EL DORADO IRRIGATION DISTRICT

Overview of Debt Program and Recent Refunding/Restructuring Transaction

Refunding Revenue Bonds, Series 2012A and Series 2012B (Taxable)

July 23, 2012

Table of Contents

1) Debt Program Overview

El Dorado Irrigation District: Debt Portfolio Overview

EID's debt portfolio balances risk while achieving fundamental financing goals

- The District maintains a debt portfolio of approximately $373 million in outstanding obligations
  - $18.49 million in various state loans
  - $354.54 million in publicly issued debt
    - $2.67 million in General Obligation Bonds
    - $242.08 million in tax-exempt fixed rate Revenue Certificates of Participation/Bonds
    - $1.75 million in taxable fixed rate Revenue Bonds
    - $110.71 million in tax-exempt variable rate Revenue Certificates of Participation

- Overall debt portfolio structure is balanced
  - Approximately 50% of all outstanding obligations are to amortize in the next 15 years
  - Future bonding capacity and principal amortization in years 2022 through 2029

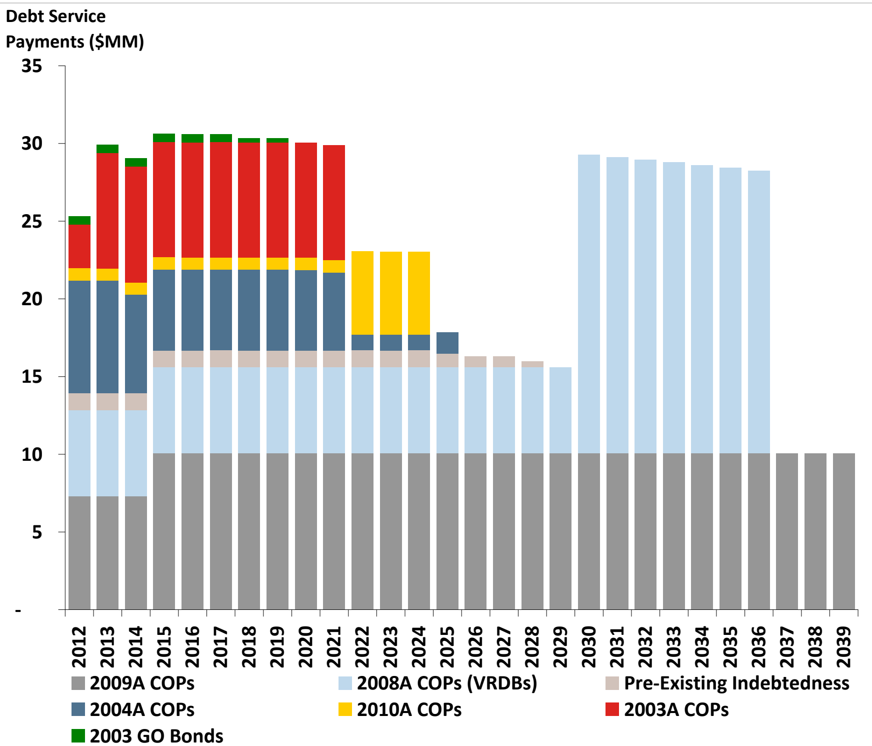
- With the issuance of the Series 2012A and 2012B Bonds for restructuring and refunding purposes, key financing and portfolio management objectives were achieved
  - Carve out of coverage capacity in fiscal years 2012 through 2016 designed to match cost of service study projections in the financial plan and allow for recent rate increases to fully take effect
  - Present value savings of more than $2.0 million
  - Premium coupon and pricing structure for Series 2012A Bonds has actually helped to reduce the total amount of bonds outstanding
    - The 2012 Bonds achieved prices ranging from 100% to 118%, translating to more than $6.61 million in premium
    - This premium structure enabled EID to refund $56.3 million in 2003A COPs and associated interest with $50.69 million in Series 2012A and Series 2012B Bonds

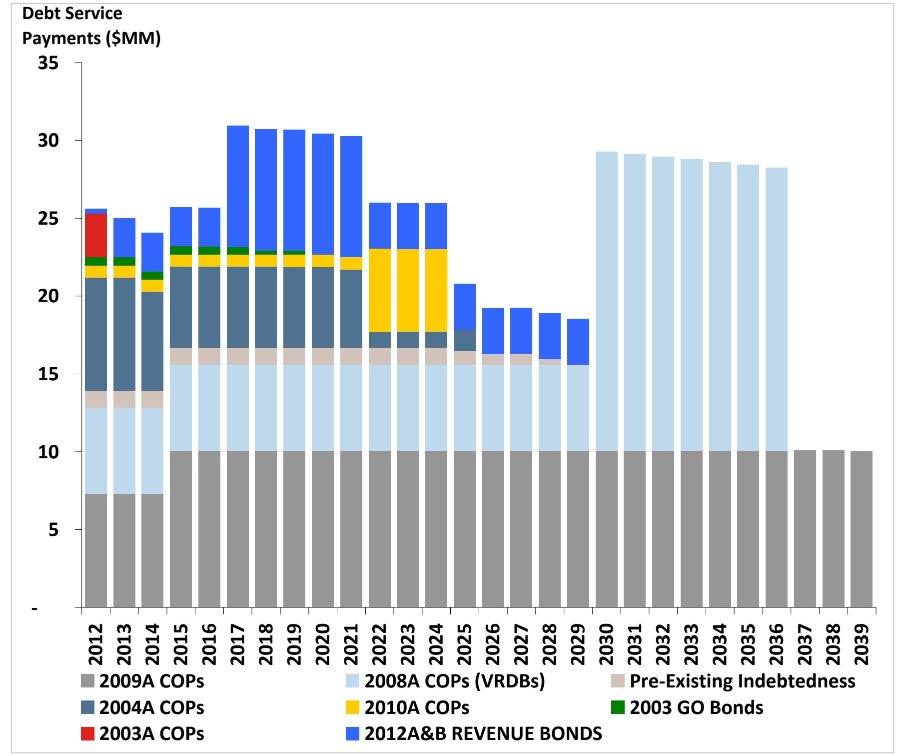
FOOTNOTES: Assumes the issuance of insured, fixed rate revenue bonds with underlying ratings of "A1/A+" from Moody's and S&P, respectively. Illustrated structure assumes an insurance premium of 0.36% of total debt service and a surety policy funded at 3.50% of the requirement. Market Rates and assumptions as of June 27, 2012.

