



June 3, 2019

Dear El Dorado County Supervisors,

The Taxpayers Association of El Dorado County is concerned with Item 5 on your June 4, 2019 agenda, a \$78,338 discretionary transfer of General Fund to the El Dorado Hills County Water District (El Dorado Hills Fire Department). We respectfully request that you remove the item from your consent calendar and express an intent to end General Fund payments to the El Dorado Hills Fire Department as soon as possible.

We understand that the payment is intended to backfill money the Fire Department loses due to an annual state raid on local property tax revenue known as the Educational Revenue Augmentation Fund (ERAF). The Taxpayers Association shares the Department's frustration at this loss of local revenue to the state, but ERAF impacts every local fire district. El Dorado Hills Fire Department is the only fire district receiving assistance from county taxpayers, despite the fact that it collects by far the most property tax revenue per parcel. At a time when most of our rural fire districts are experiencing severe budget challenges, a special deal for the county's wealthiest district is inappropriate.

If you choose not to suspend these payments immediately, we would ask that you make clear to El Dorado Hills Fire Department that this expenditure will not be included in future budget years. Because ERAF is a percentage of a district's property tax revenue, this payment's impact on the budget will likely increase in future years as property values in the El Dorado Hills area increase. The time is now to make it clear that this special subsidy cannot continue.

This type of item is exactly the issue we the taxpayers of El Dorado County are most concerned about. A bad decision in the past should not bind the Board today.

Sincerely,

Bill George  
President