

AGENDA
IRVINE RANCH WATER DISTRICT
FINANCE AND PERSONNEL COMMITTEE MEETING
TUESDAY, DECEMBER 7, 2021

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

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

Via web:

<https://irwd.webex.com/irwd/j.php?MTID=mf2b76e9330d91398edb0a34b57daa535>

Meeting Number: 187 723 2872

Password: chNFpPwy944

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

CALL TO ORDER 11:30 a.m.

ATTENDANCE Chair: Peer Swan _____ Member: Steve LaMar _____

ALSO PRESENT

Paul Cook	_____	Cheryl Clary	_____
Wendy Chambers	_____	Kevin Burton	_____
Paul Weghorst	_____	Rob Jacobson	_____
Christopher Smithson	_____	Tiffany Mitcham	_____
Jennifer Davis	_____	Eileen Lin	_____
_____	_____	_____	_____
_____	_____	_____	_____

PUBLIC COMMENT NOTICE

Public comments are limited to three minutes per speaker on each subject. If you wish to address the Committee on any item, you may attend the meeting in person and submit a “speaker slip.” You may also submit a public comment in advance of the meeting by emailing comments@irwd.com before 9:00 a.m. on Tuesday, December 7, 2021.

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 / MITCHAM

Recommendation: Receive and file.
6. MONTHLY INVESTMENT AND DEBT REVIEW – MENDOZA / DAVIS / JACOBSON / CLARY

Recommendation: Receive and file.
7. INFORMATION SERVICES PROJECT STATUS – WILLIAMS / CLARY

Recommendation: Receive and file.
8. REAL ESTATE QUARTERLY PERFORMANCE – DAVIS / JACOBSON / CLARY

Recommendation: Receive and file.
9. RISK MANAGEMENT QUARTERLY REPORT – KANOFF / JACOBSON / CLARY

Recommendation: Receive and file.
10. FISCAL YEAR 2021-22 OPERATING AND NON-OPERATING FINANCIAL HIGHLIGHTS QUARTERLY UPDATE – PARDEE / SMITHSON / CLARY

Recommendation: Receive and file.

ACTION

11. IRWD INVESTMENT POLICY FOR 2022 – DAVIS / JACOBSON / CLARY

Recommendation: That Board approve the proposed IRWD 2022 Investment Policy and adopt a resolution by title.

12. DEFERRED COMPENSATION 401(a) PLAN POLICY REVISION – DAVIS / JACOBSON / CLARY

Recommendation: That the Board approve to amend the District's 401(a) Money Purchase Plan to include the required language related to the additional contribution type of Mandatory Excess Accrual Contributions.

13. REVISED PERSONNEL POLICIES AND PROCEDURES – MITCHAM

Recommendation: That the Board adopt a resolution superseding Resolution No. 2021-2 and establish a Revised Personnel Policies and Procedures.

14. ANNUAL BOARD OF DIRECTORS' FEES – K. SWAN / COOK

Recommendation: That the Board either accept or decline the five (5%) percent compensation increase for the calendar year 2022.

OTHER BUSINESS

15. Closed Session

A. CLOSED SESSION CONFERENCE WITH LEGAL COUNSEL — EXISTING LITIGATION – Pursuant to Government Code Section 54956.9(d)(1):

- *Victoria Gleason v. County of Orange, et al.*, Case No. 30-2018-00977432
- *United States, et al., ex rel. John Hendrix, et al. v. J-M Manufacturing Company, Inc., et al.*, Case No. CV 06-0055-GW
- *Mary Beth Rash v. City of Irvine, et. seq.*, Case No. 30-2018-01010123
- *Michael Brown v. PEI Engineering & Construction, et. seq.*, Case No. 30-2020-01154719
- *Andrea Jane Sura, et al. v. IRWD, et al.*, Case No. 30-2020-01173344

B. CONFERENCE WITH LEGAL COUNSEL — ANTICIPATED LITIGATION – Pursuant to Government Code Section 54956.9(d)(2): significant exposure to litigation. (*One (1) potential case; Main Street Notice of Subrogation.*)

OTHER BUSINESS – Continued

- 15. Closed Session
- 16. Open Session
- 17. Directors' Comments
- 18. Adjourn

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

December 7, 2021
Prepared by: L. Srader
Submitted by: T. Mitcham
Approved by: Paul A. Cook *PA*

FINANCE AND PERSONNEL COMMITTEE

EMPLOYEE POPULATION AND TURNOVER STATUS REPORT

SUMMARY:

Staff has prepared various population and turnover reports for Committee review as outlined in Exhibit "A".

FISCAL IMPACTS:

None.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

RECOMMENDATION:

Receive and file.

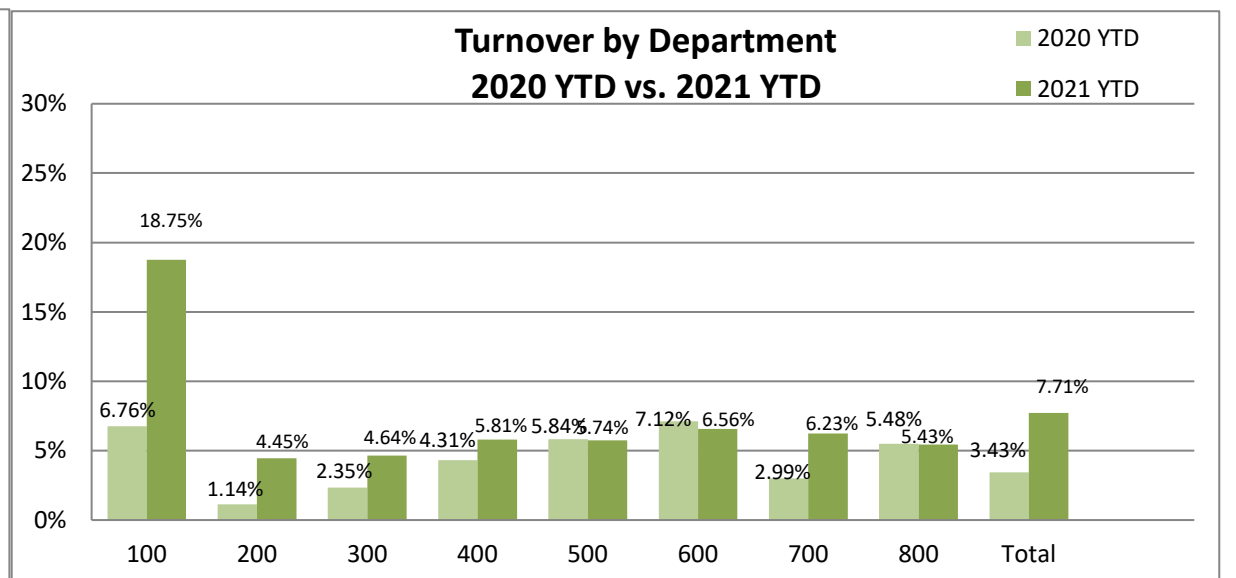
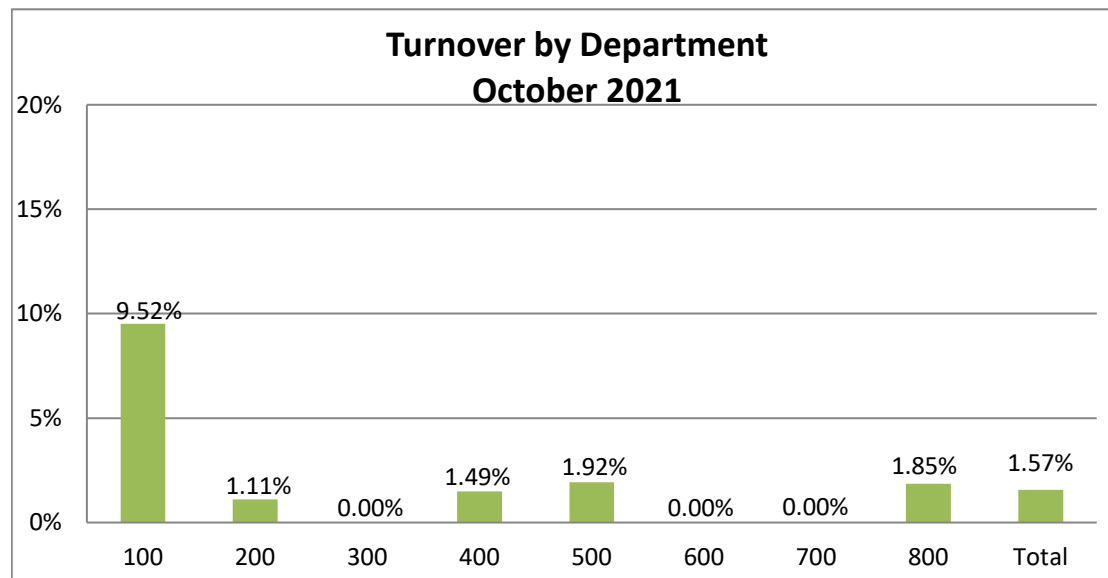
LIST OF EXHIBITS:

Exhibit "A" – Employee Population/Turnover Status Report

Note: This page is intentionally left blank.

EXHIBIT "A"
IRVINE RANCH WATER DISTRICT
EMPLOYEE POPULATION STATUS REPORT
October 2021

Dept	@10/01/21	Current Month Activity							@10/31/21		FY 21/22 Budgeted Positions	Avg FYTD Filled Budget Positions	Avg FYTD Temp Emp FTE	Avg FYTD Total Filled Positions	Internal Turnover		External Turnover	
	Positions Filled	New Hires	Terms		Promo Trnsfr		Lateral Trnsfr		Positions Filled	Positions Unfilled					Current Period	2021 YTD	Current Period	2021 YTD
			Vol	Invol	In	Out	In	Out										
100	21.0		2						19.0	6	25.0	16.5	0.0	16.5	0.00%	0.00%	9.52%	18.75%
200	90.0		1						89.0	3	92.0	90.3	1.0	91.2	0.00%	0.00%	1.11%	4.45%
300	42.0								42.0	2	44.0	42.8	0.0	42.8	0.00%	0.00%	0.00%	4.64%
400	67.0		1						66.0	7	73.0	67.5	2.4	69.9	0.00%	1.45%	1.49%	5.81%
500	52.0		1						51.0	11	62.0	52.3	2.0	54.2	0.00%	0.00%	1.92%	5.74%
600	31.0	1							32.0	1	33.0	30.5	5.2	35.7	0.00%	0.00%	0.00%	6.56%
700	26.0								26.0	2	28.0	30.8	0.0	30.8	0.00%	18.69%	0.00%	6.23%
800	54.0	1	1						54.0	7	61.0	54.0	0.0	54.0	0.00%	0.00%	1.85%	5.43%
Totals	383	2	6	0	0	0	0	0	379.0	39	418.0	384.5	10.5	395.0	0.00%	2.35%	1.57%	7.71%
10/20	391	2	1	0	1	1	0	0	392	20	412.0	386.3	18.2	404.5	0.26%	0.53%	0.26%	3.43%

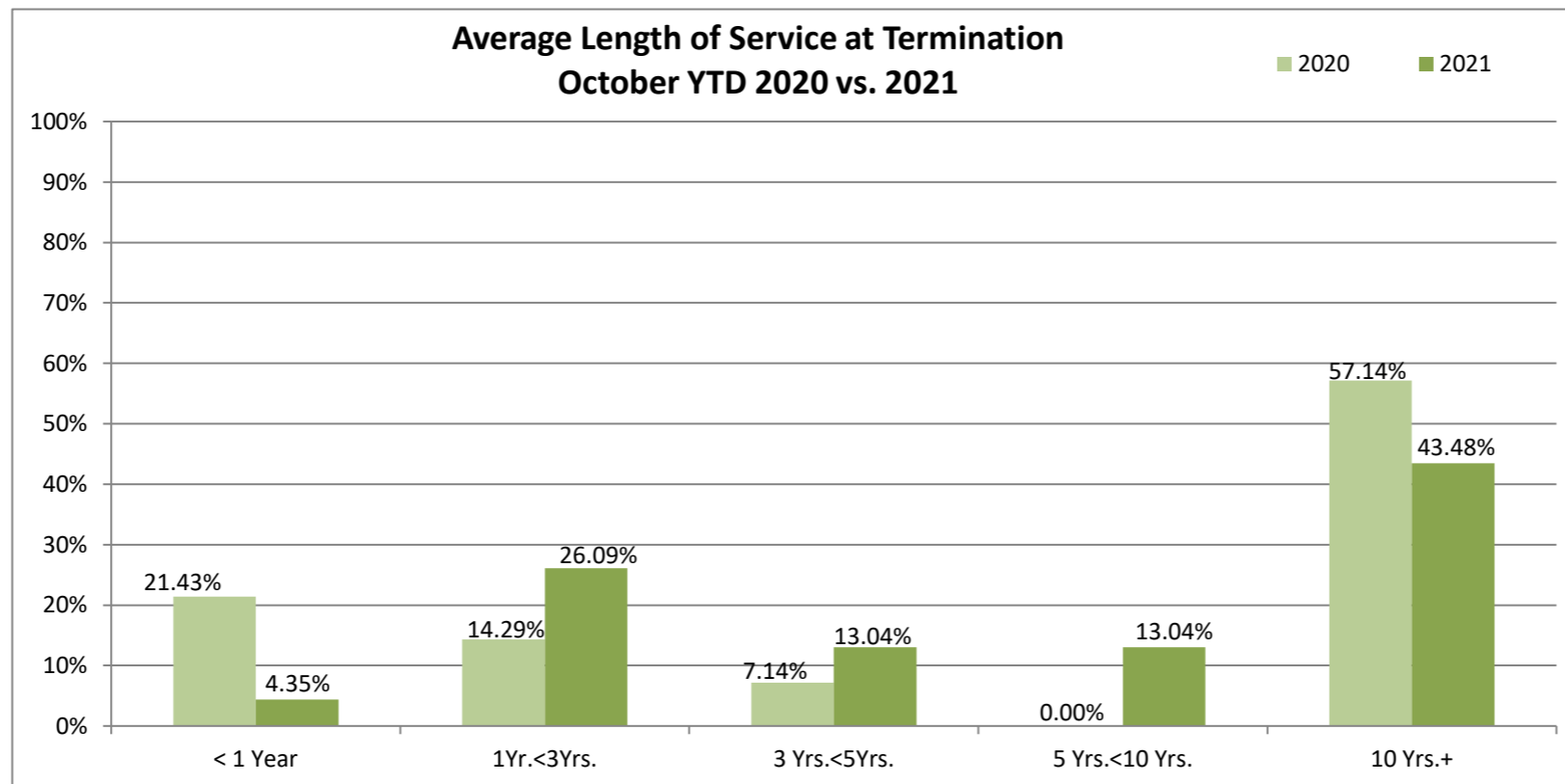


100-GM, HR, Safety; 200-Fin., Cust. Serv., IS, Purch.; 300-Eng.; 400-Water Ops; 500-Recycling; 600-WQ&RC; 700-Water Res., Recyc. Water and Public Affairs; 800-Adm. & Maintenance Ops

**IRVINE RANCH WATER DISTRICT
TURNOVER LONGEVITY RATIO
October 2021**

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				2			3		2		1	
200	1					1			1	1			4		1		2	1
300		1							1				2		1			1
400					1	1			1	1			4			2		2
500						1		1		1			3					3
600			1				1						2	1				1
700						1	1						2		1			1
800						2				1			3		1	1		1
2021 Total	1	1	1	0	1	7	2	1	3	6	0	0	23	1	6	3	3	10
2020 Data	2	0	2	2	3	1	2	0	1	1	0	4	18					
Percentage of Total Turnover														4.35%	26.09%	13.04%	13.04%	43.48%

2021 Average YTD Length of Service at Termination	10.45 Years
2020 Average YTD Length of Service at Termination	16.33 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



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

October 2021

NEW HIRES				
Date	Dept	Employee Name	Position	Comments
10/02/21	600	Justin Cahatol	Scientist	
10/18/21	800	Corey Waibel	Electrical Technician	

TERMINATIONS					
Date	Dept	Employee Name	Position	Reason	Comments
10/08/21	800			Death	
10/11/21	400			Vol	
10/27/21	100			Vol	
10/29/21	100			Vol	

RETIREMENTS					
Date	Dept	Employee Name	Position	Reason	Comments
10/01/21	500	Michael Hoffman	Senior Collection Systems CCTV Tech	Ret	
10/15/21	200	Thomas Malone	Director of Information Services	Ret	

PROMOTIONS					
Date	Departing Dept	Employee Name	Departing Position	New Dept	New Position
10/30/21	400	Elias Rios	Water Maintenance Technician II	400	Water Maintenance Technician III
10/30/21	400	Matthew Daniel	Operator III	400	Water Maintenance Supervisor

