

AGENDA
 IRVINE RANCH WATER DISTRICT
 FINANCE AND PERSONNEL COMMITTEE MEETING
 THURSDAY, JANUARY 11, 2024

This meeting will be held in-person at the District’s headquarters located at 15600 Sand Canyon Avenue, Irvine, California. The meeting will also be broadcasted via Webex for those wanting to observe the meeting virtually.

To observe this meeting virtually, please join online using the link and information below:

Via Web: <https://irwd.webex.com/irwd/j.php?MTID=mc67949e55c878be2832ded6f2993576e>
 Meeting number (access code): 2493 452 2537
 Meeting password: Usi2PKRbU23

As courtesy to the other participants, please mute your phone when you are not speaking.

PLEASE NOTE: Participants joining the meeting will be placed into the Webex lobby when the Committee enters closed session. Participants who remain in the “lobby” will automatically be returned to the open session of the Committee once the closed session has concluded. Participants who join the meeting while the Committee is in closed session will receive a notice that the meeting has been locked. They will be able to join the meeting once the closed session has concluded.

CALL TO ORDER 11:30 a.m.

ATTENDANCE Chair: Peer Swan _____ Member: Steve Lamar _____

<u>ALSO PRESENT</u>	Paul Cook	_____	Neveen Adly	_____
	Wendy Chambers	_____	Kevin Burton	_____
	Paul Weghorst	_____	Kent Morris	_____
	Christopher Smithson	_____	Tiffany Mitcham	_____
	Eileen Lin	_____	Lance Kaneshiro	_____
	Stephen Aryan	_____	Jennifer Davis	_____
	_____	_____	_____	_____
	_____	_____	_____	_____

PUBLIC COMMENT NOTICE

Public comments are limited to three minutes per speaker on each subject. If you wish to address the Committee on any item, you may attend the meeting in person and submit a “speaker slip.” You may also submit a public comment in advance of the meeting by emailing comments@irwd.com before 7:30 a.m. on Thursday, January 11, 2024.

COMMUNICATIONS

1. Notes: Adly
2. Public Comments
3. Determine the need to discuss and/or take action on item(s) introduced, which came to the attention of the District subsequent to the agenda being posted.
4. Determine which items may be approved without discussion.

INFORMATION

5. EMPLOYEE POPULATION AND RETENTION STATUS REPORT – SRADER / MITCHAM

Recommendation: Receive and file.

6. PERFORMANCE RECOGNITION PROGRAM QUARTERLY UPDATE – HALL / MITCHAM

Recommendation: Receive and file.

7. MONTHLY INVESTMENT AND DEBT REVIEW – MENDOZA / DAVIS / MORRIS / ADLY

Recommendation: Receive and file.

8. INFORMATION SERVICES PROJECT STATUS REPORT – KANESHIRO / ADLY

Recommendation: Receive and file.

9. FINANCIAL REPLACEMENT PLANNING MODEL UPDATE – SMITHSON / ADLY

Recommendation: Receive and file.

OTHER BUSINESS

10. Directors' Comments

11. Adjourn

Availability of agenda materials: Agenda exhibits and other writings that are disclosable public records distributed to all or a majority of the members of the above-named Committee in connection with a matter subject to discussion or consideration at an open meeting of the Committee are available for public inspection in the District's office, 15600 Sand Canyon Avenue, Irvine, California ("District Office"). If such writings are distributed to members of the Committee less than 72 hours prior to the meeting, they will be available from the District Secretary of the District Office at the same time as they are distributed to Committee Members, except that if such writings are distributed one hour prior to, or during, the meeting, they will be available at the entrance of the meeting room at the District Office. The Irvine Ranch Water District Committee Room is wheelchair accessible. If you require any special disability-related accommodations (e.g., access to an amplified sound system, etc.), please contact the District Secretary at (949) 453-5300 during business hours at least seventy-two (72) hours prior to the scheduled meeting. This agenda can be obtained in an alternative format upon written request to the District Secretary at least seventy-two (72) hours prior to the scheduled meeting.

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January 11, 2024
Prepared by: L. Srader
Submitted by: T. Mitcham
Approved by: Paul A. Cook *PAC*

FINANCE AND PERSONNEL COMMITTEE

EMPLOYEE POPULATION AND RETENTION STATUS REPORT

SUMMARY:

Staff has prepared various population status reports for the Committee's review.

FISCAL IMPACTS:

None.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

RECOMMENDATION:

Receive and file.

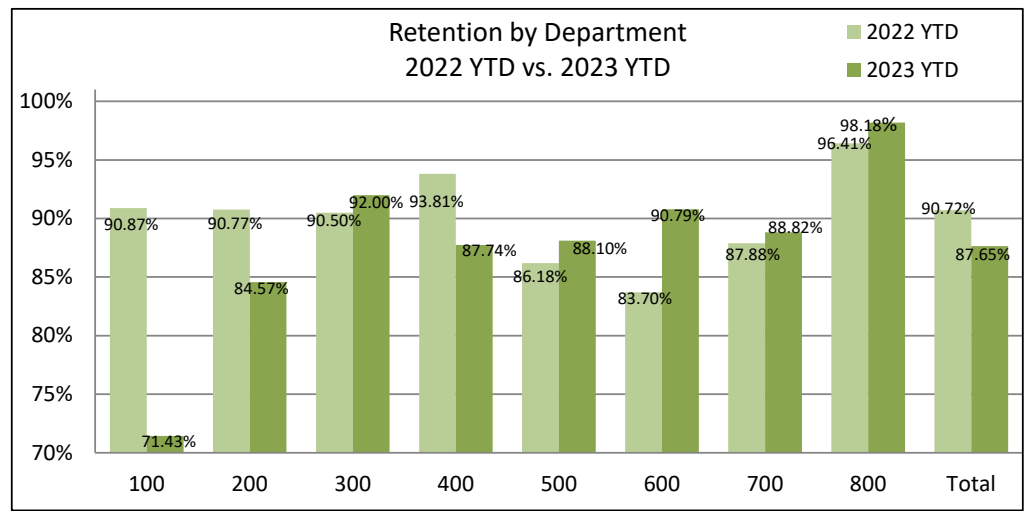
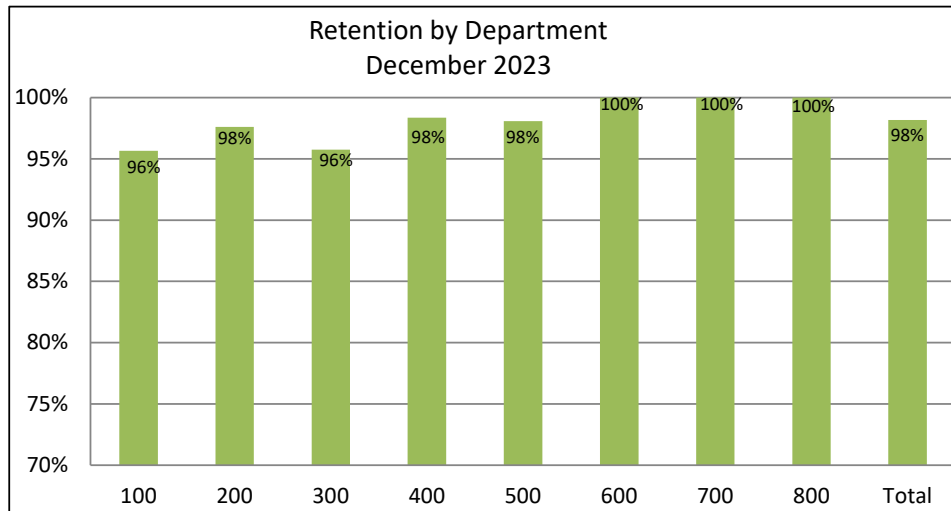
LIST OF EXHIBITS:

Exhibit "A" – Employee Population & Retention Status Report

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EXHIBIT A
IRVINE RANCH WATER DISTRICT
EMPLOYEE POPULATION STATUS REPORT
DECEMBER 2023

@ 12/01/23		Current Month Activity							@ 12/31/23		FY 23/24	Avg FYTD	Avg FYTD	Avg FYTD	Retention	
Dept	Positions Filled	New Hires	Terms		Promo Trnsfr		Lateral Trnsfr		Positions Filled	Positions Unfilled	Budgeted Positions	Filled Budget Positions	Temp Emp FTE	Total Filled Positions	Current Period	2023 YTD
			Vol	Invol	In	Out	In	Out								
100	23.0		1						22.0	2	24.0	24	0.28	24.6	95.65%	71.43%
200	84.0		2						82.0	9	91.0	83	2.52	85.4	97.62%	84.57%
300	47.0		1	1					45.0	5	50.0	44	3.55	47.9	95.74%	92.00%
400	61.0	2	1					1	61.0	10	71.0	64	0.00	64.0	98.36%	87.74%
500	52.0		1				1		52.0	10	62.0	51	4.72	56.0	98.08%	88.10%
600	33.0	1							34.0	1	35.0	33	3.54	36.2	100.00%	90.79%
700	27.0								27.0	2	29.0	27	0.00	26.7	100.00%	88.82%
800	57.0	1							58.0	4	62.0	56	1.40	57.4	100.00%	98.20%
Totals	384.0	4	6	1	-	-	1	1	381.0	43	424.0	382	16.00	398.2	98.18%	87.65%
12/22	382	3	3	1	-	-	-	-	381.0	39	420.0	379.2	14.7	393.9	98.95%	90.98%

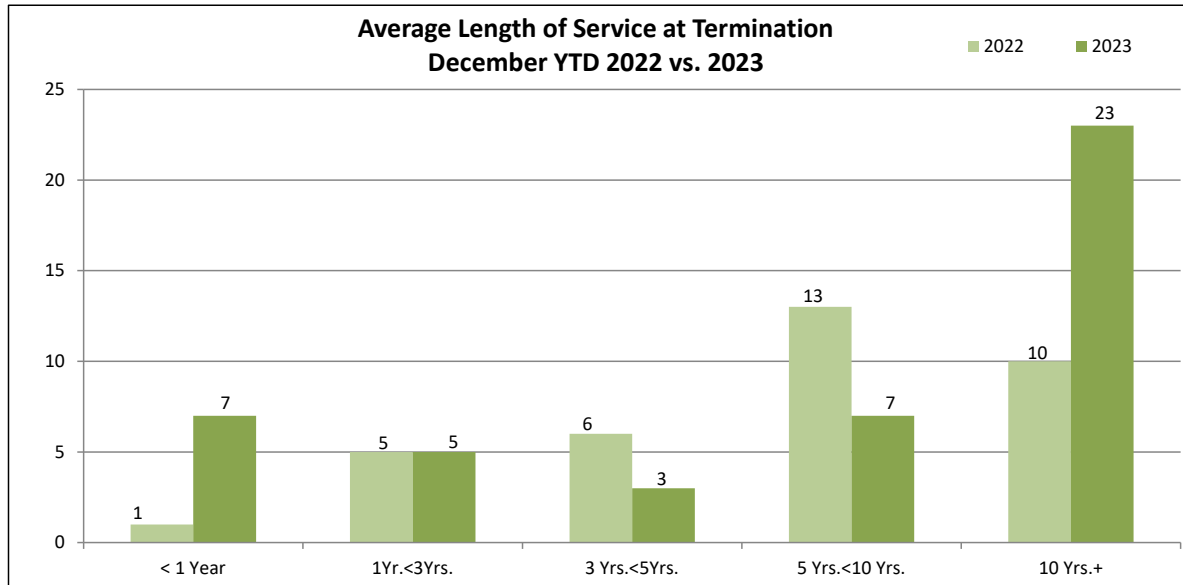


100-GM, HR, Safety, Commun; 200-Fin., Cust. Serv., IS, Purch.; 300-Eng.; 400-Water Ops; 500-Recycling Ops; 600-WQ&RC; 700-Water Res., Recyc. Water; 800-Adm. & Maint. Ops

**IRVINE RANCH WATER DISTRICT
RETENTION LONGEVITY RATIO
DECEMBER 2023**

Dept.	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	YTD Retention Longevity Ratio				
														< 1 Year	1Yr.<.3Yrs.	3 Yrs.<5Yrs.	5 Yrs.<10 Yrs.	10 Yrs.+
100	2						2	1	1			1	7	2	2	1		2
200	1		3				3		3		1	2	13	2			3	8
300					1		1					2	4	1				3
400	1						1	1		2	2	1	8	1	1		1	5
500			2					2		1		1	6		1	1	3	1
600							1	1			1		3	1		1		1
700				1			1		1				3					3
800							1						1		1			
2023 Total	4	-	5	1	1	-	10	5	5	3	4	7	45	7	5	3	7	23
2022 Data	2	4	5	4	1	2	2	4	-	4	2	5	35					
Percentage of Total Retention														84.44%	88.89%	93.33%	84.44%	48.89%

2023 Average YTD Length of Service at Termination	13.01 Years
2022 Average YTD Length of Service at Termination	10.40 Years
2021 Average YTD Length of Service at Termination	10.21 Years
2020 Average YTD Length of Service at Termination	16.33 Years
2019 Average YTD Length of Service at Termination	9.21 Years



