



County of El Dorado

OFFICE OF AUDITOR-CONTROLLER

360 FAIR LANE
PLACERVILLE, CALIFORNIA 95667-4193
Phone: (530) 621-5487 Fax: (530) 295-2535

JOE HARN
Auditor-Controller

TSUNG-KUEI HSU
Assistant Auditor-Controller

December 3, 2024

**Board of Supervisors
330 Fair Lane
Placerville, California 95667**

Dear Supervisors:

It has been a long-standing practice for the County to file annual reports that include bond proceeds from the 1999 and the 2004 bond sales per SB-165 for Community Facilities District (CFD) 1992-1, Serrano.

A member of the public has recently suggested that the reports that we have been filing are in error. Because of the public scrutiny, my office has spent a little bit of time reviewing SB-165 and our previously filed reports.

The law, Senate Bill 165, filed with the Secretary of State on September 19, 2000, enacted the Local Agency Special Tax and Bond Accountability Act. This Act requires that any local special tax/local bond measure subject to voter approval contain a statement indicating the specific purposes of the special tax, requires that the proceeds of the special tax be applied to those purposes, requires the creation of an account into which the proceeds shall be deposited, and requires an annual report containing specified information concerning the use of the proceeds. The Act applies to local bond measures adopted on or after January 1, 2001, in accordance with Section 53410 of the California Government Code.

There have been three, new money, CFD 1992-1, bond sales: 1994, 1999, and 2004. Accordingly, we were never required to include in our annual reports bond proceeds from the 1994 or 1999 bond sales. We started the practice many years ago to include both the 1999 and 2004 proceeds in our report, although SB-165 only requires that we report the 2004 bond proceeds. We do not remember why we started this practice.

The member of the public who is scrutinizing CFD 1992-1 believes that it would be better to include all three bond sales on the report. I do not disagree with him.

We have located good records related to the use of the bond proceeds going back 25 years through the 1999 bond sale. We continue to work towards locating the CFD records going back to 1992 (32 years) when the CFD was formed. It is our goal to provide the public access to records related to the use of the bond proceeds from the 1994 bond sale as soon as is practical.

A handwritten signature in blue ink, appearing to read "Joe Harn", is written over the printed name.

**Joe Harn
Auditor-Controller**