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
October 2021**

UNFILLED POSITIONS			
Dept	Position	Salary Grade	Comments
100	Director of Safety & Security	U27.E	Recruiting
100	Community Relations Manager	U18.E	Recruiting
100	Communications Analyst/Deputy PIO	U13.E	Recruiting
100	Human Resources Analyst	U31.N	Recruiting
100	Human Resources Analyst	U31.N	Recruiting
100	Safety Specialist	U26.N	
200	Customer Service Specialist II	17.N	Recruiting
200	Manager of Contract Admin & Risk	U19.E	Recruiting
200	Director of Information Services	U27.E	Recruiting
300	Senior Engineer	U20.E	Recruiting
300	Engineer	U17.E	Recruiting
400	Operator III	29.N	
400	Water Maintenance Technician II	22.N	
400	Field Services Manager	U18.E	
400	Metering Systems Technician I	16.N	
400	Water Maintenance Technician I	16.N	
400	Water Maintenance Technician I	16.N	
400	Water Maintenance Technician I	16.N	
500	Process Specialist	32.N	
500	Collection Systems CCTV Technician	21.N	
500	Senior Collection Systems CCTV Tech	25.N	
500	Senior Collection Systems CCTV Tech	25.N	
500	Operations Supervisor	S35.N	
500	Collection Systems Supervisor	S32.N	
500	Collection Systems Supervisor	S32.N	
500	Operator II	27.N	Recruiting
500	Operator III	29.N	Recruiting
500	Operator I	27.N	Recruiting
500	Automation Specialist	32.N	Recruiting
600	Senior Scientist	32.N	Recruiting
700	Water Efficiency Supervisor	U12.E	Recruiting
700	Engineer	U17.E	Recruiting
800	Reliability Engineer	U20.E	
800	Electrical Technician	30.N	
800	Instrumentation Technician	30.N	
800	Instrumentation Technician	28.N	
800	Fleet/Facilities Manager	U17.E	Recruiting
800	Senior Electrical Technician	30.N	Recruiting
800	Director of Field Operations	U27.E	

**IRVINE RANCH WATER DISTRICT
EMPLOYEE POPULATION STATUS REPORT
October 2021**

LEAVE OF ABSENCE					
Type of Leave	Pay Status	Date Leave Began	Anticipated Return Date	Current Length	Comments
FMLA/CFRA	SDI	6/29/2021	10/25/2021	4 months	
FMLA/CFRA	SDI	9/28/2021	12/5/2021	1 month	
FMLA/CFRA	SDI	9/30/2021	10/18/2021	1 month	
FMLA/CFRA	SDI	9/20/2021	11/16/2021	1 month	
FMLA/CFRA	SDI	9/20/2021	11/17/2021	1 month	
FMLA/CFRA	SDI	9/16/2021	11/1/2021	2 months	
FMLA/CFRA	SDI	9/7/2021	10/5/2021	1 month	
FMLA/CFRA	SDI	9/24/2021	10/5/2021	1 week	
FMLA/CFRA	SDI	10/11/2021		1 month	
FMLA/CFRA	SDI	10/5/2021	11/15/2021	1 month	
FMLA/CFRA	SDI	10/4/2021	12/30/2021	1 month	
FMLA/CFRA	SDI	9/6/2021		2 months	
FMLA/CFRA	SDI	5/20/2021		6 months	

Leave	Original Status	Date Leave Began	Return Date	Length	Return Date	Comments
FMLA/CFRA	SDI	9/22/2020	10/15/2020	1 month	10/15/20	Returned
FFCRA/FMLA	SDI	9/8/2020	10/12/2020	2 months	10/12/20	Returned
FFCRA/FMLA	LVBK	9/8/2020	10/8/2020	1 month	10/08/20	Returned

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

Month	Length of Employment	Termination		Comments
		Vol	Invol	
January	28 years, 9 months	X		Retirement
February	13 years, 10 months	X		Moved out of state
March	9 months		X	Probation Rejection
April				
May	3 years, 9 months	X		Other Employment
June	2 years, 11 months	X		Moved out of state
	6 years, 2 months	X		Otay Water District
	11 years	X		City of Torrance
	2 years	X		Metropolitan Water
	5 years	X		Other Employment
	12 years, 8 months	X		Retirement
	30 years	X		Retirement
July	32 years, 5 months	X		Retirement
	12 years, 1 month	X		Retirement
August	25 years, 7 months	X		Retirement
September	14 years, 3 months	X		Other Employment - Yorba Linda Water
	6 years, 8 months	X		Stay home with children
	13 months		X	Involuntary
October	4 Years		X	Death
	4 years, 10 months	X		Other Employment
	1 year, 6 months	X		Retirement
	1 year, 2 months	X		
	1 year, 3 months	X		Other Employment
	29 years, 8 months	X		Retirement
November				
December				

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

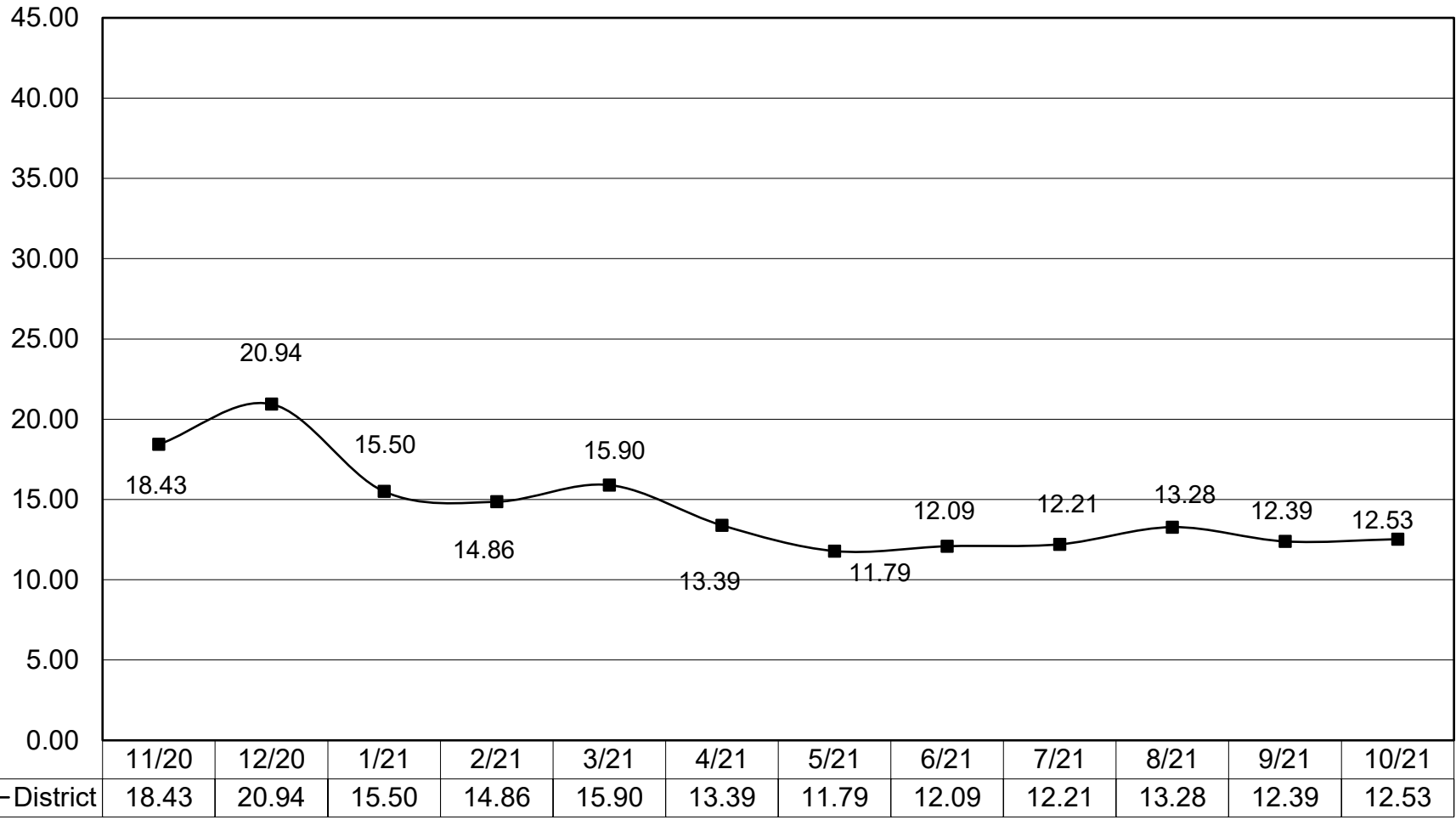
ACTIVE											
Current Month	FYTD Ave Hours Worked	PERS Enrollment	Agency	Dept	Hourly Rate	Est Hours per Month	Est Cost Per Month	Expected Duration (Months)	Actual Worked (Months)	Projected Cost FY' YTD	Actual Cost FY 'YTD
0.00 0.00	0.00 0.00	X		100							
0.92 0.92	0.96 0.96	Yes		200 200	22.37	168	3,758.16	12	4	15,032.64	14,943.16
0.87 0.32 0.25 0.20 1.64	0.87 0.61 0.59 0.63 2.71	No No No No		300 300 300 300 300	37.70 18.00 18.00 17.00	168 84 84 84	6,333.60 1,512.00 1,512.00 1,428.00	12 12 12 12	4 4 4 4	25,334.40 6,048.00 6,048.00 5,712.00	22,620.00 7,659.00 7,425.00 7,480.00
0.00 1.00 0.87 1.87	0.06 0.56 0.78 1.40	No No Yes	X X	400 400 400 400	30.53 32.26 23.92	168 168 168	5,129.04 5,419.68 4,018.56	6 4 2	4 4 4	20,516.16 21,678.72 16,074.24	1,221.20 12,718.51 12,916.80
0.92 1.00 1.92	0.97 1.00 1.97	Yes No	X	500 500 500	29.23 33.13	168 168	4,910.64 5,565.84	12 6	4 4	19,642.56 22,263.36	19,649.87 30,711.51
0.87 1.00 0.33 0.26 0.52 0.28 1.00 0.98 5.23	0.96 0.99 0.16 0.06 0.13 0.40 0.74 0.87 4.32	No No No No No No No No	X X	600 600 600 600 600 600 600 600 600	32.76 32.76 14.00 14.00 17.00 14.00 46.43 32.76	168 168 84 84 84 84 1687 168	5,503.68 5,503.68 1,176.00 1,176.00 1,428.00 1,176.00 78,327.41 5,503.68	6 12 10 12 12 10 5 2	4 4 4 3 3 4 4 4	22,014.72 22,014.72 4,704.00 3,528.00 4,284.00 4,704.00 313,309.64 22,014.72	21,785.40 22,833.72 1,561.00 3,927.00 23,981.10 19,787.04
0.87 0.92 0.74 2.52	0.95 0.95 0.78 2.68	No No EXC	X X	700 700 700 700	30.92 30.92 14.00	168 168 84	5,194.56 5,194.56 1,176.00	6 6 12	4 4 4	20,778.24 20,778.24 4,704.00	20,407.20 20,407.20 7,539.00
0.00	0.00			800							
14.10	14.04										

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

TERMINATED											
Current Month FTE	Avg FYTD Temp Emp FTE	Active PERS Y/N *	Agency	Dept	Hourly Rate	Est Hours per Month	Est Cost Per Month	Expected Duration (Months)	Actual Worked (Months)	Projected Cost FYTD	Actual Cost FYTD
0.00	0.00			100							
0.00	0.00			200							
0.00	0.00			300							
0.98	0.97	No	X	400	23.92	168	4,018.56	6	3	12,055.68	12,103.52
0.98	0.97			400							
0.00	0.00			500							
0.98	0.87	No	X	600	32.76	168	5,503.68	2	4	22,014.72	19,787.04
0.98	0.87			600							
0.00	0.00			700							
0.00	0.00			800							
1.95	1.84									635,254.76	311,464.26

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 October 31, 2021



Note: This page is intentionally left blank.

December 7, 2021

Prepared by: O. Mendoza / J. Davis

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 November 26, 2021, as outlined in Exhibit "A";
- The U.S. Treasury Yield Curve as of November 26, 2021, as shown in Exhibit "B";
- The Summary of Fixed and Variable Debt as of November 26, 2021, as outlined in Exhibit "C"; and
- The Summary of Variable Rate Debt Rates as of November 26, 2021, as outlined in Exhibit "D".

BACKGROUND:

Investment Portfolio:

Due to the timing of the Committee meeting, the rate of return for November 2021 is not complete at this time. Preliminary calculations indicate a rate of return for the fixed income investment portfolio of 0.41%, which is unchanged from October's rate. Including real estate investments, the weighted average rate of return for IRWD's investment portfolio for November 2021 was 2.79%, which was a 0.01% increase from October's rate of 2.78%.

Debt Portfolio:

As of November 26, 2021, IRWD's weighted average all-in variable rate was 0.34%, which was a 0.02% decrease from October's rate of 0.36%. Including IRWD's weighted average fixed rate bond issues of 3.70% and the negative cash accruals from fixed payer interest rate swaps, which hedge a portion of the District's variable rate debt, the total average debt rate was 3.00%, a 0.05% increase from October's rate of 2.95%. The increase was primarily due to the change in the negative cash accrual from \$270,736 to \$298,549 for the District's fixed payer swaps.

FISCAL IMPACTS:

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

ENVIRONMENTAL COMPLIANCE:

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

RECOMMENDATION:

Receive and file.

LIST OF EXHIBITS:

Exhibit "A" – Investment Portfolio Summary as of November 26, 2021

Exhibit "B" – Yield Curve as of November 26, 2021

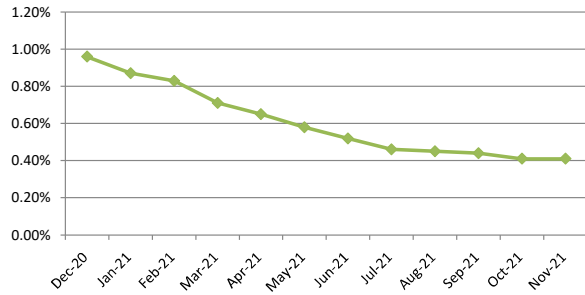
Exhibit "C" – Summary of Fixed and Variable Debt as of November 26, 2021

Exhibit "D" – Summary of Variable Rate Debt Rates as of November 26, 2021

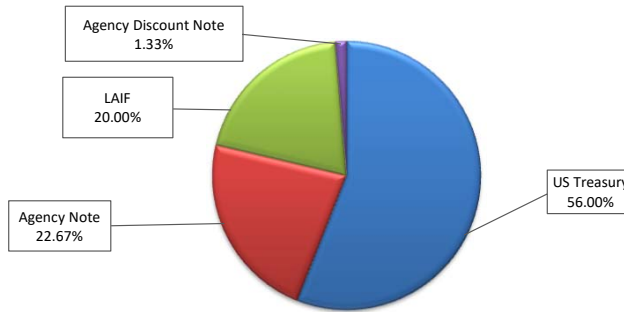
Exhibit "A"

Irvine Ranch Water District Investment Portfolio Summary November 2021

Monthly Fixed Income Yield



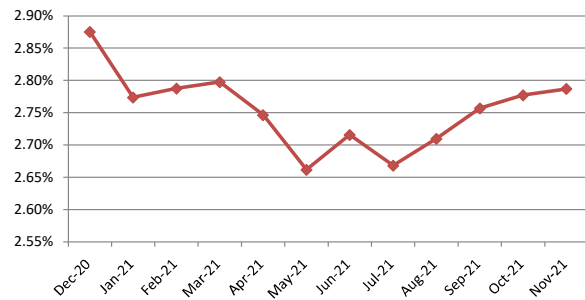
Portfolio Distribution



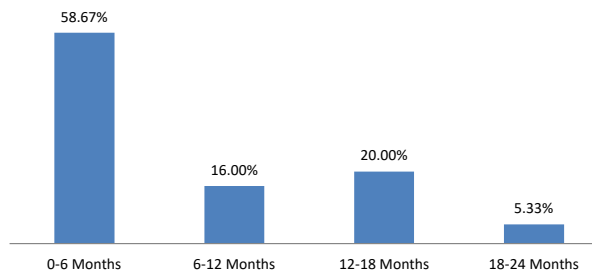
Investment Summary

Type	PAR	Book Value	Market Value
US Treasury	210,000,000	210,263,517	210,343,631
Agency Note	85,000,000	85,158,913	85,375,690
LAIF	75,000,000	75,000,000	74,990,525
Agency Discount Note	5,000,000	4,999,778	4,999,500
Grand Total	375,000,000	375,422,208	375,709,346

Weighted Average Return Including Real Estate Portfolio



Maturity Distribution



Top Issuers

Issuer	PAR	% Portfolio
US Treasury	210,000,000	56.00%
State of California Tsy.	75,000,000	20.00%
Fed Farm Credit Bank	55,000,000	14.67%
Fed Home Loan Bank	20,000,000	5.33%
Fed Home Loan Mortgage Corp	10,000,000	2.67%
Fed Natl Mortgage Assoc	5,000,000	1.33%
Grand Total	375,000,000	100.00%