**IRVINE RANCH WATER DISTRICT
EMPLOYEE POPULATION AND RETENTION REPORT
DECEMBER 2023**

NEW HIRES				
Date	Dept	Employee Name	Position	Prior Company/Agency
12/04/23	800	Fernando Cazares Ontiveros	Senior Maintenance Mechanic	SOLV Energy LLC
12/11/23	400	Donald Quick	Operator I	Golden State Water Company
12/11/23	600	Lori Rigby	Regulatory Compliance Manager	City of Oceanside
12/18/23	400	Lucas Scagliotti	Utility Worker	Golden State Water Company

TERMINATIONS					
Date	Dept	Employee Name	Position	Reason	Comments
12/01/23				VOL	
12/07/23				INVOL	
12/07/23				VOL	

RETIREMENTS					
Date	Dept	Employee Name	Position	Reason	Comments
12/14/23	400	Anthony Rojas	Water Maintenance Technician I	RET	
12/27/23	200	Alex Munoz	User Support Administrator	RET	
12/28/23	100	Julie Bendzick-Sin	Graphic Design Specialist	RET	
12/28/23	200	Eric Flotho	Information Services Coordinator	RET	

PROMOTIONS					
Date	Departing Dept	Employee Name	Departing Position	New Dept	New Position
11/25/23	200	Lina Santos	Customer Service Specialist II	200	Customer Service Specialist III
12/09/23	200	Kelleen Bosley	Customer Service Specialist I	200	Customer Service Specialist II
12/09/23	400	Max Contreras	Water Maintenance Technician I	400	Water Maintenance Technician II
12/09/23	500	Evan Seraypheap	Automation Specialist	500	Senior SCADA Network Administrator

TRANSFERS

Effective Date	Departing Dept	Employee Name	Departing Position	New Dept	New Position
12/09/23	400	Jonathan Villalta	Water Maintenance Technician II	500	Operator I

CROSS TRAINING					
Effective Date	Departing Dept	Employee Name	Departing Position	New Dept	New Position

**IRVINE RANCH WATER DISTRICT
EMPLOYEE POPULATION AND RETENTION REPORT
DECEMBER 2023**

UNFILLED POSITIONS			
Dept	Position	Salary Grade	Comments
100	External Affairs Manager	U18.E	Recruiting
100	Graphic Design Specialist	30.N	
200	User Support Administrator	U35.N	Recruiting
200	User Support Administrator	U35.N	
200	Information Services Coordinator	31.N	
200	Accountant	27.N	2nd Interviews Scheduled
200	Accountant	27.N	Recruiting
200	Office Specialist	15.N	
200	Senior Network Administrator	U15.E	Recruiting
200	Senior Accountant	U12.E	Interviewing
200	Customer Service Specialist I	13.N	Recruiting
300	Construction Inspector	29.N	Recruiting
300	Engineer	U17.E	Interviewing
300	Safety Specialist	U29.N	Interviewing
300	Engineering Technician	20.N	Recruiting
300	Engineering Technician	20.N	Recruiting
400	Water Maintenance Technician I	16.N	Recruiting
400	Metering Systems Technician III	26.N	Recruiting
400	Metering Systems Technician I	16.N	Recruiting
400	Water Maintenance Technician I	16.N	Recruiting
400	Water Maintenance Technician II	22.N	Recruiting
400	Water Maintenance Technician I	16.N	
400	Water Maintenance Technician II	22.N	Recruiting
400	Operations Manager	U21.E	
400	Operations Supervisor	S36.N	
400	Water Maintenance Technician I	16.N	Recruiting
500	Senior Collection Systems CCTV Tech	25.N	Recruiting
500	Senior Wetlands Specialist	29.N	Recruiting
500	Operator III	30.N	Interviewing
500	Operator III	30.N	Interviewing
500	Operator III	30.N	Interviewing
500	Manager of Biosolids & Energy Recovery	U21.E	Recruiting
500	Collection Systems Technician II	21.N	Recruiting
500	Collection Systems Technician II	21.N	Recruiting
500	Automation Specialist	34.N	
500	Collection Systems Technician I	15.N	Interviewing
600	Water Monitoring Supervisor	S35.N	
700	Recycled Water Project Specialist	31.N	Recruiting
700	Recycled Water Specialist	24.N	
800	Reliability Manager	U22.E	Interviewing
800	Electrical & Instrumentation Technician	28.N	Interviewing
800	Asset Maintenance Coordinator	32.N	Recruiting
800	Senior Electrical & Instrumentation Technician	28.N	Recruiting

**IRVINE RANCH WATER DISTRICT
EMPLOYEE POPULATION STATUS REPORT
DECEMBER 2023**

LEAVE OF ABSENCE						
Type of Leave	Pay Status	Date Leave Began	Anticipated Return Date	Current Length (wks)	Comments	
WC	WC/TTD	10/11/2022	2/1/2024	68.29	Continuous	
FMLA/CFRA	ACCRUALS	3/27/2023	3/27/2024	52	Intermittent	
FMLA/CFRA	ACCRUALS	5/9/2023	5/9/2024	52.29	Continuous	
FMLA/CFRA	ACCRUALS	7/1/2023	7/1/2024	52.29	Intermittent	
FMLA/CFRA	ACCRUALS	7/7/2023	1/7/2024	26.29	Intermittent	
FMLA/CFRA	ACCRUALS	7/11/2023	1/11/2024	26.29	Intermittent	
FMLA/CFRA	ACCRUALS	8/1/2023	8/1/2024	52.29	Intermittent	
FMLA/CFRA	ACCRUALS	9/8/2023	9/8/2024	52.29	Intermittent	
FMLA/CFRA	ACCRUALS	9/12/2023	10/13/2023	4.43	Continuous	
LOA	ACCRUALS	10/14/2023	1/16/2024	13.43	Continuous	
FMLA/PDL	ACCRUALS	9/18/2023	12/14/2023	12.43	Continuous	
FMLA/CFRA	ACCRUALS	9/21/2023	12/28/2023	14.00	Continuous	
FMLA/CFRA	ACCRUALS	10/1/2023	9/30/2024	52.14	Intermittent	
FMLA/CFRA	ACCRUALS	10/5/2023	10/4/2024	52.14	Intermittent	
FMLA/CFRA	ACCRUALS	10/28/2023	10/28/2024	52.29	Intermittent	
FMLA/CFRA	ACCRUALS	11/6/2023	1/8/2024	9.00	Bonding	
FMLA/CFRA	ACCRUALS	11/13/2023	12/17/2023	4.86	Bonding	
FMLA/CFRA	ACCRUALS	11/20/2023	12/5/2023	2.14	Continuous	
FMLA/CFRA	ACCRUALS	12/1/2023	1/2/2024	4.57	Continuous	
FMLA/CFRA	ACCRUALS	12/5/2023	1/2/2024	4.00	Continuous	
FMLA/CFRA	ACCRUALS	12/11/2023	3/19/2024	14.14	Continuous	
FMLA/CFRA	ACCRUALS	12/12/2023	1/12/2024	4.43	Continuous	
FMLA/CFRA	ACCRUALS	12/27/2023	1/15/2024	2.71	Continuous	

**IRVINE RANCH WATER DISTRICT
EMPLOYEE POPULATION STATUS REPORT FOR 2023
DECEMBER 2023**

Month	Length of Employment	Termination		Comments
		Vol	Invol	
January	15 years, 9 months	X		RET
	10 years, 3 months	X		RET
	11 months	X		Inland Empire Utility Agency
	2 months	X		City of Brea
February	*****			*****
March	19 years, 6 months	X		RET
	5 years, 3 months	X		City of Oceanside
	4 years, 6 months	X		Orange County Water District
	6 months	X		United Health Group
	5 years, 7 months		X	
April	11 years, 10 months		X	
May	13 years, 9 months	X		Elsinore Valley Municipal Water District
June	*****			*****
July	23 years, 3 months	X		RET
	14 years, 4 months	X		RET
	32 years, 8 months	X		RET
	18 years, 5 months	X		RET
	3 years, 10 months	X		Orange County Water District
	30 years, 8 months	X		RET
	2 years, 10 months	X		Metropolitan Water District
	1 month	X		P/F
	4 years, 2 months	X		RET
	4 months		X	
August	5 years	X		Unknown Employer
	5 years	X		Return to School
	8 months	X		Unknown Employer
	31 years, 10 months	X		RET
	12 months	X		City of Corona
September	7 years, 7 months	X		Unknown Employer
	1 years	X		Unknown Employer
	10 years, 10 months	X		RET
	35 years, 2 months	X		RET
	35 years, 7 months	X		RET
October	16 years, 10 months	X		RET
	1 year, 1 month	X		South Coast Water District
	31 years	X		Liberty Utilities

**IRVINE RANCH WATER DISTRICT
EMPLOYEE POPULATION STATUS REPORT FOR 2023
DECEMBER 2023**

November	28 years, 11 months	X		RET
	8 years, 2 months	X		Moulton Niguel Water District
	24 years, 8 months	X		RET
	1 year, 3 months	X		Southern California Edison
December	20 years, 9 months	X		RET
	32 years, 3 months	X		RET
	15 years, 6 months		X	
	25 years	X		RET
	18 years, 1 month	X		RET
	9 years, 1 month	X		Unknown Employer
	10 months	X		County of Orange

Change in status = CS
Retirement = RET
No Reason Given = NRG

Personal/Family = P/F
Relocation = REL

**IRVINE RANCH WATER DISTRICT
SUMMARY
AGENCY & DISTRICT TEMPORARY EMPLOYEES
NOVEMBER 2023**

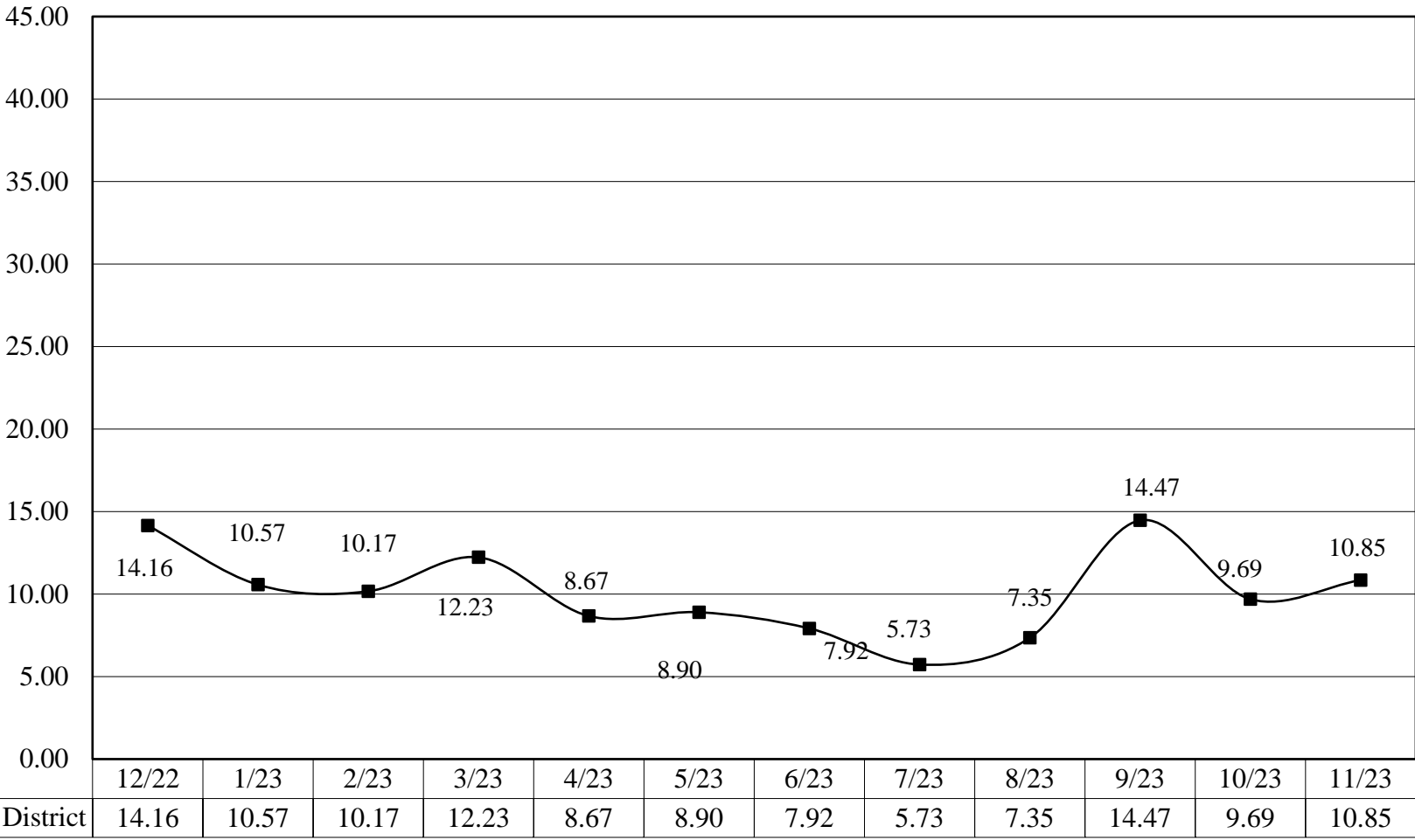
ACTIVE											
Current Month	FYTD Ave Hours Worked	PERS Enroll-ment	Agency	Dept	Hourly Rate	Est Hours per Month	Est Cost Per Month	Expected Duration (Months)	Actual Worked (Months)	Projected Cost FY' YTD	Actual Cost FY 'YTD
0.00	0.00			100							
0.98	0.73	No	X	200	58.00	168	9,744.00	6	5	48,720.00	29,406.00
0.98	0.24	No	X	200	55.00	168	9,240.00	6	4	36,960.00	9,295.00
0.98	0.73	No	X	200	68.00	168	11,424.00	3	3	34,272.00	34,476.00
0.23	0.06	No		200	35.50	168	5,964.00	6	1	5,964.00	1,420.00
0.42	0.20	No		200	16.50	84	1,386.00	9	3	4,158.00	2,326.50
0.98	0.24	No	X	200	49.30	168	8,282.40	4	3	24,847.20	8,331.70
4.55	2.21			200							
0.73	0.80	No		300	20.00	84	1,680.00	12	5	8,400.00	11,030.00
0.23	0.69	No		300	20.00	84	1,680.00	12	4	6,720.00	9,500.00
0.26	0.71	No		300	20.00	84	1,680.00	12	5	8,400.00	9,890.00
0.31	0.78	No		300	20.00	85	1,700.00	12	5	8,500.00	10,820.00
0.53	0.58	Yes		300	81.81	84	6,872.04	12	5	34,360.20	32,887.62
2.06	3.55			300							
0.00	0.00			400							
0.40	0.58	No		500	16.50	84	1,386.00	12	5	6,930.00	6,657.75
0.26	0.64	No		500	19.50	84	1,638.00	12	5	8,190.00	8,658.00
0.21	0.35	No		500	16.50	84	1,386.00	12	5	6,930.00	4,050.75
0.29	0.34	No		500	16.50	84	1,386.00	12	5	6,930.00	3,869.25
1.16	1.91			500							
0.29	0.50	No		600	16.50	84	1,386.00	12	5	6,930.00	5,684.25
0.21	0.42	No		600	16.00	84	1,344.00	9	5	6,720.00	4,640.00
0.57	1.00	No		600	16.50	84	1,386.00	3	5	6,930.00	12,168.75
0.23	0.58	No		600	16.50	84	1,386.00	12	5	6,930.00	6,616.50
0.43	0.20	No		600	16.50	84	1,386.00	12	4	5,544.00	2,310.00
0.35	0.19	No		600	18.00	84	1,512.00	12	4	6,048.00	2,317.50
0.47	0.66	No		600	16.50	84	1,386.00	12	5	6,930.00	7,524.00
2.57	3.54			600							
0.27	0.65	No		700	20.00	84	1,680.00	12	5	8,400.00	9,060.00
0.25	0.25	No		700	15.50	84	1,302.00	10	3	3,906.00	2,739.63
0.52	0.91			700							
0.00	0.00			800							
10.85	12.13										


