0.00%	-0.92%
Total	<u>100.00%</u>		

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

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

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	6.15%	6.15%	6.15%
Net pension liability	\$ 1,106,690	\$ 23,291,654	\$ 24,398,344
Current discount rate	7.15%	7.15%	7.15%
Net pension liability	\$ 563,158	\$ 11,175,672	\$ 11,738,830
1% increase	8.15%	8.15%	8.15%
Net pension liability	\$ 113,828	\$ 1,223,889	\$ 1,337,717

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, 2022, the District reported payables for the outstanding amount of employer contributions to the Plan of \$8,724.

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 contributed \$2,250,000 to the PARS pension account during the year ended June 30, 2022 and assets in PARS were \$6,326,025 at June 30, 2022. Assets were invested in the PARS Moderately Conservative Index PLUS investment option. The assets in the trust are restricted for contributions to the

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

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

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

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. One Plan is administered by CalPERS and the other plan is administered by Nationwide Retirement Solutions, Inc. (Nationwide). The District has no contribution requirements for either plan and the participants may contribute voluntarily to the Plans up to the applicable IRC contribution limits. Employees vest immediately in their own contributions. The District made no contribution to either Plan and employees contributed \$61,576 and \$617,970 to the CalPERS and Nationwide Plans during the year ended June 30, 2022, 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 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 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 will cover 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.

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

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

NOTE G – OTHER POSTEMPLOYMENT BENEFITS PLAN (Continued)

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, 2022 (June 30, 2021 measurement date), the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	41
Active employees	<u>72</u>
Total	<u>113</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, 2022, the District's direct payments of insurance premiums were \$854,234, cash contributions to the trust were \$1,321,551, implied subsidy benefit payments were \$82,000 and administrative expenses paid outside of trust were \$2,157, resulting in total contributions of \$2,259,942. The District made contributions of \$300,000 to the CERBT Trust and \$1,021,551 to the PARS Trust during the year ended June 30, 2022.

Net OPEB Liability: The District's net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2020.

Actuarial Assumptions: The total OPEB liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions:

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

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

NOTE G – OTHER POSTEMPLOYMENT BENEFITS PLAN (Continued)

Valuation date	June 30, 2020
Measurement date	June 30, 2021
Actuarial cost method	Entry-age normal cost method
Actuarial assumptions:	
Discount rate	6.50%
Inflation	2.75%
Salary increases	3.00%
Investment rate of return	6.75%
Dental/vision cap increase	3.00%
Mortality rate	CalPERS 1997-2015 Experience Study
Pre-retirement turnover	CalPERS 1997-2015 Experience Study
Healthcare trend rate non-Medicare	6.75% for 2023, decreasing to an ultimate rate of 4.0% in 2076
Healthcare trend rate Medicare	Non-Kaiser 5.9% and Kaiser 4.85% for 2023, both decreasing to an ultimate rate of 4.0% in 2076
Participation rate	Tier 1 100%; Tier 2 and 3 depending on vesting

Pre-retirement mortality information was derived from data collected during 1997 to 2015 CalPERS 2017 Experience Study and post-retirement mortality information was derived from the 1997 to 2015 CalPERS Experience Study. Mortality improvement was projected fully generational Scale MP-2020. The Experience Study Reports may be accessed on the CalPERS website 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.

Changes in Assumptions: The discount rate was updated to 6.50% from 6.75% at June 20, 2021.

Changes in Benefit Terms: None

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:

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

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

NOTE G – OTHER POSTEMPLOYMENT BENEFITS PLAN (Continued)

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	59.0%	4.56%	73.0%	4.56%
Fixed income	25.0%	0.78%	20.0%	0.78%
TIPS	5.0%	-0.08%		
Commodities	3.0%	1.22%		
REITs	8.0%	4.06%	2.0%	4.06%
Cash			5.0%	-0.50%
Total	<u>100.0%</u>		<u>100.0%</u>	

Discount Rate: The discount rate used to measure the total OPEB liability was 6.50%. 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, 2021	\$ 21,266,391	\$ 10,138,740	\$ 11,127,651
Changes in the year:			
Service cost	853,907		853,907
Interest	1,463,721		1,463,721
Changes in assumptions	722,288		722,288
Contributions - employer		1,173,022	(1,173,022)
Investment income		2,897,600	(2,897,600)
Benefit payments	(871,073)	(871,073)	
Administrative expenses		(10,009)	10,009
Net changes	<u>2,168,843</u>	<u>3,189,540</u>	<u>(1,020,697)</u>
Balance at June 30, 2022	<u>\$ 23,435,234</u>	<u>\$ 13,328,280</u>	<u>\$ 10,106,954</u>

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:

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

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

NOTE G – OTHER POSTEMPLOYMENT BENEFITS PLAN (Continued)

	1% Decrease 5.50%	Current Discount Rate 6.50%	1% Increase 7.50%
Net OPEB liability	\$ 13,382,843	\$ 10,106,954	\$ 7,413,052

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	\$ 6,869,880	\$ 10,106,954	\$ 14,126,855

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 and 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, 2022, the District recognized OPEB expense of \$1,946,706. At June 30, 2022, 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	\$ 2,259,943	
Differences between actual and expected experience	108,135	\$ (449,944)
Changes in assumptions	4,620,651	(584,408)
Net differences between projected and actual earnings on plan investments		(1,516,008)
Total	\$ 6,988,729	\$ (2,550,360)

The deferred outflow for changes in assumptions above mainly results from the effect of including the implied subsidy in the computation of the OPEB liability in 2019. This is due to a difference of opinion between the current and previous actuary about whether the implied subsidy is appropriate to include in the computation of the net OPEB liability for CERBT members.

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

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

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

NOTE G – OTHER POSTEMPLOYMENT BENEFITS PLAN (Continued)

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	
2023	\$ 359,862
2024	369,776
2025	359,693
2026	282,229
2027	721,892
Thereafter	<u>84,974</u>
	<u>\$ 2,178,426</u>

Payable to the OPEB Plan: At June 30, 2022, there was no payable to the OPEB Plan.

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, 2022:

Amount available at June 30, 2021	\$ 11,503,774
Add fees collected and investment income	1,441,976
Less qualifying expenditures and county administration fees	<u>(3,367,897)</u>
Amount available at June 30, 2022	<u>\$ 9,577,853</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

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

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

NOTE I – COMMITMENTS AND CONTINGENCIES (Continued)

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.

COVID-19 Pandemic: The spread of the novel strain of coronavirus (known as “COVID-19”) has had significant negative impacts throughout the world, including California. The World Health Organization declared the COVID-19 outbreak to be a pandemic in March 2020, and states of emergency have been declared by the United States, the State of California, and numerous counties throughout the State, including El Dorado County. The District also declared a state of emergency on March 31, 2020. Impacts of the COVID-19 outbreak to the District include, but are not limited to, an increase in the cost of medical supplies, personal protective equipment (PPE) and other equipment, as well as an increase in wages and benefits costs associated with COVID-related employee leave and/or quarantine. Further, an economic downturn affecting the District’s service area could have an adverse impact on the future collection of property tax revenues.