El Dorado Irrigation District: Debt Portfolio Dashboard

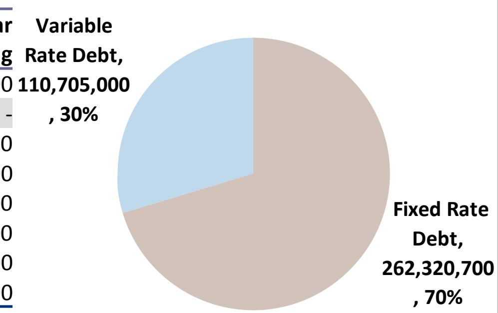
EID's debt structure will allow newly implemented rates and charges to fully take effect

Debt Profile: Pre-2012AB Bonds Refunding/Restructuring	Debt Profile: Post-2012AB Bonds Refunding/Restructuring





Series	Interest Rate Mode	Insurer	Liquidity Support	Liquidity Fee	Expiration Date	Par Outstanding
Loans	-	-	-	-	-	18,490,700
2003A COPs	Fixed	FGIC	-	-	-	-
2003 GO Bonds	Fixed	AMBAC	-	-	-	2,670,000
2004A COPs	Fixed	FGIC	-	-	-	43,435,000
2008A COPs	Variable	-	Citibank	85 bps	April 4, 2014	110,705,000
2009A COPs	Fixed	Assured Guaranty	-	-	-	132,285,000
2010A COPs	Fixed	-	-	-	-	14,755,000
2012A&B Bonds	Fixed	Assured Guaranty	-	-	-	50,685,000
Total Outstanding						**373,025,700**



FOOTNOTES: Reflects the issuance of the Series 2012A and Series 2012B Bonds as well as execution of the restructuring/refunding. Market Rates and assumptions as of June 27, 2012.

2) The Series 2012A and 2012B Refunding/Restructuring Opportunity

The 2012AB Refunding/Restructuring Opportunity

With the issuance of the Series 2012A and 2012B Bonds, EID was able to achieve landmark portfolio objectives

- EID accomplished a ratings upgrade, procured bond insurance, and realized meaningful restructuring and refunding economics
- **EID proved it's ongoing creditworthiness through a ratings upgrade**
  - Standard & Poor's upgraded EID from "A" to **"A+"**, recognizing:
    - Very strong cash balances
    - Improved debt service coverage
    - Ample water supply and treatment capacity
  - While Moody's held the rating at **"A1"**, the rating agency changed the District's outlook from "N/A" to **"Stable"**
    - District's strong competitive position
    - Liquidity and reserves
    - Strong management enacting the necessary rate increases
- **EID was able to procure insurance from Assured Guaranty**
  - Assured recognized EID's strong credit fundamentals
  - By purchasing insurance, the District was able to purchase a surety policy to fund the debt service reserve requirement
  - Utilizing a surety enabled the District to avoid negative arbitrage as with a cash-funded reserve (negative arbitrage occurs when borrowing cost exceeds the reinvestment rate)
  - By purchasing the surety, EID was able to secure stronger economics than an uninsured transaction
    - Cash flow benefit of $150K to $200K in fiscal years 2013 – 2016
    - Present value savings of an additional **$800K**
- **Milestone financing economics realized**
  - By executing the restructuring/refunding, EID realized
    - Nearly a **$5.0** million annual cash flow capacity benefit in years 2013 – 2016
    - More than **$2.0** million in present value savings
    - 2012A Tax-Exempt TIC: **3.09%** *(Refunded 2003A COPs with 5.00% Interest Rates)*
    - 2012B Taxable TIC: **3.19%** *(Refunded 2003A COPs with 5.00% Interest Rates)*

Agency	Moody's	S&P
	Moody's Investors Service	Standard & Poor's
Rating	**A1"**	**A+**
Outlook	**"Stable"**	**"Stable"**

Assured Guaranty

Insurance *(Cost % of Debt Service)*	**36bps**
Surety Cost *(% of Requirement)*	**3.50%**
Benefit of Insurance + Surety	***$817,000***

FOOTNOTES: Insured scenario assumes the cost of insurance to be 0.36% of total debt service ($261,439) and the surety policy to be 3.50% of the requirement ($190,983). Insurance assumes a 5-7 basis yield improvement over the uninsured scenario. Uninsured scenario assumes that a debt service reserve fund is funded at the requirement with bond proceeds. Assumes that the reserve and interest earnings there on are applied to debt service. Assumes the reserve earns interest at a Repurchase Agent Security with a 16-year term (1.53%). Hypothetical uninsured assumptions are subject to change.

