

AGENDA
IRVINE RANCH WATER DISTRICT
FINANCE AND PERSONNEL COMMITTEE MEETING
TUESDAY, JULY 7, 2020

Due to COVID-19, this meeting will be conducted as a teleconference pursuant to the provisions of the Governor's Executive Orders N-25-20 and N-29-20, which suspend certain requirements of the Ralph M. Brown Act. Members of the public may not attend this meeting in person.

Participation by Committee Members will be from remote locations. Public access and participation will only be available telephonically/electronically.

To virtually attend the meeting and to be able to view any presentations or additional materials provided at the meeting, please join online via Webex using the link and information below:

Via Web:

<https://irwd.my.webex.com/irwd.my/j.php?MTID=m1f29839e2722a98b963ce8764ee43d21>

Meeting Number: 126 820 9434

Password: gTSJvWSx262 (48758979 from phones and video systems)

After joining the meeting, in order to ensure all persons can participate and observe the meeting, please select the "Call in" option and use a telephone to access the audio for the meeting shown.

Please enter the attendee id number, which will be provided when you connect to Webex, followed by #.

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

CALL TO ORDER 11:30 a.m., Committee Room, Second Floor, District Office
15600 Sand Canyon Avenue, Irvine, California

ATTENDANCE Chair: Peer Swan _____ Member: Steve LaMar _____

<u>ALSO PRESENT</u>	Paul Cook	_____	Cheryl Clary	_____
	Wendy Chambers	_____	Kevin Burton	_____
	Paul Weghorst	_____	Rob Jacobson	_____
	Eileen Lin	_____	Jenny Roney	_____
	Christopher Smithson	_____	Allen Shinbashi	_____
	Jennifer Davis	_____	Tanja Fournier	_____
	_____	_____	_____	_____

PUBLIC COMMENT NOTICE

If you wish to address the Committee on any item, please submit a request to speak via the "chat" feature available when joining the meeting virtually. Remarks are limited to three minutes per speaker on each subject. You may also submit a public comment in advance of the meeting by emailing comments@irwd.com before 8:00 a.m. on Tuesday, July 7, 2020.

ALL VOTES SHALL BE TAKEN BY A ROLL CALL VOTE.

COMMUNICATIONS

1. Notes: Clary
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 TURNOVER STATUS REPORT – SRADER / RONEY

Recommendation: Receive and file.

6. MONTHLY INVESTMENT AND DEBT REVIEW – DAVIS / FOURNIER / JACOBSON / CLARY

Recommendation: Receive and file.

7. PERFORMANCE RECOGNITION PROGRAM QUARTERLY UPDATE – HALL / RONEY

Recommendation: Receive and file.

8. IRWD REPLACEMENT FUND UPDATE – SMITHSON / CLARY

Recommendation: Receive and file.

ACTION

9. LUMP SUM PAYMENT OPTION FOR EMPLOYER CONTRIBUTIONS FOR FY 2020-21 TO THE CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM – LIN / CLARY

Recommendation: That the Board approve the lump sum payment for employer contributions to the California Public Employees Retirement System (CalPERS) by making a one-time contribution of \$5,888,727 for the District's FY 2020-21 employer contribution.

ACTION (continued)

10. SETTING CONNECTION FEES AND PROPERTY TAXES FOR FISCAL YEAR 2020-21 – SMITHSON / CLARY

Recommendation: That the Board approve revisions to connection fees and property taxes as presented and adopt resolutions approving these revisions.

11. FISCAL YEAR 2020-21 PURCHASE ORDER VENDOR COMMITMENTS GREATER THAN \$200,000 – AGUILAR / JACOBSON / CLARY

Recommendation: That the Board approve the submitted list of vendor commitments greater than \$200,000 based on approved FY 2020-21 operating budget expenditures.

12. SECURITY SERVICES CONTRACT – SHINBASHI / JACOBSON / CLARY

Recommendation: That the Board authorize the General Manager to execute an agreement with Securitas, Inc. for security guard and patrol services for an amount of \$2,392,692.

13. INFORMATION SERVICES PROFESSIONAL SERVICES SUPPORT CONTRACT RENEWALS – MALONE / CLARY

Recommendation: That the Board authorize the General Manager to execute a Professional Services Agreement for Fiscal Year 2020-21 with Infosys Limited in the amount of \$325,000 for managed support services.

OTHER BUSINESS

14. Directors' Comments

15. Adjournment

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 electronically via the Webex meeting noted. Upon request, the District will provide for written agenda materials in appropriate alternative formats, and reasonable disability-related modification or accommodation to enable individuals with disabilities to participate in and provide comments at public meetings. Please submit a request, including your name, phone number and/or email address, and a description of the modification, accommodation, or alternative format requested at least two days before the meeting. Requests should be emailed to comments@irwd.com. Requests made by mail must be received at least two days before the meeting. Requests will be granted whenever possible and resolved in favor of accessibility.

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July 7, 2020

Prepared by: L. Srader

Submitted by: J. Roney

Approved by: Paul A. Cook



FINANCE AND PERSONNEL COMMITTEE

EMPLOYEE POPULATION AND TURNOVER STATUS REPORT

SUMMARY:

Staff has prepared various population and turnover reports for Committee review.

FISCAL IMPACTS:

None.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

RECOMMENDATION:

Receive and file.

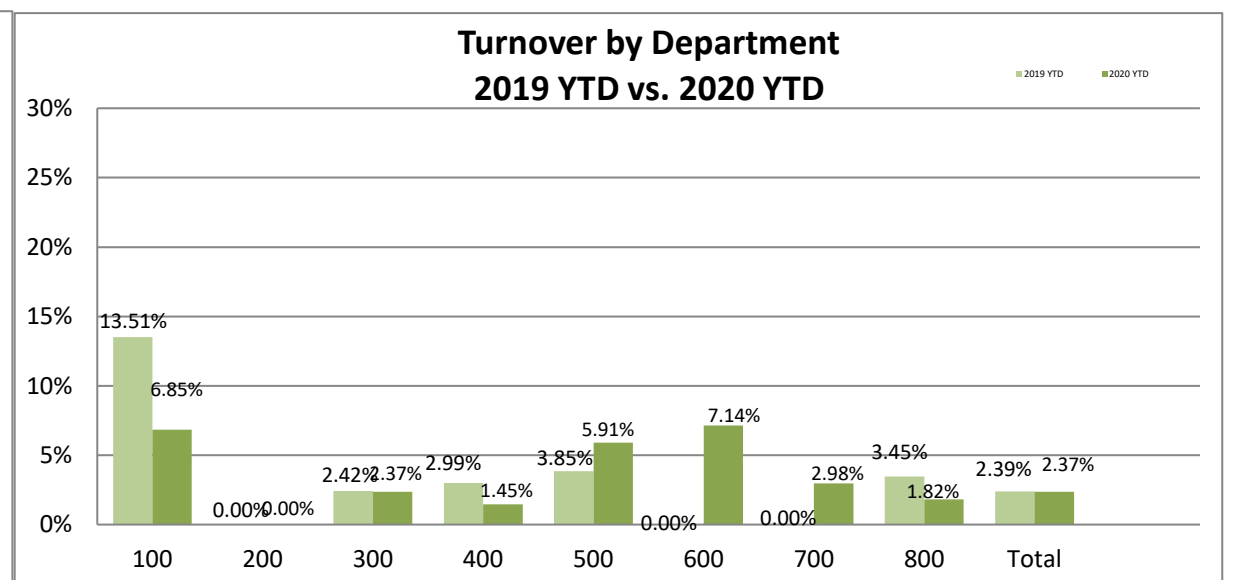
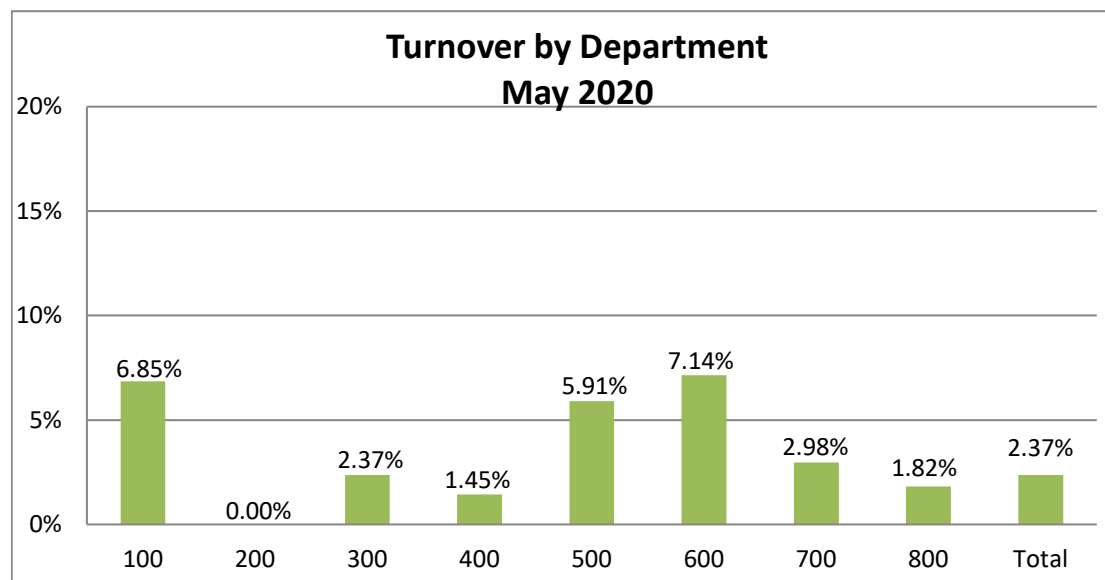
LIST OF EXHIBITS:

Exhibit "A" – Employee Population/Turnover Status Report

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EXHIBIT A
IRVINE RANCH WATER DISTRICT
EMPLOYEE POPULATION STATUS REPORT
May 2020

	@05/01/20	Current Month Activity							@05/31/20		FY 19/20 Budgeted Positions*	Avg FYTD Filled Budget Positions	Avg FYTD Temp Emp FTE	Avg FYTD Total Filled Positions	Internal Turnover		External Turnover	
Dept	Positions Filled	New Hires	Terms		Promo Trnsfr		Lateral Trnsfr		Positions Filled	Positions Unfilled					Current Period	2020 YTD	Current Period	2020 YTD
			Vol	Invol	In	Out	In	Out										
100	14.0								14.0	2	16.0	15.3	0.8	16.1	0.00%	0.00%	0.00%	6.85%
200	88.0	1							89.0	1	90.0	80.7	5.8	86.5	0.00%	0.00%	0.00%	0.00%
300	43.0		1						42.0	2	44.0	41.9	2.9	44.8	0.00%	0.00%	2.33%	2.37%
400	69.0	2							71.0	1	72.0	66.8	2.6	69.5	0.00%	1.45%	0.00%	1.45%
500	50.0	3	1						52.0	7	59.0	51.4	2.1	53.5	0.00%	0.00%	2.00%	5.91%
600	28.0		1						27.0	3	30.0	23.3	2.6	25.9	0.00%	0.00%	3.57%	7.14%
700	33.0								33.0	2	35.0	37.3	3.7	41.1	0.00%	2.98%	0.00%	2.98%
800	54.0	1							55.0	6	61.0	55.4	1.0	56.4	0.00%	0.00%	0.00%	1.82%
Totals	379	7	3	0	0	0	0	0	383.0	24	407.0	372.3	21.4	393.7	0.00%	0.53%	0.79%	2.37%
5/19	380	2	1	0	0	0	0	0	381	13	395.0	371.5	30.8	402.3	0.00%	0.00%	0.26%	2.39%

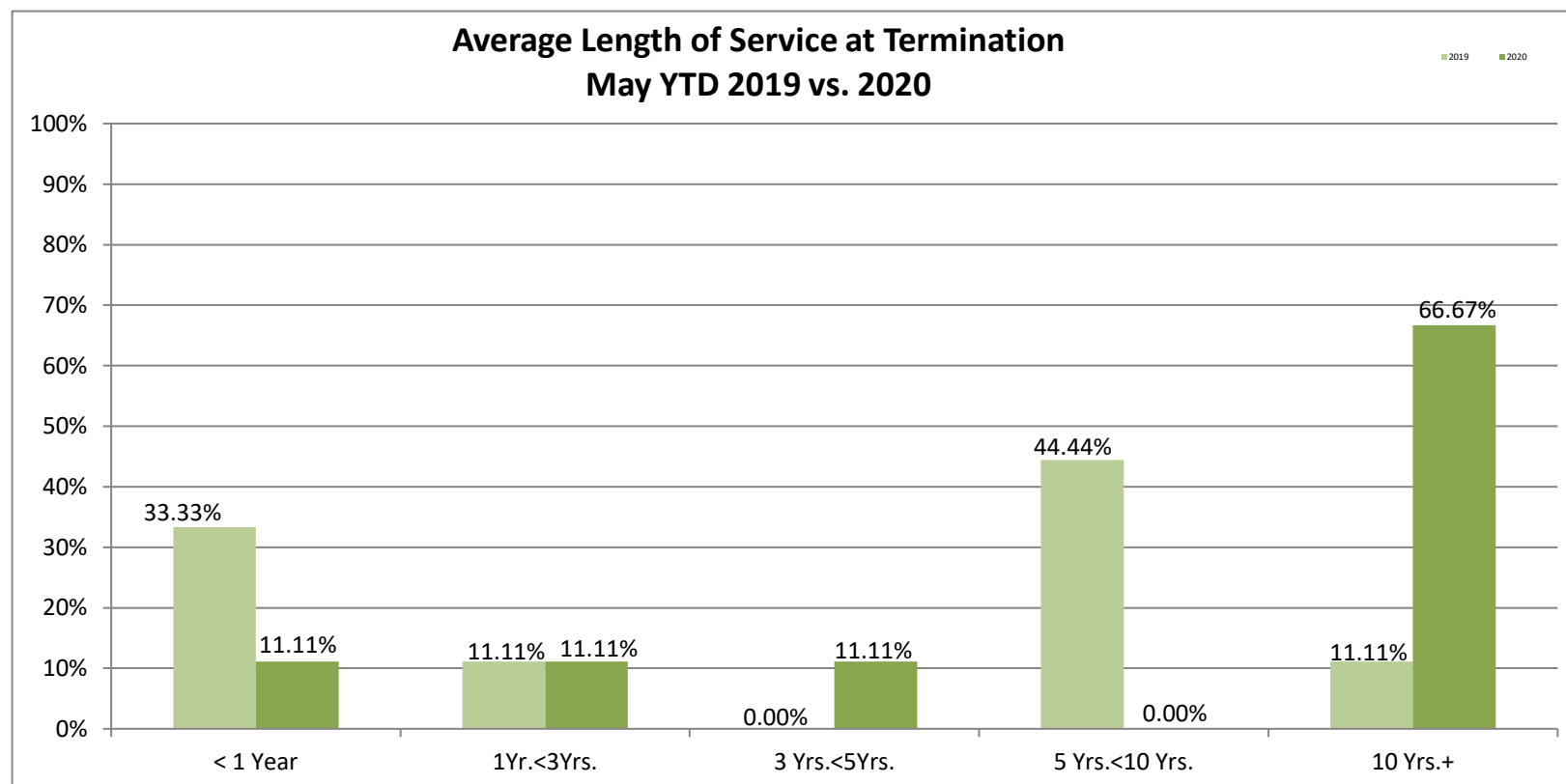


100-GM, HR, Safety; 200-Fin., Cust. Serv., IS, Purch.; 300-Eng.; 400-Water Ops; 500-Recycling; 600-WQ&RC; 700-Water Res., Recyc. Water and Public Affairs; 800-Adm. & Maintenance Ops

**IRVINE RANCH WATER DISTRICT
TURNOVER LONGEVITY RATIO
May 2020**

Dept.	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	YTD Turnover Longevity Ratio				
														< 1 Year	1Yr.<3Yrs.	3 Yrs.<5Yrs.	5 Yrs.<10 Yrs.	10 Yrs.+
100			1										1	1				
200													0					
300					1								1					1
400													0					
500	1			1	1								3		1			2
600	1				1								2					2
700			1										1			1		
800				1									1					1
2020 Total	2	0	2	2	3	0	0	0	0	0	0	0	9	1	1	1	0	6
2019 Data	2	4	1	1	2	1	3	1	0	4	2	4	25					
Percentage of Total Turnover														11.11%	11.11%	11.11%	0.00%	66.67%

2020 Average YTD Length of Service at Termination	17.99 Years
2019 Average YTD Length of Service at Termination	9.21 Years
2018 Average YTD Length of Service at Termination	13.85 Years
2017 Average YTD Length of Service at Termination	14.35 Years
2016 Average YTD Length of Service at Termination	12.43 Years



**IRVINE RANCH WATER DISTRICT
EMPLOYEE POPULATION STATUS REPORT
May 2020**

NEW HIRES				
Hire	Dept	Employee Name	Position	Comments
05/01/20	500	Charles Arellano	Operator III	
05/04/20	400	Luis Lopez	Water Maintenance Technician I	
05/04/20	500	Brooke Espinoza	Operator III	
05/04/20	800	Wyatt Berry	Maintenance Mechanic	
05/05/20	500	John Weneta	Operator III	
05/18/20	200	Evelyn Mendoza	Purchasing Coordinator	
05/16/20	400	Even Melendez	Water Maintenance Technician I	

TERMINATIONS					
Termination Date	Dept	Employee Name	Position	Reason	Comments
5/8/20	600			VOL	
5/28/20	300			VOL	

RETIREMENTS					
Effective Date	Departing Dept	Employee Name	Position	Reason	Comments
5/1/20	500	Joe Costantino	Collection Supervisor	RET	

PROMOTIONS					
Effective Date	Departing Dept	Employee Name	Departing Position	New Dept	New Position
05/30/20	300	Christopher Lum	Associate Engineer	300	Engineer

TRANSFERS					
Effective Date	Departing Dept	Employee Name	Departing Position	New Dept	New Position

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

**IRVINE RANCH WATER DISTRICT
EMPLOYEE POPULATION STATUS REPORT
May 2020**

UNFILLED POSITIONS			
Dept	Position	Salary Grade	Comments
100	Safety Specialist	U29.N	Recruiting
100	HR Analyst	U31.N	Recruiting
200	Cybersecurity Analyst	U18.E	
300	Engineer	U17.E	Recruiting
300	Engineer	U17.E	
400	Field Services Manager	U18.E	
500	Process Specialist	32.N	
500	Collection Systems CCTV Technician	21.N	
500	Operations Supervisor	S35.N	
500	Collection Systems Supervisor	S32.N	
500	Operator II	27.N	
500	Operator III	29.N	
500	Operator II	27.N	Recruiting
600	Sr. Scientist	32.N	
600	Sr. Scientist	32.N	
600	Regulatory Compliance Administrator	U12.E	Recruiting
700	Recycled Water Specialist	24.N	
700	Water Resources Planner	U13.E	Recruiting
800	Reliability Engineer	U20.E	
800	Sr. Electrical Technician	30.N	
800	Electrical Technician	28.N	
800	Maintenance Mechanic	22.N	Recruiting
800	Sr. Maintenance Mechanic	27.N	
805	Director of Field Operations	U27.E	

**IRVINE RANCH WATER DISTRICT
EMPLOYEE POPULATION STATUS REPORT
May 2020**

LEAVE OF ABSENCE					
Type of Leave	Pay Status	Date Leave Began	Anticipated Return Date	Current Length	Comments
WC/FMLA/CFRA	SDI	9/9/2019		8 months	
FMLA/CFRA/PFL	SDI	5/7/2020	7/820	1 month	