Commitments: The District’s Board of Directors included the design of a fire training facility as part of its strategic plan and two architectural contracts have been awarded not to exceed limits of \$2 million each for the construction of new facilities and major repairs and remodeling of existing facilities for Department-owned and leased general government buildings and grounds. Design costs are included as part of construction in progress, which is reported in capital assets on the District’s balance sheet.

In December 2019, the District approved a 5-year agreement for shared fire services with Rescue Fire Protection District. The District would be reimbursed approximately \$75,000 per year for services and \$37,770 for the cost of an administrative assistant under the agreement. In April 2022, the District’s Board of Directors approved the termination of the agreement with an effective date of October 21, 2022.

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, 2022 was \$9.0 million. Construction costs of the project are expected to be \$11.7 million.

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

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

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, 2022:

Fund balances - Total Governmental Funds	\$ 37,215,408
Deferred outflows of resources on pensions and OPEB are not reported in the governmental funds.	13,207,515
Capital assets used in governmental activities are not financial resources and therefore not reported in the governmental funds.	24,606,202
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	(1,283,949)
HRA liability	(614,890)
Lease liability	(156,311)
Net pension liability	(11,738,830)
Net OPEB Liability	(10,106,954)
Revenues that are deferred in the governmental funds because they are not current financial resources are recognized in the government-wide statements.	24,683
Deferred inflows of resources on pensions and OPEB are not reported in the governmental funds.	<u>(11,932,511)</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 39,215,892</u>

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

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

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, 2022 are as follows:

Net change in fund balance - Governmental Funds	\$(2,712,302)
---	---------------

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	5,450,646
Depreciation	(1,215,700)

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.

(4,937)

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	1,016,919
Change in deferred inflows of resources	(9,087,867)

Governmental funds do not present revenues that are not available to pay current expenditures. Such revenues are recognized in the Statement of Activities.

(191,958)

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	48,541
--------------------	--------

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	407,594
Change in health reimbursement arrangement liability	(6,141)
Change in net pension liability	9,984,575
Change in net OPEB liability	<u>1,020,697</u>

NET CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 4,710,067</u>
---	---------------------

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

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

NOTE K – SUBSEQUENT EVENTS

In January 2022, the District's Board of District's approved an agreement to purchase of new self-contained breathing apparatus (SCBA) totaling \$600,252. The SCBAs were delivered in October 2022.

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 apparatuses are expected to be delivered in 2024.

(This page intentionally left blank.)

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, 2022

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final	Amounts	
REVENUES				
Property taxes and assessments	\$ 21,292,857	\$ 21,456,805	\$ 21,630,784	\$ 173,979
Reimbursements from other agencies	1,881,400	2,312,366	2,344,181	31,815
Fire impact fees	1,100,000	1,391,472	1,376,668	(14,804)
Use of money and property	85,000	48,441	(1,095,739)	(1,144,180)
Other revenues	456,180	811,549	925,313	113,764
TOTAL REVENUES	24,815,437	26,020,633	25,181,207	(839,426)
EXPENDITURES				
Current				
Public protection				
Wages and benefits:				
Salaries and wages	8,703,395	10,650,495	10,821,711	(171,216)
Overtime	2,329,736	2,616,802	2,819,205	(202,403)
Retirement	3,285,400	1,593,804	1,492,017	101,787
Health insurance	1,798,544	1,754,970	1,755,104	(134)
Retiree health insurance	1,366,020	2,178,824	2,177,943	881
Workers compensation insurance	636,007	659,502	656,510	2,992
Employment taxes and benefits	438,609	445,778	448,081	(2,303)
Total wages and benefits	18,557,711	19,900,175	20,170,571	(270,396)
Professional services and information technology:				
Professional services	339,528	298,047	290,504	7,543
Information technology	556,809	417,750	390,486	27,264
Total professional services and information technology:	896,337	715,797	680,990	34,807
Maintenance:				
Equipment	281,244	197,014	189,061	7,953
Structures	215,700	210,881	185,821	25,060
Total maintenance:	496,944	407,895	374,882	33,013
Other operating expense:				
Other insurance	80,000	85,514	85,514	
Communications	174,879	184,936	160,026	24,910
Special department expenditures	329,532	251,189	252,055	(866)
Clothing and personal supplies	125,357	120,929	123,231	(2,302)
Transportation and travel	180,341	160,100	157,098	3,002
Rents and leases	75,341	68,894	13,244	55,650
Other expenditures	380,356	364,493	372,681	(8,188)
Capital outlay	4,377,128	4,963,838	5,450,646	(486,808)
Debt service - lease principal			48,541	(48,541)
Debt service - lease interest			7,033	(7,033)
TOTAL EXPENDITURES	25,673,926	27,223,760	27,896,512	(672,752)
EXCESS OF REVENUES OVER EXPENDITURES	(858,489)	(1,203,127)	(2,715,305)	(1,512,178)
OTHER FINANCING SOURCES (USES)				
Proceeds from insurance		1,315	3,003	1,688
TOTAL OTHER FINANCING SOURCES (USES)		1,315	3,003	1,688
NET CHANGE IN FUND BALANCE	\$ (858,489)	\$ (1,201,812)	(2,712,302)	\$ (1,510,490)
Fund balance at beginning of year			39,927,710	
FUND BALANCE AT END OF YEAR			\$ 37,215,408	

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, 2022

**SCHEDULE OF THE PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY (UNAUDITED)
Last 10 Years**

	2022	2021	2020	2019	2018	2017	2016	2015
Proportion of the net pension liability	0.21705%	0.19966%	0.18922%	0.17820%	0.17227%	0.16884%	0.17644%	0.16673%
Proportionate share of the net pension liability	\$ 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	\$ 9,303,656	\$ 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	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	87.53%	75.56%	76.64%	77.96%	76.22%	74.06%	78.40%	79.82%
Changes in assumptions:								
Discount rate changes (measurement date)	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**

	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution (actuarially determined)	\$ 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	(2,616,130)	(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	\$ 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	26.59%	25.69%	22.99%	23.04%	20.75%	20.94%	37.95%	22.96%
Notes to schedule:								
Contribution valuation date - June 30	2019	2018	2017	2016	2015	2014	2013	2012
Reporting valuation date - June 30	2020	2019	2018	2017	2016	2015	2014	2013
Reporting measurement date: June 30	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					Entry age normal cost method			
Amortized method					Level percentage of payroll, closed			
Remaining amortization period					Varies by rate plan, but not more than 30 years			
Asset valuation method					Market value			
Inflation	2.500%	2.500%	2.625%	2.75%	2.75%	2.75%	2.75%	2.75%
Salary increases					Varies by entry age and service			
Investment rate of return and discount rate used to compute contribution rates	7.00%	7.00%	7.25%	7.375%	7.50%	7.50%	7.50%	7.50%
Retirement age		50-67 years. Probabilities of retirement are based on the the most recent CalPERS Experience Study.						
Mortality		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, 2022