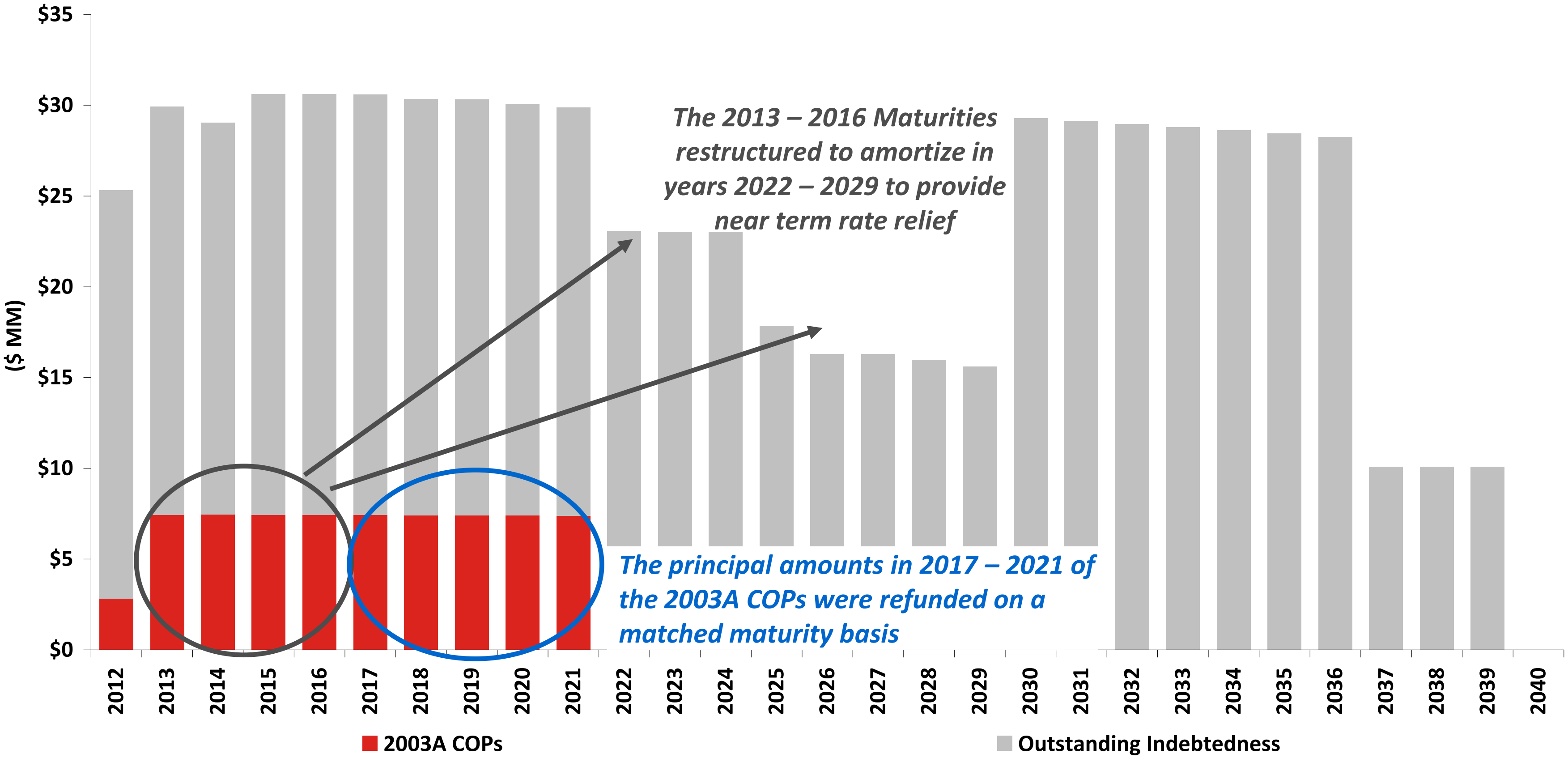
Restructuring/ Refunding Goal	Board Requirement	Actual
PV Savings	**($0.50MM)**	**$2.09MM**
Annual Savings *(FY 2013-2016)*	-	**$4.93 MM**

FOOTNOTES: Assumes the issuance of insured, fixed rate revenue bonds with underlying ratings of "A1/A+" from Moody's and S&P, respectively. Illustrated structure assumes an insurance premium of 0.36% of total debt service and a surety policy funded at 3.50% of the requirement. Savings cash flows present valued to the Dated/Delivery date of 7/12/2012 at the calculated arbitrage yield. Market Rates and assumptions as of June 27, 2012.