Leave	Original Status	Date Leave Began	Return Date	Length	Return Date	Comments
FMLA/CFRA/PFL	SDI	10/25/2018	1/2/2019	2 month	01/14/19	Returned
FMLA/CFRA/PFL	SDI	12/19/2018	1/21/2019	2 weeks	01/21/19	Returned
FMLA/CFRA/PFL	SDI	12/19/2018	1/24/2019	2 weeks	01/21/19	Returned
FMLA/CFRA/PFL	SDI	12/18/2018	1/8/2019	2 weeks	01/08/19	Returned
FMLA/CFRA/PFL	SDI	12/17/2018	1/7/2019	2 weeks	01/07/19	Returned
FMLA/CFRA	SDI	7/23/2018	2/1/2019	6 months	02/01/19	Returned
FMLA/CFRA	SDI	12/17/2018	1/2/2019	2 weeks	01/02/19	Returned
FMLA/CFRA/PFL	SDI	12/17/2018	1/7/2019	2 weeks	01/07/19	Returned
FMLA/CFRA	SDI	1/24/2019	2/26/2019	2 months	03/12/19	Returned
FMLA/CFRA	SDI	1/11/2019	4/16/2019	3 months	04/16/19	Returned
FMLA/CFRA	SDI	3/30/2019	4/11/2019	1 week	04/09/19	Returned
FMLA/CFRA	SDI	1/9/2019	3/5/2019	4 months	04/02/19	Returned
FMLA/CFRA	SDI	9/9/2019	43773	2 months	11/04/19	Returned
FMLA/CFRA	SDI	3/30/2019	10/28/2019	7 months	10/28/19	Returned
FMLA/CFRA	SDI	9/3/2019	10/28/2019	2 months	10/28/19	Returned
FMLA/CFRA	PFL	9/23/2019	11/4/2019	2 months	11/04/19	Returned
FMLA/CFRA	SDI	7/2/2019	11/29/2019	5 months	11/29/19	Retired
FMLA/CFRA	SDI	9/30/2019	12/1/2019	3 months	12/30/19	Returned
FMLA/CFRA	SDI	10/7/2019	2/10/2020	4 months	02/03/20	Returned
FMLA/CFRA	SDI	7/9/2019	12/1/2019	7 months	12/01/19	Returned
FMLA/CFRA	SDI	9/2/2019	2/17/2020	5 months	02/03/20	Returned
FMLA/CFRA	SDI	12/10/2019	2/6/2020	2 months	02/10/20	Returned
FMLA/CFRA	SDI	12/2/2019	2/3/2020	2 months	02/03/20	Returned
FMLA/CFRA	SDI	1/27/2020	3/9/2020	1 month	03/09/20	Returned
FMLA/CFRA	SDI	9/23/2019	3/2/2020	5 months	03/09/20	Returned
FMLA/CFRA	SDI	1/23/2020	3/9/2020	2 months	03/09/20	Returned
WC/FMLA/CFRA	SDI	2/3/2020	4/13/2020	1 month	04/13/20	Returned

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

Month	Length of Employment	Termination		Comments
		Vol	Invol	
January	14 years, 6 months	X		Other employment - Metropolitan Water
	1 year, 4 months	X		Other employment
February				
March	10 months	X		No reason given
	3 years, 2 months	X		Other employment - Mesa Water
April	32 years, 2 months	X		Retired
	24 years, 1 month	X		Retired
May	28 years	X		Retired
	26 years, 9 months	X		Other employment - Metropolitan WD
	26 years, 1 month	X		Other employment - Las Vegas WD
June				
July				
August				
September				
October				
November				
December				

**IRVINE RANCH WATER DISTRICT
SUMMARY
AGENCY & DISTRICT TEMPORARY EMPLOYEES
May 2020**

ACTIVE											
Current Month	FYTD Ave Hours Worked	PERS Enroll- ment	Agency		Hourly Rate	Est Hours per Month	Est Cost Per Month	Expected Duration (Months)	Actual Worked (Months)	Projected Cost FY' YTD	Actual Cost FY 'YTD
0.42	0.25	Yes	X	130	47.75	84	4,011.00	9	7	28,077.00	23,128.91
0.91	0.38	No		140	37.15	168	6,241.20	7	6	37,447.20	26,938.21
1.32	0.63			100							
0.00	0.01	Yes		200	56.55	84	4,750.20	12	11	52,252.20	565.50
0.92	0.91	Yes		200	23.75	168	3,990.00	12	11	43,890.00	41,443.75
0.92	0.90	Yes		200	22.22	168	3,732.96	12	11	41,062.56	38,045.97
0.92	0.91	Yes		200	22.22	168	3,732.96	12	11	41,062.56	38,513.59
2.76	2.72			200							
0.87	0.88	Yes		300	37.44	168	6,289.92	12	11	69,189.12	62,974.08
0.65	0.48	Yes		300	72.97	84	6,129.48	12	11	67,424.28	66,949.98
0.11	0.01	Yes		300	85.30	84	7,165.20	8	1	7,165.20	1,578.05
0.23	0.33	EXC		300	17.00	84	1,428.00	12	11	15,708.00	10,761.00
0.33	0.26	EXC		300	15.00	84	1,260.00	9	8	10,080.00	7,320.00
0.87	0.93	EXC		300	37.44	84	3,144.96	12	11	34,594.56	66,643.20
3.06	2.89			300							
0.46	0.83	Yes		400	23.75	168	3,990.00	12	11	43,890.00	37,988.13
0.46	0.83			400							
0.85	0.99	Yes		500	32.53	168	5,290.32	12	11	42,322.56	43,920.68
0.85	0.99			500							
1.00	0.47	No	X	600	43.84	168	7,365.12	8	7	51,555.84	40,098.04
1.00	0.30	No	X	600	52.00	168	8,736.00	4	6	52,416.00	30,056.00
0.20	0.02	No	X	600	52.00	168	8,736.00	2	2	17,472.00	1,768.00
0.00	0.00	No	X	600	52.00	168	8,736.00	8	1	8,736.00	0.00
0.00	0.00	No	X	600	43.84	168	7,365.12	2	1	7,365.12	0.00
0.00	0.00	No	X	600	43.84	168	7,365.12	2	1	7,365.12	0.00
0.39	0.30	EXC		600	15.00	84	1,260.00	12	11	13,860.00	8,677.50
0.97	0.48	Yes		600	32.53	168	5,465.04	7	8	43,720.32	29,990.06
0.18	0.30	EXC		600	15.00	84	1,260.00	12	11	13,860.00	8,577.00
3.74	1.88			600							
0.87	0.92	Yes	X	700	30.71	168	5,159.28	12	11	56,752.08	53,888.37
1.00	0.42	No		700	43.53	168	7,313.04	8	7	51,191.28	35,357.24
1.00	0.15	No		700	43.53	168	7,313.04	3	3	21,939.12	12,395.17
0.87	0.93	yes		700	30.71	168	5,159.28	12	11	56,752.08	54,552.48
3.74	2.42			700							
1.00	0.58	No	X	800	40.82	168	6,857.76	11	8	54,862.08	46,351.11
1.00	0.14	No	X	800	56.70	168	9,525.60	9	3	28,576.80	14,742.00
1.00	0.27	No	X	800	41.82	168	7,025.76	5	5	35,128.80	21,411.84
3.00	0.99			800							
18.94	13.35										

**IRVINE RANCH WATER DISTRICT
SUMMARY
AGENCY & DISTRICT TEMPORARY EMPLOYEES
May 2020**

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
0.63	0.09	No	X		27.87	168	4,682.16	3	1		
0.46	0.04	No	X	140	37.15	168	6,241.20	3	1	6,241.20	2,953.43
0.46	0.04			100							
0.18	0.39	EXC		200	15.00	84	1,260.00	12	1	1,260.00	2,010.00
0.77	0.73	Yes		200	23.75	168	3,990.00	12	9	35,910.00	33,499.38
0.82	0.88	No	X	200	34.17	168	5,740.56	4	4	22,962.24	13,236.60
0.89	0.60	Yes		200	23.50	168	3,948.00	12	9	35,532.00	26,907.50
0.81	0.53	No	X	200	29.36	168	4,932.48	9	7	34,527.36	29,820.66
0.41	0.63	No	X	200	29.05	168	4,880.40	7	7	34,162.80	37,481.76
3.89	3.76			200							
0.00	0.33	EXC		300	18.00	84	1,512.00	12	11	16,632.00	11,286.00
0.00	0.30	EXC		300	17.00	84	1,428.00	12	11	15,708.00	9,732.50
0.00	0.27	EXC		300	17.00	84	1,428.00	12	11	15,708.00	8,789.00
0.00	0.00			300							
1.00	0.72	Yes		400	23.75	168	3,990.00	12	8	31,920.00	33,193.00
0.49	0.73	Yes		400	22.23	168	3,734.64	9	9	33,611.76	31,800.02
0.98	0.34	No	X	400	31.51	168	5,293.68	9	6	31,762.08	20,859.62
2.47	1.78			400							
0.34	0.67	Yes		500	29.03	84	2,438.52	12	6	14,631.12	23,790.09
0.69	0.40	No		500	31.84	168	5,349.12	9	6	32,094.72	24,238.20
1.03	1.07			500							
0.65	0.68	Yes		600	30.28	168	5,087.04	12	3	15,261.12	17,819.78
1.00	0.28	No	X	600	43.83	168	7,363.44	5	6	44,180.64	23,755.86
0.00	0.36	EXC		600	15.00	84	1,260.00	12	11	13,860.00	10,207.50
0.23	0.35	EXC		600	15.00	84	1,260.00	6	5	6,300.00	10,012.50
0.65	0.68			600							
0.53	0.78	No	X	700	31.00	168	5,208.00	12	5	26,040.00	25,722.25
0.46	0.53	No	X	700	31.00	168	5,208.00	12	8	41,664.00	31,124.00
0.99	1.31			700							
0.00	0.00			800							
9.49	8.64									1,565,686.92	1,252,875.48

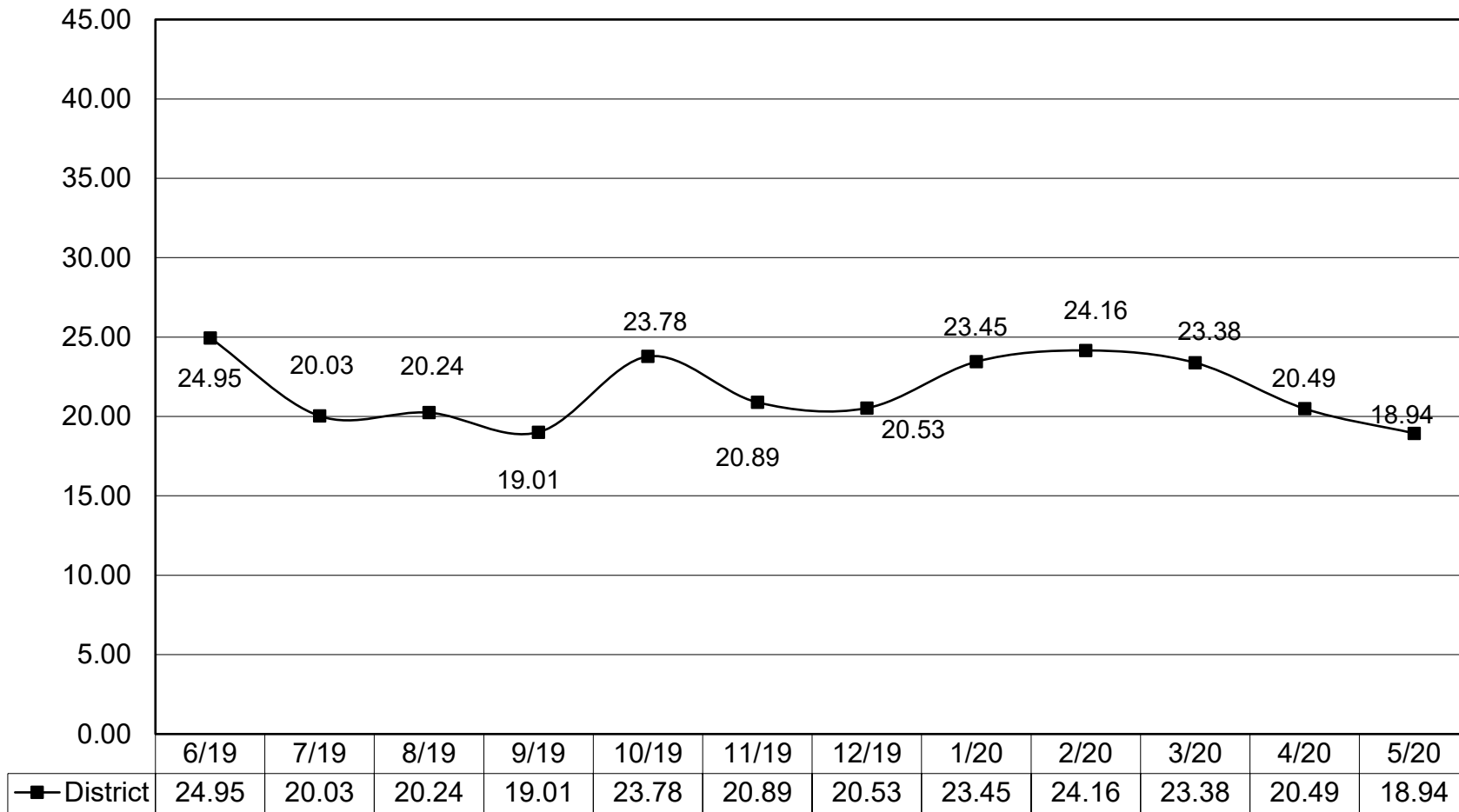
EXC = Exclude from PERS enrollment

Yes= Temporary employee enrolled in PERS Membership

No=Temporary Agency employee

*Data reported 30 days in arrears

Temporary Employees **Full Time Equivalency** **District Totals as of May 31, 2020**



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July 7, 2020

Prepared by: J. Davis / T. Fournier

Submitted by: R. Jacobson / C. Clary

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 June 29, 2020, as outlined in Exhibit "A";
- The U.S. Treasury Yield Curve as of June 29, 2020, as outlined in Exhibit "B";
- The Summary of Fixed and Variable Debt as of June 29, 2020, as outlined in Exhibit "C"; and
- The Summary of Variable Rate Debt Rates as of June 29, 2020, as outlined in Exhibit "D".

BACKGROUND:

Investment Portfolio:

Due to the timing of the Committee meeting, the rate of return for June 2020 is not complete at this time. Preliminary calculations indicate a rate of return for the fixed income investment portfolio of 1.51%, which is an 0.11% decrease from May's rate of 1.62%. The decrease is primarily due to a lower interest rate for LAIF (1.37% to 1.20%). Including real estate investments, the weighted average rate of return for the District's investment portfolio for June 2020 is estimated to be 3.82%, which is a 0.06% decrease from May's rate of 3.88%.

Debt Portfolio:

As of June 29, 2020, IRWD's weighted average all-in variable rate was 0.38%, which was a 0.02% decrease from May's rate of 0.40%. Including the District's weighted average fixed rate bond issues of 3.69% 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 2.84%, which was a 0.03% increase from May's rate of 2.81%.

FISCAL IMPACTS:

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

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 June 29, 2020

Exhibit “B” – Yield Curve as of June 29, 2020

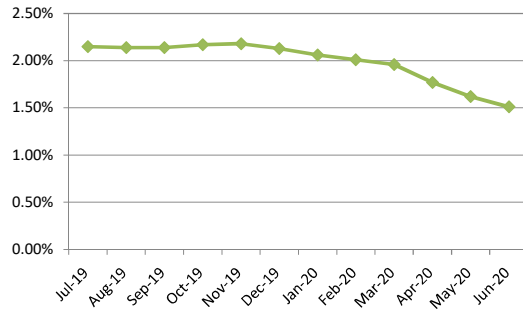
Exhibit “C” – Summary of Fixed and Variable Debt as of June 29, 2020

Exhibit “D” – Summary of Variable Rate Debt Rates as of June 29, 2020

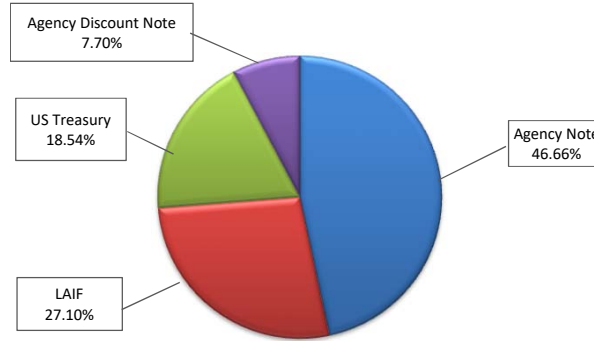
Exhibit "A"

Irvine Ranch Water District Investment Portfolio Summary June 2020

Monthly Fixed Income Yield



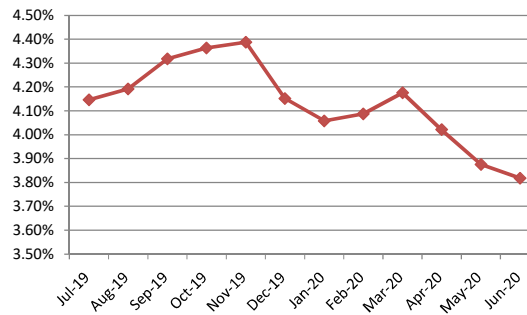
Portfolio Distribution



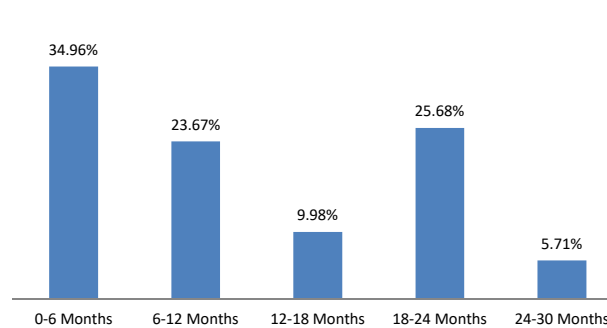
Investment Summary

Type	PAR	Book Value	Market Value
Agency Note	163,550,000	164,016,419	165,835,769
US Treasury	95,000,000	95,088,828	97,072,300
LAIF	65,000,000	65,000,000	65,486,266
Agency Discount Note	27,000,000	26,946,973	26,972,721
Grand Total	350,550,000	351,052,219	355,367,055

Weighted Average Return
Including Real Estate Portfolio



Maturity Distribution



Top Issuers

Issuer	PAR	% Portfolio
US Treasury	95,000,000	27.10%
State of California Tsy.	65,000,000	18.54%
Fed Hom Loan Bank	62,000,000	17.69%
Fed Farm Credit Bank	55,000,000	15.69%
Fed Home Loan Mortgage Corp	40,000,000	11.41%
Fed Natl Mortgage Assoc	33,550,000	9.57%
Grand Total	350,550,000	100.00%