	2022	2021	2020	2019
Total OPEB liability				
Service cost	\$ 853,907	\$ 860,120	\$ 835,068	\$ 365,211
Interest	1,463,721	1,534,984	1,429,582	899,012
Changes in benefit terms		(1,288,437)		
Differences between expected and actual experience		(580,362)		191,319
Changes in assumptions	722,288	(753,802)		7,047,446
Benefit payments	(871,073)	(773,002)	(683,394)	(590,325)
Net change in total OPEB liability	2,168,843	(1,000,499)	1,581,256	7,912,663
Total OPEB liability - beginning	21,266,391	22,266,890	20,685,634	12,772,971
Total OPEB liability - ending (a)	<u>\$ 23,435,234</u>	<u>\$ 21,266,391</u>	<u>\$ 22,266,890</u>	<u>\$ 20,685,634</u>
Plan fiduciary net position				
Contributions - employer	\$ 1,173,022	\$ 1,079,446	\$ 1,584,856	\$ 1,890,325
Investment income	2,897,600	273,647	529,216	553,479
Benefit payments	(871,073)	(773,002)	(683,394)	(590,325)
Administrative expenses	(10,009)	(14,584)	(5,760)	(13,212)
Net change in plan fiduciary net position	3,189,540	565,507	1,424,918	1,840,267
Plan fiduciary net position - beginning	10,138,740	9,573,233	8,148,315	6,308,048
Plan fiduciary net position - ending (b)	<u>\$ 13,328,280</u>	<u>\$ 10,138,740</u>	<u>\$ 9,573,233</u>	<u>\$ 8,148,315</u>
Net OPEB liability - ending (a)-(b)	<u>\$ 10,106,954</u>	<u>\$ 11,127,651</u>	<u>\$ 12,693,657</u>	<u>\$ 12,537,319</u>
Plan fiduciary net position as a percentage of the total OPEB liability	<u>56.87%</u>	<u>47.67%</u>	<u>42.99%</u>	<u>39.39%</u>
Covered-employee payroll - measurement period	<u>\$ 11,238,742</u>	<u>\$ 9,958,091</u>	<u>\$ 9,694,044</u>	<u>\$ 7,786,603</u>
Net OPEB liability as percentage of covered-employee payroll	<u>89.93%</u>	<u>111.74%</u>	<u>130.94%</u>	<u>161.01%</u>
Notes to schedule:				
Valuation date - June 30	2020	2020	2018	2018
Measurement period - fiscal year ended June 30	2021	2020	2019	2018
Benefit changes:	See below	See below	None	None

Changes in assumptions: At the June 30, 2020 measurement date, investment rate of return was changed from 7% to 6.75%; demographic assumptions were updated to the CalPERS 2017 Experience Study; mortality improvement scale was updated to Scale MP-2018; active spouse and family participation was updated; implied subsidy was included; medical trend was updated to Getzen model; ACA Excise Tax estimate by 2% load was included on cash benefits; dental benefits were included; and payroll growth was changed from 2.75% to 3% at the June 30 2018 measurement date. Medical trend rate for Kaiser Senior Advantage plans decreased; mortality improvement scale was updated to Scale MP-2020; no age-based claims costs for Medicare Advantage plans; and ACA Excise Tax was removed.

Changes in benefit terms: Benefit caps reduced from highest HMO to 5th highest cost plan in region at the June 30, 2020 measurement date.

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, 2022

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Contractually determined contribution				
- employer fiscal year	\$ 936,234	\$ 871,073	\$ 773,002	\$ 683,394
Contributions in relation to the				
contractually determined contributions	<u>(2,259,943)</u>	<u>(1,173,022)</u>	<u>(1,079,446)</u>	<u>(1,584,856)</u>
Contribution deficiency (excess)	<u>\$ (1,323,709)</u>	<u>\$ (301,949)</u>	<u>\$ (306,444)</u>	<u>\$ (901,462)</u>
Covered-employee payroll - employer fiscal year	\$ 11,713,352	\$ 11,238,742	\$ 9,958,091	\$ 9,694,044
Contributions as a percentage				
of covered-employee payroll	19.29%	10.44%	10.84%	16.35%
Notes to Schedule:				
Valuation date - June 30	2020	2020	2018	2018
Measurement period - fiscal year ended June 30	2021	2020	2019	2018
Methods and assumptions used to determine contribution rates:				
Investment rate of return	6.75%	6.75%	6.75%	6.75%
Inflation	2.75%	2.75%	2.75%	2.75%
Payroll growth	3.00%	3.00%	3.00%	3.00%
Healthcare trend initial, non-Medicare	6.75%	7.00%	7.50%	7.50%
Healthcare trend initial, Medicare (Non-Kaiser)	5.90%	6.10%	6.50%	6.50%
Healthcare trend initial, Medicare (Kaiser)	4.85%	5.00%	6.50%	6.50%
Healthcare trending down to	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)	8.5	8.9	9.2	9.2
Asset valuation method		Market value		
Mortality		Most recent CalPERS experience study		

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.

(This page intentionally left blank.)

COMPLIANCE REPORT



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, 2022, 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 9, 2022.

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.

A handwritten signature in blue ink that reads "Richardson & Company, LLP". The signature is written in a cursive style.

December 9, 2022

October 26, 2022

Maurice “Mo” Johnson
Fire Chief
El Dorado Hills Fire Department

Re: Professional Services Contract Amendment
Owner Representation
Fire Training Facility

Dear Chief Johnson:

Per the contract language of the Contract for Owner Representation dated February 20, 2019, the scope of work is sufficiently defined for the construction phase to alter the contract to a lump sum agreement. The following defines the proposed scope of work and basic lump sum fee requested for the Construction phase of the training facility project.

Scope of Work

Construction

- *Conduct preconstruction meeting in support of El Dorado Hills Fire Department staff*
- *Review bids and provide written comments and recommendations*
- *Provide technical revue during construction to ensure response functions are preserved and maximized*
- *Assist the Fire Department and design team in responding to RFIs from the construction contractor*
- *Assist with project closeout and punch list execution*
- *Conduct up to 6 site visits during construction*

Proposed Basic Services Fees

The proposed fee structure for the basic scope of work is a lump sum of \$45,000.00 and is inclusive of all expenses for the above identified number of site visits.

Additional work beyond that identified will be agreed upon in writing prior to the beginning of work. Any work undertaken outside of a lump sum agreement will be billed at the current rate of \$275.00 per hour.

If the above is acceptable please sign below to acknowledge El Dorado Hills Fire Department acceptance of the terms contained herein, and to confirm Abercrombie Planning + Design's authorization to proceed.

This ____ day of _____, 2022.
El Dorado Hills Fire Department

By:

Name

Title

Signature_____

I look forward to working with you on this project. As always, please do not hesitate to contact me if you require any further clarification.

Sincerely,

Tommy L. Abercrombie, Ph.D.
abercrombie planning+design
3508 Overton Park Dr W
Fort Worth, TX 76109
office 817-920-9198
cell 817-229-2646

Hourly Personnel Charges for Abercrombie Planning+Design and Associates

<i>Principals</i>	\$225.00
<i>Architectural Associate</i>	\$185.00
<i>Research Associate</i>	\$150.00
<i>CAD Technicians</i>	\$75.00
<i>Cost Estimator</i>	\$150.00
<i>Quality Control/Value Eng.</i>	\$150.00
<i>IT/Modeling</i>	\$125.00
<i>Professional Support Staff</i>	\$105.00

At its sole discretion, Abercrombie Planning + Design reserves the right to make inflationary adjustments to the above rates as deemed appropriate. Personnel will be assigned to projects based on our judgment related to an individual's qualifications or other workload commitments.