Refunding/Restructuring Opportunity: Strategic Overview

EID refunded maturities of the 2003A COPs for savings in the current market. The District also secured the opportunity to restructure debt service in order to allow rate increases to be phased in over several years

- The 2003A COPs were outstanding in the amount of $53.7 million
  - A portion of the Certificates were used for a refunding and as a result, this refunding portion of approximately $1.6 million could not be refunded on a tax-exempt basis
  - The greater portion (approximately $52.1 million) was eligible to be advanced refunded on a tax-exempt basis
- There were two primary goals for the Refunding/Restructuring:
  1. Generate present value cash flow savings
  2. Extend the amortization to enable needed rate adjustments to be phased in over Fiscal Years 2013 through 2016



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Refunding Opportunity: Strategic Options

EID refunded maturities of the 2003A COPs for savings in the current market. The District also secured the opportunity to restructure debt service in order to allow rate increases to be phased in over several years

- Refunding Revenue Bonds Series 2012A
  - Strategic Carve-out Restructuring
    - Extend amortization on certificates maturing 2013 – 2016 and re-amortize in years 2022 – 2029
    - Certificates maturing 2017 – 2021 refunded with no extension of amortization
    - Non-advance refundable certificates maturing 2013 – 2021 are refunded with taxable revenue bonds

Scenario A: Unenhanced refunding (fully funded debt service reserve fund)

> Full net present value savings realized upon the release of the DSRF at final maturity of the 2012A Bonds

Scenario B: Insured refunding (surety policy funds reserve requirement)

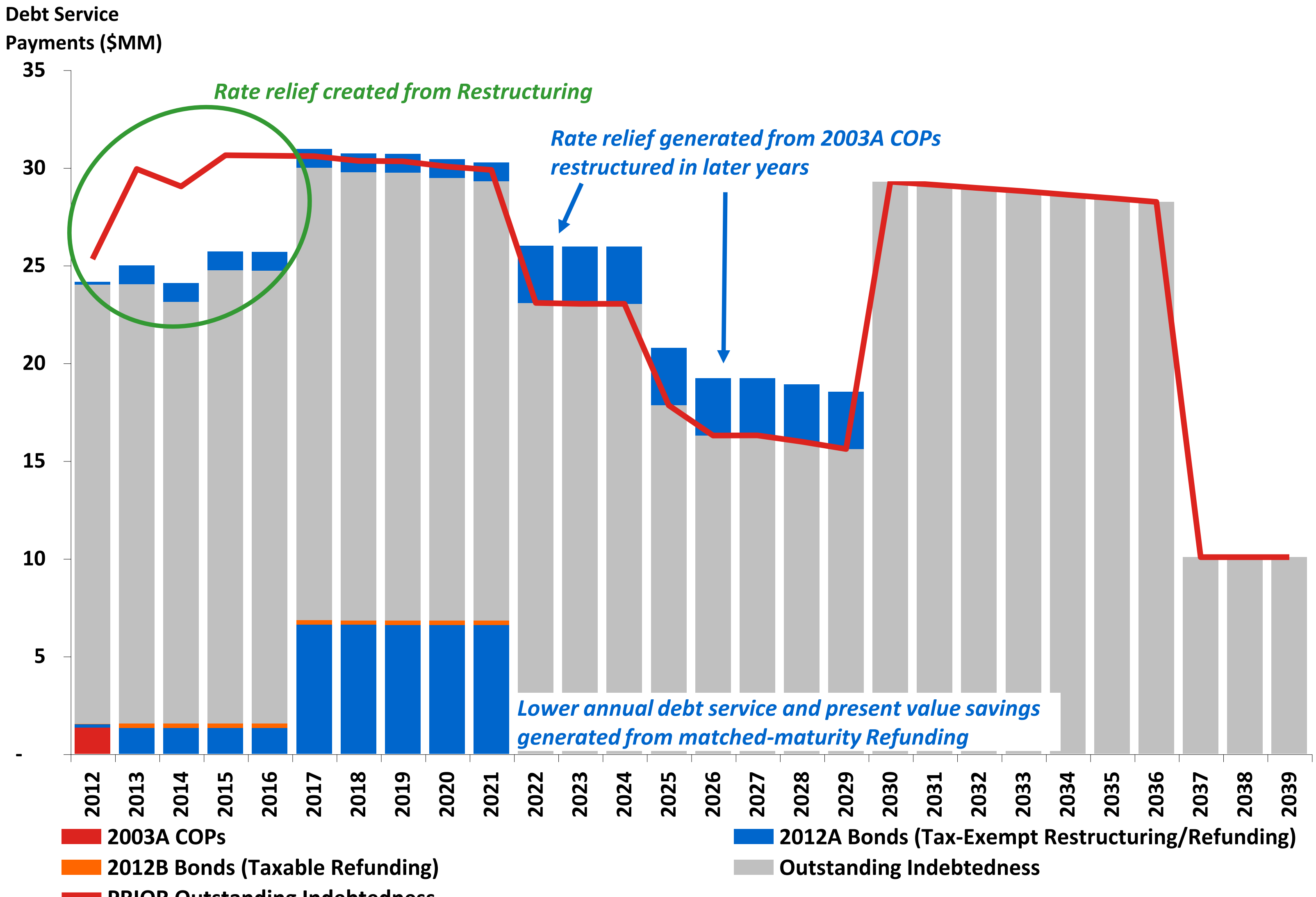
> Cash flow savings realized annually, totaling up to a net present value benefit