IRVINE RANCH WATER DISTRICT
INVESTMENT SUMMARY REPORT

06/29/20

SETTLMT	Call Schedule	Initial Call	Maturity Date	Rating	INVESTMENT TYPE	INSTITUTION / ISSUER	PAR Amount	COUPON DISCOUNT	YIELD	ORIGINAL COST	CARRY VALUE	MARKET VALUE ⁽¹⁾ 6/29/2020	UNREALIZED ⁽²⁾ GAIN/(LOSS)
08/23/17			06/30/20		LAIF	State of California Tsy.	\$65,000,000		1.200%	\$65,000,000.00	\$65,000,000.00	65,486,265.98	486,265.98
04/19/18	NA	NA	07/30/20	Aaa/AA+/AAA	FNMA - Note	Fed Natl Mortgage Assoc	5,000,000	1.500%	2.535%	4,886,000.00	4,996,031.21	5,011,000.00	14,968.79
06/08/18	NA	NA	07/30/20	Aaa/AA+/AAA	FNMA - Note	Fed Natl Mortgage Assoc	5,000,000	1.500%	2.559%	4,890,100.00	4,995,929.63	5,011,000.00	15,070.37
09/14/18	NA	NA	08/24/20	Aaa/AA+/AAA	FFCB - Note	Fed Farm Credit Bank	5,000,000	2.680%	2.789%	4,989,700.00	4,999,216.62	5,034,950.00	35,733.38
09/14/18	NA	NA	09/04/20	Aaa/AA+/AAA	FFCB - Note	Fed Farm Credit Bank	5,000,000	2.690%	2.794%	4,990,050.00	4,999,102.98	5,032,950.00	33,847.02
03/13/20	NA	NA	09/16/20	NR	FHLB - Discount Note	Fed Home Loan Bank	5,000,000	0.480%	0.489%	4,987,533.35	4,989,533.35	4,997,600.00	8,066.65
12/12/17	NA	NA	09/28/20	Aaa/AA+/AAA	FNMA - Note	Fed Natl Mortgage Assoc	5,000,000	2.000%	2.000%	5,000,000.00	5,000,000.00	5,019,350.00	19,350.00
10/31/17	NA	NA	10/30/20	Aaa/NR/AAA	FNMA - Note	Fed Natl Mortgage Assoc	5,550,000	1.850%	1.850%	5,550,000.00	5,550,000.00	5,573,143.50	23,143.50
03/31/20	NA	NA	10/30/20	NR	FHLB - Discount Note	Fed Home Loan Bank	5,000,000	0.150%	0.153%	4,995,562.50	4,996,187.50	4,996,450.00	262.50
09/28/18	NA	NA	10/31/20	Aaa/NR/AAA	Treasury - Note	US Treasury	5,000,000	1.750%	2.847%	4,889,453.13	4,796,559.03	5,031,850.00	235,290.97
03/16/20	NA	NA	11/18/20	NR	FHLB - Discount Note	Fed Home Loan Bank	7,000,000	0.530%	0.540%	6,974,545.28	6,977,636.95	6,994,050.00	16,413.05
11/30/17	NA	NA	11/24/20	Aaa/AA+/AAA	FFCB - Note	Fed Farm Credit Bank	5,000,000	1.850%	1.964%	4,983,550.00	4,997,796.61	5,039,050.00	41,253.39
12/20/17	NA	NA	12/28/20	Aaa/AA+/AAA	FNMA - Note	Fed Natl Mortgage Assoc	5,000,000	1.875%	2.023%	4,978,400.00	4,994,482.61	5,045,500.00	51,017.39
11/09/18	NA	NA	12/31/20	Aaa/NR/AAA	Treasury - Note	US Treasury	5,000,000	2.375%	2.958%	4,939,843.75	4,985,940.49	5,063,500.00	77,559.51
03/31/20	NA	NA	01/19/21	NR	FHLB - Discount Note	Fed Home Loan Bank	5,000,000	0.200%	0.204%	4,991,833.33	4,992,666.66	4,994,200.00	1,533.34
10/12/18	NA	NA	01/31/21	Aaa/NR/AAA	Treasury - Note	US Treasury	10,000,000	1.375%	2.890%	9,664,843.76	9,914,817.77	10,079,300.00	164,482.23
12/14/18	NA	NA	02/16/21	Aaa/AA+/AAA	FHLMC - Note	Fed Home Loan Mortgage Corp	5,000,000	2.375%	2.806%	4,954,750.00	4,985,884.28	5,077,250.00	91,365.72
12/14/18	NA	NA	02/28/21	Aaa/NR/AAA	Treasury - Note	US Treasury	5,000,000	2.000%	2.755%	4,919,515.95	4,974,069.57	5,067,200.00	93,130.43
02/12/19	NA	NA	03/12/21	Aaa/AA+/NR	FHLB - Note	Fed Home Loan Bank	10,000,000	2.500%	2.516%	9,996,500.00	9,998,828.72	10,186,300.00	187,471.28
02/25/19	NA	NA	03/12/21	Aaa/AA+/NR	FHLB - Note	Fed Home Loan Bank	5,000,000	2.375%	2.549%	4,982,700.00	4,994,109.65	5,084,150.00	90,040.35
06/17/19	NA	NA	03/17/21	Aaa/AA+/NR	FFCB - Note	Fed Farm Credit Bank	5,000,000	1.950%	1.938%	5,001,050.00	5,000,425.59	5,070,000.00	69,574.41
02/28/20	NA	NA	04/13/21	Aaa/AA+/AAA	FNMA - Note	Fed Natl Mortgage Assoc	3,000,000	2.500%	1.185%	3,043,950.00	3,040,734.15	3,059,850.00	19,115.85
06/14/19	NA	NA	04/30/21	Aaa/AA+/AAA	FNMA - Note	Fed Natl Mortgage Assoc	5,000,000	1.750%	1.913%	4,985,000.00	4,993,374.64	5,061,900.00	68,525.36
12/05/19	NA	NA	04/30/21	Aaa/NR/AAA	Treasury - Note	US Treasury	5,000,000	2.250%	1.650%	5,041,406.25	5,024,504.09	5,093,150.00	68,645.91
09/13/19	NA	NA	05/15/21	Aaa/NR/AAA	Treasury - Note	US Treasury	5,000,000	2.625%	1.757%	5,071,093.75	5,037,061.99	5,115,050.00	77,988.01
03/02/20	NA	NA	05/31/21	Aaa/NR/AAA	Treasury - Note	US Treasury	10,000,000	2.125%	1.186%	10,115,711.10	10,108,081.80	10,191,000.00	82,918.20
06/11/20	NA	NA	06/09/21	NR	FHLB - Discount Note	Fed Home Loan Bank	5,000,000	0.190%	0.193%	4,990,420.85	4,990,948.63	4,990,421.00	(527.63)
09/18/19	NA	NA	06/11/21	Aaa/AA+/NR	FHLB - Note	Fed Home Loan Bank	5,000,000	2.250%	1.786%	5,039,300.00	5,021,453.32	5,104,400.00	82,946.68
01/16/20	NA	NA	06/30/21	Aaa/NR/AAA	Treasury - Note	US Treasury	5,000,000	1.125%	1.594%	4,966,406.25	4,976,971.52	5,049,400.00	72,428.48
07/26/19	NA	NA	07/19/21	Aaa/AA+/AAA	FFCB - Note	Fed Farm Credit Bank	5,000,000	1.875%	1.927%	4,995,000.00	4,997,354.97	5,089,700.00	92,345.03
08/01/19	NA	NA	08/31/21	Aaa/NR/AAA	Treasury - Note	US Treasury	5,000,000	1.125%	1.816%	4,929,687.50	4,960,639.78	5,058,600.00	97,960.22
10/11/19	NA	NA	10/15/21	Aaa/AA+/NR	Treasury - Note	US Treasury	5,000,000	2.875%	1.540%	5,131,640.63	5,084,357.46	5,184,750.00	100,392.54
10/22/19	NA	NA	10/15/21	Aaa/AA+/AAA	FFCB - Note	Fed Farm Credit Bank	5,000,000	1.400%	1.642%	4,976,500.00	4,984,712.02	5,080,400.00	95,687.98
11/05/19	NA	NA	11/15/21	Aaa/NR/AAA	Treasury - Note	US Treasury	5,000,000	2.875%	1.610%	5,125,585.94	5,085,079.81	5,195,500.00	110,420.19
11/08/19	NA	NA	11/30/21	Aaa/AA+/NR	Treasury - Note	US Treasury	5,000,000	1.750%	1.680%	5,007,031.25	5,004,827.56	5,117,600.00	112,772.44
04/23/20	NA	NA	12/20/21	Aaa/AA+/NR	FHLB - Note	Fed Home Loan Bank	10,000,000	1.625%	0.309%	10,217,480.00	10,206,713.66	10,221,900.00	15,186.34
11/25/19	NA	NA	12/31/21	Aaa/NR/AAA	Treasury - Note	US Treasury	5,000,000	2.000%	1.619%	5,039,062.50	5,027,909.06	5,143,550.00	115,640.94
11/25/19	NA	NA	01/13/22	Aaa/NA/NR	FHLMC - Note	Fed Home Loan Mortgage Corp	5,000,000	2.375%	1.635%	5,077,250.00	5,055,560.58	5,175,800.00	120,239.42
03/08/19	NA	NA	01/15/22	Aaa/AA+/NR	Treasury - Note	US Treasury	5,000,000	2.500%	2.460%	5,005,468.75	5,002,949.14	5,187,900.00	184,950.86
01/15/20	One Time	7/10/20	01/10/22	Aaa/NA/AAA	FHLMC - Note	Fed Home Loan Mortgage Corp	5,000,000	1.625%	1.625%	5,000,000.00	5,000,000.00	5,007,350.00	7,350.00
12/19/19	NA	NA	01/31/22	Aaa/NR/AAA	Treasury - Note	US Treasury	5,000,000	1.875%	1.641%	5,024,218.75	5,018,117.13	5,141,000.00	122,882.87
03/21/19	NA	NA	02/03/22	Aaa/AA+/AAA	FFCB - Note	Fed Farm Credit Bank	5,000,000	2.030%	2.361%	4,954,350.00	4,974,696.86	5,150,700.00	176,003.14
12/19/19	NA	NA	02/15/22	Aaa/NR/AAA	Treasury - Note	US Treasury	5,000,000	2.500%	1.652%	5,089,453.13	5,067,344.94	5,197,650.00	130,305.06
03/08/19	NA	NA	03/11/22	Aaa/AA+/NR	FHLB - Note	Fed Home Loan Bank	5,000,000	2.500%	2.549%	5,002,750.00	5,001,546.41	5,199,700.00	198,153.59
12/19/19	NA	NA	03/31/22	Aaa/NR/AAA	Treasury - Note	US Treasury	5,000,000	1.875%	1.645%	5,025,585.94	5,019,596.43	5,155,300.00	135,703.57
02/21/20	NA	NA	04/14/22	Aaa/AA+/AAA	FFCB - Note	Fed Farm Credit Bank	5,000,000	1.400%	1.414%	4,998,500.00	4,998,616.86	5,108,750.00	110,133.14
04/23/20	NA	NA	04/21/22	Aaa/AA+/NR	FFCB - Note	Fed Farm Credit Bank	10,000,000	1.580%	0.320%	10,229,200.00	10,229,235.44	10,249,400.00	20,164.56
04/27/20	Quarterly	10/27/20	04/27/22	Aaa/NA/NA	FHLMC - Note	Fed Home Loan Mortgage Corp	10,000,000	0.550%	0.550%	10,000,000.00	10,000,000.00	10,001,800.00	1,800.00
05/28/20	One Time	05/26/21	05/26/22	Aaa/NR/AAA	FHLMC - Note	Fed Home Loan Mortgage Corp	5,000,000	0.270%	0.270%	5,000,000.00	5,000,000.00	5,000,000.00	
01/15/20	NA	NA	07/15/22	Aaa/AA+/NR	FFCB - Note	Fed Farm Credit Bank	5,000,000	1.600%	1.594%	5,000,750.00	5,000,611.84	5,141,200.00	140,588.16
05/28/20	One Time	05/26/21	08/26/22	Aaa/NR/AAA	FHLMC - Note	Fed Home Loan Mortgage Corp	5,000,000	0.300%	0.300%	5,000,000.00	5,000,000.00	4,997,775.00	(2,225.00)
04/24/20	NA	NA	10/21/22	Aaa/NR/NR	FHLMC - Note	Fed Home Loan Mortgage Corp	5,000,000	0.550%	0.555%	5,000,000.00	5,000,000.00	5,000,500.00	500.00

06/29/20

SETTLMT	Call Schedule	Initial Call	Maturity Date	Rating	INVESTMENT TYPE	INSTITUTION / ISSUER	PAR Amount	COUPON DISCOUNT	YIELD	ORIGINAL COST	CARRY VALUE	MARKET VALUE ⁽¹⁾ 6/29/2020	UNREALIZED ⁽²⁾ GAIN/(LOSS)
<u>TOTAL INVESTMENTS</u>							<u>\$350,550,000</u>			<u>\$350,669,733.64</u>	<u>\$351,052,219.31</u>	<u>\$355,367,055.48</u>	<u>\$4,314,836.16</u>
					Petty Cash					3,400.00			
					Ck Balance	Bank of America				(432,400.00)			
										<u>\$350,240,733.64</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

Outstanding Variable Rate Debt	\$260,600,000
Net Outstanding Variable Rate Debt (Less \$60 million fixed-payer swaps)	\$200,600,000
Investment Balance:	\$350,240,734
Investment to Variable Rate Debt Ratio:	175%
Portfolio - Average Number of Days To Maturity	313

This Investment Summary Report is in conformity with the 2020 Investment Policy and provides sufficient liquidity to meet the next six months estimated expenditures.

*S - Step up

	Investment Portfolio	Real Estate ⁽³⁾ Portfolio	Weighted Avg. Return
June	1.51%	9.03%	3.82%
May	1.62%	9.03%	3.88%
Change	-0.11%		-0.06%

IRVINE RANCH WATER DISTRICT
SUMMARY OF MATURITIES

06/29/20

DATE	TOTAL	%	LAIF	Agency Notes	Agency Discount Notes	Municipal Bonds	US Treasury
06/20	\$65,000,000	18.54%	\$65,000,000				
07/20	10,000,000	2.85%		10,000,000			
08/20	5,000,000	1.43%		5,000,000			
09/20	15,000,000	4.28%		10,000,000	5,000,000		
10/20	15,550,000	4.44%		5,550,000	5,000,000		5,000,000
11/20	12,000,000	3.42%		5,000,000	7,000,000		
12/20	10,000,000	2.85%		5,000,000			5,000,000
01/21	15,000,000	4.28%			5,000,000		10,000,000
02/21	10,000,000	2.85%		5,000,000			5,000,000
03/21	20,000,000	5.71%		20,000,000			
04/21	13,000,000	3.71%		8,000,000			5,000,000
05/21	15,000,000	4.28%					15,000,000
SUB-TOTAL	\$205,550,000	58.64%	\$65,000,000	\$73,550,000	\$22,000,000		\$45,000,000
13 Months - 3 YEARS							
06/01/2021 - 07/31/2021	20,000,000	5.71%		10,000,000	5,000,000		5,000,000
08/01/2021 - 10/31/2021	15,000,000	4.28%		5,000,000			10,000,000
11/01/2021 - 01/31/2022	45,000,000	12.84%		20,000,000			25,000,000
02/01/2022 - 04/30/2022	45,000,000	12.84%		35,000,000			10,000,000
05/01/2022- 07/31/2022	10,000,000	2.85%		10,000,000			
08/01/2022 +	10,000,000	2.85%		10,000,000			
	-						
	-						
	-						
TOTALS	\$350,550,000	100.00%	\$65,000,000	\$163,550,000	\$27,000,000		\$95,000,000

% OF PORTFOLIO	18.54%	46.66%	7.70%	27.10%
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Irvine Ranch Water District
Summary of Real Estate - Income Producing Investments
3/31/2020

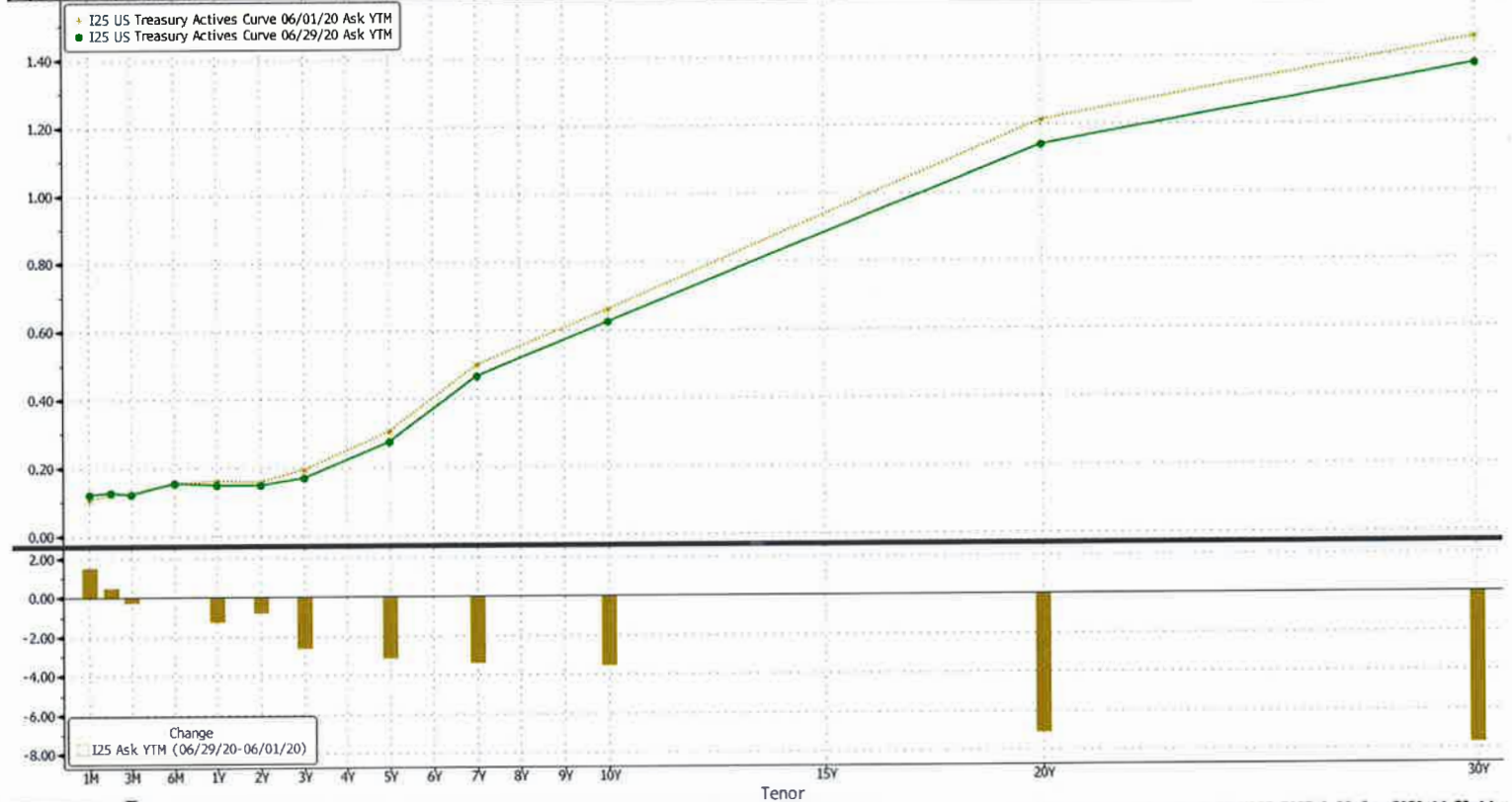
	ACQUISITION DATE	PROPERTY TYPE	OWNERSHIP INTEREST	ORIGINAL COST	MARKET VALUE 3/31/2020	ANNUALIZED RATE OF RETURN QUARTER ENDED 3/31/2020
Sycamore Canyon	Dec-92	Apartments	Fee Simple	\$ 43,550,810	\$ 148,625,000	19.73%
Wood Canyon Villas	Jun-91	Apartments	Limited Partner	\$ 6,000,000	\$ 28,710,327	8.30%
ITC (230 Commerce)	Jul-03	Office Building	Fee Simple	\$ 5,739,845	\$ 11,730,000	10.20%
Waterworks Business Pk.	Nov-08	Research & Dev.	Fee Simple	\$ 8,630,577	\$ 9,180,000	5.88%
Sand Canyon Professional Center	Jul-12	Medical Office	Fee Simple	\$ 8,648,594	\$ 11,220,000	9.30%
Total - Income Properties				\$ 72,569,826	\$ 209,465,327	15.14%
OTHER REAL ESTATE DESCRIPTION						
Serrano Summit - Promissory Note	Sep-17	NA	NA	\$ 88,128,000	\$ 88,128,000	4.00%
Total - Income Producing Real Estate Investments				\$ 160,697,826	\$ 297,593,327	9.03%