Preventative Maintenance Proposal Prepared for:

El Dorado Hills Fire Department
2180 Francisco Drive
El Dorado Hills, California 95762

Attention: Mr. Dustin Hall, Deputy Chief
1050 Wilson Blvd
El Dorado Hills, California 95762



**REQUEST FOR QUOTATIONS
(RFQ)**

HVAC Maintenance Service

Deadline for Submission of Proposals:
November 29, 2022, by 2:00p.m.

Proposed Contract Start Date: January 1, 2023

Omarr Maadarani
Service Contract Sales
916.368.0500



Table of Contents:

EVALUATION CRITERIA

Section:

- 1. Total price for the completion of work**
- 2. The ability to meet the minimum specifications required for the work**
- 3. The ability to obtain insurance coverage**
- 4. Possession of and ability to retain necessary equipment, tools, and staffing**
- 5. The completeness of the information requested and provided**
- 6. Expertise, qualifications, licenses, certifications, and directly related experience**
- 7. Prior track record with similar projects**
- 8. Ability and Commitment to perform the work in a timely manner and to promptly invoice SMC Fire for the work performed**



Section 1. Total price for the completion of work

YOUR PROGRAM INVESTMENT

This Planned Maintenance Program for El Dorado Hills Fire Department will be for an original term of (2) years, tentative start date beginning on January 1, 2023. El Dorado Hills Fire Department annual investment in this program is as follows:

TERM	ANNUAL INVESTMENT	QUARTERLY INVESTMENT
2 Years	\$ 14,779.00 Annually	\$ 3,808 Quarterly

Fire Station 91.....	\$1,090.00
Fire Station 87.....	\$4,276.00
Fire Station 86.....	\$1,160.00
Fire Station 85.....	\$3,694.00
Fire Station 84.....	\$4,559.00



Section 2. The ability to meet the minimum specifications required for the work

PROGRAM FEATURES

The implementation of your Planned Maintenance Program for El Dorado Hills Fire Department will include the following scope of services on the mechanical equipment outlined in the List of Maintained Equipment provided in the RFQ documents.

Scheduled Inspections

Lawson Mechanical Contractors, A California Corporation, herein known as LMC, will provide (1) One annual and (3) Three operational inspections per year as indicated on the enclosed Maintenance Schedule for the equipment listed on the List of Maintenance Equipment, which will be in accordance with the manufacturer's recommendations, equipment application, and our own experience. We will determine the appropriate maintenance tasking procedures for your facility that our technicians will perform. This program includes all maintenance materials, gaskets, oils, and lubricants required to perform the inspections.

All tasking will be performed per the outlined RFQ Scope of Work including:

Air Filter Maintenance

(4) Four air filter changes per year. LMC will provide the labor, materials, and disposal of the used filters.

Belt Replacement Service

Belts will be inspected quarterly and changed if needed.

Condensate Inspection & Cleaning

LMC will clean condensate pans and pumps once per year. Condensate lines will be inspected at each visit.

Condenser Coil Cleaning

Condenser coil cleaning will be performed once per year.

Emergency and Trouble Call Coverage

Even with the comprehensive care provided in this program, occasional failures can occur. The cost of emergency service labor and materials is not included in this program; however, your facility will receive a top priority trouble call response during peak heating or cooling periods. We strive for a two (2) hour response time.

Refrigerant Containment Service per EPA Guidelines

We will use recovery, recycling, and reclamation of your refrigerant as appropriate to minimize costs of replacement refrigerant. Such work will be done per all federal, state, and local regulatory guidelines. Refrigerant added during preventative maintenance visits will be billed at material cost only.



Service Documentation

We will document all scheduled and unscheduled service work showing the time, date, name of service technician, equipment identification, and brief description of work. This documentation will be made available in the customer portal and/or upon request.

Customer Direct - Customer Portal Access to Documentation

Our Customer Direct feature empowers you to login into the customer portal. The customer portal allows you to place service requests, check the status of your work orders, view site history, and invoices.

The screenshot shows the FieldConnect customer portal interface. At the top right, it says "FieldConnect" with the tagline "Maximizing Field Service Profitability". Below the navigation bar, there are links for "Home", "Work Order List", and "Request Service". The user is logged in as "Test User" with options for "My Account" and "Log Out".

The main content area is titled "Service Site Details" and shows information for a site named "COGIR OF VALLEJO HILLS". The address is "350 LOCUST DR. VALLEJO CA 94591" and the contact number is "707-553-2698".

Below this, there are tabs for "Work Orders", "Equipment", and "Site Attachments". The "Work Orders" tab is active, showing a list of work orders. The list includes columns for Work Order ID, Status, Site Name, Job Name, Customer Name, Zone, Status, Entered, Requested, Submitted, Finished, and Description.

Work Order	Status	Site Name	Job Name	Customer Name	Zone	Status	Entered	Requested	Submitted	Finished	Description
Detail 66072	000119001	COGIR OF VALLEJO HILLS		WELLTOWER COGIR TENANT LLC	SACRAMENTO	12/14/2021	12/14/2021	12/14/2021	12/28/2021		BOTH BOILERS NOT IGNITING - BOTH BOILERS OFFLINE - CALLED IN BY THOMAS
Detail 66324	020119001	COGIR OF VALLEJO HILLS		WELLTOWER COGIR TENANT LLC	SACRAMENTO	1/18/2022		1/21/2022	1/21/2022		Q22-2041 REPAIRS TO K6
Detail 66325	030119001	COGIR OF VALLEJO HILLS		WELLTOWER COGIR TENANT LLC	SACRAMENTO	1/18/2022		1/19/2022	1/21/2022		Q22-2042 KS KITCHEN UNIT REPAIRS; REPLACE INDUCER FAN MOTOR ASSEMBLY, SPARK IGNITOR, AND INDOOR BLOWER SHCAVE
Detail 66573	070119001	COGIR OF VALLEJO HILLS		WELLTOWER COGIR TENANT LLC	SACRAMENTO	2/22/2022		3/18/2022	3/21/2022		MARCH OPERATIONAL INSPECTION, FILTERS, CONDENSATE CLEANING AND INSPECTION
Detail 66605	030119001	COGIR OF VALLEJO HILLS		WELLTOWER COGIR TENANT LLC	SACRAMENTO	2/23/2022	2/23/2022	2/23/2022	2/23/2022		THERMOSTAT SET TO 76 BUT ONLY GETTING TO 69 - CALLED IN BY THOMAS
Detail 66606	020119001	COGIR OF VALLEJO HILLS		WELLTOWER COGIR TENANT LLC	SACRAMENTO	2/23/2022	2/23/2022	2/23/2022	2/24/2022		NO HOT WATER IN LOWER BUILDING - CHECK WATER HEATER - CALLED IN BY THOMAS
Detail 66990	080119001	COGIR OF VALLEJO HILLS		WELLTOWER COGIR TENANT LLC	SACRAMENTO	4/22/2022	4/22/2022	4/22/2022	4/22/2022		NO HOT WATER IN LOWER BUILDING - CALLED IN BY THOMAS

Customer Assurance Review Evaluation (CARE) Program

We will meet with you annually, or more frequently upon request, to evaluate and make modifications, if necessary, to this maintenance program to assure that it continues to meet both your business and technical requirements. We will provide an annual review of equipment condition and submit capital planning and replacement budgets as requested.