IRVINE RANCH WATER DISTRICT
INVESTMENT SUMMARY REPORT

11/26/21

SETTLMT	Call Schedule	Initial Call	Maturity Date	Rating	INVESTMENT TYPE	INSTITUTION / ISSUER	PAR Amount	COUPON DISCOUNT	YIELD	ORIGINAL COST	CARRY VALUE	MARKET VALUE ⁽¹⁾ 11/26/2021	UNREALIZED ⁽²⁾ GAIN/(LOSS)
07/24/20			11/27/21		LAIF	State of California Tsy.	\$75,000,000		0.206%	\$75,000,000.00	\$75,000,000.00	74,990,524.58	(9,475.42)
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	5,000,000.00	5,006,650.00	6,650.00
03/17/21	NA	NA	11/30/21	Aaa/AA+/NR	Treasury - Note	US Treasury	5,000,000	1.875%	0.057%	5,064,120.00	5,003,727.91	5,007,150.00	3,422.09
09/28/20	NA	NA	12/03/21	Aaa/AA+/AAA	FFCB - Note	Fed Farm Credit Bank	5,000,000	0.150%	0.120%	5,001,765.00	5,000,008.19	5,000,100.00	91.81
10/30/20	NA	NA	12/15/21	Aaa/NR/AAA	Treasury - Note	US Treasury	5,000,000	2.625%	0.127%	5,140,429.69	5,004,783.49	5,015,150.00	10,366.51
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	10,020,814.92	10,021,100.00	285.08
06/30/21	NA	NA	12/30/21	Aaa/AA+/NR	Treasury - Bill	US Treasury	5,000,000	0.040%	0.041%	4,998,983.33	4,999,838.89	4,999,350.00	(488.89)
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	5,001,527.87	5,015,500.00	13,972.13
06/02/21	NA	NA	12/31/21	Aaa/NR/AAA	Treasury - Note	US Treasury	10,000,000	2.125%	0.027%	10,121,093.75	10,017,135.91	10,033,100.00	15,964.09
08/31/21	NA	NA	01/10/22	NR	FFCB - Discount Note	Fed Farm Credit Bank	5,000,000	0.040%	0.041%	4,999,266.67	4,999,777.78	4,999,500.17	(277.61)
05/26/21	NA	NA	01/11/22	Aaa/AA+/AAA	FNMA - Note	Fed Natl Mortgage Assoc	5,000,000	2.625%	0.031%	5,081,057.95	5,014,449.46	5,023,950.00	9,500.54
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	5,004,258.65	5,022,150.00	17,891.35
08/14/20	NA	NA	01/13/22	Aaa/AA+/AAA	FHLMC - Note	Fed Home Loan Mortgage Corp	5,000,000	2.375%	0.147%	5,157,297.23	5,013,082.75	5,022,150.00	9,067.25
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	5,000,235.72	5,024,750.00	24,514.28
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	5,001,908.71	5,022,300.00	20,391.29
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	4,997,217.52	5,024,250.00	27,032.48
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	5,008,616.52	5,034,900.00	26,283.48
11/13/20	NA	NA	02/28/22	Aaa/NR/AAA	Treasury - Note	US Treasury	5,000,000	1.875%	0.139%	5,112,304.69	5,021,176.10	5,029,650.00	8,473.90
11/19/20	NA	NA	02/28/22	Aaa/NR/AAA	Treasury - Note	US Treasury	5,000,000	1.750%	0.126%	5,103,710.94	5,019,807.45	5,027,600.00	7,792.55
06/09/21	NA	NA	02/28/22	Aaa/NR/AAA	Treasury - Note	US Treasury	5,000,000	1.125%	0.051%	5,038,964.84	5,013,135.87	5,017,300.00	4,164.13
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	5,000,250.23	5,043,200.00	42,949.77
12/23/20	NA	NA	03/22/22	Aaa/AA+/AAA	FFCB - Note	Fed Farm Credit Bank	10,000,000	0.090%	0.090%	10,000,000.00	10,000,000.00	10,000,200.00	200.00
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	5,003,685.85	5,036,350.00	32,664.15
04/30/21	NA	NA	03/31/22	Aaa/NR/AAA	Treasury - Note	US Treasury	5,000,000	0.375%	0.056%	5,014,648.44	5,005,247.20	5,005,450.00	202.80
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	4,999,609.20	5,029,350.00	29,740.80
04/23/20	NA	NA	04/21/22	Aaa/AA+/NR	FFCB - Note	Fed Farm Credit Bank	10,000,000	1.580%	0.320%	10,250,200.00	10,051,208.52	10,069,900.00	18,691.48
08/12/21	NA	NA	05/31/22	Aaa/NR/AAA	Treasury - Note	US Treasury	10,000,000	1.750%	0.061%	10,135,156.25	10,105,996.69	10,096,100.00	(9,896.69)
04/22/21	NA	NA	06/30/22	Aaa/NR/AAA	Treasury - Note	US Treasury	10,000,000	0.125%	0.082%	10,005,078.13	10,002,468.86	10,001,600.00	(868.86)
04/30/21	NA	NA	06/30/22	Aaa/NR/AAA	Treasury - Note	US Treasury	5,000,000	0.125%	0.082%	5,002,539.06	5,001,257.61	5,000,800.00	(457.61)
05/28/21	NA	NA	06/30/22	Aaa/NR/AAA	Treasury - Note	US Treasury	5,000,000	0.125%	0.064%	5,003,320.31	5,001,760.26	5,000,800.00	(960.26)
05/20/21	NA	NA	06/30/22	Aaa/NR/AAA	Treasury - Note	US Treasury	5,000,000	1.750%	0.065%	5,093,750.00	5,048,722.29	5,054,700.00	5,977.71
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	5,000,185.86	5,054,050.00	53,864.14
04/28/21	NA	NA	08/31/22	Aaa/NR/NR	Treasury - Note	US Treasury	5,000,000	0.125%	0.102%	5,001,562.50	5,000,870.54	5,000,200.00	(670.54)
04/28/21	NA	NA	09/09/22	Aaa/AA+/NR	FHLB - Note	Fed Home Loan Bank	5,000,000	2.000%	0.112%	5,128,632.30	5,072,694.01	5,080,600.00	7,905.99
04/22/21	NA	NA	10/31/22	Aaa/NR/AAA	Treasury - Note	US Treasury	10,000,000	0.125%	0.110%	10,002,343.75	10,004,139.79	9,997,700.00	(6,439.79)
05/20/21	NA	NA	11/30/22	Aaa/NR/AAA	Treasury - Note	US Treasury	5,000,000	0.125%	0.103%	5,001,647.15	5,001,072.56	4,997,450.00	(3,622.56)
10/15/21	NA	NA	12/15/22	Aaa/AA+/AAA	Treasury - Note	US Treasury	10,000,000	1.625%	0.140%	10,173,046.88	10,153,954.85	10,159,800.00	5,845.15
09/30/21	NA	NA	01/31/23	Aaa/NR/AAA	Treasury - Note	US Treasury	5,000,000	0.125%	0.143%	4,998,828.13	4,998,977.02	4,991,400.00	(7,577.02)
11/18/21	NA	NA	02/10/23	Aaa/AA+/AAA	FFCB - Note	Fed Farm Credit Bank	10,000,000	0.160%	0.285%	9,984,690.00	9,985,133.27	9,984,690.00	(443.27)
10/07/21	NA	NA	02/28/23	Aaa/AA+/AAA	Treasury - Note	US Treasury	10,000,000	0.125%	0.181%	9,992,187.50	9,993,031.68	9,977,300.00	(15,731.68)
09/09/21	NA	NA	03/31/23	Aaa/AA+/AAA	Treasury - Note	US Treasury	10,000,000	0.125%	0.153%	9,995,703.13	9,996,331.02	9,971,900.00	(24,431.02)
11/02/21	NA	NA	03/31/23	Aaa/AA+/AAA	Treasury - Note	US Treasury	5,000,000	0.125%	0.308%	4,987,109.38	4,987,836.67	4,987,109.38	(727.30)
09/30/21	NA	NA	04/30/23	Aaa/AA+/AAA	Treasury - Note	US Treasury	10,000,000	0.125%	0.202%	9,987,890.63	9,989,191.81	9,965,200.00	(23,991.81)
10/19/21	NA	NA	04/30/23	Aaa/AA+/AAA	Treasury - Note	US Treasury	10,000,000	0.125%	0.307%	9,972,265.63	9,974,402.87	9,965,200.00	(9,202.87)
11/16/21	NA	NA	05/31/23	Aaa/AA+/AAA	Treasury - Note	US Treasury	10,000,000	0.125%	0.385%	9,960,156.25	9,961,221.59	9,960,156.25	(1,065.34)
11/26/21	NA	NA	09/30/23	Aaa/AA+/AAA	Treasury - Note	US Treasury	10,000,000	0.250%	0.572%	9,941,015.63	9,941,453.85	9,941,015.63	(438.22)
SUB-TOTAL							\$375,000,000			\$376,892,665.46	\$375,422,207.80	\$375,709,346.00	\$287,138.19
TOTAL INVESTMENTS							\$375,000,000			\$376,892,665.46	\$375,422,207.80	\$375,709,346.00	\$287,138.19

IRVINE RANCH WATER DISTRICT
INVESTMENT SUMMARY REPORT

11/26/21

SETTLMT	Call Schedule	Initial Call	Maturity Date	Rating	INVESTMENT TYPE	INSTITUTION / ISSUER	PAR Amount	COUPON DISCOUNT	YIELD	ORIGINAL COST	CARRY VALUE	MARKET VALUE ⁽¹⁾ 11/26/2021	UNREALIZED ⁽²⁾ GAIN/(LOSS)
					Petty Cash					3,400.00			
					Ck Balance	Bank of America	ECR	0.19%		13,799,832.52			
										<u>\$390,695,897.98</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	\$239,100,000
Net Outstanding Variable Rate Debt (Less \$60 million fixed-payer swaps)	\$179,100,000
Investment Balance:	\$390,695,898
Investment to Variable Rate Debt Ratio:	218%
Portfolio - Average Number of Days To Maturity	190

	Investment Portfolio	Real Estate ⁽³⁾ Portfolio	Weighted Avg. Return
November	0.41%	11.65%	2.79%
October	0.41%	11.65%	2.78%
Change			0.01%

This Investment Summary Report is in conformity with the 2021 Investment Policy and provides sufficient liquidity to meet the next six months estimated expenditures.
*S - Step up

Irvine Ranch Water District
Summary of Real Estate - Income Producing Investments
9/30/2021

	ACQUISITION DATE	PROPERTY TYPE	OWNERSHIP INTEREST	ORIGINAL COST	MARKET VALUE 6/30/2021	ANNUALIZED RATE OF RETURN QUARTER ENDED 9/30/2021
Sycamore Canyon	Dec-92	Apartments	Fee Simple	\$ 43,550,810	\$ 170,000,000	21.22%
Wood Canyon Villas	Jun-91	Apartments	Limited Partner	\$ 6,000,000	\$ 32,258,924	8.52%
ITC (230 Commerce)	Jul-03	Office Building	Fee Simple	\$ 5,739,845	\$ 12,000,000	9.40%
Waterworks Business Pk.	Nov-08	Research & Dev.	Fee Simple	\$ 8,630,577	\$ 11,600,000	7.19%
Sand Canyon Professional Center - Medical Office	Jul-12	Medical Office	Fee Simple	\$ 8,648,594	\$ 11,900,000	9.40%
Sand Canyon Professional Center - General Office	Sep-20	Office Building	Fee Simple	\$ 25,985,968	\$ 33,250,000	-0.92%
Total - Income Properties				\$ 98,555,794	\$ 271,008,924	11.65%

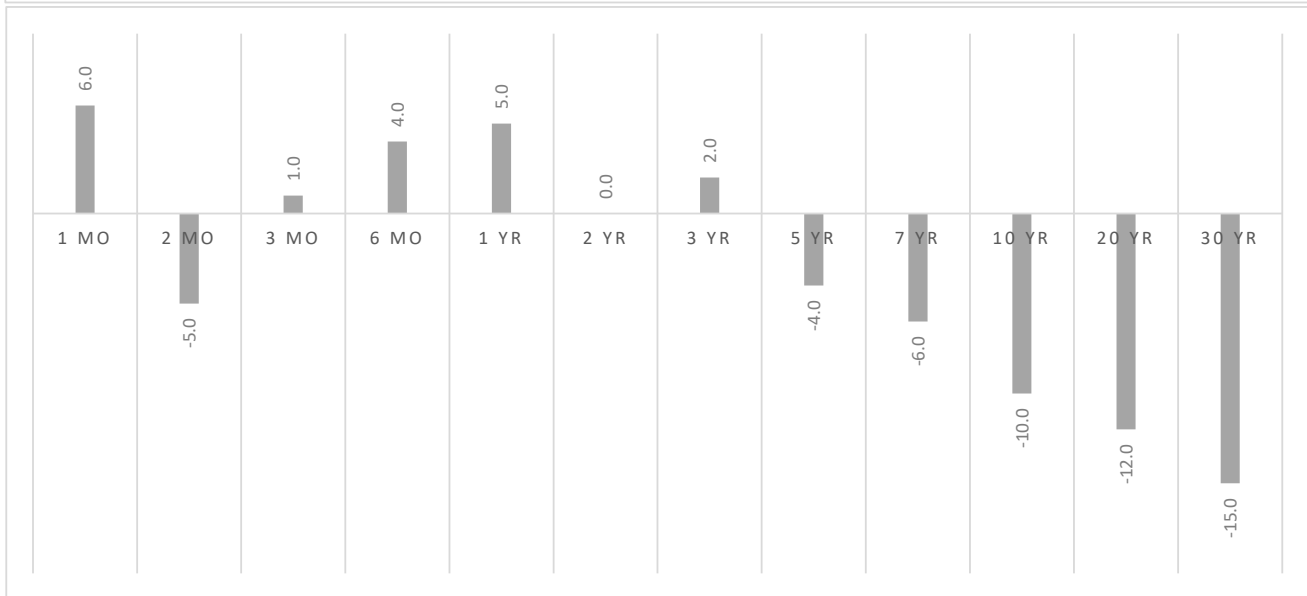
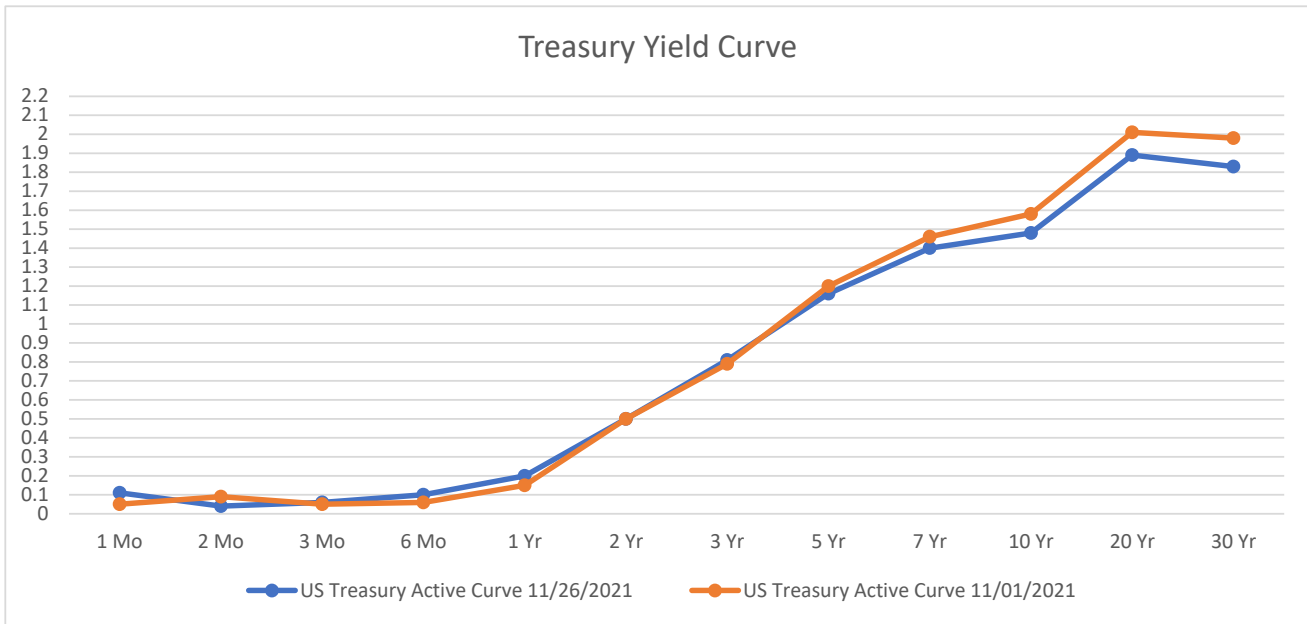
IRVINE RANCH WATER DISTRICT INVESTMENT SUMMARY REPORT
INVESTMENT ACTIVITY
Nov-21

MATURITIES/SALES/CALLS

PURCHASES

DATE	SECURITY TYPE	PAR	YIELD	Settlement Date	Maturity Date	SECURITY TYPE	PAR	YIELD TO MATURITY
11/2/2021	Treasury - Bill	\$5,000,000	0.11%	11/2/2021	3/31/2023	Treasury - Note	\$5,000,000	0.31%
11/15/2021	Treasury - Note	\$5,000,000	1.61%	11/16/2021	5/31/2023	Treasury - Note	\$10,000,000	0.39%
11/18/2021	Treasury - Bill	\$10,000,000	0.04%	11/18/2021	2/10/2023	FFCB - Note	\$10,000,000	0.29%
11/26/2021	Treasury - Bill	\$5,000,000	0.03%	11/26/2021	9/30/2023	Treasury - Note	\$10,000,000	0.57%

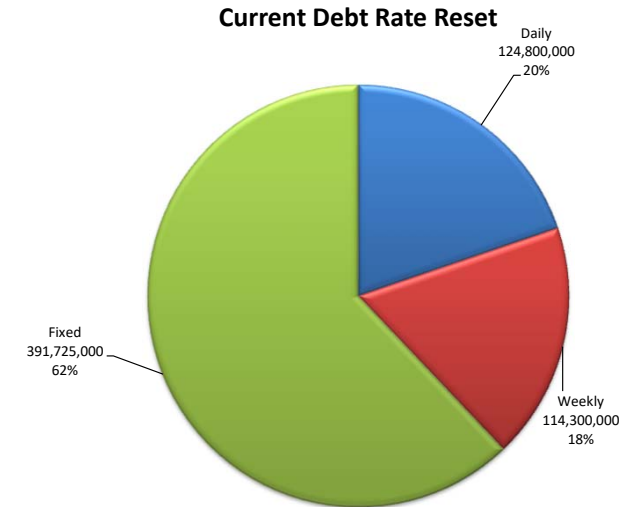
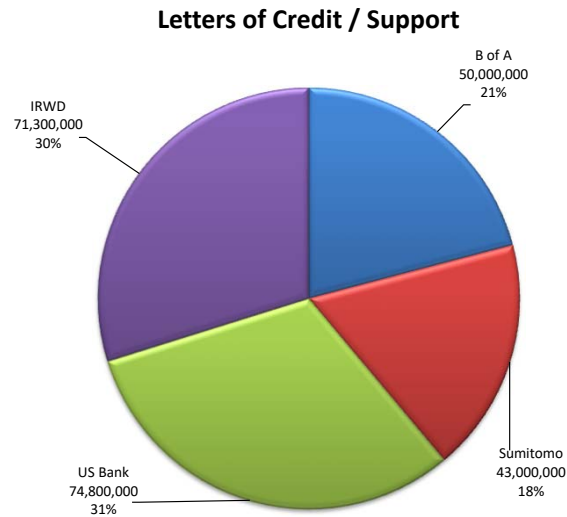
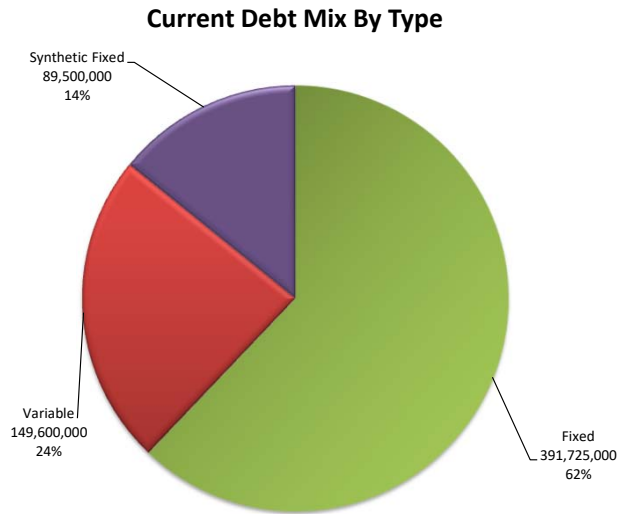
Exhibit "B"



Tenor	US Treasury Active Curve 11/26/2021	US Treasury Active Curve 11/01/2021	Change
1 Mo	0.11	0.05	6.0
2 Mo	0.04	0.09	-5.0
3 Mo	0.06	0.05	1.0
6 Mo	0.1	0.06	4.0
1 Yr	0.2	0.15	5.0
2 Yr	0.5	0.5	0.0
3 Yr	0.81	0.79	2.0
5 Yr	1.16	1.2	-4.0
7 Yr	1.40	1.46	-6.0
10 Yr	1.48	1.58	-10.0
20 Yr	1.89	2.01	-12.0
30 Yr	1.83	1.98	-15.0

Note: This page is intentionally left blank.