Structuring Opportunity that was Executed

FOOTNOTES: Assumes the issuance of insured, fixed rate revenue bonds with underlying ratings of "A1/A+" from Moody's and S&P, respectively. Illustrated structure assumes an insurance premium of 0.36% of total debt service and a surety policy funded at 3.50% of the requirement. Savings cash flows present valued to the Dated/Delivery date of 7/12/2012 at the calculated arbitrage yield. Insured scenario assumes the cost of insurance to be 0.36% of total debt service ($261,439) and the surety policy to be 3.50% of the requirement ($190,983). Insurance assumes a 5-7 basis yield improvement over the uninsured scenario. Uninsured scenario assumes that a debt service reserve fund is funded at the requirement with bond proceeds. Assumes that the reserve and interest earnings there on are applied to debt service. Assumes the reserve earns interest at a Repurchase Agent Security with a 16-year term (1.53%). Hypothetical uninsured assumptions are subject to change. Market Rates and assumptions as of June 27, 2012.

Illustration of Strategic Carve-out Restructuring

The 2003A COPs maturing in years 2013 – 2016 were restructured into years 2022 – 2029 while the certificates maturing in 2017 – 2021 were refunded/restructured to provide economic savings to the District but not restructured to provide rate relief



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Refunding Scenarios Results

EID continued to optimize the District debt portfolio with the 2012AB restructuring/refunding bonds

Structuring Opportunity that was Executed

Description	Extend amortization for Certificates maturing 2013-2016; 2017-2021 amortization unchanged	
SCENARIO	**Unenhanced Structure**	**Insured Structure**
Insurance Policy	-	261,439
Reserve Surety Policy	-	190,983
Debt Service Reserve Amount ($)	6,047,776	-
Present Value ("PV") Savings ($)	1,278,591	2,096,057
PV Savings as % Refunded COPs	2.38%	3.90%
Amount Annual Aggregate Debt Service Reduced By:		
2012	1,001,849	1,022,139
2013	4,772,989	4,936,900
2014	4,796,203	4,959,763
2015	4,757,325	4,925,413
2016	4,754,381	4,921,875
Amount Aggregate Annual Debt Service Changed By:		
2017	+ 1,078,918	+ 373,094
2018	+ 1,078,036	+ 371,125
2019	+ 1,078,037	+ 372,594
2020	+ 1,079,207	+ 373,031
2021	2,607,813	+ 375,663
2022 - 2029	+ 23,312,945	+ 23,430,875

FOOTNOTES: Assumes the issuance of insured, fixed rate revenue bonds with underlying ratings of "A1/A+" from Moody's and S&P, respectively. Illustrated structure assumes an insurance premium of 0.36% of total debt service and a surety policy funded at 3.50% of the requirement. Savings cash flows present valued to the Dated/Delivery date of 7/12/2012 at the calculated arbitrage yield. Insured scenario assumes the cost of insurance to be 0.36% of total debt service ($261,439) and the surety policy to be 3.50% of the requirement ($190,983). Insurance assumes a 5-7 basis yield improvement over the uninsured scenario. Uninsured scenario assumes that a debt service reserve fund is funded at the requirement with bond proceeds. Assumes that the reserve and interest earnings there on are applied to debt service. Assumes the reserve earns interest at a Repurchase Agent Security with a 16-year term (1.53%). In FY 2012, cash flows recognize the partial release of the reserve fund. Hypothetical uninsured assumptions are subject to change. Market Rates and assumptions as of June 27, 2012.

3) Variable Rate Program Overview

El Dorado Irrigation District: Variable Rate Debt Portfolio Overview

While the variable rate component of EID's debt portfolio has evolved over the years, the overall program has provided the District with the ability to attain critical borrowing cost benchmarks

- EID has had a variable rate component in place for approximately 9 years
  - 2003B Auction Rate Securities issued in December 2003
  - 2004B Auction Rate Securities issued in July 2004 (initially fixed rate mode with variable rate conversion mechanics)
  - 2004B Auction Rate Securities converted to fixed rate mode in February 2006
  - 2003B and 2004B Auction Rate Securities converted to 2008A Variable Rate Demand Obligations with Dexia Letter of Credit support in February 2008
  - 2008A Variable Rate Demand Obligations rebranded with Citibank Letter of Credit in April 2011

- EID has maintained the variable rate portfolio without any swap or derivative contract
  - The District's strong cash position helps to create a natural hedge to the portfolio