Jun-20

PURCHASES

A - 6

US Treasury Actives Curve		Actions ▾	98 Table	Export ▾	Settings ▾	Graph Curves	
X-Axis Tenor	Y-Axis Ask YTM		Currency	None ▾	PCS	Lower Chart	History Chart ▾
Specific 06/01/20	06/29/20	Relative	Last	1D	1W	Modify	Curves & Relative Value



US Treasury Actives Curve		Actions ▾	98 Chart	Export ▾	Settings ▾	Graph Curves	
X-Axis Tenor	Y-Axis Ask YTM		Currency	None ▾	PCS		
Specific 06/01/20	06/29/20	Relative	Last	1D	1W	Modify	Curves & Relative Value

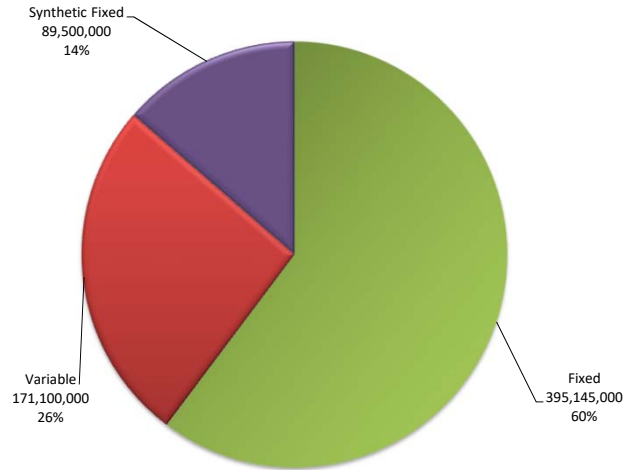
● Values and Members ● Values ● Members ● Constituents

		I25 Ask YTM US Treasury Actives Curve	I25 Ask YTM US Treasury Actives Curve	I25 Ask YTM (Change)
	Tenor	06/29/20	06/01/20	06/29/20-06/01/20
11)	1M	0.122	0.106	1.5%
12)	2M	0.127	0.122	0.5%
13)	3M	0.122	0.125	-0.3%
14)	6M	0.155	0.155	0.0%
15)	1Y	0.147	0.160	-1.3%
16)	2Y	0.148	0.156	-0.8%
17)	3Y	0.168	0.194	-2.6%
18)	5Y	0.274	0.305	-3.2%
19)	7Y	0.466	0.500	-3.4%
20)	10Y	0.623	0.659	-3.6%
21)	20Y	1.139	1.210	-7.1%
22)	30Y	1.373	1.451	-7.7%

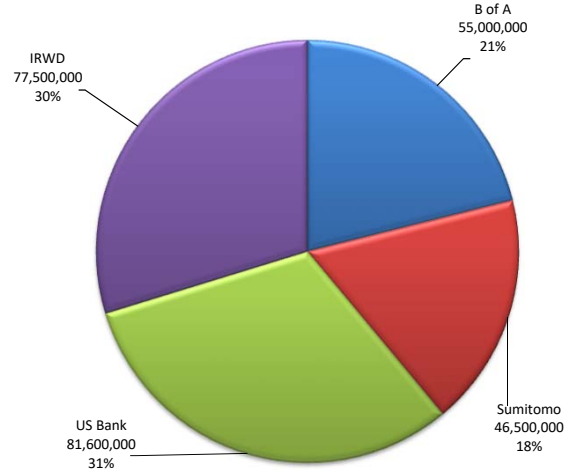
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Exhibit "C"
Irvine Ranch Water District
Summary of Fixed and Variable Rate Debt
June 2020

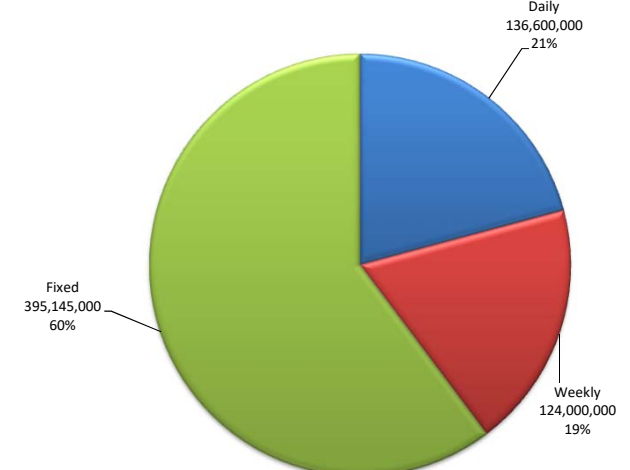
Current Debt Mix By Type



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	\$26,600,000	4.06%	US Bank	BAML	Variable	Daily
Series 2008-A Refunding	04/24/08	07/01/35	\$46,500,000	7.09%	Sumitomo	BAML	Variable	Weekly
Series 2011-A-1 Refunding	04/15/11	10/01/37	\$46,500,000	7.09%	IRWD	Goldman	Variable	Weekly
Series 2011-A-2 Refunding	04/15/11	10/01/37	\$31,000,000	4.73%	IRWD	Goldman	Variable	Weekly
Series 2009 - A	06/04/09	10/01/41	\$55,000,000	8.39%	US Bank	US Bank	Variable	Daily
Series 2009 - B	06/04/09	10/01/41	\$55,000,000	8.39%	B of A	Goldman	Variable	Daily
2016 COPS	09/01/16	03/01/46	\$116,745,000	17.80%	N/A	N/A	Fixed	Fixed
2010 Build America Taxable Bond	12/16/10	05/01/40	\$175,000,000	26.69%	N/A	N/A	Fixed	Fixed
Series 2016	10/12/16	02/01/46	\$103,400,000	15.77%	N/A	N/A	Fixed	Fixed
Total			\$655,745,000	100.00%				

June-20

LOC Banks		Breakdown Between Variable & Fixed Rate Mode		
SUMITOMO	46,500,000	Daily Issues	136,600,000	21%
BANK OF AMERICA	55,000,000	Weekly Issues	46,500,000	7%
US BANK	81,600,000	ITN Issues	77,500,000	12%
	<u>183,100,000</u>	Sub-Total	<u>260,600,000</u>	
		Fixed Rate Issues	\$395,145,000	60%
		Sub-Total - Fixed	<u>395,145,000</u>	
		TOTAL DEBT		
		FIXED & VAR.	<u>655,745,000</u>	100%

Exhibit "D"
IRVINE RANCH WATER DISTRICT
SUMMARY OF DEBT RATES
Jun-20

Rmkt Agent	GOLDMAN	GOLDMAN	GOLDMAN	MERRILL LYNCH	US BANK
Mode	DAILY	WEEKLY	WEEKLY	DAILY	DAILY
Bond Issue	2009 - B	2011 A-1	2011 A-2	1993	2008-A
Par Amount	55,000,000	46,500,000	31,000,000	26,600,000	55,000,000
Bank	BOFA	(SIFMA -6)	(SIFMA -6)	US BANK	Sumitomo
Reset		Wednesday	Wednesday	Wednesday	Wednesday
6/1/2020	0.01%	0.08%	0.08%	0.03%	0.11%
6/2/2020	0.01%	0.08%	0.08%	0.02%	0.11%
6/3/2020	0.01%	0.08%	0.08%	0.02%	0.11%
6/4/2020	0.02%	0.05%	0.05%	0.02%	0.10%
6/5/2020	0.02%	0.05%	0.05%	0.02%	0.10%
6/6/2020	0.02%	0.05%	0.05%	0.02%	0.10%
6/7/2020	0.02%	0.05%	0.05%	0.02%	0.10%
6/8/2020	0.02%	0.05%	0.05%	0.03%	0.10%
6/9/2020	0.02%	0.05%	0.05%	0.03%	0.10%
6/10/2020	0.02%	0.05%	0.05%	0.03%	0.10%
6/11/2020	0.03%	0.05%	0.05%	0.04%	0.11%
6/12/2020	0.04%	0.05%	0.05%	0.05%	0.11%
6/13/2020	0.04%	0.05%	0.05%	0.05%	0.11%
6/14/2020	0.04%	0.05%	0.05%	0.05%	0.11%
6/15/2020	0.04%	0.05%	0.05%	0.09%	0.11%
6/16/2020	0.04%	0.05%	0.05%	0.07%	0.11%
6/17/2020	0.05%	0.05%	0.05%	0.08%	0.11%
6/18/2020	0.07%	0.06%	0.06%	0.09%	0.12%
6/19/2020	0.10%	0.06%	0.06%	0.09%	0.12%
6/20/2020	0.10%	0.06%	0.06%	0.09%	0.12%
6/21/2020	0.10%	0.06%	0.06%	0.09%	0.12%
6/22/2020	0.09%	0.06%	0.06%	0.10%	0.12%
6/23/2020	0.09%	0.06%	0.06%	0.09%	0.12%
6/24/2020	0.09%	0.06%	0.06%	0.08%	0.12%
6/25/2020	0.08%	0.07%	0.07%	0.10%	0.11%
6/26/2020	0.08%	0.07%	0.07%	0.11%	0.11%
6/27/2020	0.08%	0.07%	0.07%	0.11%	0.11%
6/28/2020	0.08%	0.07%	0.07%	0.11%	0.11%
6/29/2020	0.08%	0.07%	0.07%	0.10%	0.11%
Avg Interest Rates	0.05%	0.06%	0.06%	0.06%	0.11%
Rmkt Fee	0.10%	0.13%	0.13%	0.10%	0.07%
LOC Fee	0.30%			0.33%	0.32%
All-In Rate	0.45%	0.18%	0.18%	0.49%	0.50%
Par Amount	101,500,000		31,000,000	73,100,000	55,000,000

Interest Rate Mode	Percent of Total Variable Rate Debt	Par Outstanding	Weighted All-In Average Rate	Base Rate Average
Daily	52.42%	136,600,000	0.46%	0.06%
Weekly	47.58%	124,000,000	0.30%	0.08%
	100.00%	\$ 260,600,000	0.38%	0.07%
Fixed				
COPS 2016	29.54%	116,745,000	2.90%	
BABS 2010	44.29%	175,000,000	4.44%	(1)
SERIES 2016	26.17%	103,400,000	3.32%	
	100.00%	\$ 395,145,000	3.69%	
All-In Debt Rate Including \$60 Million Notional Amount of Swaps				2.84%

(1) Rate adjusted up from 4.35% as a result of sequestration reducing BAB's subsidy by 5.9%

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July 7, 2020
Prepared by: A. Hall
Submitted by: J. Roney
Approved by: Paul A. Cook



FINANCE AND PERSONNEL COMMITTEE

PERFORMANCE RECOGNITION PROGRAM QUARTERLY UPDATE

SUMMARY:

Irvine Ranch Water District's Performance Recognition Program recognizes employees who exhibit outstanding performance depicting initiative, creativity, and/or enthusiasm above and beyond the performance requirements of their positions. This write-up provides an update of recognitions through the fourth quarter of FY 2019-20.

BACKGROUND:

During the fourth quarter of the FY 2019-20, there were 29 performance recognition award nominations totaling \$4,430 and involving 49 IRWD employees (as shown in Exhibit "A"). The awards included employees in the Technical Services, Water Resources and Policy, Operations, Water Quality and Regulatory Compliance, Finance and Administration, Human Resources and Safety departments. Additionally, there were year-end performance recognition awards presented to 189 employees.

FISCAL IMPACTS:

The District's annual budget for FY 2019-20 is \$165,000 of which \$156,180 was distributed as of June 30, 2020.

RECOMMENDATION:

Receive and file.

LISTS OF EXHIBITS:

Exhibit "A" – Quarterly Update for fourth Quarter of FY 2019-20.

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EXHIBIT A

PERFORMANCE RECOGNITION PROGRAM						
QUARTERLY UPDATE						
Fiscal Year 2019-2020						
Q4 April- June 2020						
QTR.	DATE	EMPLOYEE	PERFORMANCE RECOGNIZED	AWARD	GROSS AMOUNT	NET AMOUNT
4th Qtr.	4/1/2020	Melody Seesangrit	Recognized for their professionalism and responsiveness to a customer's inquiry. Customer	3 Gift Cards	\$30.00	\$30.00
	"	Brianna Smith	was given a clear explanation for the high water bill caused by a water leak in her home. The bill was adjusted. The customer stated, "they went out of their way to be helpful."		\$30.00	\$30.00
	4/13/2020	Stephen Donnelly	Recognized for their efforts in response to a main line break after hours in the canyon, between	3 Gift Cards	\$30.00	\$30.00
	"	Miguel Ramirez	the Portola Hills zone 8-9 pump station and Portola Hill zone 9 reservoir. The area has very		\$30.00	\$30.00
	"	Jeremy Spencer	rough and difficult terrain, that increases the complexity of the situation due to the conditions at		\$30.00	\$30.00
	"	Husai Magana	night.		\$30.00	\$30.00
	"	David Asman			\$30.00	\$30.00
	4/13/2020	Franklin Soto	Recognized for his efforts modifying and adjusting a chain of custody forms, reducing staff workload and maintaining clear communication between Regulatory Compliance and Water Quality.	3 Gift Cards	\$30.00	\$30.00
	4/13/2020	Linda Orozco	Recognized for her efforts assisting the Water Quality Manager in the compilation of the Recycled Water annual report for submission to meet the deadline inspite of COVID -19 pandemic.	3 Gift Cards	\$30.00	\$30.00
	4/13/2020	Jonathan Faulds	Recognized for his efforts in quickly formatting five laptops, enabling staff to work remotely in their continual performance of essential duties.	3 Gift Cards	\$30.00	\$30.00
	4/15/2020	Kelly Welch	Recognized for their work to support a grant funding request for the Kern Fan Project in the amount of \$50.2M. This proved to be challenging as the 'Safer at Home' measures were in effect.	Payroll Check	\$250.00	\$243.88
	"	Ray Bennett		"	\$250.00	\$172.38
	"	Natalie Palacio		"	\$250.00	\$233.49
	"	Dane Johnson		"	\$250.00	\$172.37
	4/21/2020	Darin Nicholson	Recognized for their assistance to the Biosolids CM team on 03/28/2020, in support of a full	3 Gift Cards	\$30.00	\$30.00
	"	Michael Borowski	Biosolids facility electrical outage and project work taking place on SW14, SWGR-16, SWGR-Construct, and the addition of infrastructure for the new Compressed Natural Gas project.	"	\$30.00	\$30.00
	4/21/2020	Terry Schreiner	Recognized for his work planning, coordinating, and executing Caltrans and Peter's Canyon Hydraulic Flow Meter verifications.	3 Gift Cards	\$30.00	\$30.00
	4/21/2020	Timothy Burgoon	Recognized for his efforts on planning, coordinating and executing the Electrical department's annual Test Equipment and Safety Equipment third party calibration.	3 Gift Cards	\$30.00	\$30.00
	4/21/2020	Gustavo Barreto	Recognized for his supervision during the installation of electrical conductors that were severely damaged by a contractor. Gus intervened and notified IRWD CM Team, ensuring the installation was correct.	3 Gift Cards	\$30.00	\$30.00

EXHIBIT A

PERFORMANCE RECOGNITION PROGRAM						
QUARTERLY UPDATE						
Fiscal Year 2019-2020						
Q4 April- June 2020						
QTR.	DATE	EMPLOYEE	PERFORMANCE RECOGNIZED	AWARD	GROSS AMOUNT	NET AMOUNT
4th Qtr.	4/30/2020	Jonnathan Monroy	Recognized for his work verifying Energy Control procedures at the Biosolids Facility and the Baker Raw Water Treatment Plant. He also contributed to the Maximo Preventative Maintenance program for assets in the Biosolids facility. In addition, he identified, classified and documented all of the Biosolids electrical and instrumentation assets likely to require replacement within the District's PM program.	Payroll Check	\$100.00	\$68.95
	5/3/2020	Jonathan Faulds	Recognized for their work in the deployment of the new Microsoft Outlook during the COVID-19 pandemic. They provided outstanding customer service support to staff, all with a smile and helpful demeanor.	4 Gift Cards	\$30.00	\$30.00
		Eric Flotho		"	\$30.00	\$30.00
		Alfrazuddin Haquani		"	\$30.00	\$30.00
		Alex Munoz		"	\$30.00	\$30.00
		Randy Williams		"	\$30.00	\$30.00
	5/13/2020	Lars Oldewage	Recognized for taking water samples from the Biosolids facility and delivering to the lab for analysis when the field staff were not available.	3 Gift Cards	\$30.00	\$30.00
	5/13/2020	Joaquin Contreras	Recognized for his efforts in creating a powerpoint presentation hi-lighting the sampling locations within the Biosolid facility to educate the Regulatory Compliance staff.	3 Gift Cards	\$30.00	\$30.00
	5/13/2020	Michelle Breiter	Recognized for her efforts coordinating the AQMD obligations and permit regulations with Engineering, Recycling Operations and Maintenance to ensure understanding and compliance during multiple stages of the Biosolids facility project timeline.	3 Gift Cards	\$30.00	\$30.00
	5/13/2020	Rudolfo Perez	Recognized for taking responsibility fo the Drinking Water reporting effort. This is a huge task that involves a great deal of collaboration and data gathering from multiple departments.	3 Gift Cards	\$30.00	\$30.00
	5/13/2020	John Hayes	Recognized for his taking responsibility of learning Volumetric Monitoring, a new regulatory requirement as of this year.	3 Gift Cards	\$30.00	\$30.00
	5/13/2020	Franklin Soto	Recognized for working diligently with Customer Service and billing to create a brand new FOG billing program that reaches across several departments, providing IRWD a framework to collect fees for non-compliance from resturant permit holders.	3 Gift Cards	\$30.00	\$30.00
	5/14/2020	Christian Kessler	Recognized for his initiative on the Pelican Hill Sewer Rehabilitation project as the COVID-19 pandemic forced the closure of the Pelican Hill Golf Course. Chris directed the contractor to continue working, completing the project ahead of schedule, minimizing disruption to local businesses.	4 Gift Cards	\$30.00	\$30.00
	5/14/2020	Chris Lum	Recognized for his work on the Biosolids SCE shutdown and Baker WTP 12kV gear testing, providing the method of procedure for each task associated with the project and troubleshooting. In addition, he assisted the contractor after hours to help speed up the process errors.	6 Gift Cards	\$30.00	30.00.