Exhibit "C"
Irvine Ranch Water District
Summary of Fixed and Variable Rate Debt
November 2021



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	\$24,800,000	3.93%	US Bank	BAML	Variable	Daily
Series 2008-A Refunding	04/24/08	07/01/35	\$43,000,000	6.82%	Sumitomo	BAML	Variable	Weekly
Series 2011-A-1 Refunding	04/15/11	10/01/37	\$42,780,000	6.78%	IRWD	Goldman	Variable	Weekly
Series 2011-A-2 Refunding	04/15/11	10/01/37	\$28,520,000	4.52%	IRWD	Goldman	Variable	Weekly
Series 2009 - A	06/04/09	10/01/41	\$50,000,000	7.93%	US Bank	US Bank	Variable	Daily
Series 2009 - B	06/04/09	10/01/41	\$50,000,000	7.93%	B of A	Goldman	Variable	Daily
2016 COPS	09/01/16	03/01/46	\$113,325,000	17.96%	N/A	N/A	Fixed	Fixed
2010 Build America Taxable Bond	12/16/10	05/01/40	\$175,000,000	27.74%	N/A	N/A	Fixed	Fixed
Series 2016	10/12/16	02/01/46	\$103,400,000	16.39%	N/A	N/A	Fixed	Fixed
Total			\$630,825,000	100.00%				

IRVINE RANCH WATER DISTRICT
SUMMARY OF FIXED & VARIABLE RATE DEBT

November-21

ITN
Daily
Weekly

GENERAL BOND INFORMATION							LETTER OF CREDIT INFORMATION							TRUSTEE INFORMATION									
VARIABLE RATE ISSUES	Issue Date	Maturity Date	Principal Payment Date	Payment Date	Original Par Amount	Remaining Principal	Letter of Credit	Reimbursement Agreement Date	L/C Exp. Date	MOODY'S	S&P	FITCH	LOC Stated Amount	LOC Fee	Annual LOC Cost	Rmkt Agent	Reset	Rmkt Fees	Annual Cost	Trustee			
SERIES 1993	05/19/93	04/01/33	Apr 1	5th Bus. Day	\$38,300,000	\$24,800,000	US BANK	05/07/15	05/01/25	Aa3/VMIG1	AA-/A-1+	N/R	\$25,134,290	0.3000%	\$75,403	BAML	DAILY	0.10%	\$24,800	BANK OF NY			
SERIES 2008-A Refunding	04/24/08	07/01/35	Jul 1	5th Bus. Day	\$60,215,000	\$43,000,000	SUMITOMO	04/01/11	05/28/25	A1/P-1	A/A-1	A/F1	\$43,636,164	0.3150%	\$137,454	BAML	WED	0.07%	\$30,100	BANK OF NY			
SERIES 2011-A-1 Refunding	04/15/11	10/01/37	Oct 1	1st Bus. Day	\$60,545,000	\$42,780,000	N/A	N/A	N/A	Aa1/VMIG1	A-1+	AAA/F1+	N/A	N/A	N/A	Goldman	WED	0.13%	\$53,475	BANK OF NY			
SERIES 2011-A-2 Refunding	04/15/11	10/01/37	Oct 1	1st Bus. Day	\$40,370,000	\$28,520,000	N/A	N/A	N/A	Aa1/VMIG1	A-1+	AAA/F1+	N/A	N/A	N/A	Goldman	WED	0.13%	\$35,650	BANK OF NY			
SERIES 2009 - A	06/04/09	10/01/41	Oct 1	1st Bus. Day	\$75,000,000	\$50,000,000	US BANK	04/01/11	05/01/25	Aa2/VMIG 1	AA-/A-1+	AA/F1+	\$50,558,904	0.3000%	\$151,677	US Bank	DAILY	0.07%	\$35,000	US BANK			
SERIES 2009 - B	06/04/09	10/01/41	Oct 1	1st Bus. Day	\$75,000,000	\$50,000,000	B of A	04/01/11	05/16/22	Aa2/VMIG 1	A/A-1	A1/F1+	\$50,558,904	0.3000%	\$151,677	Goldman	DAILY	0.10%	\$50,000	US BANK			
					\$349,430,000	\$239,100,000	SUB-TOTAL VARIABLE RATE DEBT							\$169,888,263		0.3038%		\$516,210		0.10%		\$229,025	
														(Wt. Avg)				(Wt. Avg)					
FIXED RATE ISSUES																							
2010 GO Build America Taxable Bonds	12/16/10	05/01/40	May (2025)	May/Nov	\$175,000,000	\$175,000,000	N/A	N/A	N/A	Aa1	AAA	NR	N/A	N/A	N/A	N/A	N/A	N/A	N/A	US BANK			
2016 COPS	09/01/16	03/01/46	Mar 1	Mar/Sept	\$116,745,000	\$113,325,000	N/A	N/A	N/A	NR	AAA	AAA	N/A	N/A	N/A	N/A	N/A	N/A	N/A	US BANK			
SERIES 2016	10/12/16	02/01/46	Feb (2022)	Feb/Aug	\$103,400,000	\$103,400,000	N/A	N/A	N/A	NR	AAA	AAA	N/A	N/A	N/A	N/A	N/A	N/A	N/A	BANK OF NY			
					\$395,145,000	\$391,725,000	SUB-TOTAL FIXED RATE DEBT																
					\$744,575,000	\$630,825,000	TOTAL- FIXED & VARIABLE RATE DEBT																

Remarketing Agents			GO VS COP's		
Goldman	121,300,000	51%	GO:	517,500,000	82%
BAML	67,800,000	28%	COPS:	113,325,000	18%
US Bank	50,000,000	21%	Total	<u>630,825,000</u>	
	<u>239,100,000</u>				

LOC Banks		Breakdown Between Variable & Fixed Rate Mode	
SUMITOMO	43,000,000	Daily Issues	124,800,000 20%
BANK OF AMERICA	50,000,000	Weekly Issues	43,000,000 7%
US BANK	74,800,000	ITN Issues	71,300,000 11%
	<u>167,800,000</u>	Sub-Total	<u>239,100,000</u>
		Fixed Rate Issues	\$391,725,000 62%
		Sub-Total - Fixed	<u>391,725,000</u>
		TOTAL DEBT	
		FIXED & VAR.	<u>630,825,000</u> 100%

Exhibit "D"

SUMMARY OF DEBT RATES Nov-21

Rmkt Agent Mode	GOLDMAN DAILY	GOLDMAN WEEKLY	GOLDMAN WEEKLY	MERRILL LYNCH DAILY	MERRILL LYNCH WEEKLY	US BANK DAILY
Bond Issue	2009 - B	2011 A-1	2011 A-2	1993	2008-A	2009-A
Par Amount	50,000,000	42,780,000	28,520,000	24,800,000	43,000,000	50,000,000
LOC Bank	BOFA	(SIFMA + 3)	(SIFMA + 3)	US BANK	Sumitomo	US BANK
Reset		Wednesday	Wednesday		Wednesday	
11/1/2021	0.01%	0.08%	0.08%	0.01%	0.05%	0.01%
11/2/2021	0.01%	0.08%	0.08%	0.01%	0.05%	0.01%
11/3/2021	0.01%	0.08%	0.08%	0.01%	0.05%	0.01%
11/4/2021	0.01%	0.07%	0.07%	0.01%	0.04%	0.01%
11/5/2021	0.01%	0.07%	0.07%	0.01%	0.04%	0.01%
11/6/2021	0.01%	0.07%	0.07%	0.01%	0.04%	0.01%
11/7/2021	0.01%	0.07%	0.07%	0.01%	0.04%	0.01%
11/8/2021	0.01%	0.07%	0.07%	0.01%	0.04%	0.02%
11/9/2021	0.01%	0.07%	0.07%	0.01%	0.04%	0.01%
11/10/2021	0.01%	0.07%	0.07%	0.01%	0.04%	0.01%
11/11/2021	0.01%	0.07%	0.07%	0.01%	0.04%	0.01%
11/12/2021	0.01%	0.07%	0.07%	0.01%	0.04%	0.02%
11/13/2021	0.01%	0.07%	0.07%	0.01%	0.04%	0.02%
11/14/2021	0.01%	0.07%	0.07%	0.01%	0.04%	0.02%
11/15/2021	0.01%	0.07%	0.07%	0.01%	0.04%	0.02%
11/16/2021	0.01%	0.07%	0.07%	0.01%	0.04%	0.02%
11/17/2021	0.01%	0.07%	0.07%	0.01%	0.04%	0.02%
11/18/2021	0.01%	0.07%	0.07%	0.01%	0.04%	0.02%
11/19/2021	0.01%	0.07%	0.07%	0.01%	0.04%	0.01%
11/20/2021	0.01%	0.07%	0.07%	0.01%	0.04%	0.01%
11/21/2021	0.01%	0.07%	0.07%	0.01%	0.04%	0.01%
11/22/2021	0.01%	0.07%	0.07%	0.01%	0.04%	0.01%
11/23/2021	0.01%	0.07%	0.07%	0.01%	0.04%	0.01%
11/24/2021	0.01%	0.07%	0.07%	0.01%	0.04%	0.01%
11/25/2021	0.01%	0.08%	0.08%	0.01%	0.05%	0.01%
11/26/2021	0.01%	0.08%	0.08%	0.01%	0.05%	0.01%
Avg Interest Rates	0.01%	0.07%	0.07%	0.01%	0.04%	0.01%
Rmkt Fee	0.10%	0.13%	0.13%	0.10%	0.07%	0.07%
LOC Fee	0.30%			0.30%	0.32%	0.30%
All-In Rate	0.41%	0.20%	0.20%	0.41%	0.43%	0.38%
Par Amount	92,780,000		28,520,000	67,800,000		50,000,000

Interest Rate Mode	Percent of Total Variable Rate Debt	Par Outstanding	Weighted All-In Average Rate	Base Rate Average
Daily	52.20%	124,800,000	0.40%	0.01%
Weekly	47.80%	114,300,000	0.28%	0.06%
	100.00%	\$ 239,100,000	0.34%	0.03%
Fixed				
COPS 2016	28.93%	113,325,000	2.90%	
BABS 2010	44.67%	175,000,000	4.44%	(1)
SERIES 2016	26.40%	103,400,000	3.32%	
	100.00%	\$ 391,725,000	3.70%	
All-In Debt Rate Including \$60 Million Notional Amount of Swaps				3.00%

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

Note: This page is intentionally left blank.

December 7, 2021
Prepared by: R. Williams
Submitted by: C. Clary
Approved by: Paul A. Cook



FINANCE AND PERSONNEL COMMITTEE

INFORMATION SERVICES PROJECT STATUS REPORT

SUMMARY:

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

BACKGROUND:

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

FISCAL IMPACTS:

The fiscal impacts are shown in Exhibit "A".

ENVIRONMENTAL COMPLIANCE:

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

RECOMMENDATION:

Receive and file.

LIST OF EXHIBITS:

Exhibit "A" – Information Services Project Status Report

Note: This page is intentionally left blank.

Exhibit “A”

Information Services Project Status Report

December 7, 2021

Project Name	Project Summary	Schedule		Project Budget	Status
Cyber Security Risk Assessment and Response Plan	Conduct a Cyber Security Risk Assessment to identify areas of risk and develop an incident response plan.	Start Complete	3/19 12/21	\$235,500	Risk assessment and development of standards and procedures completed. Staff completed implementation of recommendations identified by the outside consultant, Tevora. One additional item added to the plan was to conduct a follow up tabletop exercise. This is being scheduled for later this month.
Oracle Customer Care & Billing (CC&B) Software Upgrade	Implement a technical upgrade of IRWD’s Oracle CC&B software to the most current version.	Start Complete	3/21 11/01	\$2,000,000	Project kicked-off in March 2021 and successfully went live on schedule (November 1, 2021) and within budget.
Oracle Business Intelligence Enterprise Edition (OBIEE) Software Upgrade	Implement a technical upgrade of IRWD’s OBIEE software to the most current version in the cloud.	Start Complete	2/21 10/21	\$300,000	Project kicked-off February 2021 and successfully went live on November 11, 2021 and within budget

<p>User Technology and Software Upgrades</p>	<p>Replace PCs based on IRWD replacement practices, including replacing desktops with laptops. Upgrade software as hardware is replaced. Modernize and upgrade conference room technology.</p>	<p>Start Complete</p>	<p>7/21 6//22</p>	<p>\$350,000</p>	<p>Staff is fulfilling personal computers, related peripherals, and upgraded software to plan. Requirements gathering and request for quotations from external vendors for conference room technology upgrades are underway.</p>
<p>New VOIP Telephone System</p>	<p>Replace the District's legacy telephone system (3-Com) with a modern, cloud-based telephony system.</p>	<p>Start Complete</p>	<p>08/20 10/21</p>	<p>\$15,000</p>	<p>Full District-wide cutover to the new 8X8 System was Nov 2021. All District staff and call center were migrated. Remaining SCADA alarms and misc. groups being finalized in December 2021.</p>
<p>New IT Service Management System (ITSM)</p>	<p>Replace the District's legacy on premise IT service ticket application with a modern cloud-based and compliant ITSM application.</p>	<p>Start Complete</p>	<p>02/21 06/21</p>	<p>\$55,000</p>	<p>ServiceNow was selected as the new ITSM application. Successful implementation occurred June 2021.</p>

December 7, 2021
Prepared by: J. Davis
Submitted by: R. Jacobson / C. Clary
Approved by: Paul A. Cook *PAC*

FINANCE AND PERSONNEL COMMITTEE

REAL ESTATE QUARTERLY PERFORMANCE

SUMMARY:

Staff will provide the Committee with an update on financial performance of IRWD's real estate investments and other revenue generating properties for the quarter and fiscal year ended September 30, 2021.

BACKGROUND:

For the quarter ended September 30, 2021, the net operating income (NOI) for the District's residential and commercial real estate investment properties was \$2.9 million, which represents an 11.65% return for the period. Land lease income from the Strawberry Farms Golf Course and lease revenue from the District's six cell sites was \$258,917 and \$54,299, respectively. A report detailing the NOI and returns for the District's real estate investment properties, golf course, and cell sites is provided as Exhibit "A".

Residential Investment Properties:

The NOI for the Sycamore Canyon Apartments for the quarter ended September 30, 2021, was approximately \$2.3 million, which was favorable to budget by \$159,000, due to higher occupancy and lower-than-anticipated expenses related to payroll, maintenance, and apartment turnovers. The District's limited partnership investment in the Wood Canyon Villa property earned a preferred return of 9.00% providing income of \$136,110 for the quarter. The net return for Wood Canyon was 8.52%.

Commercial Investment Properties:

For the quarter ended September 30, 2021, NOI at the Irvine Market Place (230 Commerce) office property was \$134,880 and in line with budget. Currently the property has one suite available, which is being marketed by the District's real estate broker, Colliers International.

The NOI for the Waterworks Way Business Park property for the quarter ended September 30, 2021, was \$155,201 and favorable to budget by \$6,150, due to timing of a budgeted rental abatement. The property is currently 100% occupied.

For the quarter ended September 30, 2021, the NOI for the Sand Canyon Medical Office property was \$203,229 and in line with budget. The property is currently 100% occupied.

In September 2021, a seven-year single-tenant lease agreement for the Sand Canyon Professional Center general office building (69,968 square feet) was completed with Bandai Namco Holdings USA Inc (Bandai). In November, Bandai received its building permit and began construction of

its tenant improvements. The lease will commence on April 1, 2022. The negative NOI for the property during the quarter of \$59,901 is related to operating expenses for utilities, building and landscaping maintenance and property management fees.