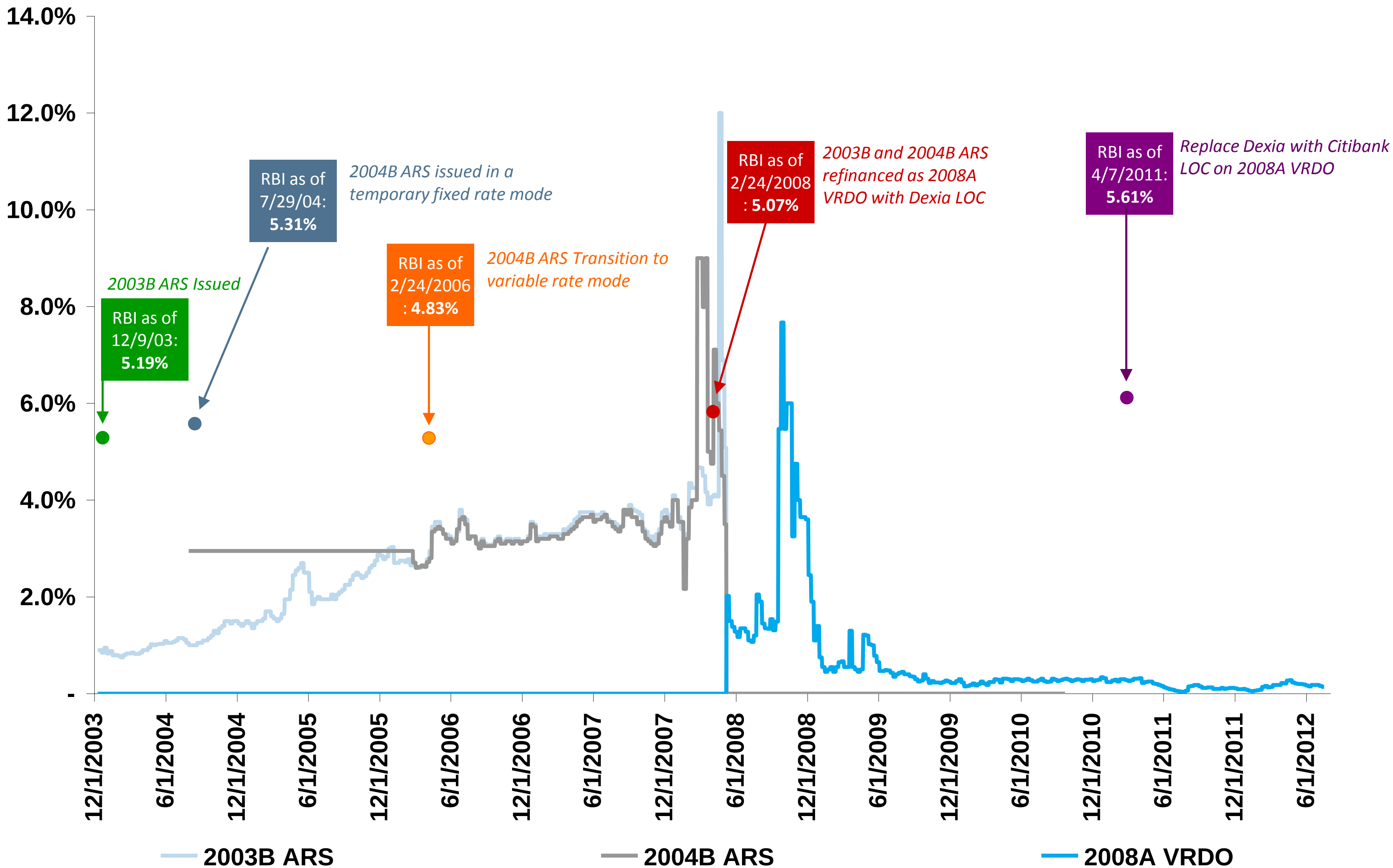
- In 2012, the variable rate program continues to offer historically low borrowing costs
  - Achieved a Fitch short-term rating on the Citibank LOC and has helped further secure investor demand
  - For each remarketing period, there is strong investor demand to hold the Districts 2008A COPs
  - In 2012, year-to-date, the average interest rate paid has been **0.16%**

- Over time, the variable rate portfolio has saved the District a significant amount of money when compared to a fixed rate transaction
  - The District has achieved more than **$29.2** million in interest saving cash flows since program inception
  - In today's dollars that amounts to nearly **$35.5** in economic benefit to the District over a comparative fixed rate bond issue

FOOTNOTES: Based on all available data. Rates from 12/9/2003 through 7/17/2012. Par at issuance of Series 2003B ARS: $91,800,000. Par at issuance of Series 2004B ARS: $8,275,000. Par at issuance of Series 2008A VRDO: $110,705,000.Calculations assume weighted average rate of remarketed ARS and VRDOs and Bank Bonds for the District's Series 2003B ARS, 2004B ARS and 2008A VRDO programs. RBI consists of 25 various revenue bonds that mature in 30-years, ratings equivalent to A1/A.Includes day count adjustment due to convention of ARS interest accrual based on ACT/360 day count, support fees for ARS (0.25% for Broker Dealer fee and 0.01% for Auction Agent fee) and VRDO modes (0.60% for Dexia Letter of Credit and 0.075% for Remarketing Agent fee). All-In Cost ($) Cash flows based on resets for the respective par amounts of each variable rate program. Approximated based on RBI for the weeks of 12/9/2003, 7/29/2004, 2/24/2006 and 5/7/2008, and applied to the respective amortization schedules of the Series 2003B ARS, 2004B ARS, and Series 2008A VRDOs. Analyses do not assume that unrestricted District cash is pledged as security for the Outstanding Revenue Certificates of Participation or Revenue Bonds.