**IRVINE RANCH WATER DISTRICT
SUMMARY
AGENCY & DISTRICT TEMPORARY EMPLOYEES**

TERMINATED												
Current Month FTE	Avg FYTD Temp Emp FTE	Active PERS Y/N *	Agency	Dept	Hourly Rate	Est Hours per Month	Est Cost Per Month	Expected Duration (Months)	Actual Worked (Months)	Projected Cost FYTD	Actual Cost FYTD	
1.00	0.28	No	X	100	65.64	168	11,027.52	3	2	22,055.04	12,766.98	
1.00	0.28			100								
0.92	0.31	No	X	200	35.50	168	5,964.00	5	3	17,892.00	5,680.00	
0.00	0.00	No	X	200	73.10	168	12,280.80	6	2	24,561.60	0.00	
0.92	0.31			200								
0.00	0.00	Yes		300	95.00	84	7,980.00	12	2	15,960.00	0.00	
0.00	0.00			300								
0.00	0.00			400								
0.92	0.73	No	X	500	143.00	168	24,024.00	6	2	48,048.00	72,358.00	
0.92	0.73	No	X	500	118.00	168	19,824.00	6	2	39,648.00	59,708.00	
0.92	0.73	No	X	500	118.00	168	19,824.00	6	2	39,648.00	59,708.00	
0.40	0.61	No		500	19.50	84	1,638.00	12	3	4,914.00	6,201.00	
3.17	2.80			500								
0.00	0.00			600								
1.00	0.49	Yes		700	33.91	168	5,696.88	4	2	11,393.76	11,461.58	
0.00	0.00			700								
0.00	0.00			800								
5.10	3.39									532,739.80	463,562.76	

EXC = Exclude from PERS enrollment
Yes= Temporary employee enrolled in PERS Membership
No=Temporary Agency employee

**Temporary Employees
Full Time Equivalency
District Totals as of November 30, 2023**



January 11, 2024
Prepared by: A. Hall
Submitted by: T. Mitcham
Approved by: Paul A. Cook 

FINANCE AND PERSONNEL COMMITTEE

PERFORMANCE RECOGNITION PROGRAM QUARTERLY UPDATE

SUMMARY:

This item presents the activities within IRWD’s Performance Recognition Program through the second quarter of Fiscal Year (FY) 2023-24.

BACKGROUND:

IRWD’s Performance Recognition Program recognizes employees who exhibit outstanding performance depicting efforts above and beyond the performance requirements of their positions and aligns with / exemplifies IRWD’s Values.

During the second quarter of FY 2023-24, there were 13 Performance Recognition Award nominations totaling \$2,600 and involving 60 IRWD employees. Details regarding each of the performance recognition awards are shown in Exhibit “A.”

FISCAL IMPACTS:

The District’s annual budget for its Performance Recognition Program in FY 2023-24 is \$210,000; \$4,380 has been distributed for performance recognition through the second quarter of this fiscal year.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

RECOMMENDATION:

Receive and file.

LISTS OF EXHIBITS:

Exhibit “A” – Performance Recognition Program Update for the Second Quarter of FY 2023-24

Note: This page is intentionally left blank.

Exhibit "A"

PERFORMANCE RECOGNITION PROGRAM

QUARTERLY UPDATE

Fiscal Year 2023-2024

Q2 October- December 2023



QTR.	DATE	EMPLOYEE	PERFORMANCE RECOGNIZED	AWARD	GROSS AMOUNT
2nd Quarter					
	10/9/2023	Sabrina Lee	Recognized for their Teamwork and Collaboration and Opportunity. Sabrina advocated for the new student intern, Loc, to train on other analytical methods outside of his daily routine tasks at the Biosolids facility. Sabrina saw the opportunity for Loc to have exposure to learning more advanced instrumentation, such as IC and GC, and trained him on the new methods. Sabrina is mentoring Loc on fundamental skills and techniques that will ensure his future success as a Scientist. Somkit continuously finds solutions in the most difficult and frustrating of times, but refuses to "pass the buck" when the going gets tough. He identified some issues during the development of the GC-TQ methodology and tried varying solutions to troubleshoot the issue. Somkit has a great "can-do" attitude and continuously improves himself and processes within the group.	3 Gift Cards	\$30
	"	Somkit Rattan		"	\$30
	10/23/2023	Roxanne Ancona	Recognized for her Teamwork & Collaboration, Customer Care and Environmental Stewardship, Roxanne came up with the name for the new popular "Log-a-Leak" application. The application allows IRWD customers to help save water in the community by reporting outdoor leaks from their smartphones.	3 Gift Cards	\$30
	11/15/2023	Michael Kulick	Recognized for their Teamwork and Collaboration during the MWRP Service A project; a high-profile emergency project where the design and installation was closely coordinated with SCE. The SCE timelines and schedules had to be met to complete the installation as soon as possible and to perform the shutdown from 10:00 p.m. to 6:00 a.m., requiring staff to stage emergency generators on the previous day, transfer the processes to emergency power, and monitor all generators, allowing SCE to complete their work, then transfer processes back to normal power and demobilize.	3 Gift Cards	\$30
	"	Jonathan Villalta		"	\$30
	"	Carlos Argueta		"	\$30
	"	Gustavo Orozco		"	\$30
	"	Marco Cano		"	\$30
	"	Robert Estrada		"	\$30
	"	Max Contreras		"	\$30
	"	Matthew Shapiro		"	\$30
	"	Brian Cortez		"	\$30
	"	George Sanchez		"	\$30
	"	Dave Crowe		"	\$30
	"	Darin Nicholson		"	\$30
	"	Terrence Schreiner		"	\$30
	"	Nicholas Humeny		"	\$30
	"	Ryan Arbogast		"	\$30
	"	Esteban Rendon		"	\$30
	"	Alejandro Garcia		"	\$30
	"	Dixie Daquial		"	\$30
	"	Corey Waibel		"	\$30
	"	Yang Zhang		"	\$30
	"	Jack Justice	"	\$30	
	"	Thomas Hernandez	"	\$30	
	"	Jose Donis	"	\$30	
	"	Owen O'Neill	"	\$30	
	"	Pio Reynoso	"	\$30	
	"	Ricky Ruiz	"	\$30	
	"	Wayne Sidlin	"	\$30	
	"	Michael Fites	"	\$30	
	"	Gaspar Garza	"	\$30	
	"	David Perez	"	\$30	
	"	Alfonso Calderon	"	\$30	
	"	Miguel Ramirez	"	\$30	
	"	Edward Corral	"	\$30	
	"	Gustavo Barreto	"	\$30	
	11/27/2023	Naveen Gudala	Recognized for his hard work in supporting and processing Open Enrollment for the 2024 plan year. He demonstrated IRWD's values of Teamwork and Collaboration and Customer Care.	Payroll Check	\$250
	11/29/2023	Michael Mroczek	Recognized for his efforts on the replacement of the data warehouse, as the old one was being retired. Mike is the first to volunteer, often improving and innovating the transition process making it easier for everyone in the group. He wrote scripts to automatically update all the old queries on individual computers eliminating the guesswork for those with less experience with queries and is always open to new ideas and provides feedback to the group. His actions demonstrated IRWD's value of Innovation.	3 Gift Cards	\$30
	12/11/2023	Tammy Norman	Recognized for their efforts in identifying the assembly and evacuation route maps in Building 50 were outdated. Tammy and Mike took initiative and worked with Facilities to update the maps. Their actions demonstrated IRWD's values of Safety and Accountability.	Payroll Check	\$100
	"	Mike Bornhoff		"	\$100
	12/11/2023	Kevin Reideler	Recognized for his efforts providing a solution to switch from Aqueous Ammonia to Liquid Ammonium Sulfate (LAS) at the Baker Facility that has been under consideration for years. Kevin took the initiative to research LAS, worked with the Regulatory Compliance team to get approval from DDW to make the switch, obtained buy-in from Jose, Jason, and Safety & Security, contacted Olivenhain Municipal Water District regarding their experience with the use of LAS and created a cost-benefit analysis. The switch was successful, and Safety & Security is working	Payroll Check	\$500

Exhibit "A"

PERFORMANCE RECOGNITION PROGRAM
 QUARTERLY UPDATE
 Fiscal Year 2023-2024
 Q2 October- December 2023



QTR.	DATE	EMPLOYEE	PERFORMANCE RECOGNIZED	AWARD	GROSS AMOUNT
			with the Orange County Health Care Agency to remove the Baker facility from CalARP. Kevin's actions demonstrated IRWD's values of Safety, Accountability, and Innovation.		
	12/11/2023	Cody Bill	Recognized for their actions of Customer Care, Respect and Kindness. On November 14, a customer contacted the District to express his gratitude to IRWD's construction crew in	3 Gift Cards	\$30
	"	Gustavo Orozco	repairing a mainline break on his street. He stated how professional, kind, and courteous the employees were during their interactions with him and another neighbor as well.	"	\$30
	"	Reynaldo Valencia		"	\$30
	"	Michael Kulick		"	\$30
	"	Nicholas Coleman		"	\$30
	"	David McCarter		"	\$30
	"	Jesse Marquez		"	\$30
	"	Eric Olivolo		"	\$30
	"	Jonathan Villalta		"	\$30
	"	Carlos Collazo		"	\$30
	12/11/2023	Kristine Swan	Kristine has consistently displayed an exemplary dedication to teamwork. Her efforts significantly contributed to the collective success of IS projects and initiatives. Kristine consistently goes the extra mile to support her colleagues and sets a good example. She demonstrated IRWD's value of Teamwork and Collaboration.	3 Gift Cards	\$30
	12/11/2023	Miguel Ramirez	Recognized for their demonstration of IRWD's value of Teamwork and Collaboration by being flexible on their daily assignments and supporting larger USA projects assigned to the	3 Gift Cards	\$30
	"	David Asman	department, which involved the widening of the I-405 freeway and installing infrastructure for Edison along Laguna Canyon Road and Technology. The project required a high level	"	\$30
	"	Husai Magana	of focus and accuracy, as there are major pipelines within the work zones. Without the support of Husai and Dave, and the leadership displayed by Miguel we would have been hard pressed to meet our obligations to locate and mark out District infrastructure. Their actions demonstrate IRWD's values of Teamwork and Collaboration.	"	\$30
	12/11/2023	Naveen Gudala	Naveen was recognized for demonstrating IRWD's value of Teamwork and Collaboration, Accountability, and Customer Care, as he developed a process through the Oracle system in which errors such as incorrect module interfaces would be automatically corrected instead of using a manual approach. This was a taxing project yet through it, Naveen had a great attitude, took ownership of the project and was flexible. Aside from automating the process, this action will increase efficiency and provide and audit trail for corrections.	3 Gift Cards	\$30
	12/11/2023	Krishna Chilukuri	Krishna and Gabby successfully implemented the Oracle Self Service Portal in about three (3) months. They worked together to develop forms in Oracle, eliminating a manual process	3 Gift Cards	\$30
	"	Gabrielle Wang	which increased the efficiency in collecting employee data from employees. Additionally, they created step-by-step instructions for all three (3) forms, created a training video, and hosted four (4) employee training sessions. They demonstrated IRWD's values of Teamwork and Collaboration, Customer Care and Accountability.	"	\$30
	12/14/2023	Christoper Lum	Recognized for being proactive in implementing an excellent design solution that met SCE requirements for future MWRP expansions. Chris worked on a preliminary design to fix the MWRP Service A failure. His understanding of the design and knowledge of SCE standards for such designs, made it possible to fast-track the submittal of two possible fixes for the failed design, and was done in three (3) days from the date the initial failure occurred. After some adjustments and a site visit from SCE, one of the submitted designs was accepted. Chris' work was instrumental in keeping the project on schedule - completing it within sixty (60) days of mobilization. His action exemplified IRWD's values of Teamwork and Collaboration and Innovation.		
	Awards	Recipients		<i>Second Quarter Totals</i>	\$2,600
	13	60			
FISCAL YEAR TO DATE TOTAL					\$4,380

January 11, 2024

Prepared by: O. Mendoza / J. Davis

Submitted by: K. Morris / N. Adly

Approved by: Paul A. Cook



FINANCE AND PERSONNEL COMMITTEE

MONTHLY INVESTMENT AND DEBT REVIEW

SUMMARY:

The following items are submitted for the Committee's review and consideration:

- The Investment Portfolio Summary Report as of December 31, 2023 as outlined in Exhibit "A";
- The U.S. Treasury Yield Curve as of December 31, 2023 as shown in Exhibit "B";
- The Summary of Fixed and Variable Debt as of December 31, 2023 as outlined in Exhibit "C"; and
- The Summary of Variable Rate Debt Rates as of December 31, 2023 as outlined in Exhibit "D".