Strawberry Farms Golf Course and Cell Site Leases:

Land lease income for Strawberry Farms Golf Course for the quarter ended September 30, 2021, was \$258,917. This compares with income of \$196,583 for the same period last year, representing a 31.7% increase for the period. The increase was primarily due to the prior year period operating at limited capacity due to COVID-19 pandemic orders. For the quarter ended September 30, 2021, the lease revenue from the District's six cell sites was \$54,299, representing an increase of \$5,799 for the same period last year.

FISCAL IMPACTS:

For the quarter ended September 30, 2021, the District's commercial and residential real estate investments provided NOI of approximately \$2.9 million. Strawberry Farms Golf Course lease revenue and District cell site revenue were \$258,917 and \$54,299, respectively.

ENVIRONMENTAL COMPLIANCE:

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

RECOMMENDATION:

Receive and file.

LIST OF EXHIBITS:

Exhibit "A" – Real Estate Performance Report

Exhibit "A"

Irvine Ranch Water District
Real Estate Investment Performance Report
as of September 30, 2021

INCOME PROPERTIES			FY 2021-22					FY 2021-2022 RATE OF RETURN		3 Year Average Rate of Return	5 Year Average Rate of Return
Property Description	Capital Investment	Investment Inception	Jul-21	Aug-21	Sep-21	FY Q1	FY 2021-22 TOTAL	FY Q1	Average Fiscal YTD	FY 19/20 - 21/22	FY 17/18 - 21/22
Sycamore Canyon Apartments	\$ 43,550,810	Dec-92	\$ 747,727	\$ 728,818	\$ 833,377	\$ 2,309,922	\$ 2,309,922	21.22%	21.22%	20.14%	19.62%
Wood Canyon Villa Apartments	\$ 6,000,000	Jun-91	\$ 45,863	\$ 45,863	\$ 44,384	\$ 136,110	\$ 136,110	8.52%	8.52%	8.50%	8.53%
Irvine Market Place Office	\$ 5,739,845	Jul-03	\$ 53,398	\$ 49,740	\$ 31,742	\$ 134,880	\$ 134,880	9.40%	9.40%	9.68%	9.79%
Waterworks Way Business Park	\$ 8,630,577	Nov-08	\$ 48,425	\$ 60,152	\$ 46,624	\$ 155,201	\$ 155,201	7.19%	7.19%	6.84%	6.25%
Sand Canyon Professional Center - Medical	\$ 8,648,594	Jul-12	\$ 70,921	\$ 62,559	\$ 69,749	\$ 203,229	\$ 203,229	9.40%	9.40%	9.19%	9.05%
Sand Canyon Professional Center - General	\$ 25,985,968	Sep-20	\$ (22,138)	\$ (13,845)	\$ (23,918)	\$ (59,901)	\$ (59,901)	-0.92%	-0.92%		
TOTAL - INCOME PROPERTIES	\$ 98,555,793		\$ 944,196	\$ 933,287	\$ 1,001,958	\$ 2,879,441	\$ 2,879,441	11.65%	11.65%	11.39%	11.10%

Notes/Assumptions:

- Wood Canyon cash flows represent partnership cash distributions from Western National Group.
- The 9.00% Preferred Return for Wood Canyon accrues on the original \$6 million investment amount along with any accrued preferred return. The current total monthly accrual is approximately \$45,000/month.
- Capital Investment does not include depreciation; Sycamore Canyon 2007-08 renovation costs included in Capital Investment total.
- Irvine Market Place capital investment amount includes land cost of \$871,396; Waterworks Business Park capital investment includes land cost of \$2,420,213.

**Irvine Ranch Water District
Real Estate Investment Performance Report
Strawberry Farms Golf Course & Cell Site
as of September 30, 2021**

Property Description	2021-22 NET INCOME				
	Jul-21	Aug-21	Sep-21	FY Q1	NET INCOME 2021 - 2022
Strawberry Farms Golf Course	\$ 89,309	\$ 88,241	\$ 81,367	\$ 258,917	\$ 258,917
Change From Prior Year Period ¹⁾ :				\$ 62,334 31.71%	\$ 62,334 31.71%
Cellular Sites	\$ 14,617	\$ 20,891	\$ 18,791	\$ 54,299	\$ 54,299
Change From Prior Year Period:				\$ 5,799 11.96%	\$ 5,799 11.96%

1) Increase from prior year which included limited capacity at golf course related to COVID-19 pandemic

December 7, 2021
Prepared by: D. Kanoff
Submitted by: R. Jacobson / C. Clary
Approved by: Paul A. Cook *P.A.C.*

FINANCE AND PERSONNEL COMMITTEE

RISK MANAGEMENT QUARTERLY REPORT

SUMMARY:

Staff will provide the Committee with a report on the insurance and claim expenses incurred by IRWD through the first quarter of the Fiscal Year (FY) ending June 30, 2022.

BACKGROUND:

A comparison of IRWD's actual versus budget insurance and related expenses for the first quarter of FY 2021-22 and FY 2020-21 is provided as Exhibit "A" and summarized as follows:

- Insurance premiums total \$563,417 and are \$14,658 under budget;
- Third-party claim administration expenses total \$1,484 and are \$6,016 under budget;
- Legal expenses total \$78,334; and
- Claim payments and accruals total (\$114,404) and are \$93,080 under budget due to the reversal of self-insured retention (SIR) over accruals from the prior year for legal expenses incurred to date on the related claims.

The register of closed general liability claims, including current fiscal year and prior period claim expenses, is provided as Exhibit "B".

FISCAL IMPACTS:

Fiscal impacts are outlined above.

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" – Insurance and Claims Summary

Exhibit "B" – Closed General Liability Claims in FY 2021-22

Note: This page is intentionally left blank.

Exhibit "A"

**Irvine Ranch Water District
Insurance and Claims Summary
Period Ending September 30, 2021**

PREMIUM	Actual FY 21/22	Budget FY 21/22	Variance	% Variance	Prior FY 20/21
Crime	2,673	2,650	(23)	-1%	2,546
General Liability	365,993	342,250	(23,743)	-7%	240,836
Pollution	45,403	76,425	31,022	41%	43,312
Property	137,934	152,500	14,566	10%	77,526
Cyber	11,414	4,250	(7,164)	-169%	3,172
Total	563,417	578,075	14,658	3%	367,392

CATEGORY	Open FY 21/22	Closed FY 21/22	Total FY 21/22	Budget FY 21/22	Variance	Prior FY 20/21
Membership		150	150	825	675	150
Claim Payments - Property		5,588	5,588	32,500	26,912	15,916
Accrual - Bodily Injury	(119,992)		(119,992)		(119,992)	
* Claim Admin	234	1,250	1,484	7,500	6,016	5,022
Total FY 21/22	(119,758)	6,988	(112,770)	40,825	(86,389)	21,088

* Includes \$1,250 annual administrative fee

CATEGORY	Open FY 21/22	Closed FY 21/22	Total FY 21/22	Prior FY 20/21
Legal	78,334		78,334	56,061
Total FY 21/22	78,334		78,334	56,061

ACTIVITY	FY 2020/21	FY 2021/22
Beginning Open Claims	6	4
New Claims	5	4
Closed Claims	-7	-3
Current Open Claims	4	5

Note: This page is intentionally left blank.

Exhibit "B"

Register of Closed General Liability Claims as of September 30, 2021

Closed Claims Fiscal Year 2020-2021				
CLAIM TYPE	CLAIMANT	Legal	Claim Payments - Property	Grand Total
Single Event	Chase Bank - Irvine		1,261	1,261
	Adam Cohen		4,077	4,077
	Stacy Marlin		250	250
Grand Total			5,588	5,588

Note: This page is intentionally left blank.

December 7, 2021
Prepared by: D. Pardee / C. Smithson
Submitted by: C. Clary
Approved by: Paul A. Cook *P.A.C.*

FINANCE AND PERSONNEL COMMITTEE

FISCAL YEAR 2021-22 OPERATING AND NON-OPERATING
FINANCIAL HIGHLIGHTS QUARTERLY UPDATE

SUMMARY:

Staff has prepared a financial analysis of the unaudited operating statements for the first quarter of Fiscal Year (FY) 2021-22. Actual operating net revenue was \$41.5 million, while total system operating expenses were \$42.6 million for a net operating loss of \$1.1 million. Consolidated operating expenses, including capital, totaled \$46.1 million compared with a budget of \$45.3 million. Non-operating net income was \$16.0 million compared with a budget of \$14.3 million.

BACKGROUND:

Details of unaudited actual results for the first quarter of FY 2021-22 are provided in the following documents:

- Operating revenues and expenses by system provided as Exhibit “A”;
- Operating expenses, provided as Exhibit “B”; and
- Non-operating revenues and expenses provided as Exhibit “C”.

Exhibits “A”, “B” and “C” provide operating and non-operating results with detailed explanations for variances that exceed \$0.5 million. These variances are color-coded, and explanations are included in the exhibits with matching colors for easy reference.

Exhibit “A” includes cost of water and acre-feet (AF) details for potable and recycled water.

Exhibit “B” includes an additional schedule that provides a summary of the major components included in salaries and benefits. The analysis includes:

- Labor dollars based on work hours (2,080 hours annually per employee);
- The net expense accrual for paid time off;
- The PERS contribution and associated amount in excess of the Annual Required Contribution (ARC);
- Employee medical expense including health, dental, and vision;
- Retiree health benefits; and
- Other costs including Workers’ Compensation and employer taxes.

Summary of Operating Revenues and Expenses:

The net operating loss for IRWD was \$1.1 million, which is below budget by \$3.3 million. Exhibit “A” shows a detailed comparison and explanations for significant variances of actual to budget revenues and expenses by system for the first quarter of FY 2021-22. A summary by system is shown below.

Potable Water System:

The net operating loss for the potable water system was \$3.0 million. Net revenues were under budget by \$0.2 million and total expenses exceeded budget by \$2.6 million. Sales were 226 AF below budget.

Recycled Water System:

The net operating income for the recycled water system was \$1.1 million. Net revenues were higher than budget by \$0.2 million and total expenses were over budget by \$0.8 million. Sales were 353 AF lower than budget.

Sewer System:

The net operating loss for the sewer system was \$0.6 million. Net revenues were positive to budget by \$0.2 million and total expenses were over budget by \$0.5 million.

NTS and Over-allocation:

The net operating income for the Natural Treatment System (NTS) and over-allocation was \$1.5 million. Net revenues were over budget by \$0.1 million and total expenses were under budget by \$0.4 million.

Summary of Operating Expenses:

Exhibit “B” is a summary of actual to budget expenses by major category, including capital for the first quarter of FY 2021-22. Net operating expenses were \$46.1 million, which is over budget by \$0.9 million.

Summary of Non-Operating Revenues and Expenses:

IRWD’s non-operating revenues are related to income generated from sources other than user rates. They include property taxes, investment income, connection fees, and real estate. A portion of the non-operating revenues pay debt service. Property taxes and connection fees help to pay for new infrastructure. Exhibit “C” provides a detailed comparison of actual to budget net income for the first quarter of FY 2021-22.

The non-operating net income was \$16.0 million, which was higher than budget by \$1.7 million. Revenues were over budget by \$1.2 million and expenses were below budget by \$0.6 million.

FISCAL IMPACTS:

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

ENVIRONMENTAL COMPLIANCE:

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

RECOMMENDATION:

Receive and file.

LIST OF EXHIBITS:

- Exhibit "A" – Actual to Budget Operating Revenues and Expenses by System
- Exhibit "B" – Consolidated Operating Actual to Budget Expense
- Exhibit "C" – Consolidated Non-Operating Actual to Budget

Note: This page is intentionally left blank.

EXHIBIT "A"

Actual vs Budget Operating Net Income by System Fiscal Year 2021-22 (in thousands)

Consolidated			
Revenues:	Actual	Budget	Variance
Commodity	\$ 25,305	\$ 25,430	\$ (125)
Fixed Service Charges and Other	25,089	24,384	705
Total Revenues	\$ 50,394	\$ 49,814	\$ 580
Contribution to Enhancement and Replacement Funds	(8,934)	(8,557)	(377)
Net Revenues	\$ 41,460	\$ 41,257	\$ 203
Expenses:			
Salaries and Benefits	\$ 12,853	\$ 10,972	\$ (1,881)
Purchased Water	13,943	11,843	(2,100)
Electricity	6,486	5,970	(516)
Repairs and Maintenance - OC San	1,066	1,058	(8)
All Other Repairs and Maintenance	2,762	3,047	285
All Other Operating Expense	5,465	6,140	675
Total Expenses	\$ 42,575	\$ 39,030	\$ (3,545)
Net Operating Income (Loss)	\$ (1,115)	\$ 2,227	\$ (3,342)

Explanations for significant variances greater than \$500K are included in the details of each system.

Actual vs Budget Operating Net Income by System
Fiscal Year 2021-22
(in thousands)

Potable			
Revenues:	Actual	Budget	Variance
Commodity	\$ 13,795	\$ 13,971	\$ (176)
Fixed Service Charges and Other	9,538	9,155	383
Total Revenues	\$ 23,333	\$ 23,126	\$ 207
Contribution to Enhancement and Replacement Funds	(2,834)	(2,400)	(434)
Net Revenues	\$ 20,499	\$ 20,726	\$ (227)
Expenses:			
Salaries and Benefits	\$ 5,168	\$ 4,471	\$ (697)
Purchased Water	11,653	10,637	(1,016)
Electricity	3,667	3,170	(497)
Repairs and Maintenance	1,181	1,188	7
All Other Operating Expense	1,848	1,450	(398)
Total Expenses	\$ 23,517	\$ 20,916	\$ (2,601)
Net Operating Income (Loss)	\$ (3,018)	\$ (190)	\$ (2,828)

Expenses:

Salaries and Benefits were over budget.

- Allocated general and administrative expense (G&A) was higher from increased sick and vacation accruals.
- System maintenance labor exceeded budget.

Purchased Water was over budget.

- The Deep Aquifer Treatment System (DATS) was down for maintenance and Dyer Road Well Field (DRWF) pumping was decreased to match. More expensive imported water was used to replace groundwater.
- Additional cost of water details are on the next page (Acre Feet and amounts).

**Actual vs Budget Operating Net Income by System
Fiscal Year 2021-22**

Treated and Untreated

	Acre Feet (AF)			Cost (in Millions)		
	Actual	Budget	Variance	Actual	Budget	Variance
Treated						
Pumped	12,126	12,678	552	\$5.9	\$6.5	\$0.6
Imported	2,806	2,367	(439)	3.7	2.2	(1.5)
Baker Treatment Plant (Baker)	1,913	1,800	(113)	1.6	1.7	0.1
Total Treated	16,845	16,845	(0)	11.2	10.4	(0.8)
Untreated						
Native Water	157	1,200	1,043	-	0.2	0.2
Transfer to Recycled	(126)	(1,158)	(1,032)	-	(0.4)	(0.4)
Imported	2,944	849	(2,095)	2.2	0.7	(1.5)
Transfer to Recycled	(2,326)	(839)	1,487	(1.7)	(0.2)	1.5
Total Untreated	649	52	(597)	0.5	0.3	(0.2)
Total	17,494	16,897	(597)	\$ 11.7	\$ 10.7	\$ (1.0)
Process Waste	(511)	(254)	257			
System Loss*	(1,360)	(794)	566			
Sales/Cost of Sales	15,623	15,849	226	\$ 11.7	\$ 10.7	\$ (1.0)

Pumped Water usage and cost were under budget.

- Pumped water was reduced due to maintenance at the Deep Aquifer Treatment System (DATS).
- Dyer Road Well Field (DRWF) pumping was reduced by a matching amount.

Potable Imported water usage and cost were over budget.

Imported water was used to replace groundwater.

Native Water usage and cost were under budget

Decreased native water was used due to lack of availability.

Untreated Imported water purchases were over budget.

Imported water was increased for transfer to the recycled system to meet recycled water demands.

Sales were over budget.

Usage was over budget by 1.4%.

* Includes 555 AF Crystal Cove sold as recycled.

Actual vs Budget Operating Net Income by System
Fiscal Year 2021-22
(in thousands)

Recycled			
Revenues:	Actual	Budget	Variance
Commodity	\$ 7,469	\$ 7,482	\$ (13)
Fixed Service Charges and Other	1,852	1,649	203
Total Revenues	\$ 9,321	\$ 9,131	\$ 190
Contribution to Enhancement and Replacement Funds	(327)	(312)	(15)
Net Revenues	\$ 8,994	\$ 8,819	\$ 175
Expenses:			
Salaries and Benefits	\$ 2,379	\$ 2,166	\$ (213)
Purchased Water	2,290	1,206	(1,084)
Electricity	1,726	1,906	180
Repairs and Maintenance	247	259	12
All Other Operating Expense	1,294	1,583	289
Total Expenses	\$ 7,936	\$ 7,120	\$ (816)
Net Operating Income (Loss)	\$ 1,058	\$ 1,699	\$ (641)

Expenses:

Purchased Water was over budget.

- Imported water was increased due to unavailability of less expensive native water.
- Additional cost of water details are on the next page (Acre Feet and amounts).

**Actual vs Budget Operating Net Income by System
Fiscal Year 2021-22**

Recycled						
	Acre Feet (AF)			Cost (in Millions)		
	Actual	Budget	Variance	Actual	Budget	Variance
Produced/ Storage	9,576	9,337	(238)	\$ -	\$ -	\$ -
Imported	2,326	839	(1,487)	1.7	0.2	(1.5)
Pumped	1,096	1,150	54	0.5	0.5	-
Native Recycled	126	1,158	1,032	-	0.4	0.4
Total	13,123	12,484	(639)	\$ 2.2	\$ 1.1	\$ (1.1)
Process Waste	(164)	(173)	(9)			
System Loss*	(1,120)	(120)	1,001			
Sales/Cost of Sales	11,839	12,192	353	\$ 2.2	\$ 1.1	\$ (1.1)

Produced and stored water were over budget.