Analysis of Alternatives: Variable Rate Trading Performance (Since 12/9/2003)

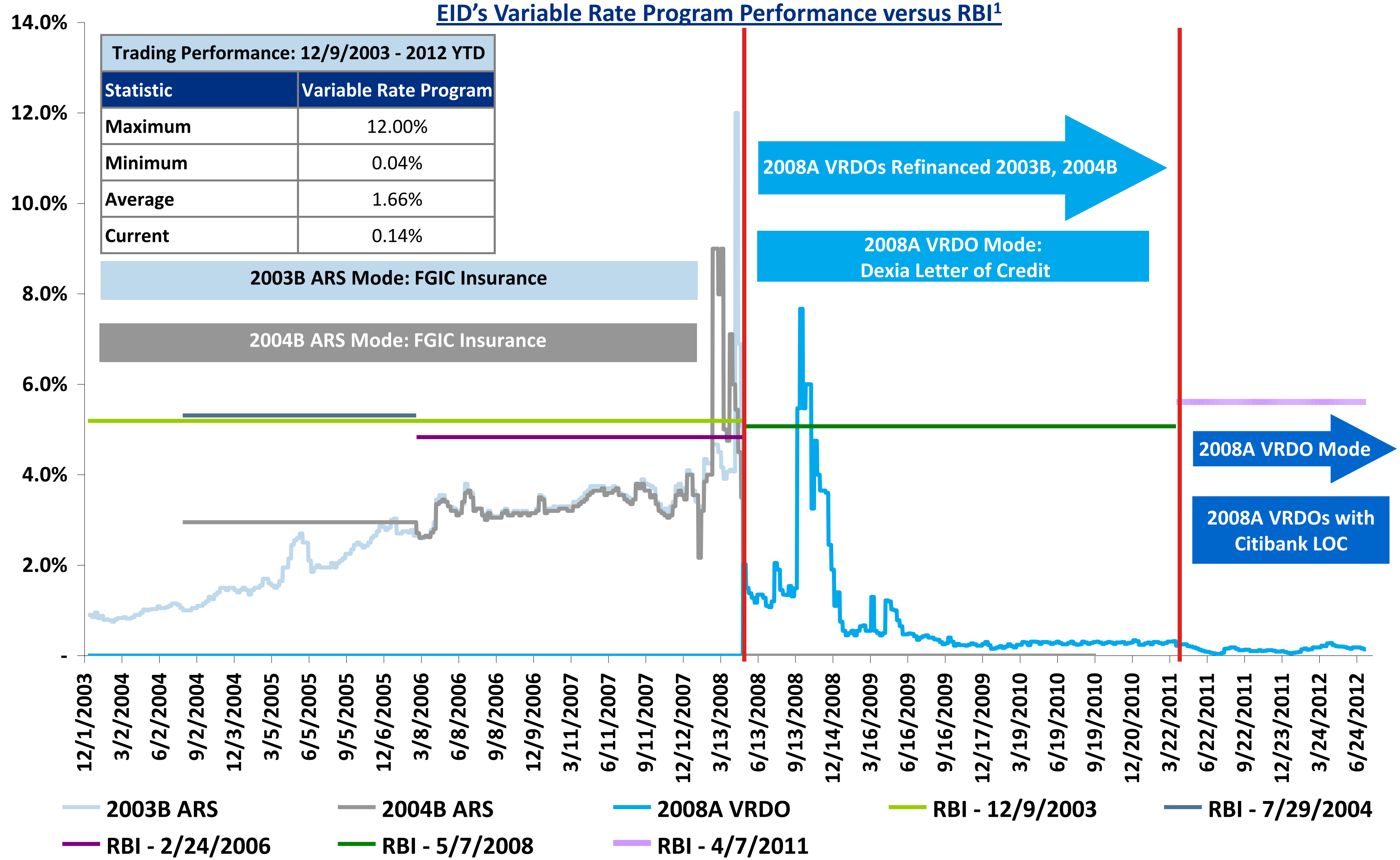
The District has preserved a lower variable rate cost of borrowing when compared to a fixed rate alternative



FOOTNOTES: Chart above depicts the weighted average rate of remarketed VRDOs and Bank Bonds for each of the District's outstanding variable rate programs through 7/17/2012. Assumes that the District could finance fixed rate debt using the Revenue Bond Index ("RBI") reset as a proxy. The Revenue Bond Index consists of 25 various revenue bonds that mature in 30 years. The average rating is roughly equivalent to Moody's "A1" and S&P's "A+".

Variable Rate Debt Has Historically Provided Debt Service Savings (Series 2008A)

Through each phase of the variable rate program evolution, the District has recognized opportunities



Trading Performance: 12/9/2003 - 2012 YTD	
Statistic	**Variable Rate Program**
Maximum	12.00%
Minimum	0.04%
Average	1.66%
Current	0.14%

FOOTNOTES: Based on all available data. Rates from 12/9/2003 through 7/17/2012. Par at issuance of Series 2003B ARS: $91,800,000. Par at issuance of Series 2004B ARS: $8,275,000. Par at issuance of Series 2008A VRDO: $110,705,000.
1.Chart above depicts the weighted average rate of remarketed ARS and VRDOs and Bank Bonds for the District's Series 2003B ARS, 2004B ARS and 2008A VRDO programs. RBI consists of 25 various revenue bonds that mature in 30-years, ratings equivalent to A1/A.
2.Includes day count adjustment due to convention of ARS interest accrual based on ACT/360 day count, support fees for ARS (0.25% for Broker Dealer fee and 0.01% for Auction Agent fee) and VRDO modes (0.60% for Dexia Letter of Credit and 0.075% for Remarketing Agent fee). All-In Cost ($) Cash flows based on resets for the respective par amounts of each variable rate program.
3.Approximated based on RBI for the weeks of 12/9/2003, 7/29/2004, 2/24/2006 and 5/7/2008, and applied to the respective amortization schedules of the Series 2003B ARS, 2004B ARS, and Series 2008A VRDOs.