Staff is also available to discuss any questions the committee has about any of the District's investment programs.

BACKGROUND:

Investment Portfolio:

The rate of return for the fixed income investment portfolio of 4.29%, which is a 0.15% increase from November's rate of 4.14%. The increase is due to the reinvestment of funds at higher yields. Additionally, the portfolio's average number of days to maturity was extended by 53 days in anticipation of lower future interest rates. Including real estate investments, the weighted average rate of return for IRWD's investment portfolio for December 2023 was 6.56%, which was a 0.02% increase from November's rate of 6.54%.

Debt Portfolio:

As of December 31, 2023, IRWD's weighted average all-in variable rate for debt was 3.29%, which was a 0.64% increase from November's rate of 2.65%. Including IRWD's weighted average fixed rate bond issues of 3.72% and the negative cash accruals from fixed payer interest rate swaps (which hedge a portion of the District's variable rate debt), the total average debt rate was 3.59%, a 0.23% increase from November's rate of 3.36%. The increase was due to higher average rates for the District's variable rate debt.

FISCAL IMPACTS:

Fiscal impacts are outlined above and included in the exhibits provided.

ENVIRONMENTAL COMPLIANCE:

This item is not a project as defined in the California Environmental Quality Act Code of Regulations, Title 14, Chapter 3, Section 15378.

RECOMMENDATION:

Receive and file.

LIST OF EXHIBITS:

Exhibit "A" – Investment Portfolio Summary as of December 31, 2023

Exhibit "B" – Yield Curve as of December 31, 2023

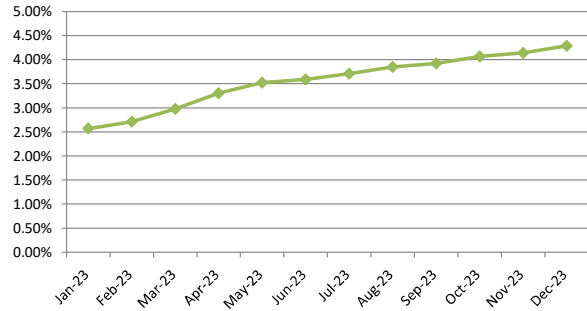
Exhibit "C" – Summary of Fixed and Variable Debt as of December 31, 2023

Exhibit "D" – Summary of Variable Rate Debt Rates as of December 31, 2023

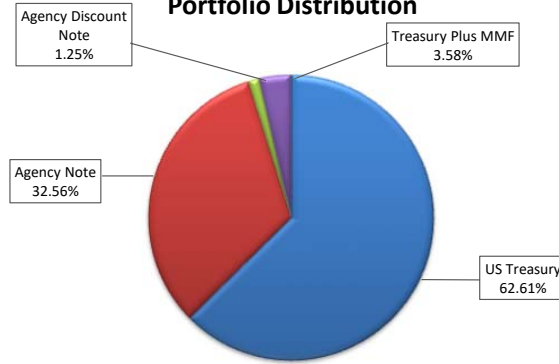
Exhibit "A"

Irvine Ranch Water District Investment Portfolio Summary December 2023

Monthly Fixed Income Yield



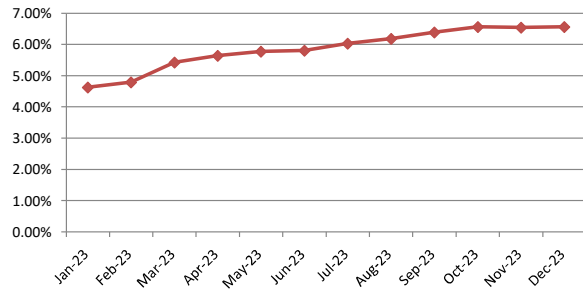
Portfolio Distribution



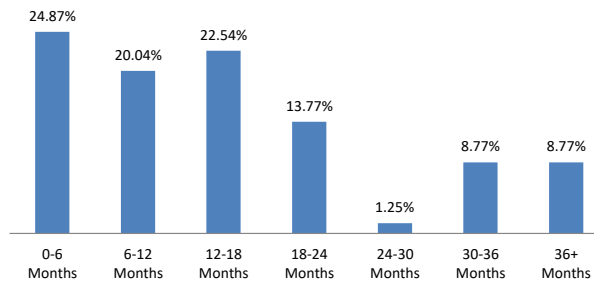
Investment Summary

Type	PAR	Book Value	Market Value
US Treasury	250,000,000	248,030,605	246,947,832
Agency Note	130,000,000	128,830,769	127,634,300
Treasury Plus MMF	14,300,863	14,300,863	14,300,863
Agency Discount	5,000,000	4,993,056	4,970,250
Grand Total	399,300,863	396,155,294	393,853,245

Weighted Average Return Including Real Estate Portfolio



Maturity Distribution



Top Issuers

Issuer	PAR	% Portfolio
US Treasury	250,000,000	62.61%
Fed Home Loan Bank	60,000,000	15.03%
Fed Farm Credit Bank	55,000,000	13.77%
Fed Home Loan Mortgage Corp	15,000,000	3.76%
Wells Fargo / Allspring	14,300,863	3.58%
Fed Natl Mortgage Assoc	5,000,000	1.25%
Grand Total	399,300,863	100.00%

IRVINE RANCH WATER DISTRICT
INVESTMENT SUMMARY REPORT

12/31/23

SETTLMT	Call Schedule	Initial Call	Maturity Date	Rating	INVESTMENT TYPE	INSTITUTION / ISSUER	PAR Amount	COUPON DISCOUNT	YIELD	ORIGINAL COST	CARRY VALUE	MARKET VALUE ⁽¹⁾ 12/31/2023	UNREALIZED ⁽²⁾ GAIN/(LOSS)
04/06/23			01/01/24		LAIF	State of California Tsy.	\$0.00		3.960%	\$0.00	\$0.00	0.00	0.00
12/31/23			01/01/24		Treasury Plus MMF	Wells Fargo / Allspring	14,300,863.21		5.240%	14,300,863.21	14,300,863.21	14,300,863.21	0.00
01/17/23	NA	NA	01/12/24	NR	FHLB - Discount Note	Fed Home Loan Bank	5,000,000	4.545%	4.771%	4,772,750.00	4,993,056.25	4,970,250.00	(22,806.25)
12/27/23	NA	NA	01/23/24	Aaa/NR/AAA	Treasury - Bill	US Treasury	10,000,000	5.258%	5.367%	9,960,563.50	9,967,866.56	9,960,563.50	(7,303.06)
11/14/23	NA	NA	01/30/24	Aaa/NR/AAA	Treasury - Bill	US Treasury	10,000,000	5.231%	5.378%	9,888,116.86	9,957,862.19	9,912,300.00	(45,562.19)
03/22/22	NA	NA	01/31/24	Aaa/AA+/AA+	Treasury - Note	US Treasury	5,000,000	0.875%	2.013%	4,896,484.38	4,995,433.13	4,962,800.00	(32,633.13)
08/31/22	NA	NA	01/31/24	Aaa/AA+/AA+	Treasury - Note	US Treasury	5,000,000	2.500%	3.445%	4,935,156.25	4,996,244.57	4,975,800.00	(20,444.57)
12/16/22	NA	NA	02/15/24	Aaa/AA+/AA+	Treasury - Note	US Treasury	5,000,000	2.750%	4.531%	4,899,804.69	4,989,415.99	4,973,450.00	(15,965.99)
08/17/23	NA	NA	02/15/24	Aaa/NR/AAA	Treasury - Bill	US Treasury	10,000,000	5.260%	5.494%	9,734,077.78	9,934,250.00	9,889,500.00	(44,750.00)
03/22/22	NA	NA	02/29/24	Aaa/AA+/AA+	Treasury - Note	US Treasury	5,000,000	1.500%	2.020%	4,950,781.25	4,995,904.22	4,952,150.00	(43,754.22)
03/10/22	NA	NA	03/08/24	Aaa/AA+/NR	FHLB - Note	Fed Home Loan Bank	10,000,000	1.875%	1.680%	10,038,080.00	10,003,499.81	9,904,000.00	(99,499.81)
04/21/22	NA	NA	04/30/24	Aaa/AA+/AA+	Treasury - Note	US Treasury	10,000,000	2.000%	2.600%	9,882,421.88	9,980,933.28	9,865,600.00	(115,333.28)
05/31/22	NA	NA	05/31/24	Aaa/AA+/AA+	Treasury - Note	US Treasury	10,000,000	2.500%	2.560%	9,988,281.25	9,997,579.30	9,859,800.00	(137,779.30)
08/17/22	NA	NA	06/14/24	Aaa/AA+/AAA	FHLB - Note	Fed Home Loan Bank	5,000,000	3.125%	3.315%	4,983,200.00	4,995,844.08	4,941,800.00	(54,044.08)
12/16/22	NA	NA	06/14/24	Aaa/AA+/AAA	FHLB - Note	Fed Home Loan Bank	5,000,000	4.875%	4.611%	5,018,300.00	5,005,530.22	4,987,450.00	(18,080.22)
12/01/22	NA	NA	07/02/24	Aaa/AA+/AAA	FNMA - Note	Fed Natl Mortgage Assoc	5,000,000	1.750%	4.450%	4,795,376.45	4,935,326.24	4,897,800.00	(37,526.24)
08/17/22	NA	NA	07/31/24	Aaa/AA+/AA+	Treasury - Note	US Treasury	5,000,000	3.000%	3.249%	4,976,562.50	4,993,040.97	4,925,200.00	(67,840.97)
11/30/23	NA	NA	07/31/24	Aaa/AA+/AA+	Treasury - Note	US Treasury	10,000,000	1.750%	5.288%	9,770,312.50	9,800,435.45	9,768,800.00	(31,635.45)
08/31/22	NA	NA	08/26/24	Aaa/AA+/NR	FFCB - Note	Fed Farm Credit Bank	5,000,000	3.375%	3.500%	4,988,050.00	4,996,082.51	4,933,600.00	(62,482.51)
S 09/09/22	One Time	11/28/2022	08/28/24	Aaa/AA+/NR	FHLB - Note	Fed Home Loan Bank	5,000,000	4.000%	3.950%	4,995,000.00	4,998,331.02	4,952,950.00	(45,381.02)
02/28/23	One Time	8/28/2023	08/28/24	Aaa/AA+/NR	FHLB - Note	Fed Home Loan Bank	5,000,000	5.250%	5.338%	4,993,750.00	4,997,257.77	4,999,250.00	1,992.23
08/31/22	NA	NA	09/13/24	Aaa/AA+/NR	FHLB - Note	Fed Home Loan Bank	5,000,000	3.250%	3.530%	4,972,750.00	5,012,837.03	4,922,350.00	(90,487.03)
09/30/22	NA	NA	09/13/24	Aaa/AA+/NR	FHLB - Note	Fed Home Loan Bank	5,000,000	3.250%	4.340%	4,898,930.00	4,963,762.02	4,922,350.00	(41,412.02)
09/30/22	NA	NA	09/26/24	Aaa/AA+/NR	FFCB - Note	Fed Farm Credit Bank	5,000,000	4.250%	4.334%	4,992,100.00	4,997,076.89	4,956,450.00	(40,626.89)
10/17/22	NA	NA	10/17/24	Aaa/AA+/NR	FFCB - Note	Fed Farm Credit Bank	10,000,000	4.375%	4.535%	9,969,800.00	9,988,019.15	9,927,300.00	(60,719.15)
10/31/22	NA	NA	11/15/24	Aaa/AA+/AA+	Treasury - Note	US Treasury	5,000,000	2.250%	4.489%	4,783,984.38	4,907,628.71	4,861,900.00	(45,728.71)
12/22/22	NA	NA	11/18/24	Aaa/AA+/AAA	FFCB - Note	Fed Farm Credit Bank	5,000,000	0.875%	4.260%	4,693,316.75	4,858,318.50	4,796,400.00	(61,918.50)
10/31/22	NA	NA	12/31/24	Aaa/AA+/AA+	Treasury - Note	US Treasury	5,000,000	2.250%	4.471%	4,773,046.88	4,895,406.71	4,847,850.00	(47,556.71)
10/31/22	NA	NA	12/31/24	Aaa/AA+/AA+	Treasury - Note	US Treasury	5,000,000	2.250%	4.483%	4,771,875.00	4,894,866.64	4,847,850.00	(47,016.64)
10/31/22	NA	NA	01/15/25	Aaa/AA+/AA+	Treasury - Note	US Treasury	5,000,000	1.125%	4.476%	4,651,562.50	4,835,927.82	4,783,800.00	(52,127.82)
10/31/22	NA	NA	01/31/25	Aaa/AA+/AA+	Treasury - Note	US Treasury	5,000,000	2.500%	4.483%	4,789,843.75	4,901,041.67	4,853,150.00	(47,891.67)
11/30/23	NA	NA	01/31/25	Aaa/AA+/AA+	Treasury - Note	US Treasury	10,000,000	2.500%	5.097%	9,708,593.75	9,730,381.13	9,706,300.00	(24,081.13)
02/13/23	NA	NA	02/13/25	Aaa/AA+/NR	FHLB - Note	Fed Home Loan Bank	5,000,000	5.020%	5.020%	5,000,000.00	5,000,000.00	4,985,400.00	(14,600.00)
02/07/23	NA	NA	02/14/25	Aaa/AA+/AAA	FFCB - Note	Fed Farm Credit Bank	5,000,000	1.750%	4.500%	4,737,350.00	4,854,083.33	4,809,000.00	(45,083.33)
12/30/22	NA	NA	02/28/25	Aaa/AA+/AA+	Treasury - Note	US Treasury	5,000,000	2.750%	4.317%	4,839,453.13	4,913,942.01	4,860,950.00	(52,992.01)
02/07/23	NA	NA	03/14/25	Aaa/AA+/NR	FHLB - Note	Fed Home Loan Bank	5,000,000	4.250%	4.518%	4,973,050.00	4,984,589.95	4,949,350.00	(35,239.95)
12/30/22	NA	NA	03/15/25	Aaa/AA+/AA+	Treasury - Note	US Treasury	5,000,000	1.750%	4.329%	4,731,250.00	4,853,621.28	4,797,250.00	(56,371.28)
04/12/23	NA	NA	03/31/25	Aaa/AA+/AA+	Treasury - Note	US Treasury	20,000,000	3.875%	4.073%	19,925,781.25	19,953,032.64	19,707,800.00	(245,232.64)
12/22/22	NA	NA	04/01/25	Aaa/AA+/AAA	FHLB - Note	Fed Home Loan Bank	5,000,000	4.200%	4.160%	5,004,550.00	5,002,496.75	4,953,600.00	(48,896.75)
12/08/22	Quarterly	02/12/2023	05/12/25	Aaa/AA+/AAA	FHLMC - Note	Fed Home Loan Mortgage Corp	5,000,000	3.050%	4.427%	4,843,000.00	4,911,931.15	4,857,500.00	(54,431.15)
01/11/23	NA	NA	05/15/25	Aaa/AA+/AA+	Treasury - Note	US Treasury	5,000,000	2.750%	4.148%	4,845,312.50	4,909,539.47	4,846,300.00	(63,239.47)
12/13/22	NA	NA	06/13/25	Aaa/AA+/AAA	FFCB - Note	Fed Farm Credit Bank	5,000,000	4.250%	4.340%	4,989,400.00	4,993,858.27	4,948,150.00	(45,708.27)
12/13/22	NA	NA	06/13/25	Aaa/AA+/AAA	FFCB - Note	Fed Farm Credit Bank	5,000,000	4.250%	4.352%	4,988,000.00	4,993,047.10	4,948,150.00	(44,897.10)
08/01/23	NA	NA	07/15/25	Aaa/AA+/AA+	Treasury - Note	US Treasury	10,000,000	3.000%	4.917%	9,646,875.00	9,722,544.64	9,711,700.00	(10,844.64)