EXHIBIT A

PERFORMANCE RECOGNITION PROGRAM						
QUARTERLY UPDATE						
Fiscal Year 2019-2020						
Q4 April- June 2020						
QTR.	DATE	EMPLOYEE	PERFORMANCE RECOGNIZED	AWARD	GROSS AMOUNT	NET AMOUNT
	5/27/2020	Warren Williams	Recognized for his leadership during the implementation of the MicroSoft 365 email project, as this was implemented during the COVID-19 pandemic. He went above and beyond, helping the District staff transition to a new email system quickly, and effectively while still working on remote support issues.	Payroll Check	\$500.00	\$487.75
	5/27/2020	Alfrazuddin Haquani	Recognized for their efforts during the implementation of the MicroSoft 365 email project.	Payroll Check	\$250.00	\$233.49
	"	Jonathan Faulds	They went above-and-beyond their normal duties ensuring a smooth transition, while addressing support issues from staff working from home due to COVID-19 crisis.	"	\$250.00	\$243.88
	"	Eric Flotho		"	\$250.00	\$243.87
	"	Alex Munoz		"	\$250.00	\$243.87
	"	Jeff Bertsch		"	\$250.00	\$243.87
	"	Phillip Hornung		"	\$250.00	\$243.87
	"	Rhett Kuseski		"	\$250.00	\$243.87
	6/3/2020	Sheryl Parson	Recognized for her great teamwork, colloboration, and willingness to make changes to her HACH WUMS report to improve efficiency for other report users, despite the extra work involved.	3 Gift Cards	\$30.00	\$30.00
	6/4/2020	Angel Cervantes	Recognized for his outstanding customer service, assisting all staff during this very difficult time of COVID-19 pandemic. His efforts assisting a contractor with a meter leak, while cross-training with other Field Technicians was above expectation.	3 Gift Cards	\$30.00	\$30.00
	6/5/2020	John Hayes	Recognized for his efforts taking ownership and responsibility to ensure his assigned tasks were completed correctly, despite some conflicting information from others.	3 Gift Cards	\$30.00	\$30.00
	6/5/2020	Ian Swift	Recognized for his teamwork, collaboration and innovation during the assistance of the Selenium TMDL meetings and improving safety for the team by building a new NTS sampling port at one of the stations.	3 Gift Cards	\$30.00	\$30.00
	6/5/2020	Scott Toland	Recognized for their patience and understanding, while providing the team with quick feedback	3 Gift Cards	\$30.00	\$30.00
	"	Nang Mwe	education and information on the Biosolids project.	3 Gift Cards	\$30.00	\$30.00
	6/5/2020	Ken Pfister	Recognized for demonstrating innovation and teamwork by working in conjunction with Regulatory Compliance to solve problems, educate one another, and build tools to ensure IRWD is meeting all regulatory compliance obligations.	3 Gift Cards	\$30.00	\$30.00
	6/25/2020	Darin Nicholson	Recognized for his work assisting the Mechanical Services department with a generator load transfer. He found a solution to transfer the generator load; without shutting down the plant and restarting after the initial generator transfer is complete.	3 Gift cards	\$30.00	\$30.00


EXHIBIT A

			PERFORMANCE RECOGNITION PROGRAM			
			QUARTERLY UPDATE			
			Fiscal Year 2019-2020			
			Q4 April- June 2020			
QTR.	DATE	EMPLOYEE	PERFORMANCE RECOGNIZED	AWARD	GROSS AMOUNT	NET AMOUNT
			Exemplary Performance Awards - 189 Employees		\$151,750.00	\$151,497.94
			<i>Fourth Quarter Totals</i>		\$4,430.00	\$4,125.54
			FISCAL YEAR TO DATE TOTAL		\$156,180.00	\$155,623.48

July 7, 2020

Prepared by: C. Smithson

Submitted by: C. Clary

Approved by: Paul A. Cook 

FINANCE AND PERSONNEL COMMITTEE

IRWD REPLACEMENT FUND UPDATE

SUMMARY:

Staff has prepared a review of the cash balance included in the Replacement Fund balance, by system. The current total cash and investment balance is \$275.5 million, consisting of the water system fund balance at \$86.2 million and the sewer and recycled system fund balance at \$189.3 million. At the Committee meeting, staff will review the total assets of the Replacement Fund, by system. Staff will also provide an overview of IRWD's current real estate investment capacity, as these investments make up a portion of the total Replacement Fund.

BACKGROUND:

The current Cash and Investment balance by system through May 2020 is as follows:

System	Cash Balance (millions)
Water	\$86.2
Sewer/Water	\$189.3
<i>Total:</i>	<i>\$275.5</i>

In May 2019, staff updated the Replacement Fund Policy and presented the Committee with a review of the current fund balances. At this meeting, staff will provide an update to the Committee on the total Replacement Fund balance. Staff will also review the District's real estate investment capacity. Government Code 35912, which is legislation approved specifically for IRWD in 1989, permits the District to invest up to 30% of its total Capital Facilities Replacement Fund in real estate located within Orange County as an investment for the production of income.

As a second step in the review of the Replacement Fund balances which will occur later this calendar year, staff plans to update IRWD's Replacement Financial Planning Model. This will be based on an update to the IRWD Replacement Planning Model ("IRIS") used to estimate future replacement expenditures. Once this update have been completed and integrated into the Replacement Financial Planning Model, staff will then present to the Board a discussion regarding the appropriate level of fund balances which will support any future recommendations for rate changes in next budget cycle.

FISCAL IMPACTS:

Not applicable.

ENVIRONMENTAL COMPLIANCE:

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

RECOMMENDATION:

Receive and file.

LIST OF EXHIBITS:

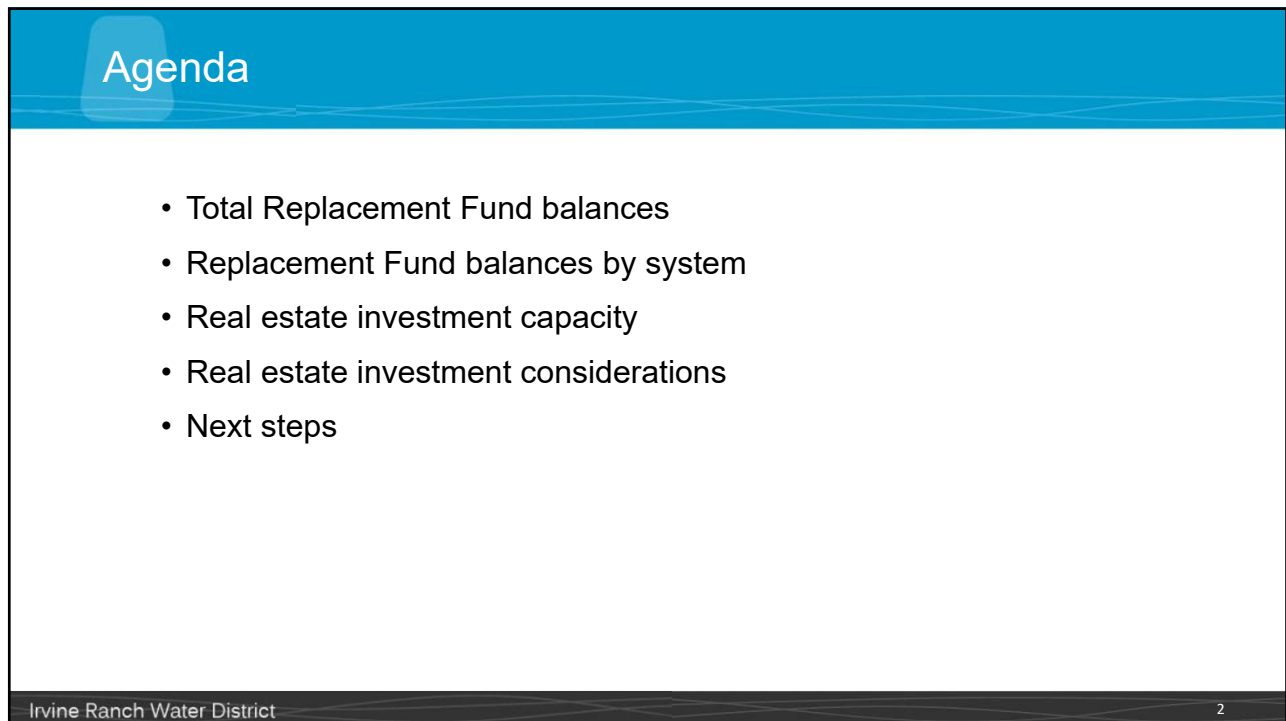
Exhibit “A” – Replacement Fund PowerPoint Presentation

A presentation slide with a blue background. In the top left corner, there is a faint, light blue graphic of a water drop or a similar shape. The main title "Replacement Fund Update" is centered in a large, white, sans-serif font. Below the title, separated by a thin horizontal line, is the text "Finance and Personnel Committee" and "July 7, 2020" in a smaller, white, sans-serif font. In the bottom right corner, there is a colorful logo consisting of three interlocking curved shapes in blue, purple, and green, resembling a stylized water drop or a flower petal.

Replacement Fund Update

Finance and Personnel Committee
July 7, 2020

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A presentation slide with a blue header and a white body. The header contains the word "Agenda" in a white, sans-serif font. The body contains a bulleted list of five items. At the bottom, there is a dark blue footer bar with the text "Irvine Ranch Water District" on the left and the number "2" on the right.

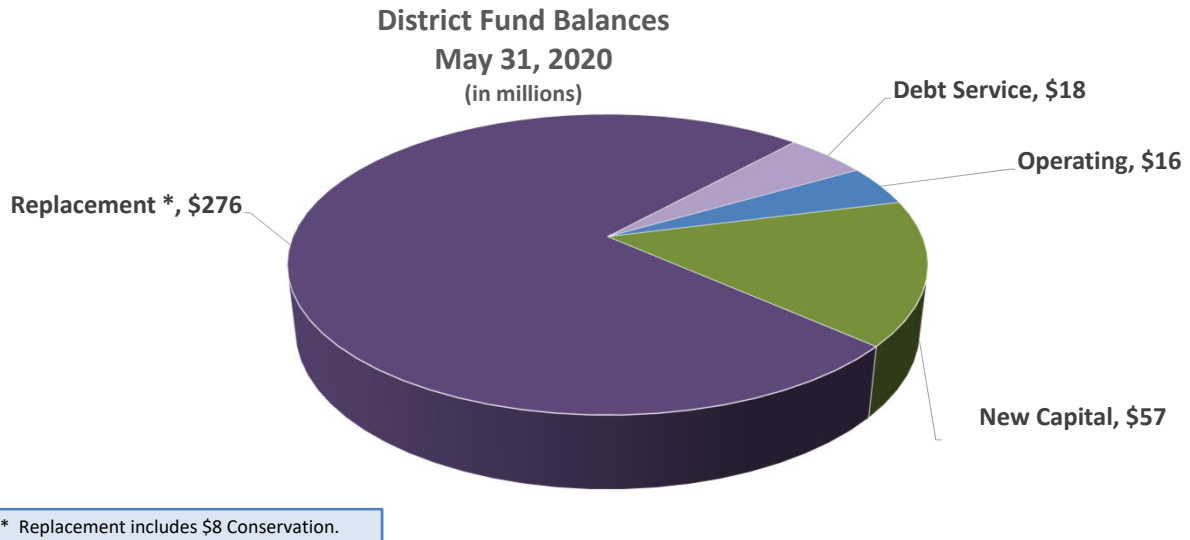
Agenda

- Total Replacement Fund balances
- Replacement Fund balances by system
- Real estate investment capacity
- Real estate investment considerations
- Next steps

Irvine Ranch Water District 2

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IRWD Fund Balances through May 2020



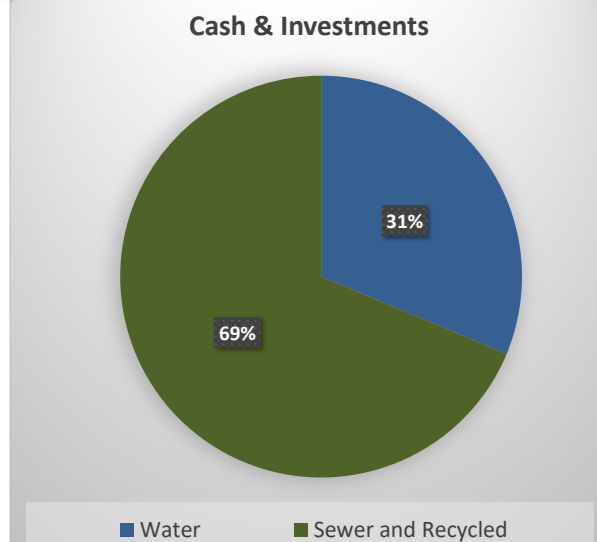
Irvine Ranch Water District

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Replacement Fund Cash & Investments

Replacement Fund	
(in millions)	
System	Cash & Investments
Water	\$ 86.2
Sewer	189.3
Total	\$ 275.5



Irvine Ranch Water District

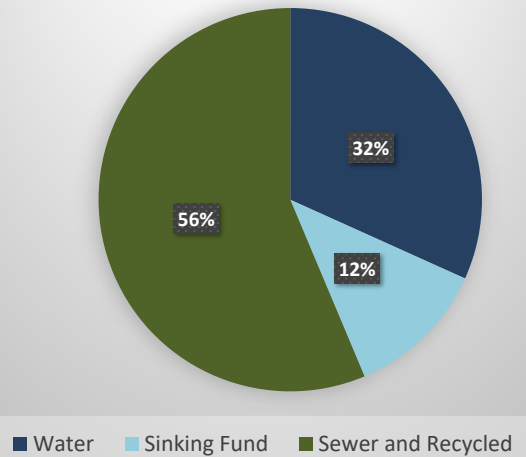
4

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Replacement Fund Cash & Investments and Receivables

Replacement Fund (in millions)				
System	Cash & Investments	Receivables		Total
		Pension Borrowing	Lennar Note	
Water	\$86.2	\$26.6	\$19.1	\$131.9
Water (sinking fund)			\$50.0	\$50.0
Sewer	\$189.3	\$26.6	\$19.1	\$235.0
Total	\$275.5	\$53.2	\$88.2	\$416.9

Cash & Investments and Receivables



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Real Estate Investment Capacity



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Government Code for Real Estate

Gov Code 35912

"Notwithstanding any other provision of law, the Irvine Ranch Water District may invest or reinvest its capital facilities replacement funds in real estate and interests therein and improvements thereon, located within the County of Orange, as an investment for the production of income. The total aggregate amount of those investments shall not exceed 30 percent of the district's total capital facilities replacement funds."

Real Estate Fair Market Value

Wood Canyon Villa Apartment Homes
APRIL 2019

Investment Properties (millions)	FMV		
	Water	Sewer	(Estimate 6/20)
Sycamore Canyon	\$ 76.2	\$ 76.2	\$ 152.4
Wood Canyon	\$ 15.2	\$ 15.2	\$ 30.4
Irvine Technology Center (230 Commerce)	\$ 6.0	\$ 6.0	\$ 12.0
Waterworks Office Project	\$ 4.7	\$ 4.7	\$ 9.4
Sand Canyon Medical Office	\$ 5.7	\$ 5.7	\$ 11.4
Sand Canyon Phase II Office (May)	\$ 10.1	\$ 10.1	\$ 20.1
Total Fair Market Value	\$ 117.8	\$ 117.8	\$ 235.7

Real Estate Investment Capacity

Wood Canyon Villa Apartment Homes
APRIL 2019

Total Replacement Fund (millions)

Cash & Investments and Receivables	\$ 416.9
Fair Market Value of Real Estate	\$ 235.7
Total Replacement Fund (cash, RE, and receivables)	\$ 652.6

Real Estate Investment Capacity (millions)

Total Replacement Fund (Cash, RE and receivables)	\$ 652.6
Maximum Available for RE Investment (30% of fund)	\$ 195.8
Less: Amt Previously Invested	\$ (73.4)
Current Cash Available for Investment	\$ 122.4

Irvine Ranch Water District

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Real Estate Investment Considerations

- Current real estate investment capacity of \$122.4 million.
- Real estate provides a higher rate of return.
- Long term investments match long term replacement needs.
- Opportunity to diversify the District's portfolio.
- Potential to invest in future opportunities.

Irvine Ranch Water District

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Next Steps

- Technical Services Department to update IRWD Replacement Planning Model (IRIS).
- Finance Department to update the Replacement Financial Planning Model.
- Review the Replacement Fund balance compared with target requirements with Board.
- Identify rate setting strategy for next budget process.
- Potential follow up with real estate professionals.

July 7, 2020

Prepared by: E. Lin

Submitted by: C. Clary

Approved by: Paul A. Cook



FINANCE AND PERSONNEL COMMITTEE

LUMP SUM PAYMENT OPTION FOR EMPLOYER CONTRIBUTIONS FOR FY 2020-21 TO THE CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM

SUMMARY:

Staff recommends that the Board approve a lump sum payment option for employer contributions to the California Public Employees Retirement System (CalPERS) by making a one-time contribution of \$5,888,727 for the District's Fiscal Year (FY) 2020-21 employer contributions to CalPERS. This recommendation is consistent with the "pre-funding approach" developed by the Board during the operating budget process and with prior years.

BACKGROUND:

The total minimum required employer contribution is the sum of the CalPERS Plan's Employer Normal Cost Rate (expressed as a percentage of payroll) plus the Employer Unfunded Accrued Liability (UAL) contribution amount (billed monthly in dollars). Beginning in FY 2009-10, IRWD elected to utilize the lump sum payment option for the total minimum required employer contribution as it benefits from not incurring interest expense at the assumed actuarial interest rate, which is currently 7.00%.

Beginning three fiscal years ago, only the UAL portion of the employer contribution can be prepaid in full no later than July 31 of each year. The normal cost contributions, estimated to be \$3.4 million, will be made as part of the payroll reporting process. CalPERS indicates that IRWD's UAL lump sum payment will be \$5,888,727 as provided in Exhibit "A". The total cost for choosing the monthly payments option is approximately \$6,091,347, so the lump sum payment option saves IRWD approximately \$202,620.

FISCAL IMPACTS:

The District's approved operating budget for FY 2020-21 includes an employer contribution of \$8.3 million for the CalPERS requirement. The payments are consistent with the impacts identified in setting rates for FY 2020-21.

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.

Finance and Personnel Committee: Lump Sum Payment Option for Employer Contributions for
FY 2020-21 to the California Public Employees Retirement System

July 7, 2020

Page 2

RECOMMENDATION:

That the Board approve the lump sum payment for employer contributions to the California Public Employees Retirement System (CalPERS) by making a one-time contribution of \$5,888,727 for the District's FY 2020-21 employer contribution.