MAINTENANCE SCHEDULE

SPECIFIC TASKING WILL REFLECT THE RFQ REQUIREMENTS PROVIDED

DESCRIPTION	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Operational Packaged Units	☒			☒			☒			☒		
Operational Split Systems	☒			☒			☒			☒		
Operational Boilers	☒			☒			☒			☒		
Annual Packaged Units				☒								
Annual Split Systems				☒								
Annual Boilers										☒		

LIST OF MAINTAINED EQUIPMENT

The following HVAC equipment was identified in the RFQ documentation provided. Our proposal is based upon the following equipment list. If anything deviates from the list provided we will provide an updated cost proposal after our initial maintenance service.

APPENDIX A

Location	Name	Indoor Serial #	Indoor Model Number	Age	Make	Outdoor Serial #	Outdoor Model #	Age
AC-2	Carrier					0415C55417	48TCDAB2ASABWAGA	2015
	Carrier					0415C55205	48TCDAB2ASABWAGA	2015
						0615A87907	PAADNFB01	Feb 2015
	MSY		GE18NA-S					
	MP-1	CARRIER		48TCDAL6				
	MP-2	CARRIER		48TCDAD4				
	MP-1	CARRIER		25HCB348				
	MP-2	CARRIER		25HCB336				
	MP-3	MITSUB		PLRXY-P144TJMU-A				
FAN COIL	FC-1	MITSU	P-FY-P15NMSU-E					
	FC-2	MITSU	P-FY-P08NCMU-E					
	FC-3	MITSU	P-FY-P08NCMU-E					
	FC-4	MITSU	P-FY-P08NCMU-E					
	FC-5	MITSU	P-FY-P08NCMU-E					
	FC-6	MITSU	P-FY-P08NCMU-E					
	FC-7	MITSU	PEFY-P15NMSU-E					
	FC-8	MITSU	PEFY-P15NMSU-E					
EXHAUST FANS	CEF-1	GREENHECK	SP-A100					
	CEF-2	GREENHECK	SP-A125					
	CEF-3	GREENHECK	SP-A125					
	CEF-4	GREENHECK	SP-A125					
	CEF-5	GREENHECK	SP-B150					
	CEF-6	GREENHECK	SP-B110					
	CEF-7	GREENHECK	SP-B80					
	EF-1	GREENHECK	GB-141-3					
	EF-2	GREENHECK	GB-081					
	EF-3	GREENHECK	GB-071					
EF-4	GREENHECK	GB-141HP-7						
VEF-1	PLYMOVENT	TEV						

EDH # 00

Location	Make	Indoor Serial #	Indoor Model Number	Age	Make	Outdoor Serial #	Outdoor Model #	Age
A	Carrier	200A11979	SMNA100-F-16120	Feb 2004		1301E14746	SRV2000-050	2004
B	Carrier	200A11975	SMNA100-F-16120	Feb 2004		354E0756	SRV2000-001	2004
B. Drive	Carrier	200A11970	SMNA100-F-16120	Feb 2004	Daikin	W142189022	RA1450-C-2NS	04/2011
Card 2	Carrier	200A11976	SMNA100-F-16120	Feb 2004	Trane	812224502	41A1000A000AA	07/2011
C	Carrier	200A11978	SMNA100-F-16120	Feb 2004		1001E0750	SRV2000-001	2004
D	Carrier	200A11978	SMNA100-F-16120	Feb 2004		1001E0750	SRV2000-001	2004
E	Carrier	200A11978	SMNA100-F-16120	Feb 2004		1001E0750	SRV2000-001	2004
F	Carrier	200A11978	SMNA100-F-16120	Feb 2004		1001E0750	SRV2000-001	2004
G	Carrier	200A11978	SMNA100-F-16120	Feb 2004		1001E0750	SRV2000-001	2004
H	Carrier	200A11978	SMNA100-F-16120	Feb 2004		1001E0750	SRV2000-001	2004
I	Carrier	200A11978	SMNA100-F-16120	Feb 2004		1001E0750	SRV2000-001	2004
J	Carrier	200A11978	SMNA100-F-16120	Feb 2004		1001E0750	SRV2000-001	2004
K	Carrier	200A11978	SMNA100-F-16120	Feb 2004		1001E0750	SRV2000-001	2004
L	Carrier	200A11978	SMNA100-F-16120	Feb 2004		1001E0750	SRV2000-001	2004
M	Carrier	200A11978	SMNA100-F-16120	Feb 2004		1001E0750	SRV2000-001	2004
N	Carrier	200A11978	SMNA100-F-16120	Feb 2004		1001E0750	SRV2000-001	2004
O	Carrier	200A11978	SMNA100-F-16120	Feb 2004		1001E0750	SRV2000-001	2004
P	Carrier	200A11978	SMNA100-F-16120	Feb 2004		1001E0750	SRV2000-001	2004
Q	Carrier	200A11978	SMNA100-F-16120	Feb 2004		1001E0750	SRV2000-001	2004
R	Carrier	200A11978	SMNA100-F-16120	Feb 2004		1001E0750	SRV2000-001	2004
S	Carrier	200A11978	SMNA100-F-16120	Feb 2004		1001E0750	SRV2000-001	2004
T	Carrier	200A11978	SMNA100-F-16120	Feb 2004		1001E0750	SRV2000-001	2004
U	Carrier	200A11978	SMNA100-F-16120	Feb 2004		1001E0750	SRV2000-001	2004
V	Carrier	200A11978	SMNA100-F-16120	Feb 2004		1001E0750	SRV2000-001	2004
W	Carrier	200A11978	SMNA100-F-16120	Feb 2004		1001E0750	SRV2000-001	2004
X	Carrier	200A11978	SMNA100-F-16120	Feb 2004		1001E0750	SRV2000-001	2004
Y	Carrier	200A11978	SMNA100-F-16120	Feb 2004		1001E0750	SRV2000-001	2004
Z	Carrier	200A11978	SMNA100-F-16120	Feb 2004		1001E0750	SRV2000-001	2004

Location	Make	Indoor Serial #	Indoor Model Number	Age	Make	Outdoor Serial #	Outdoor Model #	Age
Room 101	Carrier				Carrier	W2M0392792	GAW14130C23SA	2019
Room 102	Carrier				Carrier	W2M0392792	GAW14130C23SA	2019

Location	Make	Indoor Serial #	Indoor Model Number	Age	Make	Outdoor Serial #	Outdoor Model #	Age
Room 103	Carrier				Carrier	W2M0392792	GAW14130C23SA	2019
Room 104	Carrier				Carrier	W2M0392792	GAW14130C23SA	2019