IRVINE RANCH WATER DISTRICT
INVESTMENT SUMMARY REPORT

12/31/23

SETTLMT	Call Schedule	Initial Call	Maturity Date	Rating	INVESTMENT TYPE	INSTITUTION / ISSUER	PAR Amount	COUPON DISCOUNT	YIELD	ORIGINAL COST	CARRY VALUE	MARKET VALUE ⁽¹⁾ 12/31/2023	UNREALIZED ⁽²⁾ GAIN/(LOSS)
04/24/23	NA	NA	07/24/25	Aaa/AA+/AAA	FFCB - Note	Fed Farm Credit Bank	10,000,000	4.250%	4.253%	10,000,000.00	10,000,000.00	9,898,800.00	(101,200.00)
04/21/23	NA	NA	09/23/25	Aaa/AA+/AAA	FHLMC - Note	Fed Home Loan Mortgage Corp	10,000,000	0.375%	4.127%	9,143,400.00	9,389,938.37	9,235,300.00	(154,638.37)
12/01/22	NA	NA	10/15/25	Aaa/AA+/AA+	Treasury - Note	US Treasury	5,000,000	4.250%	4.298%	4,993,359.38	4,995,866.23	4,954,100.00	(41,766.23)
12/01/23	NA	NA	11/15/25	Aaa/AA+/AA+	Treasury - Note	US Treasury	10,000,000	2.250%	4.719%	9,543,750.00	9,563,531.47	9,543,750.00	(19,781.47)
12/01/22	Continuous after	9/12/2023	12/12/25	Aaa/AA+/AAA	FFCB - Note	Fed Farm Credit Bank	5,000,000	4.125%	4.694%	4,920,500.00	4,948,939.02	4,907,350.00	(41,589.02)
07/06/23	NA	NA	06/15/26	Aaa/AA+/AA+	Treasury - Note	US Treasury	15,000,000	4.125%	4.566%	14,819,531.25	14,849,581.40	14,849,400.00	(181.40)
09/27/23	NA	NA	09/15/26	Aaa/AA+/AA+	Treasury - Note	US Treasury	10,000,000	4.625%	4.846%	9,939,453.13	9,944,815.21	10,032,800.00	87,984.79
11/03/23	NA	NA	10/15/26	Aaa/AA+/AA+	Treasury - Note	US Treasury	10,000,000	4.625%	4.784%	9,956,640.63	9,959,015.93	10,035,200.00	76,184.07
12/28/23	NA	NA	12/15/26	Aaa/AA+/AA+	Treasury - Note	US Treasury	10,000,000	4.375%	4.020%	10,098,046.88	10,097,684.75	10,098,046.88	362.13
11/28/23	NA	NA	10/31/28	Aaa/AA+/AA+	Treasury - Note	US Treasury	10,000,000	4.875%	4.464%	10,217,187.50	10,176,291.52	10,243,800.00	67,508.48
12/15/23	NA	NA	11/30/28	Aaa/AA+/AA+	Treasury - Note	US Treasury	15,000,000	4.375%	3.897%	15,319,921.88	15,316,920.41	15,319,921.88	3,001.47
SUB-TOTAL							<u>\$399,300,863</u>			<u>\$393,249,548.04</u>	<u>\$396,155,293.91</u>	<u>\$393,853,245.46</u>	<u>(\$2,302,048.45)</u>
TOTAL INVESTMENTS							<u>\$399,300,863</u>			<u>\$393,249,548.04</u>	<u>\$396,155,293.91</u>	<u>\$393,853,245.46</u>	<u>(\$2,302,048.45)</u>

Petty Cash										3,400.00			
Ck Balance					Bank of America	ECR	1.77%			1,436,759.89			
Ck Balance					Wells Fargo	ECR	2.00%			0.00 ⁽⁵⁾			
										<u>\$394,689,707.93</u>			

⁽¹⁾ LAIF market value is as of the most recent quarter-end as reported by LAIF.
Security market values are determined using Bank of New York ("Trading Prices"), Bloomberg and/or broker dealer pricing.

⁽²⁾ Gain (loss) calculated against carry value using the trading value provided by Bank of New York/or Brokers'

⁽³⁾ Real estate rate of return is based on most recent quarter end return.

⁽⁴⁾ Original Cost updated to reflect capital tenant improvements added for Fiscal Year 2023.
of capital tenant improvements during FY 2023.

⁽⁵⁾ Cash balance in this account are funds that are pending purchase into the current money market fund.

*S - Step up

This Investment Summary Report is in conformity with the 2023 Investment Policy and provides sufficient liquidity to meet the next six months estimated expenditures.

Outstanding Variable Rate Debt	\$214,800,000
Net Outstanding Variable Rate Debt (Less \$60 million fixed-payer swaps)	\$154,800,000
Investment Balance:	\$394,689,708
Investment to Variable Rate Debt Ratio:	255%
Portfolio - Average Number of Days To Maturity	473

	Investment Portfolio	Real Estate ⁽³⁾⁽⁴⁾ Portfolio	Weighted Avg. Return
December	4.29%	14.70%	6.56%
November	4.14%	14.70%	6.54%
Change	0.15%	0.00%	0.02%

IRVINE RANCH WATER DISTRICT
SUMMARY OF MATURITIES

12/31/23

DATE	TOTAL	%	LAIF	Agency Notes	Agency Discount Notes	Municipal Bonds	US Treasury	Investment Sweep
12/23	14,300,863	3.58%						14,300,863
1/24	35,000,000	8.77%			5,000,000		30,000,000	
2/24	20,000,000	5.01%					20,000,000	
3/24	10,000,000	2.50%		10,000,000				
4/24	10,000,000	2.50%					10,000,000	
5/24	10,000,000	2.50%					10,000,000	
6/24	10,000,000	2.50%		10,000,000				
7/24	20,000,000	5.01%		5,000,000			15,000,000	
8/24	15,000,000	3.76%		15,000,000				
9/24	15,000,000	3.76%		15,000,000				
10/24	10,000,000	2.50%		10,000,000				
11/24	10,000,000	2.50%		5,000,000			5,000,000	
SUB-TOTAL	\$179,300,863	44.90%		\$70,000,000	\$5,000,000		\$90,000,000	\$14,300,863

13 Months - 3 YEARS								
12/01/2024 - 02/28/2025	\$45,000,000	11.27%		10,000,000			35,000,000	
03/01/2025 - 05/31/2025	\$45,000,000	11.27%		15,000,000			30,000,000	
6/01/2025 - 08/31/2025	\$30,000,000	7.51%		20,000,000			10,000,000	
09/01/2025 - 11/30/2025	\$25,000,000	6.26%		10,000,000			15,000,000	
12/01/2025 - 02/28/2026	\$5,000,000	1.25%		5,000,000				
03/01/2026 - 05/31/2026								
06/01/2026 - 08/31/2026	\$15,000,000	3.76%					15,000,000	
09/01/2026 - 11/30/2026	\$20,000,000	5.01%					20,000,000	
12/01/2026 +	\$35,000,000	8.77%					35,000,000	
SUB-TOTAL	\$220,000,000	55.10%		\$60,000,000			\$160,000,000	
TOTALS	\$399,300,863	100.00%		\$130,000,000	\$5,000,000		\$250,000,000	\$14,300,863

% OF PORTFOLIO	32.56%	1.25%	62.61%	3.58%
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Irvine Ranch Water District
Summary of Real Estate - Income Producing Investments
9/30/2023

	ACQUISITION DATE	PROPERTY TYPE	OWNERSHIP INTEREST	ORIGINAL COST	MARKET VALUE 6/30/2023	ANNUALIZED RATE OF RETURN QUARTER ENDED 9/30/2023
Sycamore Canyon	Dec-92	Apartments	Fee Simple	\$ 45,457,369	\$ 178,606,250	23.77%
Wood Canyon Villas	Jun-91	Apartments	Limited Partner	\$ 6,000,000	\$ 36,246,127	8.50%
ITC (230 Commerce)	Jul-03	Office Building	Fee Simple	\$ 5,568,747	\$ 12,484,800	9.78%
Waterworks Business Pk.	Nov-08	Research & Dev.	Fee Simple	\$ 8,983,395	\$ 12,068,640	8.55%
Sand Canyon Professional Center - Medical Office	Jul-12	Medical Office	Fee Simple	\$ 8,715,929	\$ 12,380,760	7.85%
Sand Canyon Professional Center - General Office ⁽¹⁾	Sep-20	Office Building	Fee Simple	\$ 31,404,103	\$ 40,559,820	7.29%
Total - Income Properties				\$ 106,129,543	\$ 292,346,397	14.70%

(1) Original Cost updated to reflect capital tenant improvements added for Fiscal Year 2023.