LIST OF EXHIBITS:

Exhibit "A" – Letter from CalPERS regarding lump sum prepayment amount

Required Contributions

		Fiscal Year
Required Employer Contribution		2020-21
Employer Normal Cost Rate		9.428%
<i>Plus, Either</i>		
1) Monthly Employer Dollar UAL Payment	\$	507,612
<i>Or</i>		
2) Annual UAL Prepayment Option*	\$	5,888,727
Required PEPRA Member Contribution Rate		6.50%
<p>The total minimum required employer contribution is the sum of the Plan's Employer Normal Cost Rate (expressed as a percentage of payroll) plus the Employer Unfunded Accrued Liability (UAL) Contribution Amount (billed monthly in dollars).</p> <p>* Only the UAL portion of the employer contribution can be prepaid (which must be received in full no later than July 31). Any prepayment totaling over \$5 million requires a 72-hour notice email to FCSD_public_agency_wires@calpers.ca.gov. Plan Normal Cost contributions will be made as part of the payroll reporting process. If there is contractual cost sharing or other change, this amount will change.</p> <p>In accordance with Sections 20537 and 20572 of the Public Employees' Retirement Law, if a contracting agency fails to remit the required contributions when due, interest and penalties may apply.</p> <p>For additional detail regarding the determination of the required contribution for PEPRA members, see Appendix D. Required member contributions for Classic members can be found in Appendix B.</p>		

	Fiscal Year	Fiscal Year
	2019-20	2020-21
Normal Cost Contribution as a Percentage of Payroll		
Total Normal Cost	15.707%	16.857%
Employee Contribution ¹	7.227%	7.429%
Employer Normal Cost ²	8.480%	9.428%
Projected Annual Payroll for Contribution Year	\$ 34,133,602	\$ 35,640,482
Estimated Employer Contributions Based On Projected Payroll		
Total Normal Cost	\$ 5,361,365	\$ 6,007,915
Employee Contribution ¹	2,466,835	2,647,731
Employer Normal Cost ²	2,894,530	3,360,184
Unfunded Liability Contribution	5,433,674	6,091,347
% of Projected Payroll (illustrative only)	15.919%	17.091%
Estimated Total Employer Contribution	\$ 8,328,204	\$ 9,451,531
% of Projected Payroll (illustrative only)	24.399%	26.519%

¹ For classic members, this is the percentage specified in the Public Employees' Retirement Law, net of any reduction from the use of a modified formula or other factors. For PEPRA members, the member contribution rate is based on 50 percent of the normal cost. A development of PEPRA member contribution rates can be found in Appendix D. Employee cost sharing is not shown in this report.

² The Employer Normal Cost is a blended rate for all benefit groups in the plan. A breakout of normal cost by benefit group is shown in Appendix D.

Actuarial Assumptions

In 2017, CalPERS completed its most recent asset liability management study incorporating actuarial assumptions and strategic asset allocation. In December 2017, the CalPERS Board of Administration adopted relatively modest changes to the asset allocation that reduced the expected volatility of returns. The adopted asset allocation was expected to have a long-term blended return that continued to support a discount rate assumption of 7.00 percent. The Board also approved several changes to the demographic assumptions that more closely aligned with actual experience.

On December 21, 2016, the CalPERS Board of Administration lowered the discount rate from 7.50 percent to 7.00 percent using a three-year phase-in beginning with the June 30, 2016 actuarial valuations. **The minimum employer contributions for Fiscal Year 2020-21 determined in this valuation were calculated using a discount rate of 7.00 percent.** The decision to reduce the discount rate was primarily based on reduced capital market assumptions provided by external investment consultants and CalPERS investment staff. The specific decision adopted by the Board reflected recommendations from CalPERS staff and additional input from employer and employee stakeholder groups. Based on the investment allocation adopted by the Board and capital market assumptions, the reduced discount rate schedule provides a more realistic assumption for the long-term investment return of the fund.

Notwithstanding the Board's decision to phase into a 7.0 percent discount rate, subsequent analysis of the expected investment return of CalPERS assets or changes to the investment allocation may result in a change to this discount rate schedule.

For more details and additional rationale for the selection of the actuarial assumptions, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from December 2017 that can be found on the CalPERS website under: "Forms and Publications". Click on "View All" and search for Experience Study.

All actuarial assumptions (except the discount rates used for the hypothetical termination liability) represent an estimate of future experience rather than observations of the estimates inherent in market data.

Economic Assumptions

Discount Rate

The prescribed discount rate assumption, adopted by the Board on December 21, 2016, is 7.00 percent compounded annually (net of investment and administrative expenses) as of June 30, 2018.

Termination Liability Discount Rate

The current discount rate assumption used for termination valuations is a weighted average of the 10-year and 30-year U.S. Treasury yields where the weights are based on matching asset and liability durations as of the termination date.

The hypothetical termination liabilities in this report are calculated using an observed range of market interest rates. This range is based on the lowest and highest 20-year Treasury bond observed during an approximate 2-year period centered around the valuation date. The 20-year Treasury bond has a similar duration to most plan liabilities and serves as a good proxy for the termination discount rate. The 20-year Treasury yield was 2.83 percent on June 30, 2018.



BENEFITS AND EMPLOYMENT TAX

HEALTH INSURANCE AND EMPLOYER CONTRIBUTIONS FY 2020-21

(in thousands)

Insurance and Benefits

	FY 2019-20	FY 2020-21	Change
Health Ins Actives	\$ 5,889	\$ 6,478	\$ 589
Dental Premiums	464	488	24
Wrkrs Comp Premiums	727	763	36
Wrkrs Comp Paid Claims	735	772	37
Life Ins Actives	174	174	0
LT Disability Premiums	155	155	0
Medical Premiums - Retirees	170	177	7
Vision Benefit Premiums	85	85	0
RHCAP Payments - OPEB	496	575	79
Life Ins Retirees	13	13	(0)
Other	182	187	5
	<u>\$ 9,089</u>	<u>\$ 9,866</u>	<u>\$ 777</u>

Employment Tax and PERS

PERS Employer Portion	\$ 7,897	\$ 8,319	\$ 422
PERS In Excess Of ARC	1,372	1,909	537
401A Employer Match Portion	924	973	49
401A Employer Direct Portion	367	387	20
Medicare Tax	525	553	28
St Unemployment Tax	50	50	0
	<u>\$ 11,135</u>	<u>\$ 12,191</u>	<u>\$ 1,056</u>

Total Insurance, Benefits, and Taxes

	<u>\$ 20,224</u>	<u>\$ 22,057</u>	<u>\$ 1,833</u>
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July 7, 2020

Prepared by: C. Smithson

Submitted by: C. Clary

Approved by: Paul A. Cook



FINANCE AND PERSONNEL COMMITTEE

SETTING CONNECTION FEES AND PROPERTY TAXES FOR FISCAL YEAR 2020-21

SUMMARY:

IRWD typically adjusts connection fees annually, with the most recent adjustment occurring in July 2019. The changes to connection fees proposed for Fiscal Year (FY) 2020-21 are based on updates to the IRWD capital budget, staff's understanding of the remaining balance of projected development units, and adjustments to the Engineering News Record (ENR) construction cost index. Staff recommends changes to the existing connection fees and property tax rates based on the updated data for the IRWD improvement districts (ID) as discussed below.

BACKGROUND:

IRWD's Long-Term Capital Funding Plan (LTFP), completed in November 2013, established connection fees and formed new IDs for funding capital requirements and setting tax rates. A fundamental concept in the District's LTFP is that the costs of new capital facilities are shared equally between the connection fees paid by the developer and property taxes paid by property owners (a 50/50 split). IRWD uses a comprehensive financial model to incorporate capital costs, debt funding, future development, growth rates, inflation, and other variables to determine connection fees.

Connection fees were modeled along with a consolidated tax rate for both residential and commercial development. Staff updated the District's financial model for FY 2020-21 connection fees and tax rate setting to include the following:

- Updated capital improvement program including approved changes to the District's regional capital cost allocations;
- ENR estimated capital cost with no increase for this year (actual ENR was negative 0.4%);
- Fund balance adjustments through April 2020 with assumptions through fiscal year end;
- Updated assessed valuations; and
- Updated projections for development units.

Staff is proposing reductions to several property tax rates to ensure that property tax revenue is equivalent to or less than annual debt requirements. The proposed reduction is due primarily to significantly higher assessed property tax values.

Exhibit "A" provides a summary of the proposed connection fees and property tax rates by ID. Exhibit "B" provides an analysis of changes within each ID. Exhibit "C" provides a summary of the changes included in the regional capital cost allocations (regional splits) as of Oct 2019.

IDs 112/212:

There are three separate developments contributing to IDs 112/212: the City of Irvine (City) / Great Park, the FivePoint Communities Great Park Neighborhoods, and the County of Orange 100-acre parcel. Connection fees for these developments will be set separately.

City of Irvine / Great Park

The recycled water connection fee of \$28.85 million for the Great Park per agreement with the City was approved at the June 12, 2017 Board meeting. The City made the first recycled water connection fee payment of \$9.9 million in September 2017. The remainder will be paid as the parcels are put into service. The Great Park will pay 100 percent of the planned recycled capital expenditures versus the previous assumption of a 50/50 cost sharing with the property owner. Staff recommends no change in connection fees.

FivePoint Communities – Great Park Neighborhoods

The Great Park Neighborhoods is the FivePoint Communities development within ID 112/212. Staff recommends increasing connection fees by 3.0% due primarily to increases associated with the water and sewer regional splits. The consolidated water and sewer connection fee will increase from \$5,004 to \$5,155 per unit. Staff recommends reducing the current consolidated tax rate of \$0.7500 to \$0.6420 per \$100 of land assessed value in order to meet debt requirements and maintain the 50/50 split.

County of Orange 100-acre Parcel (ID 112/212a)

Staff recommends applying the same 3.0% increase to the connection fees for the reason discussed above for the 100-acre development site owned by the County of Orange, which has no tax base. The consolidated water and sewer connection fee will increase from \$9,208 to \$9,485 per unit. The property tax rate will remain at zero as long as the property is owned by the County.

Improvement Districts	Connection Fees		Property Tax	
	Current	Proposed	Current	Proposed
112/212 (Great Park Neighborhood)	\$5,004	\$5,155	\$0.0750	\$0.0642
112a/212a (County 100-acre Parcel)	\$9,208	\$9,485	\$0.0000	\$0.0000

IDs 113/213 – Tustin Base:

Staff recommends increasing connection fees by 3.0% due to increases associated with the regional splits. This will increase the water and sewer connection fee by \$259, from \$8,629 to \$8,888 per unit. Staff recommends maintaining the current consolidated tax rate of \$0.09900 per \$100 of land assessed value in order to maintain the 50/50 split.

Improvement Districts	Connection Fees		Property Tax	
	Current	Proposed	Current	Proposed
113/213	\$8,629	\$8,888	\$0.0990	\$0.0990

IDs 185/285 – Lake Forest Opportunity Study Area, Excluding Portola:

Staff recommends no increase to connection fees, consistent with ENR. The consolidated water and sewer connection fee will remain at \$5,014 per unit. Staff recommends reducing the current consolidated tax rate of \$0.0535 to \$0.0218 per \$100 of land-assessed value in order to meet debt requirements and maintain the 50/50 split.

Improvement Districts	Connection Fees		Property Tax	
	Current	Proposed	Current	Proposed
185/285 (Opportunity Study)	\$5,014	\$5,014	\$0.0535	\$0.0218

IDs 188/288 – Portola – Portion of Opportunity Study Area:

Staff recommends a 0.5% increase in the current rates due to changes associated with the regional splits. The consolidated water and sewer connection fee will increase by \$22, increasing the water and sewer connection fee from \$4,396 to \$4,418 per residential unit. Staff recommends reducing the current consolidated tax rate of \$0.0835 to \$0.0394 per \$100 of land assessed value in order to meet debt requirements and maintain the 50/50 split.

Improvement Districts	Connection Fees		Property Tax	
	Current	Proposed	Current	Proposed
188/288 (Opportunity Study)	\$4,396	\$4,418	\$0.0835	\$0.0394

IDs 153/253 – Developing IDs:

Staff and the Irvine Company established future usage and related revenue from the sale of native water from Irvine Lake. A portion of the revenue produced by native water sales is applied to connection fees for the developing IDs 153/253. The amended Irvine Lake agreement executed in July 2019 ensures that the Irvine Company pays its fair share of capital infrastructure (without overpaying), recognizing that future sales of native water will reduce the amount of connection fees. The native water assumption includes 3,800 acre-feet (AF) per year at a rate of \$327 per AF in FY 2020-21 with the cost of water escalating annually at 3% thereafter. The agreement will also provide for a reconciliation every five years between the assumed and the actual native water revenue. The final reconciliation will occur at the end of 20 years in 2038.

Staff recommends decreasing the consolidated water and sewer connection fee from \$3,213 to \$2,828 (a net reduction of \$385 or 12%) per residential unit. This is due primarily to decreases associated with the regional splits. Staff recommends reducing the current consolidated tax rate of \$0.0410 to \$0.220 per \$100 of land assessed value in order to meet debt requirements and maintain the 50/50 split.

Improvement Districts	Connection Fees		Property Tax	
	Current	Proposed	Current	Proposed
153/253 (Undeveloped ID)	\$3,213	\$2,828	\$0.0410	\$0.0220

ID 256 – Orange Park Acres (OPA) Sewer:

Staff recommends a 0.5% increase in the current rates due to changes associated with the regional splits. The consolidated sewer connection fee will increase by \$31, increasing the connection fee from \$6,259 to \$6,290 per residential unit. There is no bonding authority for this ID so there are no property taxes.

Improvement Districts	Connection Fees		Property Tax	
	Current	Proposed	Current	Proposed
156/256 (Undeveloped ID)	\$6,259	\$6,290	\$0.0000	\$0.0000

All Other IDs:

Other areas experienced no significant changes in funding requirements. The recommendation for these IDs is no change to connection fees or property taxes.

Improvement Districts	Connection Fees		Property Tax	
	Current	Proposed	Current	Proposed
125/225(Developed)	\$5,975	\$5,975	\$0.028	\$0.028
125/240(Developed)	\$6,818	\$6,818	\$0.028	\$0.028
111/222 (Developed, no GO Authority) ¹	\$9,914	\$9,914	NA	NA

¹ Identifies the consolidated connection fee for a density between 5.9 to 10.8 dwelling units (DU) per acre.

FISCAL IMPACTS:

Total connection fees discussed above are included in the FY 2020-21 Non-Operating budget.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

RECOMMENDATION:

That the Board approve revisions to connection fees and property taxes as presented and adopt resolutions approving these revisions.

LIST OF EXHIBITS:

- Exhibit “A” – Proposed Connection Fees and Property Tax Rates
- Exhibit “B” – Analysis of Changes within IDs
- Exhibit “C” – Summary of the Regional Capital Cost Allocations Splits

EXHIBIT "A"

**Proposed Connection Fees and Property Tax Rates
Fiscal Year 2020-21**

CONNECTION FEES

Improvement District	Current FY 2019-20			Proposed FY 2020-21			Change ⁽¹⁾	
	Water	Sewer	Total	Water	Sewer	Total	\$	%
111/222	\$3,551	\$6,363	\$9,914	\$3,551	\$6,363	\$9,914	\$0	0.0%
112/212	\$1,386	\$3,618	\$5,004	\$1,428	\$3,727	\$5,155	\$151	3.0%
112a/212a No Tax Authority (100% Connection Fee)	\$2,551	\$6,657	\$9,208	\$2,628	\$6,857	\$9,485	\$277	3.0%
113/213	\$3,138	\$5,491	\$8,629	\$3,232	\$5,656	\$8,888	\$259	3.0%
125/240	\$2,873	\$3,945	\$6,818	\$2,873	\$3,945	\$6,818	\$0	0.0%
125/225/240	\$2,873	\$3,102	\$5,975	\$2,873	\$3,102	\$5,975	\$0	0.0%
153/253	\$1,486	\$1,727	\$3,213	\$1,308	\$1,520	\$2,828	(\$385)	-12.0%
153/253 PA 30	\$3,943	\$4,115	\$8,058	\$3,943	\$4,115	\$8,058	\$0	0.0%
256 OPA		\$6,259	\$6,259		\$6,290	\$6,290	\$31	0.5%
185/285	\$1,800	\$3,214	\$5,014	\$1,800	\$3,214	\$5,014	\$0	0.0%
188/288	\$1,619	\$2,777	\$4,396	\$1,627	\$2,791	\$4,418	\$22	0.5%

PROPERTY TAX RATES ⁽²⁾

Improvement District	Current			Proposed		
	Water	Sewer	Total	Water	Sewer	Total
112/212	\$0.0300	\$0.0450	\$0.0750	\$0.0156	\$0.0486	\$0.0642
113/213	\$0.0400	\$0.0590	\$0.0990	\$0.0400	\$0.0590	\$0.0990
125/225	\$0.0130	\$0.0150	\$0.0280	\$0.0130	\$0.0150	\$0.0280
153/253	\$0.0200	\$0.0210	\$0.0410	\$0.0090	\$0.0130	\$0.0220
185/285	\$0.0230	\$0.0305	\$0.0535	\$0.0081	\$0.0137	\$0.0218
188/288	\$0.0735	\$0.0100	\$0.0835	\$0.0309	\$0.0085	\$0.0394

(1) ENR for June 2019 through June 2020 is (0.4%).

(2) Based on \$100 of land assessed value.

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IRVINE RANCH WATER DISTRICT

Analysis of Changes within IDs

(in millions)

Improvement District:

111/222

To Date:

	Water	Sewer	Total
Expenditures ⁽¹⁾	\$ 2.5	\$ (27.2)	\$ (24.7)
Fund Balance (4/30/2020)	\$ 2.5	\$ (26.9)	\$ (24.4)

Future Projection:**Revenue:**

Interest Income on Balance	\$ (1.1)	\$ (12.2)	\$ (13.4)
Other Revenues ⁽²⁾	-	2.3	\$ 2.3
1% and Enhancement	126.1	101.9	\$ 227.9
Bond Sales	58.8	26.7	85.5
Connection Fees	2.7	4.9	7.7
GO Property Taxes	-	-	-
Total Revenue	\$ 186.5	\$ 123.5	\$ 310.0

Expenditures:

Capital	\$ (94.2)	\$ (54.2)	\$ (148.4)
Debt	(90.6)	(39.0)	(129.6)
Total Expenditures	\$ (184.8)	\$ (93.2)	\$ (277.9)
Fund Balance (FY 2051-52)	\$ 4.2	\$ 3.5	\$ 7.7

(1) Expenditures includes both capital infrastructure and general plant

(2) Other includes Grants, AMP, LRP, LPP, and any other revenue sources that were used to offset capital.

IRVINE RANCH WATER DISTRICT
Analysis of Changes within IDs
(in millions)

Improvement District:

112/212

To Date:

	Water	Sewer	Total
Expenditures ⁽¹⁾	\$ (18.2)	\$ (59.8)	\$ (78.0)
Connection Fees	\$ 4.7	\$ 20.9	25.5
GO Property Taxes	3.8	9.0	12.8
Previous Bond Sales	8.1	26.0	34.1
Other ⁽²⁾	4.6	5.2	9.8
Fund Balance (4/30/2020)	\$ 3.0	\$ 1.3	\$ 4.3

Future Projection:

Revenue:

Interest Income on Balance	\$ (0.3)	\$ 8.5	\$ 8.1
Other Revenues ⁽²⁾	(1.7)	2.3	0.7
1% and Enhancement	-	-	
Bond Sales	8.9	16.6	25.5
Connection Fees	12.4	31.7	44.1
GO Property Taxes	15.2	42.8	58.1
Total Revenue	\$ 34.5	\$ 101.9	\$ 136.4

Expenditures:

Capital	\$ (17.5)	\$ (32.7)	\$ (50.2)
Debt	(24.5)	(63.0)	(87.5)
Total Expenditures	\$ (42.0)	\$ (95.7)	\$ (137.7)

Fund Balance (FY 2051-52)

\$ (4.5)	\$ 7.4	\$ 3.0
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Change

Connection Fees:

Previous	\$4.7	\$20.9	\$25.5
Future	12.4	31.7	44.1

Total Connection Fees \$17.1 \$52.5 \$69.6 50%

Current	Propose	\$	%
\$5,004	\$5,155	\$151	3.0%

GO Property Taxes:

Previous	\$3.8	\$9.0	\$12.8
Underlay (ID 125/225)	0.0	0.0	0.0
Future	15.2	42.8	58.1

Total GO Property Taxes \$19.1 \$51.8 \$70.9 50%

\$0.0750 \$0.0642 (\$0.0108) -14.4%

(1) Expenditures includes both capital infrastructure and general plant expenditures.