Variable Rate Debt Has Historically Provided Debt Service Savings (Series 2008A)

When compared to a fixed rate alternative, the variable rate program has generated significant cash flow benefit to the District

Comparison of Financing Alternatives

	Average All-in Cost (%)		All-In Cost ($)		Savings from Variable Rate vs Traditional Fixed Rate		PV Savings as % of Outstanding Par
Date	ARS/VRDO[2]	Fixed Rate[3]	ARS/VRDO[2]	Fixed Rate[3]	Cash Flow Savings	PV @ 3.5% to 7/23/2012	
12/9/2003							
3/1/2004	0.965%	5.190%	403,563	2,170,458	1,766,895	2,364,315	2.352%
9/1/2004	1.289%	5.200%	648,062	2,613,859	1,965,797	2,585,227	4.924%
3/1/2005	1.667%	5.200%	838,064	2,613,859	1,775,794	2,295,189	7.207%
9/1/2005	2.253%	5.200%	1,132,557	2,613,859	1,481,302	1,881,633	9.079%
3/1/2006	2.796%	5.200%	1,405,549	2,613,859	1,208,309	1,508,464	10.579%
9/1/2006	3.313%	5.200%	1,665,061	2,613,859	948,798	1,164,116	11.737%
3/1/2007	3.350%	5.200%	1,683,805	2,613,859	930,054	1,121,492	12.853%
9/1/2007	3.724%	5.200%	1,871,912	2,613,859	741,947	879,278	13.728%
3/1/2008	3.828%	5.200%	1,924,227	2,613,859	689,632	803,224	14.527%
9/1/2008	3.162%	4.966%	1,646,153	2,651,648	1,005,495	1,150,971	14.231%
3/1/2009	2.979%	4.830%	1,649,099	2,673,526	1,024,426	1,152,474	15.272%
9/1/2009	0.944%	4.830%	522,510	2,673,526	2,151,016	2,378,261	17.420%
3/1/2010	0.577%	4.830%	319,110	2,673,526	2,354,416	2,558,377	19.731%
9/1/2010	0.611%	4.830%	338,202	2,673,526	2,335,323	2,493,987	21.984%
3/1/2011	0.621%	4.830%	343,728	2,673,526	2,329,797	2,445,293	24.192%
9/1/2011	0.637%	4.830%	352,481	2,673,526	2,321,045	2,394,207	26.355%
3/1/2012	0.568%	4.830%	314,308	2,673,526	2,359,218	2,391,728	28.516%
7/23/2012	0.656%	4.830%	286,351	2,109,115	1,822,764	1,822,764	30.162%
Total			**$17,344,743**	**$46,556,771**	**$29,212,028**	**$33,390,999**	

FOOTNOTES: Based on all available data. Rates from 12/9/2003 through 7/17/2012. Par at issuance of Series 2003B ARS: $91,800,000. Par at issuance of Series 2004B ARS: $8,275,000. Par at issuance of Series 2008A VRDO: $110,705,000.
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2.Includes day count adjustment due to convention of ARS interest accrual based on ACT/360 day count, support fees for ARS (0.25% for Broker Dealer fee and 0.01% for Auction Agent fee) and VRDO modes (0.60% for Dexia Letter of Credit and 0.075% for Remarketing Agent fee). All-In Cost ($) Cash flows based on resets for the respective par amounts of each variable rate program.
3.Approximated based on RBI for the weeks of 12/9/2003, 7/29/2004, 2/24/2006 and 5/7/2008, and applied to the respective amortization schedules of the Series 2003B ARS, 2004B ARS, and Series 2008A VRDOs.

Analyses Regarding Floating Rate Bonds Are Subject to Uncertainty

- The short term variable rate market is experiencing significant volatility, uncertainty and disruption:
  - Continuing downgrades of structured securities (e.g., CDOs, SIVs, etc.) and losses among financial institutions have increased uncertainty, raised risk premiums and reduced liquidity in the global capital markets
  - In the U.S. Auction Rate Securities market, liquidity has virtually disappeared, resulting in many failed auctions, causing many issuers to begin changing modes. Such mode changes may result in additional VRDO and fixed rate bond supply, resulting in higher funding costs and greater basis risk
  - VRDO's whose credit is supported by monoline insurers or banks that have been, or may be, downgraded may be subject to higher rates or failed remarketing
  - Yield relationships among VRDO's of different sectors, structures and credits as well as market benchmarks such as LIBOR and SIFMA have been volatile as investor appetite has fluctuated
  - The supply and availability of triple-A bond insurance, letters of credit and lines of credit has diminished as some providers have been downgraded, exited the market, or reached capacity. Pricing and terms may continue to worsen
- This presentation contains historical analysis and assumptions, which are subject to uncertainty. Past performance or data is no guarantee of future results. In addition, no representation or warranty can be made as to:
  - Market access; including ability to remarket, convert to a different variable or fixed rate mode
  - Insurance or Letter/Line of credit availability
  - Future credit ratings of insurers and banks
  - Future yield relationships among various kinds of variable rate securities, indexes such as SIFMA and LIBOR and fixed rate alternatives
  - Ultimate economic results, benefits and risks of the proposed transaction(s)
- Additional analysis is available upon request

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