Location	Make	Indoor Serial #	Indoor Model Number	Age	Make	Outdoor Serial #	Outdoor Model #	Age
Room 105	Carrier				Carrier	W2M0392792	GAW14130C23SA	2019
Room 106	Carrier				Carrier	W2M0392792	GAW14130C23SA	2019

Location	Make	Indoor Serial #	Indoor Model Number	Age	Make	Outdoor Serial #	Outdoor Model #	Age
Room 107	Carrier				Carrier	W2M0392792	GAW14130C23SA	2019
Room 108	Carrier				Carrier	W2M0392792	GAW14130C23SA	2019

Location	Make	Indoor Serial #	Indoor Model Number	Age	Make	Outdoor Serial #	Outdoor Model #	Age
Room 109	Carrier				Carrier	W2M0392792	GAW14130C23SA	2019
Room 110	Carrier				Carrier	W2M0392792	GAW14130C23SA	2019

Location	Make	Indoor Serial #	Indoor Model Number	Age	Make	Outdoor Serial #	Outdoor Model #	Age
Room 111	Carrier				Carrier	W2M0392792	GAW14130C23SA	2019
Room 112	Carrier				Carrier	W2M0392792	GAW14130C23SA	2019


Location	Make	Indoor Serial #	Indoor Model Number	Age	Make	Outdoor Serial #	Outdoor Model #	Age
Room 113	Carrier				Carrier	W2M0392792	GAW14130C23SA	2019
Room 114	Carrier				Carrier	W2M0392792	GAW14130C23SA	2019

Location	Make	Indoor Serial #	Indoor Model Number	Age	Make	Outdoor Serial #	Outdoor Model #	Age
Room 115	Carrier				Carrier	W2M0392792	GAW14130C23SA	2019
Room 116	Carrier				Carrier	W2M0392792	GAW14130C23SA	2019

Location	Make	Indoor Serial #	Indoor Model Number	Age	Make	Outdoor Serial #	Outdoor Model #	Age
Room 117	Carrier				Carrier	W2M0392792	GAW14130C23SA	2019
Room 118	Carrier				Carrier	W2M0392792	GAW14130C23SA	2019
Room 119	Carrier				Carrier	W2M0392792	GAW14130C23SA	2019
Room 120	Carrier				Carrier	W2M0392792	GAW14130C23SA	2019



Section 3. The ability to obtain insurance coverage

ACORD		CERTIFICATE OF LIABILITY INSURANCE		DATE (MM/DD/YYYY) 07/05/2022															
<p>THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.</p> <p>IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).</p>																			
PRODUCER Aon Risk Insurance Services West, Inc. Sacramento CA Office 2277 Fair Oaks Blvd. Suite 250 Sacramento CA 95825 USA			CONTACT NAME: PHONE (A.C. No. Ext): (916) 368-4800 FAX (A.C. No.): (847) 953-2283 E-MAIL ADDRESS:		INSURER(S) AFFORDING COVERAGE <table border="1"> <tr> <th>INSURER</th> <th>NAIC #</th> </tr> <tr> <td>INSURER A: Old Republic Insurance Company</td> <td>24147</td> </tr> <tr> <td>INSURER B: Imperium Insurance Company</td> <td>35408</td> </tr> <tr> <td>INSURER C: SiriusPoint Specialty Insurance Corp</td> <td>16820</td> </tr> <tr> <td>INSURER D:</td> <td></td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> <tr> <td>INSURER F:</td> <td></td> </tr> </table>	INSURER	NAIC #	INSURER A: Old Republic Insurance Company	24147	INSURER B: Imperium Insurance Company	35408	INSURER C: SiriusPoint Specialty Insurance Corp	16820	INSURER D:		INSURER E:		INSURER F:	
INSURER	NAIC #																		
INSURER A: Old Republic Insurance Company	24147																		
INSURER B: Imperium Insurance Company	35408																		
INSURER C: SiriusPoint Specialty Insurance Corp	16820																		
INSURER D:																			
INSURER E:																			
INSURER F:																			
INSURED Lawson Mechanical Contractors 6090 South Watt Ave Sacramento CA 95829 USA																			
COVERAGES CERTIFICATE NUMBER: 570094448659 REVISION NUMBER:																			
<p>THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS. Limits shown are as requested</p>																			
INSUR LTR	TYPE OF INSURANCE	ADDITIONAL INSURED	POLICY NUMBER	POLICY EFF. DATE (MM/DD/YYYY)	POLICY EXP. DATE (MM/DD/YYYY)	LIMITS													
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> GEN'L AGGREGATE LIMIT APPLIES PER POLICY <input checked="" type="checkbox"/> PER PROJECT <input type="checkbox"/> LOC OTHER:		WVZY11333922	05/31/2022	05/31/2023	EACH OCCURRENCE \$2,000,000 DAMAGE TO PROPERTY \$300,000 MED EXP (Per one person) \$10,000 PERSONAL & ADV INJURY \$2,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMP/OP AGG \$2,000,000													
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY		WVBT31334022	05/31/2022	05/31/2023	COMBINED SINGLE LIMIT (Per accident) \$2,000,000 BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)													
B	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input type="checkbox"/> RETENTION		ARUTIC000004800	05/31/2022	05/31/2023	EACH OCCURRENCE \$5,000,000 AGGREGATE \$5,000,000													
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/OWNER EXCLUDED? (Mandatory in NM) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N/A	WVC3133822	05/31/2022	05/31/2023	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER F.I. - EACH ACCIDENT \$1,000,000 E.L. DISEASE - EA EMPLOYEE \$1,000,000 E.L. DISEASE - POLICY LIMIT \$2,000,000													
C	Env Contm Poll		CPPLS00024030	05/31/2022	05/31/2023	Professional Liability \$5,000,000 SIE/Deductible (1) \$10,000 Pollution Liability \$5,000,000													
DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required) Evidence of Insurance																			
CERTIFICATE HOLDER Lawson Mechanical contractors 6090 South Watt Avenue Sacramento CA 95829 USA			CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE 																

Holder Identifier :

Certificate No : 570094448659



Section 4. Possession of and ability to retain necessary equipment, tools, and staffing

We understand that finding a reliable, experienced, and responsive mechanical contractor is of utmost importance to provide the right service, repairs, and HVAC system replacements at your facilities. As your mechanical services provider, we will perform the services and adhere to the requirements described within the RFQ (no addendum provided). We are confident that Lawson Mechanical is uniquely qualified to be your Mechanical Services Contractor. Lawson Mechanical has 75 years of experience with providing high quality mechanical contracting services in the greater Sacramento area and throughout the Central Valley. We have a team of high skilled, well-trained technicians and support staff with the experience to provide the level of services The El Dorado Hills Fire Department requires.

Our Service and Special Projects team is prepared to extend the value and lifespan of your equipment and investment to your facility. Our team specializes in delivering projects that demand careful adherence to stringent specification on fast-faced project schedules, while meeting all constructability standards, and safety protocols. We emphasize proper maintenance and predictive repairs to reduce emergency service calls and unplanned downtime. When a circumstance arises where equipment needs immediate attention, you will be secure in knowing that our 24/7 service team is standing by to perform.