IRVINE RANCH WATER DISTRICT INVESTMENT SUMMARY REPORT
INVESTMENT ACTIVITY⁽¹⁾
Dec-23

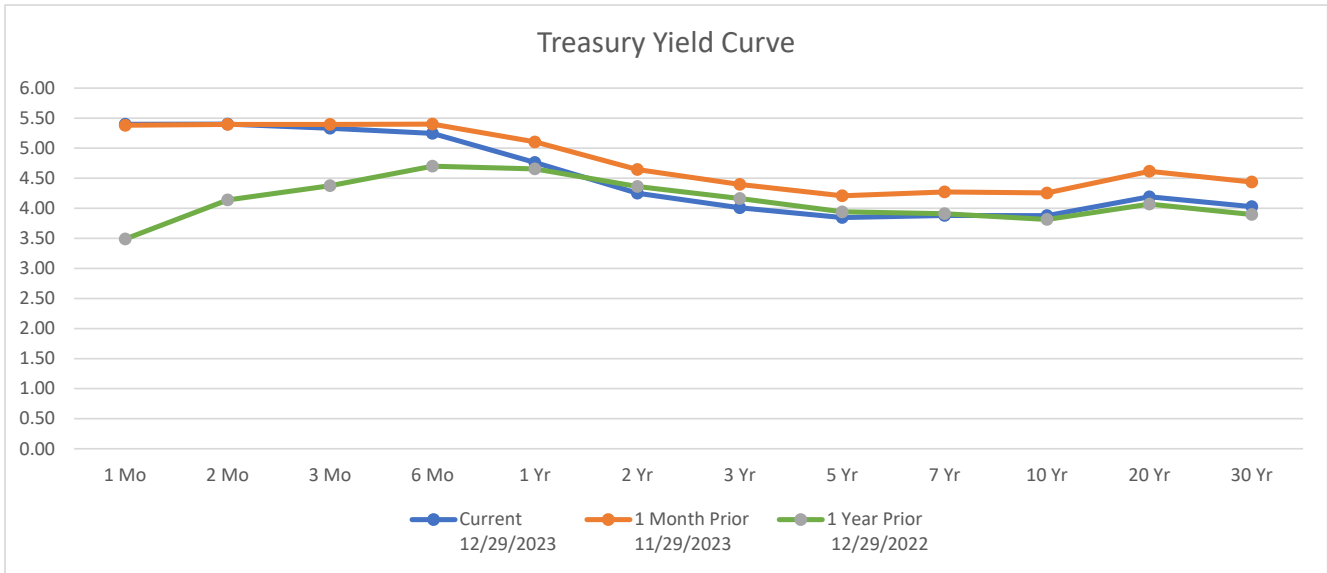
MATURITIES/SALES/CALLS

PURCHASES

DATE	SECURITY TYPE	PAR	YIELD	Settlement Date	Maturity Date	SECURITY TYPE	PAR	YIELD TO MATURITY
12/8/2023	FHLB - Note	\$5,000,000	3.58%	12/1/2023	11/15/2025	Treasury - Note	\$10,000,000	4.72%
12/15/2023	Treasury - Note	\$5,000,000	2.21%	12/15/2023	11/30/2028	Treasury - Note	\$15,000,000	3.90%
				12/27/2023	1/23/2024	Treasury - Bill	\$10,000,000	5.37%
				12/28/2023	12/15/2026	Treasury - Note	\$10,000,000	4.02%

(1) Italicized entries indicate securities that are scheduled but not yet matured, sold, called, or purchased. There may be additional investment purchases if there are pending maturities for the month.

Exhibit "B"

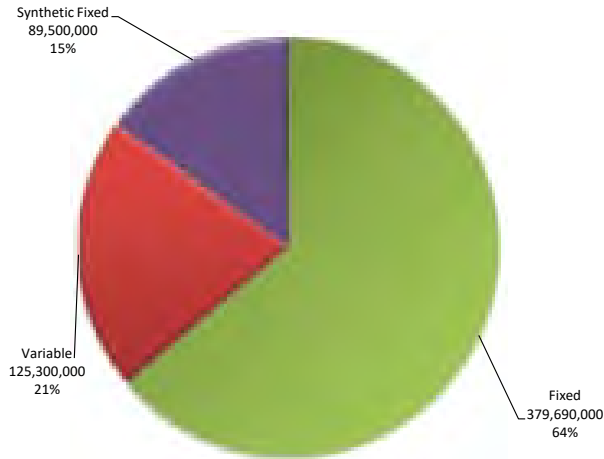


Tenor	Current 12/29/2023	1 Month Prior 11/29/2023	1 Year Prior 12/29/2022
1 Mo	5.40	5.38	3.49
2 Mo	5.40	5.40	4.14
3 Mo	5.33	5.40	4.38
6 Mo	5.25	5.40	4.70
1 Yr	4.76	5.10	4.66
2 Yr	4.25	4.65	4.36
3 Yr	4.01	4.40	4.16
5 Yr	3.85	4.21	3.94
7 Yr	3.88	4.27	3.91
10 Yr	3.88	4.26	3.82
20 Yr	4.19	4.62	4.07
30 Yr	4.03	4.44	3.90

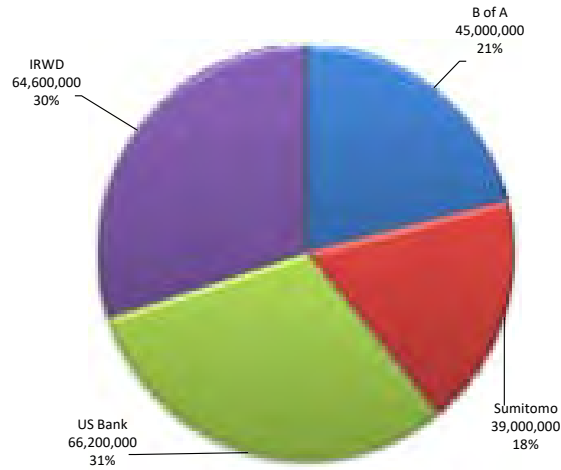
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Exhibit "C"
Irvine Ranch Water District
Summary of Fixed and Variable Rate Debt
December 2023

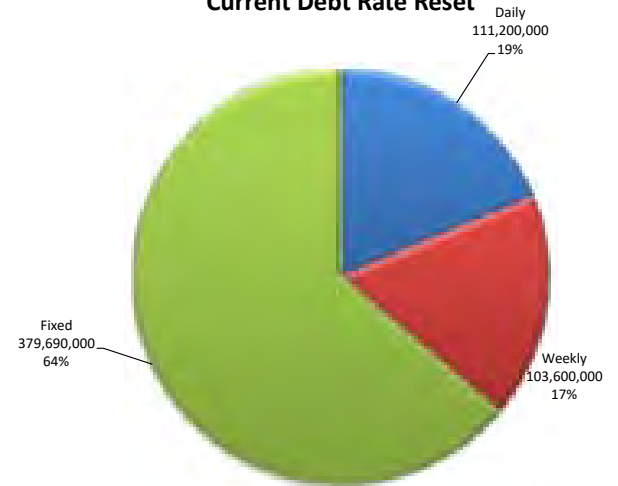
Current Debt Mix By Type



Letters of Credit / Support



Current Debt Rate Reset



Outstanding Par by Series

Series	Issue Date	Maturity Date	Remaining Principal	Percent	Letter of Credit/Support	Rmkt Agent	Mode	Reset
Series 1993	05/19/93	04/01/33	\$21,200,000	3.57%	US Bank	BAML	Variable	Daily
Series 2008-A Refunding	04/24/08	07/01/35	\$39,000,000	6.56%	Sumitomo	BAML	Variable	Weekly
Series 2011-A-1 Refunding	04/15/11	10/01/37	\$38,760,000	6.52%	IRWD	Goldman	Variable	Weekly
Series 2011-A-2 Refunding	04/15/11	10/01/37	\$25,840,000	4.35%	IRWD	Goldman	Variable	Weekly
Series 2009 - A	06/04/09	10/01/41	\$45,000,000	7.57%	US Bank	US Bank	Variable	Daily
Series 2009 - B	06/04/09	10/01/41	\$45,000,000	7.57%	B of A	Goldman	Variable	Daily
2016 COPS	09/01/16	03/01/46	\$105,710,000	17.78%	N/A	N/A	Fixed	Fixed
2010 Build America Taxable Bond	12/16/10	05/01/40	\$175,000,000	29.44%	N/A	N/A	Fixed	Fixed
Series 2016	10/12/16	02/01/46	\$98,980,000	16.65%	N/A	N/A	Fixed	Fixed
Total			\$594,490,000	100.00%				

IRVINE RANCH WATER DISTRICT
SUMMARY OF FIXED & VARIABLE RATE DEBT

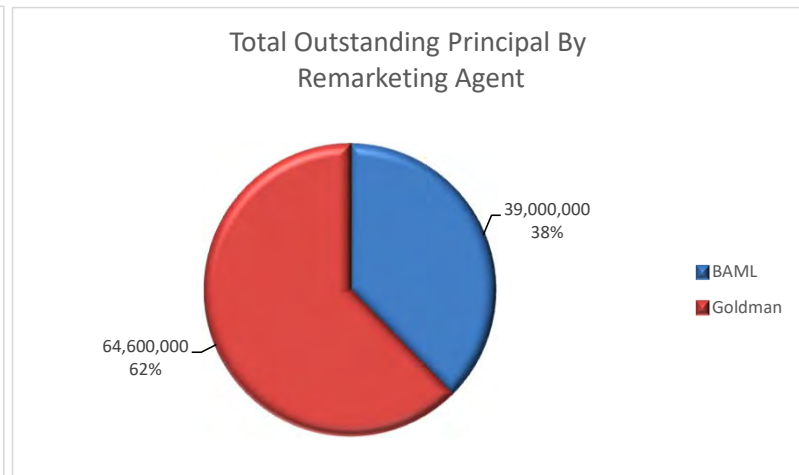
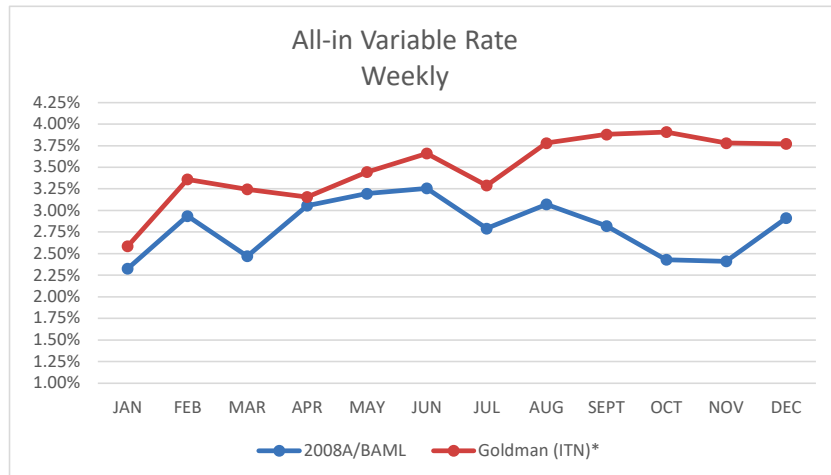
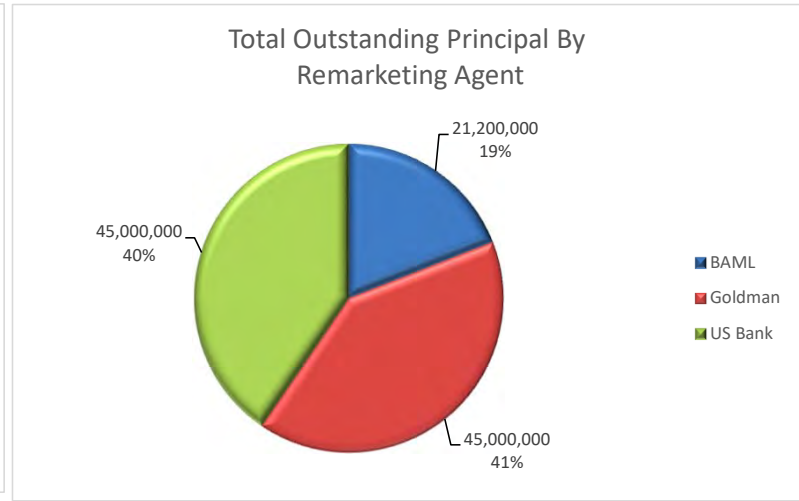
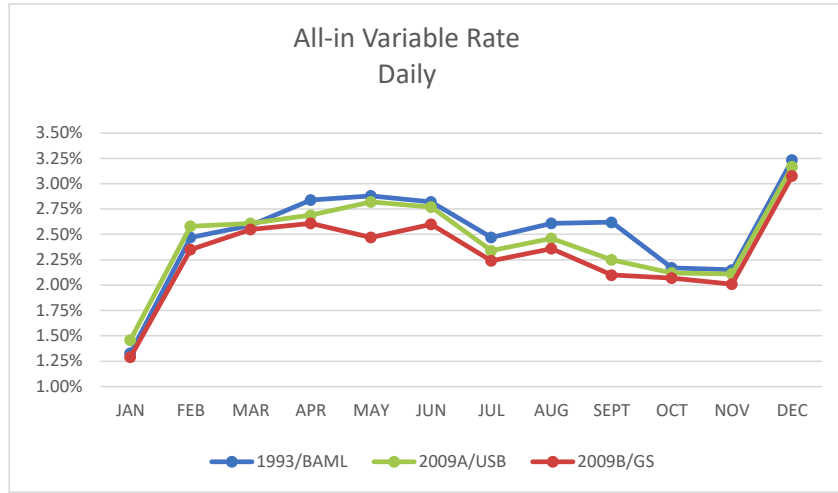
December-23