Produced water was increased to replace use of native water.

Imported water usage and cost were over budget.

Usage was over budget due to decreased availability of native water.

Pumped water usage and cost were under budget.

Pumped water was slightly under budget.

Native Recycled usage was under budget.

Decreased native water was transferred from the potable system due to lack of availability.

Sales were under budget.

Usage was under budget budget by 2.9% due to lower landscape sales.

Actual vs Budget Operating Net Income by System
Fiscal Year 2021-22
(in thousands)

Sewer			
Revenues:	Actual	Budget	Variance
Fixed Service Charges and Other	\$ 13,699	\$ 13,580	\$ 119
Total Revenues	13,699	13,580	119
Contribution to Enhancement and Replacement Funds	(5,773)	(5,845)	72
Net Revenues	\$ 7,926	\$ 7,735	\$ 191
Expenses:			
Salaries and Benefits	\$ 3,954	\$ 3,079	\$ (875)
Electricity	1,038	811	(227)
Repairs and Maintenance - OC San	1,066	1,058	(8)
All Other Repairs and Maintenance	664	1,001	337
All Other Operating Expense	1,843	2,073	230
Total Expenses	\$ 8,565	\$ 8,022	\$ (543)
Net Operating Income (Loss)	\$ (639)	\$ (287)	\$ (352)

Expenses:

Salaries and Benefits were over budget.
Increased labor based on estimates was less than actually used in the Biosolids Facility.

Actual vs Budget Operating Net Income by System
Fiscal Year 2021-22
(in thousands)

Over-Allocation and NTS			
Revenues:	Actual	Budget	Variance
Commodity	\$ 4,041	\$ 3,977	\$ 64
Total Revenues	4,041	3,977	64
Contribution to Enhancement and Replacement Funds	-	-	-
Net Revenues	\$ 4,041	\$ 3,977	\$ 64
Expenses:			
Salaries and Benefits	\$ 1,352	\$ 1,256	\$ (96)
Electricity	55	83	28
Repairs and Maintenance	670	599	(71)
All Other Operating Expense	480	1,034	554
Total Expenses	\$ 2,557	\$ 2,972	\$ 415
Net Operating Income (Loss)	\$ 1,484	\$ 1,005	\$ 479

Expenses:

All Other Operating Expense was under budget.
Other professional fees were lower due to program delays caused by COVID-19 restrictions and timing.

Note: This page is intentionally left blank.

EXHIBIT 'B'
Irvine Ranch Water District
Operating Expenses
Fiscal Year 2021-22
(in thousands)

Fiscal Year to Date September 30, 2021

Expense Name	Actual	Budget	Actual vs Budget
Regular Labor	\$ 8,342	\$ 7,823	\$ (518)
Overtime Labor	671	594	(77)
Contract Labor	216	341	125
Employee Benefits	6,522	6,996	474
Salaries & Benefits Total	\$ 15,750	\$ 15,754	\$ 4
Water	13,943	11,842	(2,101)
Electricity	6,604	6,109	(496)
Fuel	205	286	81
Telecommunication	198	215	17
Other Utilities	49	56	8
Water & Utilities Total	\$ 20,999	\$ 18,508	\$ (2,491)
Chemicals	986	1,158	172
Operating Supplies	787	680	(107)
Printing	71	75	4
Postage	104	104	(0)
Permits, Licenses and Fees	215	311	95
Office Supplies	15	23	8
Duplicating Equipment	22	38	16
Equipment Rental	33	19	(14)
Materials & Supplies Total	\$ 2,234	\$ 2,408	\$ 175
Rep & Maint OC SAN & Others	1,323	1,351	28
Rep & Maint IRWD	2,859	3,160	301
Insurance	451	619	168
Legal Fees	714	763	48
Engineering Fees	176	328	152
Accounting Fees	23	24	1
Data Processing	829	1,010	181
Personnel Training	214	296	82
Personnel Physicals	19	7	(12)
Other Professional Fees	743	1,356	614
Directors' Fees	42	45	3
Professional Services Total	\$ 7,392	\$ 8,959	\$ 1,567
Mileage Reimbursement	43	40	(3)
Collection Fees	-	3	3
Election Expense	40	40	-
Safety	16	30	15
Alarm and Patrol Services	167	215	48
Biosolids Disposals	111	98	(13)
Commuter Program	2	0	(2)
Computer Backup Storage	1	0	(1)
Contract Meter Reading	382	388	5
Other	30	28	(2)
Over-Allocation	(9)	90	99
Other Total	\$ 782	\$ 930	\$ 148
Total Expenses	\$ 47,157	\$ 46,560	\$ (597)
Less: Reimbursement from Partners	(1,016)	(1,271)	(255)
Grand Total	\$ 46,141	\$ 45,289	\$ (852)

Irvine Ranch Water District Operating Expenses Fiscal Year 2021-22

Key variances (over)/under budget greater than \$0.5 Million are as follows:

Regular Labor is over budget by \$0.5 million.

- Allocated general and administrative expense (G&A) was higher from increased sick and vacation, increasing the net accrual.
- The potable system maintenance labor exceeded budget.

Water is over budget by \$2.1 million.

- This is due to increased use of imported water.
- Potable groundwater pumping was reduced due to well maintenance.
- Used of Native water by the recycled system was reduced due to lack of availability.

Other Professional Fees were under budget by \$0.6 million.

Several educational programs and other projects were delayed due to COVID-19 restrictions and timing.
The largest difference was for Public Affairs.

Irvine Ranch Water District
Operating Expenses
Fiscal Year 2021-22
(in thousands)

Fiscal Year to Date September 30, 2021

Expense Name	Actual	Budget	Actual vs Budget
District Labor Cost (2,080 hours)	\$ 9,399	\$ 9,309	\$ (90)
Paid Time Off Net Accrual	1,070	443	(627)
PERS Contribution and in Excess of ARC	2,589	2,861	272
Employee Medical (health, dental, vision)	1,722	1,749	27
Retiree Benefits	120	197	77
401A Contributions	322	352	30
Workers Compensation (Premiums and Claims)	293	380	87
Other Employer Taxes (medicare, employment)	184	155	(29)

	Applied	Budget	Variance
General & Administrative Expense Allocation	205%	200%	-5%
General & Administrative Expense Allocation Less: PERS employer portion and paid time off	158%	155%	-3%

Paid Time Off Net Accrual is over budget by \$0.6 million.

The net accrual continued higher than budget from reduced usage of vacation and sick.

Note: This page is intentionally left blank.

EXHIBIT "C"

Irvine Ranch Water District
Consolidated Non-Operating Actual to Budget Expenses
Period Ending September 30, 2021
(in thousands)


	Actual	Budget	Actual vs Budget
Revenues:			
Property Taxes	\$ 13,832	\$ 12,800	\$ 1,032
Investment Income	870	540	330
Connection Fees	2,276	2,500	(224)
Real Estate Income	3,949	4,045	(96)
Other Income	1,861	1,750	111
Total Revenues	\$ 22,788	\$ 21,635	\$ 1,153
Expenses:			
Interest Expense	\$ 4,984	\$ 5,380	\$ 396
Real Estate Expense	1,755	1,675	(80)
Other Expenses	16	250	234
Total Expenses	\$ 6,755	\$ 7,305	\$ 550
Net Income	\$ 16,033	\$ 14,330	\$ 1,703

Revenues:

Property Taxes were over budget.

Above budget due to the receipt of prior year property taxes.

Note: This page is intentionally left blank.

December 7, 2021
Prepared by: J. Davis
Submitted by: R. Jacobson / C. Clary
Approved by: Paul Cook 

FINANCE AND PERSONNEL COMMITTEE

IRWD INVESTMENT POLICY FOR 2022

SUMMARY:

Each year, IRWD is required to adopt an Investment Policy. Changes to the policy from year to year are required to conform to any amendments to the California Government Code governing investment of public funds. During 2021, there were no significant changes to the Government Code and the proposed policy for 2022 has no significant changes from the policy adopted for 2021. Staff recommends the Board approve the proposed IRWD 2022 Investment Policy.

BACKGROUND:

Staff annually submits an Investment Policy to the Board of Directors for approval. The annual submittal generally incorporates amendments to investment-related Government Code sections, policy objectives, delegation of authority and a detailed schedule of authorized investments. The proposed 2022 Investment Policy and related resolution are provided as Exhibits “A” and “B”, respectively. During 2021, there were no significant amendments to the Government Code section relating to authorized investments for local agencies, and therefore the 2022 proposed policy is generally the same as the 2021 Investment Policy.

As specified in the Government Code, the Board’s delegation of authority to the Treasurer and Assistant Treasurer(s) to manage the District’s investment program is limited to a one-year period, renewable annually. The recommended 2022 Investment Policy includes continuation of this annual delegation of authority to the Treasurer and Assistant Treasurer(s).

Given the conservative nature of the State codes and the Board’s additional restrictions, staff believes the authorized investments in the recommended 2022 Investment Policy are sufficiently limited to ensure appropriate investment security while retaining some degree of flexibility to take advantage of changing market opportunities. Additionally, the recommended policy provides authority for the Finance and Personnel Committee to further restrict, but not liberalize, authorized investments. Any liberalization of authorized investments would first require the approval of the Board of Directors.

FISCAL IMPACTS:

None.

ENVIRONMENTAL COMPLIANCE:

This activity is categorically exempt from the California Environmental Quality Act (CEQA) as authorized under the California Code of Regulations, Title 14, Chapter 3, Sections 15301 and 15302.

RECOMMENDATION:

That the Board approve the proposed IRWD 2022 Investment Policy and adopt the following resolution by title:

RESOLUTION NO. 2021-

RESOLUTION OF THE BOARD OF DIRECTORS OF THE
IRVINE RANCH WATER DISTRICT APPROVING AN INVESTMENT
POLICY AND AUTHORIZING THE TREASURER AND ASSISTANT
TREASURERS TO INVEST AND REINVEST FUNDS OF THE
DISTRICT AND OF EACH OF ITS IMPROVEMENT DISTRICTS
AND TO SELL AND EXCHANGE SECURITIES

LIST OF EXHIBITS:

Exhibit "A" – Proposed IRWD 2022 Investment Policy

Exhibit "B" – Resolution Adopting 2022 IRWD Investment Policy

Exhibit “A”

IRVINE RANCH WATER DISTRICT

2022 INVESTMENT POLICY **DRAFT**

Introduction:

This investment policy is intended to establish a clear understanding of the District’s authorized investment activities for members of the public, the Board of Directors of the Irvine Ranch Water District (the “District”), District management, and outside investment professionals.

Policy:

It is the policy of the District to invest its funds in a prudent and professional manner which will provide maximum security of principal while meeting required cash flow demands and conforming to all State statutes governing the investment of public funds, the District’s investment policies, and prudent cash management principles.

Scope:

This investment policy applies to all District funds that are under the direct oversight of the Board of Directors. The investment of any bond proceeds or related funds will also be made in accordance with this investment policy.

Standard of Care:

The Board of Directors and those persons authorized to make investment decisions on behalf of the District are trustees of public funds. The standard of care to be used in all investment transactions shall be the “prudent investor” standard set forth in California Government Code Section 53600.3, which states:

“When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency.”

Officers and employees of the District involved in the investment process shall refrain from personal business activities that could conflict with proper execution of the investment program or could impair their ability to make impartial investment decisions. “Designated employees” of the District involved in the investment of District funds, which includes the Treasurer and Assistant Treasurer(s), shall disclose all information at the times and in the manner required by the District’s Conflict of Interest Code.

Objectives:

The primary objectives of the District's investment activities, in priority order, are as follows:

1. Safety: Safety of principal is the foremost objective of the investment program. Investments of the District shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. Accordingly, diversification by issuer, type, and maturity of securities will be made to avoid or minimize potential losses on individual securities.
2. Liquidity: The District's investment portfolio will remain sufficiently liquid to enable the District to meet all operating and capital cash requirements. To the extent required, this liquidity will be maintained through the purchase of securities with active secondary or resale markets and with short-term maturities to minimize market risk on the market price of the securities.
3. Yield: The District's investment portfolio shall be designed with the objective of attaining the highest rate of return commensurate with the above requirements for the preservation of capital and the maintenance of adequate liquidity.

Delegation of Authority:

In accordance with Government Code Sections 53607 and 53608, the Board of Directors hereby delegates to the District's Treasurer and Assistant Treasurer(s) the authority to manage the District's investment program and to provide for the safekeeping of securities. This delegated authority is effective for the 2022 calendar year (Resolution 2021-).

Authorized Investments:

The District is authorized to invest its funds pursuant to the following laws:

California Government Code:

- Section 53600 *et seq.* - General investments
- Section 16429.1 - Local Agency Investment Fund (LAIF)
- Section 53684 - Orange County Treasury Pool (not currently authorized by the Board of Directors)
- Section 5920 *et seq.* - Public finance contracts

California Water Code:

- Section 35912 - Real estate

The language of the Investment Policy will conform to the statutory requirements as the statutes change over time.

The Treasurer and Assistant Treasurer(s) are authorized to invest District funds in accordance with these laws, subject to certain restrictions imposed by the District's Board of Directors. These authorized investments and restrictions are shown in Attachment "A".

Whenever practical, a competitive process shall be used for the purchase and sale of securities.

The Treasurer and Assistant Treasurer(s) are authorized to invest in securities with terms or remaining maturities in excess of five years as part of the District's investment program, but no such investments are to be made without the concurrence of the Finance and Personnel Committee.

Authorized Financial Institutions:

Only financial institutions designated as "primary dealers" by the Federal Reserve Bank of New York, or other dealers that qualify under Securities and Exchange Commission Rule 15C3-1 (uniform net capital rule), are authorized to provide investment services to the District. The Treasurer may limit the number of dealers authorized to provide such services.

A copy of the District's annual investment policy shall be provided to each institution authorized by the Treasurer to provide services to the District. Prior to providing investment services, such financial institution shall acknowledge in writing that it has received the District's investment policy and that all persons handling the District's account have reviewed the policy.

All authorized financial institutions are required to send the District unaudited quarterly and audited annual financial statements or provide electronic access to the financial statements.

Safekeeping and Custody:

All security transactions entered into by the District shall be conducted on a delivery-versus-payment (DVP) basis. All securities owned by the District shall be delivered to the District by book entry, physical delivery, or a third-party custodial agreement. Any third-party custodian shall be designated by the Treasurer, and all securities held by such custodian, including book entry and physical securities, shall be held in a manner that clearly establishes the District's right of ownership. The District's custodial agent shall meet the requirements of Government Code Section 53608. The District's deposits with LAIF or any other authorized investment pool shall be evidenced by the standard reporting requirements of LAIF or the investment pool.

Reporting:

The Treasurer shall file a monthly report with the Board of Directors at a public meeting that shows the status of the District's cash and securities, and all related investment transactions that occurred during the month. The status report shall also be filed with the District's General Manager and will include at least the following information:

- Type of investment;
- Original cost;
- Issuing institution;
- Market value, including source;
- Paramount;
- Maturity date; and
- Coupon and/or yield

In addition, the status report shall include the portfolio's rate of return for the month, the average weighted life of the portfolio, a statement regarding the portfolio's compliance with the District's investment policy, and a statement regarding the District's ability to meet expenditure requirements over the following six months. (California Government Code Sections 53607 and 53646.)

The Treasurer shall also file a quarterly report with the Board of Directors at a public meeting with respect to the District's real estate investments and any related transactions which occurred during such quarter. The real estate report will be structured to comply as closely as possible with the information requirements of California Government Code Section 53646.

Investment Policy Adoption and Amendments:

The Treasurer shall submit an investment policy at least annually to the Board of Directors at a public meeting. (California Government Code Section 53646.) The policy shall be effective for the calendar year specified. If the Board of Directors does not approve an investment policy for any calendar year, then the investment policy for the previous calendar year shall remain in effect until a new policy is approved.

The District's Finance and Personnel Committee is authorized to make changes in the investment policy from time to time as may be necessary, provided that such changes may only be more restrictive in nature. Any changes that would liberalize the investment policy shall be approved by the Board of Directors before becoming effective. Any changes in the investment policy by the Finance and Personnel Committee shall be reported to the Board of Directors at its next regular meeting.

Attachment A

Authorized Investments and Restrictions

INVESTMENT TYPE	DESCRIPTION	RESTRICTIONS
California State and Local Agency Bonds, Notes and Warrants	Registered state warrants, treasury notes or bonds. Any bonds, notes, warrants or other evidences of indebtedness of any local agency in California.	Limited to securities approved by the Finance and Personnel Committee.
U.S. Treasury and Agency Obligations	U.S. Treasury notes, bonds, bills or certificates of indebtedness, or those for which the full faith and credit of the United States are pledged for the payment of principal and interest. Also, federal agency or U.S. government sponsored enterprise obligations, participations, or other instruments.	No additional restrictions.
Registered treasury notes or bonds of California or other 49 United States	Registered treasury notes or bonds of any of the other 49 United States in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 United States, in addition to California.	Limited to states and/or agencies approved by the Finance and Personnel Committee.
Banker's Acceptances	Must be eligible for discount at the Federal Reserve Bank. May not exceed 180 days maturity or 40% of local agency funds. No more than 30% of local agency funds may be invested in banker's acceptances of any one commercial bank.	Limited to domestic and foreign banks approved by the Finance and Personnel Committee.
U.S. Dollar Denominated Senior Unsecured Unsubordinated Obligations	Permits United States dollar-denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank, with a maximum remaining maturity of five years or less, and eligible for purchase and sale within the United States. Must be rated "AA" or its equivalent or better by a nationally recognized statistical rating organization ("NRSRO"). Limited to 30% of local agency funds.	Limited to securities approved by the Finance and Personnel Committee.

