

# Mountain Democrat

## **‘Clean audit’ for EID?**

**By Letters to the Editor - Mountain Democrat**

August 5, 2013 | Page 5

EDITOR:

Dawn Hodson’s July 10 front page article headline blared out “Clean audit for EID.” And EID’s June 25 news release, which adorns the front page of EID’s Website, bragged that EID’s bond rating increased from A to A+.

So with auditors and bond rating agencies clapping their hands with glee, why are EID water rates going up another 11 percent on January 1, 2014 and 102 percent for 2010-2015? And why did EID’s unfunded pensions climb another \$4 million and why are tens of millions of dollars of debt repayment being deferred for future EID general managers and boards to deal with?

Even excluding the substantial deferred debt repayment, EID’s debt service has climbed to 32 percent of rates ... five times the 6 percent that debt service consumes of our country’s federal budget.

Ratepayers would be well advised to recall that auditors and bond salesmen loved Enron, WorldCom, Tyco and HealthSouth. All of these past investment darlings received “clean audits” from the likes of audit giant Arthur Anderson ... until all their smoke and mirrors accounting gimmicks began rapidly unwinding.

So “Clean audit” and “EID finances in good shape?” Certainly not if you are an EID ratepayer.

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