ITN		GENERAL BOND INFORMATION																LETTER OF CREDIT INFORMATION										TRUSTEE INFORMATION													
Daily		Maturity Date		Principal Payment Date		Payment Date		Original Par Amount		Remaining Principal		Letter of Credit		Reimbursement Agreement Date		L/C Exp. Date		MOODY'S		S&P		FITCH		LOC Stated Amount		LOC Fee		Annual LOC Cost		Rmkt Agent		Reset		Rmkt Fees		Annual Cost		Trustee			
Weekly		Issue Date		Maturity Date		Principal Payment Date		Payment Date		Original Par Amount		Remaining Principal		Letter of Credit		Reimbursement Agreement Date		L/C Exp. Date		MOODY'S		S&P		FITCH		LOC Stated Amount		LOC Fee		Annual LOC Cost		Rmkt Agent		Reset		Rmkt Fees		Annual Cost		Trustee	
SERIES 1993		05/19/93	04/01/33	Apr 1	5th Bus. Day	\$38,300,000	\$21,200,000	US BANK	05/07/15	05/01/25	Aa3/VMIG1	AA-/A-1+	N/R	\$21,485,764	0.3000%	\$64,457	BAML	DAILY	0.10%	\$21,200	BANK OF NY																				
SERIES 2008-A Refunding		04/24/08	07/01/35	Jul 1	5th Bus. Day	\$60,215,000	\$39,000,000	SUMITOMO	04/01/11	05/28/25	A1/P-1	A-/A-1	A/F1	\$39,576,986	0.3150%	\$124,668	BAML	WED	0.07%	\$27,300	BANK OF NY																				
SERIES 2011-A-1 Refunding		04/15/11	10/01/37	Oct 1	1st Bus. Day	\$60,545,000	\$38,760,000	N/A	N/A	N/A	Aa1/VMIG1	A-1+	AAA/F1+	N/A	N/A	N/A	Goldman	WED	0.13%	\$48,450	BANK OF NY																				
SERIES 2011-A-2 Refunding		04/15/11	10/01/37	Oct 1	1st Bus. Day	\$40,370,000	\$25,840,000	N/A	N/A	N/A	Aa1/VMIG1	A-1+	AAA/F1+	N/A	N/A	N/A	Goldman	WED	0.13%	\$32,300	BANK OF NY																				
SERIES 2009 - A		06/04/09	10/01/41	Oct 1	1st Bus. Day	\$75,000,000	\$45,000,000	US BANK	04/01/11	05/01/25	Aa2/VMIG1	AA-/A-1+	AA/F1+	\$45,503,014	0.3000%	\$136,509	US Bank	DAILY	0.07%	\$31,500	US BANK																				
SERIES 2009 - B		06/04/09	10/01/41	Oct 1	1st Bus. Day	\$75,000,000	\$45,000,000	B of A	04/01/11	04/21/25	Aa2/VMIG1	A-/A-1	A1/F1+	\$45,503,014	0.2800%	\$127,408	Goldman	DAILY	0.10%	\$45,000	US BANK																				
						\$349,430,000	\$214,800,000	SUB-TOTAL VARIABLE RATE DEBT										\$152,068,778	0.2979%	\$453,042						0.10%	\$205,750														
																		(Wt. Avg)					(Wt. Avg)																		
FIXED RATE ISSUES																																									
2010 GO Build America Taxable Bonds		12/16/10	05/01/40	May (2025)	May/Nov	\$175,000,000	\$175,000,000	N/A	N/A	N/A	Aa1	AAA	NR	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	US BANK				
2016 COPS		09/01/16	03/01/46	Mar 1	Mar/Sept	\$116,745,000	\$105,710,000	N/A	N/A	N/A	NR	AAA	AAA	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	US BANK					
SERIES 2016		10/12/16	02/01/46	Feb 1	Feb/Aug	\$103,400,000	\$98,980,000	N/A	N/A	N/A	NR	AAA	AAA	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	BANK OF NY						
						\$395,145,000	\$379,690,000	SUB-TOTAL FIXED RATE DEBT																																	
						\$744,575,000	\$594,490,000	TOTAL - FIXED & VARIABLE RATE DEBT																																	

Remarketing Agents			GO VS COP'S		
Goldman	109,600,000	51%	GO:	488,780,000	82%
BAML	60,200,000	28%	COPS:	105,710,000	18%
US Bank	45,000,000	21%	Total	\$94,490,000	
	214,800,000				

LOC Banks		Breakdown Between Variable & Fixed Rate Mode	
SUMITOMO	39,000,000	Daily Issues	111,200,000 19%
BANK OF AMERICA	45,000,000	Weekly Issues	39,000,000 7%
US BANK	66,200,000	ITN Issues	64,600,000 11%
	150,200,000	Sub-Total	214,800,000
		Fixed Rate Issues	\$379,690,000 64%
		Sub-Total - Fixed	379,690,000
		TOTAL DEBT	
		FIXED & VAR.	\$94,490,000 100%

Exhibit "D"
Irvine Ranch Water District
Summary of Remarketing Performance
December 2023



*ITNs are based on SIFMA + 5

REMARKETING AGENT PERFORMANCE COMPARISON
Dec-23

Date	Daily Variable Rate Comparison			Weekly Variable Rate Comparison
	Goldman Sachs vs US Bank	Goldman Sachs vs Bank of America	US Bank vs Bank of America	Goldman Sachs* vs Bank of America
12/1/2023	0.00%	0.02%	0.02%	1.37%
12/2/2023	0.00%	0.02%	0.02%	1.37%
12/3/2023	0.00%	0.02%	0.02%	1.37%
12/4/2023	-0.35%	-0.33%	0.02%	1.37%
12/5/2023	-0.25%	-0.33%	-0.08%	1.37%
12/6/2023	-0.23%	-0.31%	-0.08%	1.37%
12/7/2023	0.10%	-0.03%	-0.13%	1.15%
12/8/2023	0.15%	0.25%	0.10%	1.15%
12/9/2023	0.15%	0.25%	0.10%	1.15%
12/10/2023	0.15%	0.25%	0.10%	1.15%
12/11/2023	0.00%	0.00%	0.00%	1.15%
12/12/2023	0.10%	0.05%	-0.05%	1.15%
12/13/2023	0.15%	0.20%	0.05%	1.15%
12/14/2023	-0.05%	-0.25%	-0.20%	0.92%
12/15/2023	0.02%	-0.78%	-0.80%	0.92%
12/16/2023	0.02%	-0.78%	-0.80%	0.92%
12/17/2023	0.02%	-0.78%	-0.80%	0.92%
12/18/2023	-0.25%	-0.45%	-0.20%	0.92%
12/19/2023	-0.40%	-0.90%	-0.50%	0.92%
12/20/2023	-0.30%	-0.10%	0.20%	0.92%
12/21/2023	-0.25%	0.20%	0.45%	0.91%
12/22/2023	-0.20%	0.15%	0.35%	0.91%
12/23/2023	-0.20%	0.15%	0.35%	0.91%
12/24/2023	-0.20%	0.15%	0.35%	0.91%
12/25/2023	-0.20%	0.15%	0.35%	0.91%
12/26/2023	-0.25%	0.15%	0.40%	0.91%
12/27/2023	-0.31%	-0.16%	0.15%	0.91%
12/28/2023	-0.21%	-0.28%	-0.07%	1.41%
12/29/2023	-0.11%	-0.28%	-0.17%	1.41%
12/30/2023	-0.11%	-0.28%	-0.17%	1.41%
12/31/2023	-0.11%	-0.28%	-0.17%	1.41%
Average Spread	-0.10%	-0.14%	-0.04%	1.12%

Rmkt Agent	GS / US Bank	GS / Bank of America	US Bank / Bank of America	GS / Bank of America
Mode	Daily / Daily	Daily / Daily	Daily / Daily	Weekly / Weekly
Bond Issue	2009B / 2009A	2009B / 1993	2009A / 1993	ITN (2011A1 & 2011A2) / 2008A
Par Amount	\$45,000,000 / \$45,000,000	\$45,000,000 / \$21,200,000	\$45,000,000 / \$21,200,000	\$64,600,000 / \$39,000,000
LOC Bank	Bank of America / US Bank	Bank of America / US Bank	US Bank / US Bank	None / Sumitomo

*ITNs are based on SIFMA + 5


SUMMARY OF DEBT RATES
Dec-23

Rmkt Agent Mode	GOLDMAN DAILY	GOLDMAN WEEKLY	GOLDMAN WEEKLY	MERRILL LYNCH DAILY	MERRILL LYNCH WEEKLY	US BANK DAILY
Bond Issue	2009 - B	2011 A-1	2011 A-2	1993	2008-A	2009-A
Par Amount	45,000,000	38,760,000	25,840,000	21,200,000	39,000,000	45,000,000
LOC Bank Reset	BOFA	(SIFMA + 5) Wednesday	(SIFMA + 5) Wednesday	US BANK	Sumitomo Wednesday	US BANK
12/1/2023	1.70%	3.35%	3.35%	1.68%	1.98%	1.70%
12/2/2023	1.70%	3.35%	3.35%	1.68%	1.98%	1.70%
12/3/2023	1.70%	3.35%	3.35%	1.68%	1.98%	1.70%
12/4/2023	1.05%	3.35%	3.35%	1.38%	1.98%	1.40%
12/5/2023	0.90%	3.35%	3.35%	1.23%	1.98%	1.15%
12/6/2023	0.82%	3.35%	3.35%	1.13%	1.98%	1.05%
12/7/2023	1.15%	3.03%	3.03%	1.18%	1.88%	1.05%
12/8/2023	1.50%	3.03%	3.03%	1.25%	1.88%	1.35%
12/9/2023	1.50%	3.03%	3.03%	1.25%	1.88%	1.35%
12/10/2023	1.50%	3.03%	3.03%	1.25%	1.88%	1.35%
12/11/2023	1.55%	3.03%	3.03%	1.55%	1.88%	1.55%
12/12/2023	1.90%	3.03%	3.03%	1.85%	1.88%	1.80%
12/13/2023	2.40%	3.03%	3.03%	2.20%	1.88%	2.25%
12/14/2023	2.95%	3.43%	3.43%	3.20%	2.51%	3.00%
12/15/2023	3.62%	3.43%	3.43%	4.40%	2.51%	3.60%
12/16/2023	3.62%	3.43%	3.43%	4.40%	2.51%	3.60%
12/17/2023	3.62%	3.43%	3.43%	4.40%	2.51%	3.60%
12/18/2023	3.95%	3.43%	3.43%	4.40%	2.51%	4.20%
12/19/2023	3.80%	3.43%	3.43%	4.70%	2.51%	4.20%
12/20/2023	3.80%	3.43%	3.43%	3.90%	2.51%	4.10%
12/21/2023	3.75%	4.57%	4.57%	3.55%	3.66%	4.00%
12/22/2023	3.70%	4.57%	4.57%	3.55%	3.66%	3.90%
12/23/2023	3.70%	4.57%	4.57%	3.55%	3.66%	3.90%
12/24/2023	3.70%	4.57%	4.57%	3.55%	3.66%	3.90%
12/25/2023	3.70%	4.57%	4.57%	3.55%	3.66%	3.90%
12/26/2023	3.55%	4.57%	4.57%	3.40%	3.66%	3.80%
12/27/2023	3.49%	4.57%	4.57%	3.65%	3.66%	3.80%
12/28/2023	3.39%	3.92%	3.92%	3.67%	2.51%	3.60%
12/29/2023	3.29%	3.92%	3.92%	3.57%	2.51%	3.40%
12/30/2023	3.29%	3.92%	3.92%	3.57%	2.51%	3.40%
12/31/2023	3.29%	3.92%	3.92%	3.57%	2.51%	3.40%
Avg Interest Rates	2.70%	3.64%	3.64%	2.84%	2.52%	2.80%
Rmkt Fee	0.10%	0.13%	0.13%	0.10%	0.07%	0.07%
LOC Fee	0.28%			0.30%	0.32%	0.30%
All-In Rate	3.08%	3.77%	3.77%	3.24%	2.91%	3.17%
Par Amount	83,760,000		25,840,000	60,200,000		45,000,000

Interest Rate Mode	Percent of Total Variable Rate Debt	Par Outstanding	Weighted All-In Average Rate	Base Rate Average
Daily	51.77%	111,200,000	3.14%	2.76%
Weekly	48.23%	103,600,000	3.45%	3.22%
	100.00%	\$214,800,000	3.29%	2.99%
Fixed				
COPS 2016	27.84%	105,710,000	2.90%	
BABS 2010	46.09%	175,000,000	4.44%	(1)
SERIES 2016	26.07%	98,980,000	3.32%	
	100.00%	\$379,690,000	3.72%	
All-In Debt Rate Including \$60 Million Notional Amount of Swaps				3.59%

(1) Rate adjusted up from 4.35% as a result of sequestration reducing BAB's subsidy by 5.7%

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January 11, 2024
Prepared by: L. Kaneshiro
Submitted by: N. Adly
Approved by: Paul A. Cook 

FINANCE AND PERSONNEL COMMITTEE

INFORMATION SERVICES PROJECT STATUS REPORT

SUMMARY:

Provided for the Committee’s review is a list of projects on which Information Services Department staff is currently working.

BACKGROUND:

Information Services periodically submits a project status report for the Committee’s review. The current project status report is provided as Exhibit “A”.

FISCAL IMPACTS:

The fiscal impacts are shown in Exhibit “A”.