INVESTMENT TYPE	DESCRIPTION	RESTRICTIONS
Commercial Paper	<p>Must be of “prime” quality of the highest ranking or of the highest letter and number rating as provided for by an NRSRO. Issuers must be organized and operating in the United States as a general corporation, have assets exceeding \$500 million, and has debt other than commercial paper, if any, that is rated “A” or its equivalent or better by an NRSRO. May not exceed 270 days maturity. Local agencies, that have less than \$100 million of investment assets under management may invest no more than 25% of their moneys in eligible commercial paper. Local agencies that have \$100 million or more of investment assets under management may invest up to 40% percent of their moneys in eligible commercial paper. A local agency may invest no more than 10% of its total investment assets in the commercial paper and the medium-term notes of any single issuer.</p>	<p>Limited to corporations approved by the Finance and Personnel Committee.</p>
Negotiable Certificates of Deposit	<p>Issued by national or state-chartered banks, savings associations, federal associations, state or federal credit unions, or by a federally licensed or state-licensed branch of a foreign bank. Specified restrictions on credit unions for conflicts of interest. Limited to 30% of local agency funds.</p>	<p>Limited to domestic and foreign banks and thrift institutions approved by the Finance and Personnel Committee.</p>
Repurchase and Reverse Repurchase Agreements	<p>Repurchase agreements are limited to a term of one year or less, and securities underlying the agreement shall be valued at 102% or greater of the funds borrowed against the securities, with the value adjusted at least quarterly. Reverse repurchase agreements, including securities lending agreements, are limited to 20% of the base portfolio value and to terms of 92 days or less unless a minimum earning or spread for the entire term is guaranteed in writing. Securities being sold on reverse must be owned by the agency for at least 30 days prior to sale. Reverse repurchase agreements shall be made with primary dealers of the Federal Reserve Bank of New York, or nationally and state chartered banks with a significant banking relationship with the local agency.</p>	<p>All reverse repurchase agreements must have the prior approval of the Finance and Personnel Committee.</p>

INVESTMENT TYPE	DESCRIPTION	RESTRICTIONS
Medium Term Notes	All debt securities issued by U.S. organized and operating corporations or depository institutions licensed by the U.S. or any state and operating within the U.S. Notes must be rated "A" or its equivalent or better by an NRSRO. May not exceed five years maturity, 30% of local agency funds, and no more than 10% of its total investment assets in the commercial paper and the medium-term notes of any single issuer.	For depository institutions, same as shown under Negotiable Certificates of Deposit. For corporations, limited to those approved by the Finance and Personnel Committee.
Shares of Beneficial Interest	Issued by diversified management companies investing in securities and obligations as authorized by Cal. Gov. Code §53601(l). Companies shall have the highest ranking or highest letter and numerical rating assigned by not less than two NRSROs, or shall have a registered and experienced investment advisor. Purchase price shall not include any commissions. Limited to 20% of funds of which no more than 10% may be with any one fund.	No additional restrictions.
Collateralized Negotiable Securities	Notes, bonds or obligations secured by a valid first priority security interest in securities specified in Cal. Gov. Code §53651. (Cal. Gov. Code §53601(n).) Collateral to be placed by delivery or book-entry into the custody of a trust company or trust department of a bank not affiliated with the issuer. Security interest perfected in accordance with Uniform Commercial Code or applicable federal regulations. Collateral requirements are the same as required to secure bank deposits made by local agencies as specified in Cal. Gov. Code §53652.	No investment in collateralized negotiable securities shall be made without the prior approval of the Finance and Personnel Committee.
Collateralized Mortgage Obligations and Asset-Backed Securities	Mortgage pass-through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable pass-through certificate, or consumer receivable-backed bond. Securities must have an "AA" rating or its equivalent as rated by an NRSRO, must have a maximum remaining maturity of five years or less, and may not exceed 20% of surplus funds.	No investment in collateralized mortgage obligations or asset-backed securities shall be made without the prior approval of the Finance and Personnel Committee.

INVESTMENT TYPE	DESCRIPTION	RESTRICTIONS
Financial Futures and Options	Authorizes the investment in financial futures and financial option contracts in any of the investment categories contained in Cal. Gov. Code §53601.1	No investments in financial futures and financial option contracts are to be made without the prior approval of the Finance and Personnel Committee.
Prohibited Investments	A local agency shall not invest any funds in inverse floaters, range notes, mortgage derived interest-only strips, or any security that could result in zero interest accrual if held to maturity. However, a local agency may hold prohibited instruments until their maturity dates. Notwithstanding the prohibition above, a local agency may invest in securities issued by, or backed by, the United States government that could result in zero- or negative-interest accrual if held to maturity, in the event of, and for the duration of, a period of negative market interest rates. A local agency may hold these instruments until their maturity dates. This section shall remain in effect only until January 1, 2026, and as of that date is repealed. (Cal. Gov. Code §53601.6.)	No additional restrictions.
Local Agency Investment Fund	Permits a local agency to deposit funds with the State Treasurer for the purpose of investment in securities prescribed in Cal. Gov. Code §§16429.1 <i>et seq.</i>	No additional restrictions.
Orange County Treasury Pool	Permits a local agency to deposit funds with the County Treasurer for investment in securities prescribed in Cal. Gov. Code §53635 or 53684.	No investments are to be made with the Orange County Treasury Pool without the prior approval of the Board.
Inactive Public Deposits	Deposits or contracts with Federal Reserve System banks insured by FDIC, savings associations or federal associations which are home loan bank members or insured by FSLIC, and state or federal credit unions. Specified restrictions on credit unions.	No inactive public deposits are to be made without the prior approval of the Finance and Personnel Committee.

INVESTMENT TYPE	DESCRIPTION	RESTRICTIONS
Public Finance Contracts	Includes interest rate swap agreements, currency swap agreements, forward payment conversion agreements, futures, or index-based agreements to hedge payment, currency, rate, spread or similar exposure. Requires certain determinations by governing body. (Cal. Gov. Code §§5920 <i>et seq.</i>)	The Board is authorized to approve the general parameters for swap transaction types, maximum notional amount(s) and maximum duration(s). The Finance and Personnel Committee shall structure specific parameters for individual transactions including notional amount, transaction timing, counterparty selection, index to be used and ISDA agreement approval. (Resolution 2003-36)
Real Estate Investments	Authorized to invest no more than 30% of the District's Replacement Fund in real estate located in Orange County. (Cal. Wat. Code §35912.)	Real estate investments shall be made in accordance with existing Board policies (Resolution 2019-8). All real estate investments must be individually approved by the Board.

Note: This page is intentionally left blank.

Exhibit "B"

RESOLUTION NO. 2021-

RESOLUTION OF THE BOARD OF DIRECTORS OF THE
IRVINE RANCH WATER DISTRICT APPROVING AN INVESTMENT
POLICY AND AUTHORIZING THE TREASURER AND ASSISTANT
TREASURERS TO INVEST AND REINVEST FUNDS OF THE
DISTRICT AND OF EACH OF ITS IMPROVEMENT DISTRICTS
AND TO SELL AND EXCHANGE SECURITIES

The Treasurer of the Irvine Ranch Water District ("District") is permitted by Section 53646 of the California Government Code to annually render to the Board of Directors (the "Board") a statement of investment policy, which the Board shall consider at a public meeting.

The Treasurer has presented an investment policy to the Board at a public meeting, in the form attached as Exhibit A ("2022 Investment Policy").

Section 53607 of the California Government Code permits the Board to annually delegate to the Treasurer of the District the Board's authority to invest or reinvest funds of the District or sell or exchange securities so purchased, allows renewal of the delegation of authority to the Treasurer by the Board on an annual basis, and establishes a requirement for monthly reporting of the transactions by the Treasurer to the Board.

Section 53608 of the California Government Code permits the Board to delegate to the Treasurer of the District the Board's authority to deposit for safekeeping with a federal or state association (as defined by Section 5102 of the California Financial Code), a trust company or a state or national bank in California or in any city designated as a reserve city by the Board of Governors of the Federal Reserve System, or with any Federal Reserve bank, the bonds, notes, bills, debentures, obligations, certificates of indebtedness, warrants or other evidences of indebtedness in which money of the District is invested.

Under Section 53635.2 of the California Government Code, funds of the District may be deposited with certain financial institutions.

Pursuant to Section V, Paragraph 8 of the District's Bylaws, the Board has appointed one or more Assistant Treasurers.

Resolution No. 2020-19 contains the Board's previous delegation of authority to the Treasurer and Assistant Treasurer(s) to invest or reinvest funds, sell or exchange securities, deposit investments for safekeeping, and deposit funds, and the Board intends by this resolution to renew that delegation of authority.

The Board of Directors of Irvine Ranch Water District therefore resolves as follows:

Section 1. The 2022 Investment Policy of the District is approved in the form attached as Exhibit A, effective January 1, 2022, and will remain in effect until it is revoked or is superseded.

Section 2. The authority of the Board to invest or reinvest funds of the District and its improvement districts or to sell or exchange securities so purchased, subject to the requirements of the 2022 Investment Policy, is hereby delegated to each of the Treasurer and the Assistant Treasurer(s). Pursuant to California Government Code Section 53607, the Treasurer shall assume full responsibility for those transactions until this delegation is revoked or expires. This delegation is effective as of January 1, 2022, and will remain in effect until it is revoked or is superseded by a subsequent delegation.

Section 3. The authority of the Board to deposit for safekeeping with a federal or state association (as defined by Section 5102 of the California Financial Code), a trust company or a state or national bank in California or in any city designated as a reserve city by the Board of Governors of the Federal Reserve System, or with any Federal Reserve bank, the bonds, notes, bills, debentures, obligations, certificates of indebtedness, warrants or other evidences of instruments in which money of the District and its improvement districts is invested, subject to the requirements of the 2022 Investment Policy, is hereby delegated to each of the Treasurer and the Assistant Treasurer(s). This delegation is effective as of January 1, 2022, and will remain in effect until it is revoked or is superseded by a subsequent delegation.

Section 4. This resolution supersedes Resolution No. 2020-19.


ADOPTED, SIGNED AND APPROVED this ____ day of _____, 20_____.

President
IRVINE RANCH WATER DISTRICT
and of the Board of Directors thereof

Secretary
IRVINE RANCH WATER DISTRICT
and of the Board of Directors thereof

APPROVED AS TO FORM:
HANSON BRIDGETT LLP

By: _____
Legal Counsel

December 7, 2021
Prepared by: J. Davis
Submitted by: R. Jacobson / C. Clary
Approved by: Paul A. Cook 

FINANCE AND PERSONNEL COMMITTEE

AMENDMENT AND RESTATEMENT OF THE
401(a) MONEY PURCHASE PENSION PLAN

SUMMARY:

In June 2021, the Board approved a Memorandum of Understanding (MOU) with represented employees that includes an additional permitted contribution type for the District's 401(a) Money Purchase Pension Plan (401(a) Plan). The additional contribution type provides for an employee's payout of hours above the allowable maximum vacation accrual to be automatically contributed to the 401(a) Plan on an annual basis. Staff recommends that the Board approve an amendment and restatement of the "Schedule A" of the 401(a) Plan Adoption Agreement to include the additional contribution type.

BACKGROUND:

The District provides two separate plans for employees to save for retirement on a tax deferred basis. The 457(b) Plan allows employees to make voluntary contributions up to a maximum annual amount permitted by the Internal Revenue Service (IRS). The 401(a) Plan is a separate plan for employer contributions. Current permitted contributions to the 401(a) Plan include:

- Employer matching contributions, not to exceed 3.0% of the participant's base salary following one year of regular, full-time service; and
- Direct contributions from the District (currently 1% of an employee's base salary) following completion of two years of regular, full-time service.

The existing 401(a) Plan does not permit a mandatory excess vacation accrual payout contribution.

Amendment to the 401(a) Plan – Mandatory Excess Accrual Contributions:

In June 2021, the Board approved a Memorandum of Understanding (MOU) with represented employees that includes an additional permitted contribution type to the 401(a) Plan providing for hours above the allowable maximum vacation accrual to be automatically contributed to the 401(a) Plan on a tax deferred basis. Adding mandatory excess vacation accrual payouts as a permitted contribution to the 401(a) Plan will replace the current process which annually transfers excess accrual amounts to the employee's 457(b) Plan, and any remaining amounts above IRS limits are automatically paid out to employees as taxable cash payments.

Benefits to District employees resulting from the change in the mandatory excess vacation payout process include:

- All annual payments are received on a tax deferred basis;

- Contributions to the 401(a) Plan allow employees to maximize the ability to fund their 457(b) account; and
- Contributions to the 401(a) Plan exclude State Disability Insurance (SDI) and Medicare tax payments which were included under the previous mandatory vacation payout process.

The recommended change to the 401(a) Plan Adoption Agreement is consistent with, and will allow for, revisions separately being recommended to District *Personnel Policy #18 – Vacation*, relative to the mandatory excess vacation payment process for all District employees.

The change in permitted contribution types requires a modification to “Schedule A” of the 401(a) Plan Adoption Agreement, and the Plan is required to be amended and restated. The draft Schedule A of the Plan Adoption Agreement was prepared by District legal counsel and is attached as Exhibit “A”.

FISCAL IMPACTS:

There is no cost to amend and restate the 401(a) Money Purchase Pension Plan.

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 approve to amend the District’s 401(a) Money Purchase Plan to include the required language related to the additional contribution type of Mandatory Excess Accrual Contributions.

LIST OF EXHIBITS:

Exhibit “A” – Draft Schedule A of Adoption Agreement

AMENDMENT
TO THE
IRVINE WATER DISTRICT
MONEY PURCHASE PENSION PLAN AND TRUST

The Irvine Ranch Water District (“Employer”) sponsors and maintains the Irvine Water District Money Purchase Pension Plan and Trust, as amended and restated by action of the District’s officers on December 14, 2015 (“Plan”). The Plan is hereby amended by replacing existing Schedule A of the Adoption Agreement with the new Schedule A attached to this resolution.

IRVINE RANCH WATER DISTRICT

BY: _____
[Name and title]

DATE: _____

SCHEDULE A OF ADOPTION AGREEMENT FOR
THE
IRVINE WATER DISTRICT MONEY PURCHASE
PENSION PLAN AND TRUST

Except as otherwise specified, this Schedule A is effective June 21, 2021.

Irvine Ranch Water District (“Employer” or “District”) will make three types of Employer Contributions to the Plan, namely Matching Contributions, Fixed Contributions, and Mandatory Excess Accrual Contributions, subject to and in accordance with the following terms and conditions:

Matching Contributions

1. An employee is eligible to receive Matching Contributions only if: (i) the employee is a full-time permanent employee who works one or more hours per week, and (ii) the employee has completed at least one continuous year of District employment as a full-time employee. If an employee who is eligible for Matching Contributions terminates from District employment but is later rehired as a District employee, he or she will become eligible for Matching Contributions only upon again satisfying the eligibility conditions in the preceding sentence after the rehire date.
2. Matching Contributions will be made as soon as practicable after the end of each payroll period. No “true up” will be provided.
3. For each payroll period, an eligible employee who makes voluntary elective contributions for the payroll period to the Irvine Ranch Water District 457 Deferred Compensation Plan will be entitled to a Matching Contribution equal to 100% of the employee’s elective contributions, but not to exceed 3.0% of the employee’s Compensation for the payroll period.

Fixed Contributions

1. An employee is eligible to receive Fixed Contributions only if (i) the employee is a Manager, Supervisor, Confidential, or General Unit employee, and (ii) the employee has completed at least two continuous years of District employment as a full-time employee. If an employee who is eligible for Fixed Contributions terminates from District employment but is later rehired as a District employee, he or she will become eligible for Fixed Contributions only upon again satisfying the eligibility conditions in the preceding sentence after the rehire date.
2. Fixed Contributions will be made as soon as practicable after the end of each payroll period.

3. For each payroll period, an eligible employee will be entitled to a Fixed Contribution equal to 1% of the employee's Compensation for the payroll period. For General Unit employees, the preceding sentence is effective as of March 29, 2019.

Mandatory Excess Accrual Contributions

1. This section of Schedule A providing for Mandatory Excess Accrual Contributions applies to all District employees.
2. Each Plan Year, if an employee's accrued but unused vacation balance at the close of business on the last day of the second payroll period ending in January of the Plan Year exceeds the vacation accrual maximum applicable to the employee, the excess will be debited from the employee's leave bank. In turn, the debited amount will be contributed to the employee's account under the Plan as a Mandatory Excess Accrual Contribution.
3. Mandatory Excess Accrual Contributions will be made as soon as practicable after the second payroll period ending in January of each Plan Year.

For purposes of this Schedule A, Compensation means base salary, excluding all other forms of compensation, including but not limited to, overtime, bonuses, sick pay, vacation pay, cash payments or retirement plan contributions made in lieu of sick pay or vacation pay, disability pay, rideshare reimbursements, health and wellness benefits and reimbursements, water audit pay, auto or educational reimbursements, health safety or suggestion awards.

To the extent a Mandatory Excess Accrual Contribution cannot be allocated to an employee's Plan account due to the limitations on annual additions imposed by section 415(c) of the Internal Revenue Code ("415 Limit"), the unallocable amount will be paid to the employee in cash.

To the extent a Matching Contribution or Fixed Contribution cannot be allocated to an employee's Plan account due to the 415 Limit, the employee will not be entitled to the unallocable amount.

Note: This page is intentionally left blank.