(2) Other includes Grants, AMP, LRP, LPP, and any other revenue sources that were used to offset capital.

IRVINE RANCH WATER DISTRICT
Analysis of Changes within IDs
(in millions)

Improvement District:

113/213

To Date:

	Water	Sewer	Total
Expenditures ⁽¹⁾	\$ (20.0)	\$ (34.3)	\$ (54.3)
Connection Fees	4.1	7.8	12.0
GO Property Taxes	1.7	2.6	4.3
Previous Bond Sales	16.3	28.6	44.9
Other ⁽²⁾	1.2	0.1	1.4
Fund Balance (4/30/2020)	\$ 3.4	\$ 4.9	\$ 8.3

Future Projection:

Revenue:

Interest Income on Balance	\$ 13.5	\$ 1.0	\$ 14.5
Other Revenues ⁽²⁾	1.3	1.0	2.4
1% and Enhancement	-	-	-
Bond Sales	8.8	13.5	22.3
Connection Fees	10.9	16.5	27.4
GO Property Taxes	20.6	14.3	34.9
Total Revenue	\$ 55.1	\$ 46.4	\$ 101.5

Expenditures:

Capital	\$ (9.5)	\$ (12.8)	\$ (22.3)
Debt	(31.5)	(45.3)	(76.9)
Total Expenditures	\$ (41.1)	\$ (58.1)	\$ (99.2)

Fund Balance (FY 2051-52)

\$ 17.4	\$ (6.9)	\$ 10.6
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Change

Connection Fees:

	Current	Propose	\$	%
Previous	\$4.1	\$7.8	\$12.0	
Future	10.9	16.5	27.4	
Total Connection Fees	\$15.0	\$24.4	\$39.4	50%

\$8,629 \$8,888 \$259 3.0%

GO Property Taxes:

Previous	\$1.7	\$2.6	\$4.3	
Underlay (ID 125/225)	0.0	0.0	0.0	
Future	20.6	14.3	34.9	
Total GO Property Taxes	\$22.3	\$16.9	\$39.2	50%

\$0.0990 \$0.0990 \$0.0000 0.0%

(1) Expenditures includes both capital infrastructure and general plant expenditures.

(2) Other includes Grants, AMP, LRP, LPP, and any other revenue sources that were used to offset capital.

IRVINE RANCH WATER DISTRICT

Analysis of Changes within IDs

(in millions)

Improvement District:

125/225

To Date:

	Water	Sewer	Total
Expenditures ⁽¹⁾	\$ 153.4	\$ (16.1)	\$ 137.2
Fund Balance (4/30/2020)	\$ 153.4	\$ (16.1)	\$ 137.2

Future Projection:

Revenue:

Interest Income on Balance	\$ 144.5	\$ (96.6)	\$ 47.9
Other Revenues ⁽²⁾	33.2	17.9	\$ 51.0
1% and Enhancement	46.0	214.9	\$ 260.9
Bond Sales	59.1	96.7	155.8
Connection Fees	1.1	1.2	2.3
GO Property Taxes	203.0	239.4	442.4
Total Revenue	\$ 486.8	\$ 473.5	\$ 960.3

Expenditures:

Capital	\$ (110.5)	\$ (108.2)	\$ (218.8)
Debt	(350.5)	(524.2)	(874.7)
Total Expenditures	\$ (461.1)	\$ (632.4)	\$ (1,093.5)
Fund Balance (FY 2051-52)	\$ 179.1	\$ (175.0)	\$ 4.1

(1) Expenditures includes both capital infrastructure and general plant

(2) Other includes Grants, AMP, LRP, LPP, and any other revenue sources that were used to offset capital.

IRVINE RANCH WATER DISTRICT
Analysis of Changes within IDs
(in millions)

Improvement District

153/253 (Undeveloped)

To Date:

	Water	Sewer	Total
Expenditures ⁽¹⁾	\$ (8.0)	\$ (38.6)	\$ (46.6)
Connection Fees	14.74	17.39	32.13
GO Property Taxes	2.10	2.39	4.49
Previous Bond Sales	7.60	11.90	19.50
Other ⁽²⁾	7.31	7.50	14.81
Fund Balance (4/30/2020)	\$ 23.7	\$ 0.6	\$ 24.3
Underlay	\$ 5.0	\$ 2.7	\$7.7

Future Projection:

Revenue:

Interest Income on Balance	\$ 7.7	\$ (11.6)	\$ (4.0)
Other Revenues ⁽²⁾	31.9	60.5	92.4
1% and Enhancement	-	-	
Bond Sales	9.2	7.3	16.5
Connection Fees	6.6	7.7	14.3
GO Property Taxes	1.6	2.2	3.8
Total Revenue	\$ 56.9	\$ 66.1	\$ 123.0

Expenditures:

Capital	\$ (40.4)	\$ (41.0)	\$ (81.4)
Debt	(27.7)	(32.8)	(60.5)
Total Expenditures	\$ (68.1)	\$ (73.8)	\$ (141.9)

Fund Balance (FY 2051-52)

\$ 12.5	\$ (7.1)	\$ 5.4
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Change

Connection Fees:

	Current	Propose	\$	%
Previous	\$14.7	\$17.4	\$32.1	
Future	\$6.6	\$7.7	\$14.3	
Total Connection Fees	\$21	\$25	\$46.4	50%

\$3,213	\$2,828	(\$385)	-12%
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GO Property Taxes:

Previous	\$7.1	\$5.1	\$12.2	
Underlay (ID 125/225)	\$14.2	\$16.4	\$30.6	
Future	\$1.6	\$2.2	\$3.8	
Total GO Property Taxes	\$23	\$24	\$46.6	50%

\$0.0410	\$0.0220	(\$0.0190)	-46%
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(1) Expenditures includes both capital infrastructure and general plant expenditures.

(2) Other Revenues include native water and golf course revenue for 153/253, buy-in costs, and estimated grant revenue.

IRVINE RANCH WATER DISTRICT
Analysis of Changes within IDs
(in millions)

Improvement District: **185/285**

<u>To Date:</u>	Water	Sewer	Total
Expenditures ⁽¹⁾	\$ (1.1)	\$ (2.1)	\$ (3.2)
Connection Fees	\$ 2.0	\$ 3.0	5.1
GO Property Taxes	\$ 0.6	\$ 0.9	1.5
Previous Bond Sales	\$ 1.5	\$ 1.8	3.3
Other ⁽²⁾	\$ 0.4	\$ 2.8	3.2
Fund Balance (4/30/2020)	\$ 3.5	\$ 6.4	\$ 9.9

Future Projection:

Revenue:			
Interest Income on Balance	\$ 2.8	\$ 6.9	\$ 9.7
Other Revenues ⁽²⁾	0.2	0.2	0.4
1% and Enhancement	-	-	
Bond Sales	2.9	4.1	7.0
Connection Fees	0.9	1.6	2.5
GO Property Taxes	0.6	1.0	1.5
Total Revenue	\$ 7.4	\$ 13.8	\$ 21.2

Expenditures:			
Capital	\$ (3.5)	\$ (5.7)	\$ (9.3)
Debt	(7.0)	(9.3)	(16.3)
Total Expenditures	\$ (10.6)	\$ (15.1)	\$ (25.6)
Fund Balance (FY 2051-52)	\$ 0.4	\$ 5.1	\$ 5.5

Connection Fees:

Previous	\$2.0	\$3.0	\$5.1						
Future	\$0.9	\$1.6	\$2.5						
Total Connection Fees	\$3	\$5	\$7.6	50%	\$5,014	\$5,014	\$0	0.0%	

GO Property Taxes:

Previous	\$0.6	\$0.9	\$1.5						
Underlay (ID 125/225)	\$4.7	\$0.0	\$4.7						
Future	\$0.6	\$1.0	\$1.5						
Total GO Property Taxes	\$6	\$2	\$7.7	50%	\$0.0535	\$0.0218	(\$0.0318)	-59.3%	

(1) Expenditures includes both capital infrastructure and general plant expenditures.

(2) Other includes Grants, AMP, LRP, LPP, and any other revenue sources that were used to offset capital.

IRVINE RANCH WATER DISTRICT
Analysis of Changes within IDs
(in millions)

Improvement District:

188/288

To Date:

	Water	Sewer	Total
Expenditures ⁽¹⁾	\$ (9.5)	\$ (8.2)	\$ (17.7)
Connection Fees	0.6	1.0	1.6
GO Property Taxes	2.4	0.3	2.7
Previous Bond Sales	4.6	0.4	5.0
Other ⁽²⁾	2.6	6.7	9.3
Fund Balance (4/30/2020)	\$ 0.7	\$ 0.1	\$ 0.9

Future Projection:

Revenue:

Interest Income on Balance	\$ 0.2	\$ 2.7	\$ 2.8
Other Revenues ⁽²⁾	0.2	0.3	0.5
1% and Enhancement	-	-	-
Bond Sales	0.6	0.1	0.7
Connection Fees	0.8	1.4	2.3
GO Property Taxes	1.0	0.3	1.3
Total Revenue	\$ 2.8	\$ 4.8	\$ 7.6

Expenditures:

Capital	\$ (1.2)	\$ (0.4)	\$ (1.6)
Debt	(3.5)	(0.8)	(4.3)
Total Expenditures	\$ (4.7)	\$ (1.2)	\$ (5.8)
Fund Balance (FY 2051-52)	\$ (1.1)	\$ 3.7	\$ 2.6

Connection Fees:

Previous	\$0.6	\$1.0	\$1.6
Future	\$0.8	\$1.4	\$2.3
Total Connection Fees	\$1.5	\$2.4	\$3.9 50%

		Change	
Current	Propose	\$	%

\$4,396	\$4,418	\$22	0.5%
---------	---------	------	------

GO Property Taxes:

Previous	\$2.4	\$0.3	\$2.7
Underlay (ID 125/225)	\$0.0	\$0.0	\$0.0
Future	\$1.0	\$0.3	\$1.3
Total GO Property Taxes	\$3.4	\$0.5	\$3.9 50%

\$0.0835	\$0.0394	(\$0.0441)	-52.8%
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(1) Expenditures includes both capital infrastructure and general plant expenditures.

(2) Other includes Grants, AMP, LRP, LPP, and any other revenue sources that were used to offset capital.

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IRVINE RANCH WATER DISTRICT
Summary of the Regional Capital Cost Allocation Splits
Approved October 28, 2019


Improvement District	Old Allocation		New Allocation	
	Demand (cfs)	Splits	Demand (cfs)	Splits
Potable Water				
111	37.51	32.6%	39.93	35.1%
112	3.83	3.3%	5.51	4.8%
113	3.45	3.0%	3.92	3.4%
125	54.56	47.5%	52.80	46.4%
153	12.72	11.1%	8.89	7.8%
154	0.51	0.4%	0.47	0.4%
185	1.85	1.6%	1.78	1.6%
188	0.53	0.5%	0.53	0.5%
Total for Water	114.96	100.0%	113.83	100.0%
Sewer				
212	1.55	3.4%	2.42	5.4%
213	1.55	3.4%	1.66	3.7%
222	15.08	33.1%	15.76	35.3%
225	22.08	48.6%	20.09	45.1%
240	-	0.0%	-	0.0%
253	4.38	9.6%	3.53	7.9%
256	0.15	0.3%	0.17	0.4%
285	0.60	1.3%	0.80	1.8%
288	0.15	0.3%	0.18	0.4%
Total for Sewer	45.54	100.0%	44.61	100.0%
Recycled				
212	4.38	10.7%	3.49	8.8%
213	1.67	4.1%	1.65	4.2%
222	5.95	14.6%	6.04	15.2%
225	20.77	51.1%	19.50	49.3%
240	3.14	7.7%	3.14	7.9%
253	4.22	10.3%	5.20	13.1%
256	-	0.0%	-	0.0%
285	0.62	1.5%	0.60	1.5%
288	-	0.0%	-	0.0%
Total for Recycled	40.75	100.0%	39.62	100.0%

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July 7, 2020

Prepared by: A. Aguilar

Submitted by: R. Jacobson / C. Clary

Approved by: Paul A. Cook 

FINANCE AND PERSONNEL COMMITTEE:

FISCAL YEAR 2020-21 PURCHASE ORDER VENDOR COMMITMENTS GREATER THAN \$200,000

SUMMARY:

Each year, staff initiates and/or renews commitments with vendors for certain products and services included in the Board-approved operating budget. Staff has provided a list of those vendors with expected commitments totaling \$200,000 or greater in fiscal year (FY) 2020/21 for Committee review. The list of vendor commitments excludes contracts/agreements which have been previously approved under a separate Board action. Consistent with provisions included in the District's *Policy for Authorization of Expenditures*, staff recommends that the Board approve the list of vendor expenditure commitments totaling \$200,000 or greater for FY 2020/21.

BACKGROUND:

Every two years, the Board approves the fiscal year operating budget for the District for the upcoming two-year period. Included in the operating budget are expenditures for line items such as chemicals, fuel, hauling of biosolids, and other products and services which result in commitments greater than \$200,000. These expenditures typically utilize cooperative agreements for best pricing when applicable or have been previously competitively bid, and in some cases are for specialized products (e.g., certain chemicals) provided by a single supplier.

These commitments are structured as open purchase orders and typically consist of multiple individual transactions during the fiscal year with the cumulative total of the purchase order exceeding \$200,000. The approval structure allows staff to order goods and services on a regular and efficient basis. These commitments are a "not to exceed" amount and can be cancelled at any time.

A list of the planned vendor commitments exceeding \$200,000 for FY 2020/21 is attached as Exhibit "A". The list includes vendor names, descriptions of the products or service being provided, the basis for pricing (e.g. cooperative agreement, single source, etc.) and estimated annual expense. Excluded from this list are contracts in excess of \$200,000 which have been previously approved by separate Board actions and are within their approved contract period as well as recurring utility bills.

The total planned expenditure amount for the listed vendors for FY 2020/21 is \$4,411,824, representing approximately 2.6% of total planned expenditures in the approved operating budget. Consistent with provisions included in the District's *Policy for Authorization of Expenditures*, staff recommends that the Committee approve the list of vendor commitments greater than \$200,000 for FY 2020/21 and recommends Board approval of the same.

FISCAL IMPACTS:

Total planned expenditures for FY 2020/21 for vendor commitments greater than \$200,000 (excluding contracts/agreements approved by separate Board action) are \$4,411,824, representing approximately 2.6% of total planned expenditures in the approved FY 2020/21 operating budget.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

RECOMMENDATION:

That the Board approve the submitted list of vendor commitments greater than \$200,000 based on approved FY 2020/21 operating budget expenditures.

LIST OF EXHIBITS:

Exhibit "A" – FY 2020/21 Purchase Order Vendor Commitments Greater Than \$200,000

Exhibit "A"

FY 2020-2021 PURCHASE ORDER OVER \$200K

Supplier	Service	Requester	Type	PO Amount
BioMagic Inc.	FY 20/21 Open PO for odor control chemical deliveries (BioMagic 500 @ \$5.85/gal) as part of the odor control program to multiple locations determined by IRWD from 7/1/20 through 6/30/21.	H. Solis	Single Source	\$ 275,000
California Barricade, Inc.	FY 20/21 Open PO to provide IRWD traffic control services for the Construction & Repairs Dept. from 7/1/20 through 6/30/21.	B. Clinton O. Escobar M. Cano	Competitive Bid	\$ 250,000
California Barricade, Inc.	FY 20/21 Open PO to provide IRWD traffic control services for the Collections Dept. from 7/1/20 through 6/30/21.	H. Solis	Competitive Bid	\$ 228,000
Culligan of Santa Ana	FY 20/21 Open PO for resin exchange service at BWTP from 7/1/20 through 6/30/21.	K. Reideler	Single Source	\$ 300,000
Hill Brothers Chemical	FY 20/21 Open PO for the delivery of odor control product (Oxy-Can) at various sites in the District. Price at \$3.05/gal., min. 300 gal del. Fuel surcharge of \$20 + freight charges from 7/1/20 through 6/30/21.	H. Solis	Single Source	\$ 265,000
Infosys Limited	FY 20/21 Open PO for pass thru postage cost from InfoSend in support of Utility Bill Service. Year 2 of 3 from 7/1/20 through 6/30/21.	D. Cotton	Competitive Bid	\$ 309,000
Merrimac Petroleum, Inc.	FY 20/21 Open PO for gasoline and diesel motor fuel from 7/1/20 - 6/30/21 (cooperative agreement with the County of Orange through January 8, 2023).	J. Dayer	Cooperative Agreement (County of Orange)	\$ 550,000
Olin Corporation	FY 20/21 Open PO to supply MWRP with Sodium Hypochlorite 12.5% for Effluent Disinfection, MBR and Odor Scrubber deliveries as required from 7/1/20 through 6/30/21.	J. Perez	Cooperative Agreement (SOCWA)	\$ 589,700
Polydyne	FY 20/21 Open PO to supply MWRP Biosolids with Emulsion Polymer for thickening and dewatering from 7/1/20 through 6/30/21.	A. Nieto	Cooperative Agreement (SOCWA)	\$ 400,000
Synagro	FY 20/21 Open PO to provide Class A Pellets/ Class B biosolids hauling for MWRP Biosolids per SOCWA Agreement from 7/1/20 through 6/30/21.	A. Nieto	Cooperative Agreement (SOCWA)	\$ 1,025,452
Olin Corporation	FY 20/21 Open PO to supply Sodium Hypochlorite 12.5% for MWRP Biosolids Odor Control per SOCWA Agreement from 7/1/20 through 6/30/21.	A. Nieto	Cooperative Agreement (SOCWA)	\$ 219,672
TOTALS				\$ 4,411,824

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July 7, 2020

Prepared by: A. Shinbashi

Submitted by: R. Jacobson / C. Clary

Approved by: Paul A. Cook



FINANCE AND PERSONNEL COMMITTEE

SECURITY SERVICES CONTRACT

SUMMARY:

In August 2017, IRWD entered into a three-year agreement with Securitas, Inc. to provide security services to the District. This agreement will expire on September 1, 2020. Securitas is proposing to continue providing security services to IRWD. The costs for the first and second years of this new contract will not increase for the services Securitas is currently providing to IRWD at an annual price of \$724,500. For additional services requested from Securitas, including new facilities (the Biosolids facilities) and added remote monitoring of other IRWD facilities, Securitas has proposed an additional \$67,782, resulting in a total annual cost for security services for Year One at \$792,282 and Year Two at \$792,282. Securitas has requested a 2% increase in its rate for Year Three, resulting in an annual cost of \$808,128 for Year Three. Staff recommends the Board approve a new agreement for security services with Securitas, Inc. for a period of three years for a total contract amount of \$2,392,692.

BACKGROUND:

In January 2017, IRWD retained a consultant, TelSec, Inc., to develop a security assessment for District facilities. This report summarized varying levels of security risks to IRWD facilities, several of which could be mitigated by retaining a security services firm. After participating in a competitive bidding process, Securitas, Inc. was selected and awarded a three-year contract.