ENVIRONMENTAL COMPLIANCE:

This item is not a project as defined in the California Environmental Quality Act (CEQA), Code of Regulations, Title 14, Chapter 3, Section 15378.

RECOMMENDATION:

Receive and file.

LIST OF EXHIBITS:

Exhibit “A” – Information Services Project Status


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Exhibit “A”

Information Services Project Status Report
January 2, 2024

Project Name	Project Summary	Schedule		Project Budget	Status
Enterprise Data Management System	Complete Enterprise Data Management (EDM) needs assessment considering IRWD’s data sources and future analytical needs; recommend EDM software solution procurement	Start Complete	8/23 6/24	Assessment: \$168,000	A Professional Services Agreement (PSA) has been awarded to Numentica LLC to conduct the assessment. Numentica was selected based on a competitive Request for Proposal (RFP) process. The project will begin in January and is expected to be completed in 4 to 6 months. The objectives include assessing IRWD needs for a new enterprise data management system to better manage IRWD’s data, enhance business decision support, and position IRWD to leverage future data/AI technologies.
Board Room Technology Upgrade	Modernize and upgrade Board Room technology.	Start Complete	7/22 3/24	\$100,000	Eight new speakers and a new laser projector were installed in December. The new AV system is operational, but continues to be monitored and adjusted to optimize performance.
Oracle applications assessment	Assess IRWD’s use of Oracle applications relative to the District’s current and future needs to generate maximum benefit of the system.	Start Complete	4/24 9/24	\$50,000	A Request for Proposal (RFP) is being prepared to select a consultant with the required expertise. The project is expected to begin in April.

Project Name	Project Summary	Schedule		Project Budget	Status
Replace IRWD's department share drives with Microsoft technologies	Migrate IRWD electronic files to modern Microsoft systems and eliminate obsolete technologies.	Start Complete	1/24 6/24	\$25,000	The migration will start in January and is expected to be completed by June. This will be a significant step in modernizing IRWD's IT infrastructure.
Artificial Intelligence (AI) Policy	Establish an IRWD policy to address appropriate use of Artificial Intelligence	Start Complete	6/23 2/24	In-House	IRWD Policy No. 44 (Use of Computer Systems and Accounts) has been revised to address AI. The draft was reviewed by Senior Staff and will be presented to the Board for approval.
Wi-Fi Refresh	Upgrade and expand the District's legacy Wi-Fi infrastructure.	Start Complete	3/22 1/24	\$380,000	The new Wi-Fi system is installed and is undergoing final tests. It will be put into operation in January.
EZMax Mobile Upgrade	Upgrade EZMax Planner for the Maximo asset mgmt system	Start Complete	11/23 7/24	\$45,000	The EZMax Mobile Upgrade is in the planning stage. The current version will be at end-of-support in July 2024.
2012 R2 Servers Upgrade	Upgrade existing servers with Microsoft 2012 R2 operating system.	Start Complete	1/23 10/23	In-House	COMPLETED: All of the 2012 R2 server operating systems were upgraded before the end-of-support date of October 10, 2023.
EZMax Planner for Maximo	Implement EZMax Planner to improve planning and scheduling for the Maximo system.	Start Complete	3/23 11/23	\$82,000	COMPLETED: The new EZMaxPlanner successfully went live on November 8, 2023.

January 11, 2024
Prepared by: C. Smithson
Submitted by: N. Aldy
Approved by: Paul A. Cook 

FINANCE AND PERSONNEL COMMITTEE

FINANCIAL REPLACEMENT PLANNING MODEL UPDATE

SUMMARY:

IRWD utilizes various planning tools, including its Replacement Planning Model (RPM) and the Financial Replacement Planning Model (FRPM), to assist with the financial planning for setting future water and sewer rates. At the Committee meeting, staff recommend the Committee provide input on the key assumptions utilized in the FRPM.

BACKGROUND:

IRWD's RPM model compiles the current and future costs associated with funding the replacement of IRWD facilities. The RPM model utilizes a technique called "Continuous Refurbishment" – a hybrid approach of estimating refurbishment, repair, and periodic replacement costs that more closely aligns with the estimated timing of the projected expenditure. The RPM replacement cost was most recently updated in 2022; it not changed since then.

The revised cost projections from RPM have been incorporated into the FROM, along with updated assumptions. The FRPM model compiles the current and future costs associated with the replacement of IRWD facilities along with revenue streams to fund these costs. At the Committee meeting, staff will provide a PowerPoint (attached as Exhibit "A") which includes:

- 1) Previous assumptions and any proposed updates;
- 2) Replacement fund requirements and targets;
- 3) Potential impacts on rates; and
- 4) Recommendations and next steps.

Staff will incorporate the Committee's comments along with the final outputs from the FRPM to address replacement fund requirements for future operating budgets to be considered in setting water and sewer rates.

FISCAL IMPACTS:

The updated Financial Replacement Planning Model results will be incorporated into the upcoming fiscal year budgets as applicable.

ENVIRONMENTAL COMPLIANCE:

This item is statutorily exempt from the California Environmental Quality Act (CEQA).

RECOMMENDATION:

Receive and file.

LIST OF EXHIBITS:

Exhibit "A" – Financial Replacement Planning Model Update Draft PowerPoint.

FINANCIAL REPLACEMENT PLANNING MODEL UPDATE



Finance & Personnel Committee Meeting
January 11, 2024



1

AGENDA

1. Replacement Planning cost expectations
2. Financial Replacement Planning Model (FRPM) updates
3. Replacement Fund Requirements and Targets
4. Potential Effect on Rates
5. Recommendations and Next Steps



2



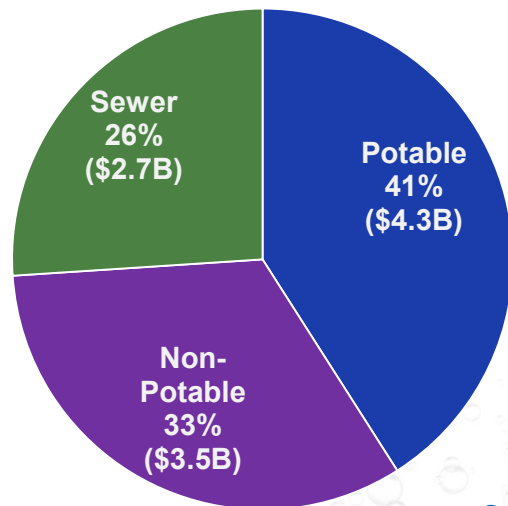
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2024 RESULTS

Total 100-year RPM needs: approximately \$10.5 billion

Costs by system:

- ✓ Potable (\$4.3B)
- ✓ Sewer (\$2.7B)
- ✓ Non-potable (\$3.5B)



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PREVIOUS ASSUMPTIONS (2023)

Replacement Fund Assumptions				
Description	Basis	Years	Escalator	Driver
User Rates (Replacement Component)	Current Budget: \$25.1 Million	2024-2033 2034-2043	11% 6%	Growth and rates
Real Estate Net Income	Current Budget: \$12.2 Million	50 Year Period	between 2.5-3.0%	Based upon real estate investment report
1% Tax	Current Allocation: \$15.0 Million	Reallocate after: 2044	2.50%	The legislature reallocating 1% tax revenue
Rate of Return	District return on cash and investment	50 Year Period	1.75% - 3.5%	Increased to 3.5% over a 5-year period
Capital Smoothing	Annual expenditures will not exceed \$180M	50 Year Period	3%	Spending for spikes will be spread over 2 years
Bond Sales	As needed	2027, 2037, & 2040	\$300M Total	Sufficient fund balance

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UPDATED ASSUMPTIONS (2024)

Replacement Fund Assumptions				
Description	Basis	Years	Escalator	Driver
User Rates (Replacement Component)	Current Budget: \$29.9 Million	2024-2033 2034-2043	11% 6%	Growth and rates
Real Estate Net Income	Current Budget: \$13.7 Million	50 Year Period	between 2.5-3.0%	Based upon real estate investment report
1% Tax	Current Allocation: \$23.3 Million	Reallocate after: 2045	2.50%	The legislature reallocating 1% tax revenue
Rate of Return	District return on cash and investment	50 Year Period	1.75% - 3.5%	Increased to 3.5% over a 5-year period
Capital Smoothing	Annual expenditures will not exceed \$180M (increased with ENR)	50 Year Period	3%	Spending for spikes will be spread over 2 years
Bond Sales	As needed	2028, 2036, & 2040	\$300M Total	Sufficient fund balance



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REPLACEMENT FUND REQUIREMENTS AND TARGETS

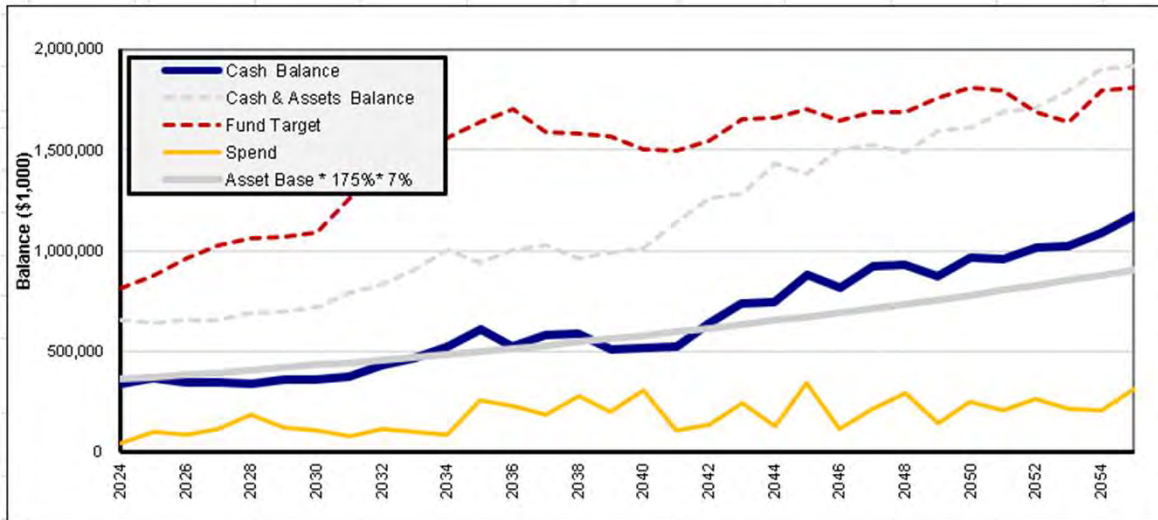
8

STRATEGIES TO FUND REPLACEMENT FUND NEEDS

Years 1-10	11.0%	11.0%
Years 11-20	6.0%	6.0%
Year 21 and forward	3.5%	3.5%
Additional Contribution:		
<u>Annual Average Pension Trust Fund Strategy</u>	\$21.3 M	\$21.3 M



MEETING REPLACEMENT FUND REQUIREMENTS



BOARD APPROVED REPLACEMENT FUND CRITERIA

Board Approved

	Category	Target
1	Capital Facilities	Long term replacement (RPM model data: 1-5 years 100% and 6-10 years 50%)
2	Insurance	Catastrophic events and unplanned emergency repairs: 5 times the deductible (\$125K for property; \$100K general liability)
3	Variable Rate Hedge	Excluded based on current debt ratio (variable to fixed)
4	System Refurbishments	(included in # 1)
5	Environmental Compliance	(included in # 1)
6	Rate Stabilization	Mitigate the impact of short-term effects on user rates (3 year average net operating working capital)



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REPLACEMENT FUND TARGETS

Replacement Criteria Application:	FY 2023-24	
	(in millions)	
Capital Facilities Replacement: Continuous Refurbishment - 100% of Years 1-5 and 50% of years 6-10	\$797	
Insurance: 5 times the deductible (\$125K for property and \$100K general liability)	\$ 1	
Rate Stabilization: Three years net working capital from operations	\$ 16	
Total required based on criteria	\$814	
Replacement Fund Current Balances:		
Current Cash Balance	\$343	42%
Current Cash and RE Balance	\$622	76%



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POTENTIAL EFFECT ON RATES



Proposed Increases to a Typical Residential Customer Using 12 ccf

Recommended	Increase Factor	2024-25	2025-26	2026-27
Water Operations *	3.5%	\$10.15	\$10.51	\$10.88
Commodity *	3.5%	28.50	29.50	30.53
Replacement	11.0%	3.05	3.39	3.77
Sub total		\$41.70	\$43.40	\$45.18
Sewer Operations *	3.5%	\$13.45	\$13.94	\$14.42
Replacement	11.0%	12.25	13.61	15.10
Sub total		\$25.70	\$27.55	\$29.52
Total Monthly Bill		\$67.40	\$70.95 5.3%	\$74.70 5.3%

* Estimated increase.



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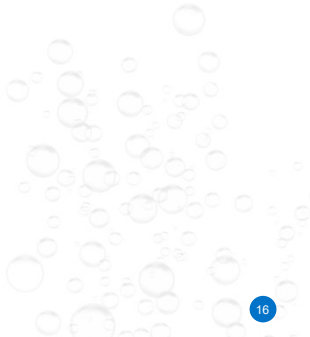


RECOMMENDATIONS AND NEXT STEPS

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NEXT STEPS – TODAY’S MEETING


Revisit the FRPM as part of the annual budget review process for each fiscal year.




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QUESTIONS



 Irvine Ranch
Water District

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