Our technicians are signatory to the Local 447 Plumbers & Pipefitters Union and Local 104 Sheet Metal Workers Union allowing Lawson Mechanical to scale up our staffing resources as needed. The union halls also provide a 5 year apprenticeship program for our technicians and they are committed to providing the most highly trained workforce into the field to work.





Section 5. The completeness of the information requested and provided

We value the importance of reliable communication and guarantee that a team member will always be available to discuss and address your needs.

If you have any questions regarding the information provided, please reach out to:

Lawson Mechanical Contractors
Service & Special Projects Division
Tracey Jans, Business & Market Development Manager
3217 Ramos Circle, Sacramento, CA 95827
P: 916.368.0500 Cell: 279.210.8439
E: tjans@lawsonmechanical.com



Section 6. Expertise, qualifications, licenses, certifications, and directly related experience

HISTORY

Lawson Mechanical Contractors (LMC) has 75 years of experience providing high quality mechanical services in the greater Sacramento area and throughout the Central Valley. Currently led by third generation President, David Lawson, LMC has grown to be one of the largest and most diverse mechanical contractors in Northern California. With corporate headquarters located in Sacramento, we also operate a Service and Maintenance office near Rancho Cordova, a Service office in the North Bay, and a Construction branch in Fresno.

Our scope of projects is diverse in complexity and size which brings an abundance of experience and relevant skill sets by our entire design and installation team. We have extensive experience working in critical operating facilities and in occupied facilities in which our personnel are adept to proper protocols without disturbing the tenants.

QUALIFICATIONS

As one of the largest and most diverse mechanical contractors in Northern California, we operate our own 56,000 square foot pipe and duct manufacturing facility that enables us to provide greater cost controls and the custom fabrication needed to deliver your project or service repair on time and to the necessary specifications.

LMC has one of the most advanced and capable BIM CAD/CAM departments on the West Coast. Our expertise in engineering and pre-construction analysis has proven to save thousands of dollars by leveraging advanced modeling technologies to identify design issues and conflicts before they happen in the field. With decades of experience utilizing in-shop materials staging, our team will provide the greatest on-site efficiencies for your project or service repair. The ultimate result of our design and production efforts is a quick and clean installation that keeps costs low, improves the completion schedule, and produces a collaborative working environment.

Our scope of mechanical contracting services, including preventative maintenance, 24/7 on call service and repairs, plans/spec, design/assist and design/build projects, cover a wide range of project types including low rise and high rise commercial buildings, central plants, water treatment facilities, semi-conductor facilities, hospitals, medical office buildings, industrial, educational including K-12, colleges and universities, gaming facilities, retail, hospitality, detention and correctional facilities for both private and public works projects.

LMC's staff includes three professional mechanical engineers, has LEED Accredited Professionals, OSHA-10 & OSHA-30 certified field personnel, and has numerous employees that are active in various industry affiliations such as SMACNA, APMC, Sacramento Builders Exchange, and DBIA.



LICENSING

Lawson mechanical is in its 75 year and is a California Corporation. LMC was incorporated in June 1958. LMC received its California Contractors License in September 1958 and has never had its California Contractors License suspended.

Our California Contractor's License number 178385 is currently active with an expiration date of 5/31/2023.

Our license classifications are A, B, C-2, C-4, C-16, C20, C36, C38, and C43.



Contractor's License Detail for License # 178385

DISCLAIMER: A license status check provides information taken from the CSLB license database. Before relying on this information, you should be aware of the following limitations.

- CSLB complaint disclosure is restricted by law (B&P 1124.6). If this entity is subject to public complaint disclosure click on link that will appear below for more information. [Click here for a definition of dismissible actions.](#)
- Only construction related civil judgments reported to CSLB are disclosed (B&P 1011.17).
- Arbitrations are not listed unless the contractor fails to comply with the terms.
- Due to workload, there may be relevant information that has not yet been entered into the board's license database.

Data current as of 5/3/2021 2:43:15 PM

178385 - 178385

LAWSON MECHANICAL CONTRACTORS
 P O BOX 15274
 SACRAMENTO, CA 95851
 Business Phone Number:(916) 381-5000

Entity Corporation
Issue Date 09/16/1958
Expire Date 05/31/2023

DIR#

LAWSON MECHANICAL CONTRACTORS

[View Details](#) [Remove from My List](#)

Detail:
Registration Number: 1000002024
Status: Active
CSLB Number: 178385
Legal Entity Type: Corporation
Mailing Address: 8090 SOUTH WEST AVENUE
 SACRAMENTO
 CA 95829
 Sacramento
County:
City: Plumber:Sheet Metal Worker
Email: wdeboice@lawsonmechanical.com

Registration History

Effective Date	Expiration Date
7/1/2022	6/30/2025
7/1/2019	6/30/2022
6/30/2018	6/30/2019
6/1/2017	6/30/2018
6/1/2016	6/30/2017
6/30/2015	6/30/2016
10/15/2014	6/30/2015

DBA

Name



LAWSON MECHANICAL'S TEAM QUALIFICATIONS - PROJECT EXECUTIVES



PROJECT EXECUTIVE - HEATHER HEILMANN

Years in the Industry: 21

Years with Lawson: 7

Location of Home Office: Sacramento

Education: Bachelor of Arts, Project Management, Business Administration, Ashford University

Heather manages the Special Projects Division overseeing an ambitious and enthusiastic team. She mentors her team with a collaborative approach, being fully engaged to ensure her team is meeting their clients budget, schedule, and needs. Heather is process driven and excels in strict deadline working environments. She has experience working on phased construction projects for both private and public works projects that range in size, scope, and complexity. With expertise adapting to ever-changing project conditions, Heathers attention to detail and efficiency ensure her projects meet the highest level of quality and client satisfaction.

RELEVANT CLIENTS/PROJECT EXPERIENCE

- County of Sacramento
- City of Sacramento
- Kaiser
- Thunder Valley Casino



PROJECTS EXECUTIVE - TRACEY JANS

Years in the Industry: 24

Years with Lawson: >1

Location of Home Office: Sacramento

Education: University of Houston, Sales Excellence Institute, Sales Certification; The Trane Company, Sales Associate, Certification

Affiliations: Sacramento Regional Builders Exchange, Women In Construction

By exercising strong, proactive, and strategic management, Tracey leads the sales business by executing account management strategies that facilitate longstanding customer relationships. She personally establishes and maintains customers relationships by identifying their needs and providing long term, cost effective solutions for equipment, repairs, controls upgrades, and system enhancements. Through active participation in the local community and professional organizations, Tracey maintains an understanding of the current business environment and its impact to her clients.