IRWD staff has been very satisfied with the performance of Securitas and its officers. Over the course of this contract, staff has worked closely with Securitas to optimize its services by:

- Adding patrol services of District facilities located in Santa Ana, Newport Coast, Lake Forest and Orange;
- Incorporating technology (i.e., GPS and time stamp scans) to monitor and track security incidents;
- Providing security escort to staff for after hours; and
- Training its officers on how to interact with District customers and staff.

This contract is scheduled to expire on September 1, 2020. Because Securitas has provided excellent service to the District and has responded well to IRWD's changing security needs, staff approached Securitas to negotiate continuing its current business relationship with IRWD.

Securitas Proposal:

The current scope of security services provided by Securitas to IRWD consists primarily of patrolling major IRWD facilities such as the Michelson Operation Center and the surrounding

property (including the San Joaquin Marsh) and the Sand Canyon Headquarters Building. Securitas has also supported staff when responding to various security issues at other facilities, including vandalism, thefts, and trespassing. Securitas' current annual charge to IRWD for this scope of services is \$724,500. To continue to perform this scope of services, Securitas has proposed to hold its current pricing for two years, and then to increase its rate by 2% in the third year.

Staff also requested that Securitas provide pricing for additional services. These services include increased patrols at new IRWD facilities (such as the Biosolids and Energy Recovery Facilities) and increased remote monitoring of and response to incidents at other IRWD facilities such as the Rattlesnake and Syphon Reservoirs, the Deep Aquifer Treatment System Plant, and the Irvine Desalter Project Potable Treatment Plant. To perform this added scope of services, Securitas has proposed an additional charge of \$67,782 in Year One and Year Two, with a 2% increase in this rate in Year Three.

The agreement will also provide IRWD with a 30-day termination option.

FISCAL IMPACTS:

The proposed contract for the period beginning September 1, 2020 is \$792,282 including the additional services for Year One, \$792,282 for Year Two and \$808,128 Year Three. The total cost of the recommended three-year contract is \$2,392,692.

Funding for security services is included in the District's FY 2020-21 operating budget.

ENVIRONMENTAL COMPLIANCE:

This project is not subject to the California Environmental Quality Act (CEQA).

RECOMMENDATION:

That the Board authorize the General Manager to execute an agreement with Securitas, Inc. for security guard and patrol services for an amount of \$2,392,692.

LIST OF EXHIBITS:

Exhibit "A" – Securitas Proposal

VIA ELECTRONIC DELIVERY

Irvine Ranch Water District
15600 Sand Canyon Ave
Irvine, CA 92618



Integrity Vigilance Helpfulness

Dear Allen,

We appreciate and value our long-standing partnership with Irvine Ranch Water District and we are pleased to provide you a proposal that will allow us to continue our partnership for another 3 years. Through our experience we feel that we have a very clear understanding of your guard service needs and have developed a Security Management Plan that will us to meet both IRWD's current and expanding needs by leveraging the multiple services that Securitas Security Services USA, Inc. has to offer.

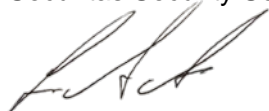
Securitas understands the need to manage costs without compromising security. That's why we've developed The New Guarding, a three-dimensional approach to security. This innovative solution, or any combination of On-site Guarding, Remote Guarding and Mobile Guarding provides the most efficient, cost-effective solution for your security requirements.

The current scope of security services provided by Securitas to IRWD consists primarily of patrolling major IRWD facilities such as the Michelson Operation Center and the surrounding property (including the San Joaquin Marsh) and the Sand Canyon Headquarters Building. Securitas has also supported staff when responding to various security issues at other facilities, including vandalism, thefts, and trespassing. Securitas' projected charge to IRWD for this scope of services is \$724,500. To continue to perform this scope of services, Securitas has proposed to hold its current pricing for two years, and then to increase its rate by 2% in the third year.

Securitas extension pricing includes additional services. These services include increased patrolling of new IRWD facilities (such as the Biosolids and Energy Recovery Facilities) and increased monitoring and response to incidents at other IRWD facilities such as the Rattlesnake and Syphon Reservoirs, the Deep Aquifer Treatment System Plant, and the Irvine Desalter Project Potable Treatment Plant utilizing Securitas' remote camera technology. To perform this added scope of services, Securitas has proposed an additional charge of \$67,782 per year, in Year One and Year Two, with a 2% increase to this rate in Year Three. The total Year Three projected service charge is \$808,128.

We look forward to hearing from you soon and are very excited to partner with IRWD for 3 more years.

Aaron Graham
Area Vice President
Securitas Security Services- OC




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July 7, 2020

Prepared by: T. Malone

Submitted by: C. Clary

Approved by: Paul A. Cook 

FINANCE AND PERSONNEL COMMITTEE

INFORMATION SERVICES PROFESSIONAL SERVICES SUPPORT CONTRACT RENEWALS

SUMMARY:

IRWD has utilized outside resources to supplement staff's operation and maintenance of the District's Customer Care and Billing (CC&B) system. In 2019, IRWD retained Infosys Limited, the systems integrator for the previous CC&B system upgrade, to provide managed support services. Staff has determined a need to continue the support services from Infosys through Fiscal Year (FY) 2020-21, and recommends the Board authorize the General Manager to execute a Professional Services Agreement with Infosys through FY 2020-21 for an amount of \$325,000.

BACKGROUND:

Infosys has provided IRWD with managed support services for the CC&B system since August 2014. Infosys provides highly skilled, experienced, and reliable resources who are knowledgeable with IRWD's systems, standards, and staff. Infosys has proven its ability to augment staff resources by handling urgent projects with tight deadlines, as was done with the programming changes for the Utility Bill Redesign Project during FY 2018-19.

Staff has identified the need to continue the software support services agreement for FY 2020-21. Under the proposed scope, Infosys will continue to provide support for issues involving a high degree of complexity, while IRWD staff will handle routine and less complex requests. The proposed software support services are \$26,880 per month or \$322,560 for 12 months. In addition, there may be small miscellaneous projects in the amount of \$2,440 that will require these additional resources to complete. Staff recommends the Board authorize the General Manager to execute a Professional Services Agreement with Infosys for a total amount of \$325,000.

FISCAL IMPACTS:

Funding for professional services to augment the Information Services Department is included in the FY 2020-21 Operating budget. The professional services provided by Infosys will be charged to the appropriate projects or expense account.

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:

That the Board authorize the General Manager to execute a Professional Services Agreement for Fiscal Year 2020-21 with Infosys Limited in the amount of \$325,000 for managed support services.

LIST OF EXHIBITS:

Exhibit “A” – Infosys Scope for Managed Support Services and Change Request

ICE: Application Support and Maintenance



Table of Contents

- ☐ Proposed Support Model
- ☐ In-scope application portfolio
- ☐ In Scope / Out of Scope
- ☐ Solution Assumptions
- ☐ Commercials
- ☐ Timelines and Milestones
- ☐ Application Support & Maintenance Ticket Trend
- ☐ Application Support & Maintenance Open Ticket Trend

Proposed Support Model

Proposed Scope

Extended Application Support (12 months)

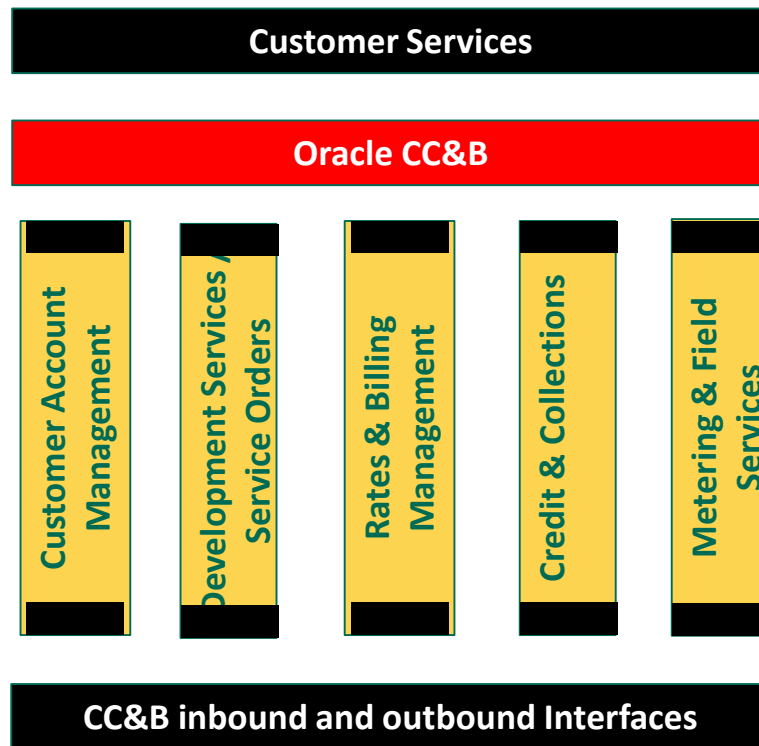
Infosys

- L2 & L3 Support
- Oracle Support Co-ordination

IRWD

- Work with Infosys resources in L2 & L3 Support, and to pickup Job Monitoring
- Take Lead in resolving some of the support tickets

In-scope application portfolio



In Scope / Out of Scope

In Scope

Level 2 Support Activities:

- Incident investigation, diagnosis and the delivery of workarounds and resolutions without code changes.
- Escalation/closure of unresolved issues to Level 3 support.
- Providing quick fixes for any data issues.
- Escalation of key product issues with Oracle and manage the lifecycle of the particular Service Request for the same.
- Incident notification (send email to stakeholders, etc.),
- Incident Follow up, Incident Closure.

Level 3 Support Activities:

- Problem analysis and provide resolution by way of code fixes.
- Root cause analysis for recurring issues for preventive maintenance.
- Configuration changes related to bug fixes.
- Support for application-specific data issues which impacts the database.
- BIP support activities for reporting requirements with minor changes.

Out of Scope

Level 1 Support Activities:

- Batch Jobs monitoring and quick fixes for Batch job failures
- Handling direct calls from customers or Help desk support activities
- Infrastructure support and related testing activities
- Desktop and client connectivity support
- Major Enhancements and Product Upgrades
- Core DBA and App DBA support for CC&B, OBIU and BIP admin activities.
- Accuzip support activities
- Weekend/ On-Call Support (Beeper support)
- Minor Enhancements
- OUBI
- Bills, Letters (like Invoice, Master agreement, Mater Bond, Cross connection letters etc.) and report formatting

Solution Assumptions

- Additional staffing required for sudden surge in number of tickets per month will be mutually agreed and staffed
- IRWD IS team to drive the business interactions to follow-up on the tickets which include incidents and service request for user verification and closure.
- Support will be provided in the normal office hours for onsite and offshore locations
 - Onsite Office hours : 9:00 AM PST/PDT – 5:30 PM PST/PDT
 - Offshore Office hours : 8:30 PM PST/PDT – 5:00 AM PST/PDT
- Any request to provide production support out of the above office hours at onsite will be considered as additional scope as this involves overtime charges.

Commercials

- ❑ Total fixed price for **12 months of L2/L3 support** is **322,560 USD**
- ❑ Ticket scope and resource loading details are provided below
- ❑ In addition to tickets, 40 hours per month considered for adhoc requests
- ❑ No Enhancements hours
- ❑ Only CC&B Technical Resources are considered for the support. OUBI applications are not considered in the scope.
- ❑ Tickets per month count includes service requests, Incidents, adhoc requests and impact assessment for the change requests before they convert to approved CR's.

	Jul'19	Aug'19	Sep'19	Oct'19	Nov'19	Dec'19	Jan'20	Feb'20	Mar'20	Apr'20	May'20	June'20
Tickets Per Month	13	13	13	13	13	13	13	13	13	13	13	13
Onsite Resource	1	1	1	1	1	1	1	1	1	1	1	1
Offshore Resource	1	1	1	1	1	1	1	1	1	1	1	1

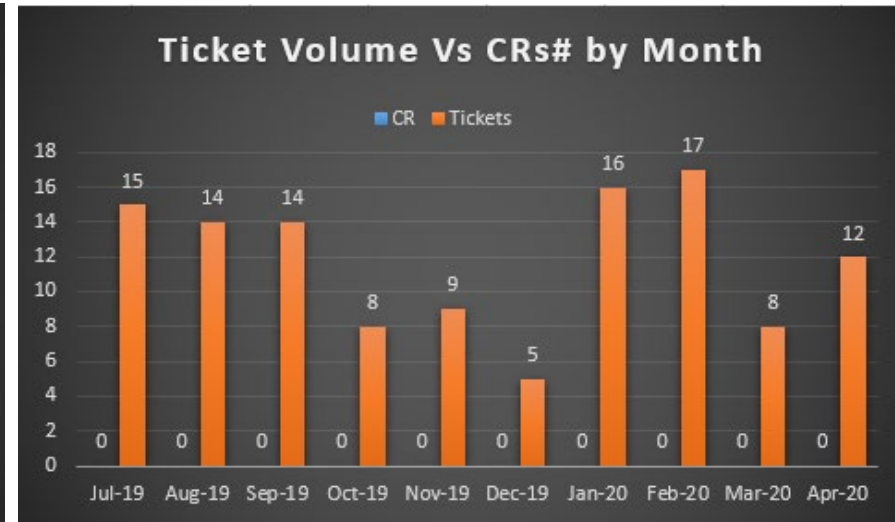
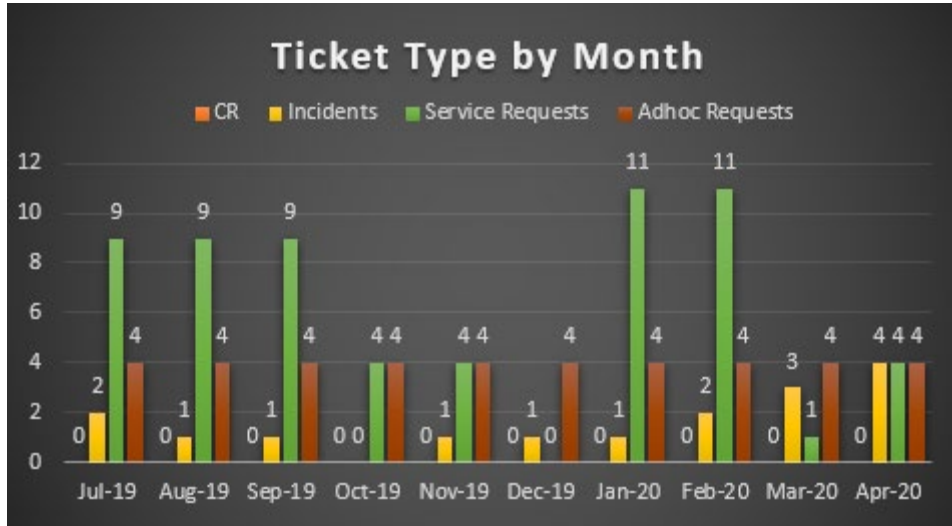
Timelines and Milestones

- This New Support extension is for a period of **12 months starting 01 July, 2020 to 30 June, 2021** and below are the monthly milestones during this support period.
- Monthly milestone amounts would be distributed as 25%, 50%, 25% across STP, HYDSEZ, BBSRSEZ respectively as we have resource loading across locations in the new extension opportunity.

M#	Description	Milestone Date	Services Amount
M1	July Milestone	1-Aug-20	\$268,80.00
M2	August Milestone	1-Sep-20	\$268,80.00
M3	September Milestone	1-Oct-20	\$268,80.00
M4	October Milestone	1-Nov-20	\$268,80.00
M5	November Milestone	1-Dec-20	\$268,80.00
M6	December Milestone	1-Jan-21	\$268,80.00
M7	January Milestone	1-Feb-21	\$268,80.00
M8	February Milestone	1-Mar-21	\$268,80.00
M9	March Milestone	1-Apr-21	\$268,80.00
M10	April Milestone	1-May-21	\$268,80.00
M11	May Milestone	1-Jun-21	\$268,80.00
M12	June Milestone	28-Jun-21	\$268,80.00
		TOTAL	\$322,560.00

Note : Our resources will be working from multiple locations, and they would be using the client provided software's with maximum connections not exceeding 5 in total across locations.

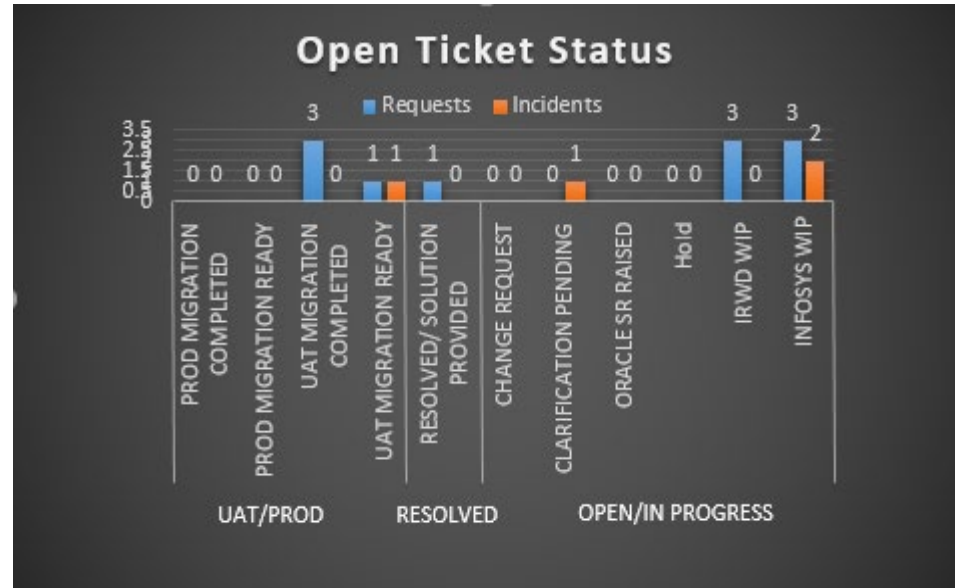
Application Support & Maintenance Ticket Trend



- ☐ Based on the inflow of tickets (Incident and Service requests), 13 tickets per month have been considered in scope for the support extension. This is same as in the current contract.
- ☐ Average time spent by team is considered 23 Hours per ticket.
- ☐ In addition, team has also worked on few adhoc requests. An average effort of 40~ Hrs. per month has been considered in scope for such adhoc requests.
- ☐ Ticket volumes captured as WSR reporting till April 2020, more tickets to be added to the list by end of June.

Application Support & Maintenance Open Ticket Trend

Status Type	Status Description	Requests	Incidents
UAT / PROD	PROD MIGRATION COMPLETED	0	0
	PROD MIGRATION READY	0	0
	UAT MIGRATION COMPLETED	3	0
	UAT MIGRATION READY	1	1
RESOLVED	RESOLVED/ SOLUTION PROVIDED	1	0
OPEN/ INPROGRESS	CHANGE REQUEST	0	0
	CLARIFICATION PENDING	0	1
	ORACLE SR RAISED	0	0
	Hold	0	0
	IRWD WIP	3	0
	INFOSYS WIP	3	2
Totals		11	4



- ❑ Open ticket status is based on the WSR reporting till April 2020
- ❑ We would have around 15~ open tickets with following status (In-Progress, Change Control Board, Clarification Pending, Oracle SR Raised), which would be carry forward to the next support Jul'20 to Jun'21. Team would continue to support these tickets for successful production deployment as per business priorities.

Thank You



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