RELEVANT CLIENTS/PROJECT EXPERIENCE

- City of Roseville
- City of Sacramento
- Verizon
- City of Davis



LAWSON MECHANICAL'S TEAM QUALIFICATIONS - SUPERINTENDENTS



SHEET METAL SUPERINTENDENT - CHRIS FLANAGAN

Years in the Industry: 38
Years with Lawson: 9
Location of Home Office: Sacramento
Education: Sheet Metal Apprenticeship, Local 104
Certifications: CPR & First Aid, OSHA 10-Hour, CFC Refrigeration Certification, Scissor Lift, Fork Lift

Chris has been a union sheet metal worker for more 35 years and completed his apprentice in 1987. Currently, Chris is a superintendent responsible for all duct, sheet metal, and equipment installation and supervision on a designated job site. Duties include managing the crew, materials and equipment. He is a good leader and highly skilled in his trade. Chris has successfully completed numerous projects ranging in size and scope. Project types have included hospitals, courthouses, and schools.

RELEVANT CLIENTS/PROJECT EXPERIENCE

- The Judicial Council of California
- State of CA, CDCR
- UC Davis Medical Center
- Kaiser



PLUMBING SUPERINTENDENT - RON BERG

Years in the Industry: 27
Years with Lawson: 21
Location of Home Office: Sacramento
Education: Plumbers and Pipefitters Apprenticeship, Local 447
Certifications: CPR & First Aid, OSHA 10-Hour, OSHA 30-Hour, Pipe Welder, Scissor Lift, Fork Lift

Ron has over twenty-five years of plumbing and pipefitting experience and completed his apprenticeship in 1998. Working in the field as a union plumber, he has gained invaluable, hands on practical construction knowledge and technical expertise. He has worked on a variety of projects that range in complexity and scope which have included numerous project types such as federal, medical, office, process/industrial and data center projects. In addition, Ron holds several relevant certifications including OSHA 30-Hour training. Ron's responsibilities include overseeing field personnel, coordination with owners, subcontractors, vendors, scheduling, inventory control, safety meetings, and quality control.

RELEVANT CLIENTS/PROJECT EXPERIENCE

- State of CA, Depart. of General Services
- Intel
- Kaiser
- Jackson Laboratories



LAWSON MECHANICAL'S TEAM QUALIFICATIONS - TECHNICIANS



LEAD TECHNICIAN - JIMMY LEIMBACH

Years in the Industry: 27

Years with Lawson: 5

Location of Home Office: Sacramento

Education: UTI Technical

Certifications: CPR & First Aid, OSHA 30-Hour, Fujitsu Factory Certified, Trane Factory Certified, York Factory Certified, Copland Factory Certified, Manitowoc Factory Certified

Jimmy is knowledgeable, highly skilled in his trade, and a good mentor to those he oversees. Jimmy has a strong knowledge of HVAC systems, building codes, regulations and maintains multiple industry certifications. He oversees our field technicians and maintains thorough communication of the tasks and duties that need to be performed. Jimmy is responsible for the installation and maintenance of mechanical and control systems. He performs repairs and retrofits of mechanical systems. Additionally, Jimmy performs start-up, controls commissioning, HVAC & refrigeration system commissioning.

RELEVANT CLIENTS/PROJECT EXPERIENCE

- Roseville Chamber of Commerce
- Plum Healthcare Group, LLC
- Sacramento Housing & Redevelopment
- William Jessup University



START-UP LEAD - SCOTT KONNOF

Years in the Industry: 21

Years with Lawson: 9

Location of Home Office: Sacramento

Education: Plumbers and Pipefitters Apprenticeship, Local 447

Certifications: CPR & First Aid, OSHA 30-Hour, CFC Refrigeration Certification

Scott has a strong knowledge of HVAC systems, building codes, regulations and maintains multiple industry certifications. He is passionate about the quality and performance of his work. He oversees our start-up field technicians and maintains thorough communication of the tasks and duties that need to be performed. Scott performs repairs and retrofits of mechanical systems. Additionally, he performs start-up and HVAC & refrigeration system commissioning.

RELEVANT CLIENTS/PROJECT EXPERIENCE

- The Judicial Council of California
- UC Davis Medical Center
- The State of California
- Tahoe Truckee Unified School District



Section 7. Prior track record with similar projects

REFERENCES:

William Jessup University
Maintenance, Repairs and Replacements
Regina Davis, Director of Facilities
2121 University Avenue, Rocklin, CA 956765
916.577.2200

Thunder Valley Casino
Scheduled Maintenance Requests, Repair Work and Projects
Eric Duchaine, VP of Project Administration
1011 Sunset Blvd., #105, Rocklin, CA 95765
P: 916.672.3202 E:eric.duchaine@thundervalleyresort.com

Atria Covell Gardens Senior Living
Maintenance, Repairs and Replacements
Nick Bernauer, Maintenance Director
1111 Alvarado Ave., Davis CA 95616
P. 530.756.7694



Section 8. Ability and Commitment to perform the work in a timely manner and to promptly invoice SMC Fire for the work performed

Lawson Mechanical has a highly qualified group of support staff and accounting team that bill and submit billing per requirements specified. Billings are completed promptly and reviewed for accuracy.



Budget/Schedule Delay

Potential Budget/Schedule Delay

On Time/On Budget

MONTHLY PROGRESS REPORT No. 008

El Dorado Hills Fire Department

Project Name: EDHFTC

Period Ending: November 30, 2022



EL DORADO HILLS
FIRE DEPARTMENT
"Serving the Communities of El Dorado Hills, Rescue and Lasteria"

Scope:

Surveys, grading, underground plumbing, electrical, earthwork, asphalt concrete paving, concrete paving, site concrete, chain link fences and gates, decorative metal fences and gates, irrigation system, planting, site utilities, construction of 2 new training buildings and 1 new outdoor classroom with restrooms.

Summary

Original Contract Amount: \$11,712,034.00

Contract Budget Status:

Original Contract Amount with Contingency and allowances:	\$11,712,034.00
Original Shared Contingency:	\$856,447.00
Original Shared Allowances:	\$150,000.00
Amount Billed to Date:	\$7,595,599.42
Retainage:	\$379,780.03

Remaining Balance Including Retainage: \$4,496,214.61

Percent of Construction Complete: 64.85%

Remaining Contingency:	\$715,352.00
Remaining Allowances:	\$150,000.00

Progress This Period:

- Set CMU for Building 1 Elevated Slab (Level 2)
- Place concrete for Building 2 Elevated Slab (Level 2)
- Install CMU to Roof
- Site Concrete
- Perimeter Site Fence

Anticipated Progress Next Period:

- Basement Painting & Seal CMU on Buildings 1 and 2
- Place concrete at Elevated Slab (Attic) on Buildings 1 and 2
- Form Elevated Roof Slabs on Buildings 1 and 2
- Install Roof, Gutter, and Downspouts on Building 3
- Perimeter Site Fence

Changes/Clarifications:

- RFI #120 thru 126.
- CB 010 - Owner-requested additional Scope of Work (Outdoor Classroom Misting System).
- CB 011 - Revisions required to maintain uniform wall heights at the main entry.

Issues:

- No Issues.

Progress Photos:



Photo taken on 11.30.22



Photo taken on 11.30.22

Project Team:

Owner:	El Dorado Hills Fire Department
Architect:	RDC
Construction Manager:	Roebbelen
Contractor:	DG Granada