December 7, 2021
Prepared and
Submitted by: T. Mitcham
Approved by: Paul A. Cook

FINANCE AND PERSONNEL COMMITTEE

REVISED PERSONNEL POLICIES AND PROCEDURES

IRWD has developed Personnel Policies and Procedures to consistently address personnel-related issues at the Irvine Ranch Water District. Revisions to these policies are necessary from time to time to ensure compliance with state and federal law, to maintain best practices in policy and procedure administration, and to accurately reflect processes adopted for the efficient and effective conduct of District business relative to personnel and other Human Resources related matters.

Proposed revisions include updates to current policies and the addition of a personnel policy related to employee lactation accommodation requirements. Staff recommends that the Board adopt a resolution superseding Resolution No. 2021-2 and implementing revised Personnel Policies and Procedures.

BACKGROUND:

The District has adopted Personnel Policies and Procedures to consistently address personnel-related issues at IRWD. Staff regularly reviews the policies and procedures to ensure compliance with current employment and labor laws, regulations, practices, procedures, and Memoranda of Understanding.

Staff recently evaluated IRWD Personnel Policies and Procedures, which was last updated in January 2021. To ensure the Policies and Procedures comply with current law and reflect current practices, staff has revised the policies in Exhibit "A". The changes are summarized as follow:

- Sick Leave Policy (No. 16) – Revised for legal compliance and accurate reflection of existing practices specifically related to the constructive receipt of Sick Leave Payout;
- Vacation Policy (No. 18) – Revised for legal compliance and accurate reflection of existing practices specifically related to the constructive receipt of Vacation Payout;
- Family and Medical Care Leaves of Absence Policy (No. 19) – Revised to comply with the changes made to the California Family Rights Act (CFRA);
- Holidays Policy (No. 22) – Revised to include current practices; and
- Lactation Accommodation Policy No. 52 – New policy added for legal compliance and accurate reflection of existing practices as required under Labor Code §1034.

IRWD's special legal counsel has reviewed the revisions to the Personnel Policies and Procedures. The changes were also submitted to the International Brotherhood of Electrical Workers (IBEW), Local #47, representing the District's General Unit Employees and Non-Exempt Supervisor Unit employees for their review and comment as required under the Meyers-Milias-Brown Act (Government Code Section 3500-3511).

To implement the proposed revisions to Policy No. 16, No. 18, No. 19, No. 22, and add No. 52, staff recommends that the Board adopt the resolution provided in Exhibit “B” superseding Resolution 2021-2 and incorporating the revisions and addition to the District’s personnel policies.

FISCAL IMPACTS:

None.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

RECOMMENDATION:

That the Board adopt the following resolution by title:

RESOLUTION NO. 2021-

RESOLUTION OF THE BOARD OF DIRECTORS OF
IRVINE RANCH WATER DISTRICT,
SUPERSEDING RESOLUTION NO. 2021-2 AND
ESTABLISHING REVISED PERSONNEL POLICIES AND PROCEDURES

LIST OF EXHIBITS:

Exhibit “A” – Proposed Changes to District Personnel Policy and Procedures

Exhibit “B” – Proposed Resolution Establishing Revised Personnel Policies and Procedures

EXHIBIT "A"

IRVINE RANCH WATER DISTRICT

PERSONNEL POLICIES AND PROCEDURES

POLICY NO. 16 - SICK LEAVE

DRAFT

I. GENERAL POLICY

- A. To minimize the economic hardships that may result from an unexpected short-term illness or injury to an employee or legal dependent, and comply with applicable California law, the District provides regular full-time employees, regular part-time employees, and temporary part-time employees with sick leave in accordance with the terms set forth in this Policy.
- B. The District reserves the right to require a satisfactory statement of a licensed physician whenever an employee misses work due to an illness, injury or disability. The employee may be asked to provide a physician's statement that verifies the nature of an illness, injury or disability, its beginning and ending dates, and/or the employee's ability to return to work without endangering his/her own safety or the safety of others. Although a physician's statement normally will not be requested for absences of less than three working days, the District may request such a statement in situations where it determines it is warranted.
- C. All employees are eligible to accrue and use paid sick leave in accordance with the applicable terms of this Policy.

II. ACCRUAL

- A. **Regular Employees:** Each regular employee will accrue sick leave hours at the rate of 96 hours per year; 3.69 hours per pay period, pro-rated based on a 40-hour weekly schedule. This accrual begins with the first day of employment, and is available for use as soon as hours are accrued. An employee will be allowed to accrue an unlimited number of sick leave hours.
- B. **Temporary Employees:** Each temporary employee will accrue sick leave at the rate of 1 hour for every 30 hours worked, to a maximum of 48 hours (or the equivalent of six of the employee's usual work shifts, whichever is greater). This accrual begins with the first day of employment, and is available for use as soon as hours are accrued, following completion of a 30-day eligibility period for new hires. A temporary employee may use up to 24 hours of sick leave (or the equivalent of three of the employee's usual work shifts, whichever is greater) per year of employment, calendar year or 12-month period, as determined by the District. Accrued sick leave up to 48 hours (or the equivalent of six of the employees usual work shifts, whichever is greater) may carry over to the following year of employment, calendar year or 12-months period as determined by the District. In no circumstance may a temporary employees' total accrual of sick leave exceed 48 hours (or the equivalent of six of the employee's usual work shifts, whichever is greater).

C. Sick Leave Accrual during Leaves of Absence

1. **Accrual during Paid Leave:** A regular employee on authorized leave of absence will continue to accrue sick leave hours at the same rate set forth in Section II.A., as long as accrued sick leave and vacation hours have not been exhausted and provided the employee is utilizing some portion of accrued leave benefits. Once accrued sick leave and vacation hours have been exhausted, or if an employee elects not to coordinate benefits while on a leave of absence, the employee will cease to accrue sick leave hours until he/she returns to active employment status.
2. **Accrual during Consecutive Unpaid Leave:** An employee on an authorized leave of absence without pay, including extended military leave of absence, extended sick leave, or FMLA/CFRA/PDL leave, taken on a consecutive basis, will not accrue sick leave during such absences, unless otherwise required by law.
3. **Accrual during an Intermittent or Reduced Schedule Leave:** An employee on an authorized leave of absence taken on an intermittent or reduced schedule basis will accrue sick leave as provided in Section II.C.1.

D. Sick Leave Added Days

1. **Regular Employees:** The General Manager has the authority to loan, in writing, up to five (5) days of paid sick leave to an employee provided that all accrued sick leave and vacation hours have been exhausted. Unearned days of paid sick leave loaned to an employee must be repaid upon return to work. In the event the employee terminates employment prior to the complete repayment of loaned sick leave days, the employee is responsible for direct repayment to the District for the remaining number of hours.
2. **Temporary Employees:** The District will not loan or advance paid sick leave to temporary employees before it has been accrued.

III. USE OF SICK LEAVE

A. Permitted Reasons to Use Sick Leave: Upon oral or written request, employees may use sick leave for any of the following purposes:

1. Diagnosis, care, or treatment of an existing health condition of, or preventative care for, an employee or an employee's family member.
 - a. For purposes of this Policy, "family member" includes a biological, adopted, or foster child, stepchild, legal ward, a child to whom the employee stands *in loco parentis*, or a child of a registered domestic partner, regardless of the child's age or dependency status; a biological, adoptive, or foster sibling, parent, stepparent, or legal guardian of an employee or the employee's spouse or registered domestic partner, or a person who stood *in loco parentis* when the Employee was a minor child; a spouse; a State of California registered domestic partner; a grandparent; or a grandchild.

POLICY NO. 16 – SICK LEAVE

- b. The use of unused accumulated sick leave hours is allowed for pregnancy-related illness or disability, just as it is for other illness or disability.
- 2. For employees who are victims of domestic violence, sexual assault, or stalking, taking time off to obtain or attempt to obtain any relief, including, but not limited to, a temporary restraining order, restraining order, or other injunctive relief, to help ensure the health, safety, or welfare of the victim or his or her child.
- 3. For employees who are victims of domestic violence, sexual assault, or stalking, taking time off to seek medical attention for injuries caused by the domestic violence, sexual assault, or stalking; to obtain services from a domestic violence shelter, program, or rape crisis center as a result of domestic violence, sexual assault, or stalking; to obtain psychological counseling related to an experience of domestic violence, sexual assault, or stalking; and to participate in safety planning and take other actions to increase safety from future domestic violence, sexual assault, or stalking, including temporary or permanent relocation.
- 4. All employees are permitted to use up to five days of accrued sick leave per year for bereavement, upon the need for additional bereavement time off, as provided in Policy 17 - Bereavement.

B. Holidays during Sick Leave

In the event that any holiday occurs during a period when any employee is on paid sick leave, the holiday will not be charged against the employee's accumulated sick leave.

C. Coordination of Sick Leave with Disability Payments

When an employee becomes eligible for disability benefits from the State of California Employment Development Department's State Disability Insurance (SDI) program, or workers' compensation, the employee may use accumulated sick leave hours to supplement these payments. Accrued sick leave benefits will be used to supplement such disability payments only to the extent necessary to provide total compensation equal to the employee's straight time compensation immediately before the beginning of the illness, disability or injury.

IV. PAYMENT FOR UNUSED SICK LEAVE

A. Upon Separation from Employment

1. Regular Employees

a. Eligibility

- i. Regular employees who have worked for the District for at least 24 consecutive calendar months as a regular employee are eligible to receive payment for accrued and unused sick leave, as follows:

POLICY NO. 16 – SICK LEAVE

(A) An eligible employee who separates from employment voluntarily, through resignation, service retirement or disability retirement, must provide at least two weeks' notice prior to separation.

(I) Employees who provide notice prior to separating from District employment for any reason are not permitted to first exhaust accrued and unused sick leave unless used for a permitted reason in accordance with Section III of this Policy.

(B) Following the lay-off of an eligible District employee, payment will be issued in accordance with this Policy.

(C) Following the death of an eligible employee, payment will be made in accordance with applicable law and District policies and practices.

ii. Employees whose employment has been terminated by the District other than by lay-off are not eligible to be compensated for unused sick leave.

b. Amount: Eligible employees will receive the equivalent of fifty (50) percent of the employee's accrued sick leave to a maximum of 960 hours, times the employee's current hourly straight time pay rate.

2. Temporary Employees:

a. Temporary employees are not eligible to receive compensation at any time for accrued and unused sick leave.

B. Annual Payment for Unused Accrued Sick Leave

1. Eligibility

a. Regular employees may choose to receive payment for unused accrued sick leave, up to a maximum of 96 hours, once per year, in accordance with the terms in this Policy, as long as a minimum balance of 80 hours remains.

b. Temporary employees are not eligible for any payment for unused accrued sick leave.

2. Elective Payouts of Sick Leave Amount, Form, and Timing of Annual Payment

a. In lieu of using accrued Sick Leave for a covered leave, an employee with at least 11 years of service may elect to buyback (and receive cash payment of) Sick Leave at 100% value.

POLICY NO. 16 – SICK LEAVE

To make the election, an employee must, in November of the calendar year preceding the calendar year in which the employee wishes the buyback to occur, file an irrevocable election form with the District stating their intent to buy back the leave and identifying the number of Sick Leave hours covered by the election. The election form must be filed with the District’s Human Resources Department. The election will apply only to Sick Leave hours accrued in the same calendar year as the buyback (i.e., the calendar year following the filing of the election). An employee may elect to either (i) receive cash payment (“cashout”) of sick leave, (ii) contribute sick leave to his or her account under the District’s 457(b) plan, or (iii) a combination of both. Employees who do not file a valid election by November 30 of a preceding calendar year may not subsequently elect to buy back at 100% value any Sick Leave accrued in the following calendar year. For each calendar year, employees may make this election up to the number of hours specified below based on the year the accruals are earned:

~~Amount: Payment will be made to the employee in accordance with the following percentage schedule times the employee's current wage rate:~~

Years of Regular District Service	Amount of Buy-Back
0-10 years (less than 11 years)	Up to 96 hours @ 50%
11-15 years (less than 16 years)	Up to 30 hours @ 100%; remainder (up to 66 additional hours) @ 50%
16-20 years (less than 21 years)	Up to 60 hours @ 100%; remainder (up to 36 additional hours) @ 50%
21 years or more	Up to 96 hours @ 100%

b. In lieu of using accrued Sick Leave for a covered leave, an employee may elect to buyback Sick Leave, regardless of when accrued and regardless of the employee’s total years of service, at 50% value. This election is limited to 96 hours per calendar year; and any Sick Leave hours sold back during the calendar year at 100% value as permitted above will count towards that year’s 96-hour limit for buy back at 50% value. For example, if an employee with 12 years of service elects to buy back 30 hours of sick leave at 100% value, the employee may buy back an additional 66 hours at 50% value in the same calendar year.

~~Form: Employees may choose to receive either a cash payment or an equivalent contribution to their 457-deferred compensation account.~~

c. Payment of Sick Leave hours sold at 50% value will be made on or about November 30 after the employee’s election. To make this election, an employee must file an election form with the District’s Human Resources Department. An employee may elect to either (i) receive cash payment (“cashout”) of sick leave, (ii) contribute sick leave to his or her account under the District’s 457(b) plan, or (iii) a combination of both. An employee’s buyback of Sick Leave may not reduce the employee’s Sick Leave balance below 80 hours. Accordingly, the Sick Leave amount sold back (and the corresponding payment) to the employee will be

lowered as needed to maintain the 80-hour minimum; and no buyback will occur if the employee's Sick Leave balance is 80 hours or less.
~~Timing: Compensation for sick leave buy-back will be made to the employee in November of each year.~~

V. REINSTATEMENT OF UNUSED ACCRUED SICK LEAVE

If any employee who had a sick leave balance remaining at the time of separation from District employment, which balance was not paid out under the terms of Section IV. A. 1 above, is rehired by the District within one year from the date of separation, then that same balance will be reinstated to the employee. The rehired employee will be entitled to use the reinstated sick leave and to also accrue additional sick leave upon rehiring in accordance with this Policy.

VI. SICK LEAVE DONATION PROGRAM

A. In General

1. The Sick Leave Donation Program allows eligible employees who have accrued sick leave hours to voluntarily donate a portion of their accumulated hours to another employee who has exhausted his/her accrued sick and vacation leave due to a non-work-related catastrophic illness or injury of the employee or the catastrophic illness or injury of an employee's dependent parent, spouse or registered domestic partner, or child requiring the presence of the employee.
2. Catastrophic illness or injury is defined as a severe illness or injury which totally incapacitates a person for an extended period of time and is severely debilitating or life-threatening. Illnesses such as cancer, heart attack, or stroke would be considered catastrophic illnesses. Pregnancy without serious complications and routine illnesses, surgical procedures, and injuries, even those resulting in an extended leave of absence, do not qualify as catastrophic illness or injury. The Director of Human Resources will be responsible for reviewing the eligibility of an employee to receive donated sick leave and making a recommendation to the General Manager for approval. The approval process may require appropriate medical documentation regarding the illness or injury of the employee or family member.
3. The decision to make a donation of sick leave to another employee through the Sick Leave Donation Program is voluntary. No employee is to be coerced or intimidated into making a donation of sick leave or to coerce or intimidate another employee. Donations of sick leave may not involve any form of payment or compensation, financial or otherwise, between the donor and recipient. The District will not solicit sick leave donations on behalf of any qualifying individual.

B. Eligibility

All regular, full-time employees who have completed their initial probationary period and meet other applicable qualifications set forth in this Policy are eligible to participate in the Sick Leave Donation Program as a donor or recipient.

C. Procedures for Utilizing Donated Sick Leave

1. In order to receive donated sick leave through the Sick Leave Donation Program, an employee must meet the following requirements:
 - a. The employee must have been on an approved Leave of Absence for a catastrophic illness or injury as defined above for at least 30 calendar days prior to the use of any donated sick time.
 - b. The employee must have exhausted all of his/her sick and vacation accruals prior to the use of any donated sick time.
 - c. The employee must be utilizing any applicable income replacement programs for which he/she qualifies (i.e. State Disability Insurance, Paid Family Leave, Long-Term Disability).
 - d. The employee must have notified the Human Resources department of his/her desire to receive and utilize donated sick time. In the event that the employee is physically or mentally unable to notify the Human Resources department, notification may be made by a member of the employee's immediate family (i.e., spouse, registered domestic partner, child or parent).
2. An employee utilizing donated sick leave will not earn or be eligible to accrue any sick or vacation leave. Once an employee ceases to receive any portion of his/her pay from the use of his/her own accrued sick and vacation leave, accrual of additional vacation and sick leave hours will cease. Holidays falling during the period following exhaustion of vacation and sick leave benefits will not be paid to an employee even if they are utilizing donated sick leave.
3. If an employee returns to work on a part-time basis, sick and vacation leave will begin accruing on a pro-rated basis and these accrued balances will be utilized for coordination of benefits before the utilization of any donated sick leave.
4. An employee utilizing donated sick leave will be taxed each pay period as with the use of regularly accrued sick and vacation leave.
5. The existence or use of donated sick time is not a guarantee of continued employment past the end of the approved leave of absence as detailed in applicable District policy.

D. Procedures for Donating Sick Leave

1. An employee may complete a “Donation of Sick Leave” form to donate accrued sick leave in one-hour increments for use by another eligible employee who has been determined to qualify for sick leave donations under the requirements listed above.

POLICY NO. 16 – SICK LEAVE

2. In no case shall a donation of sick leave reduce the donor's accrued sick leave balance below eighty (80) hours.
3. An employee may donate a maximum of 25% of his/her sick balance or forty (40) hours of accrued sick leave to an eligible employee, whichever is less. No employee will be allowed to donate more than forty (40) hours of sick leave in any twelve month period.
4. The number of sick hours credited to the recipient will be calculated by multiplying the number of hours donated by the calculated hourly rate of the donor then dividing that amount by the calculated hourly rate of the recipient.
5. Donated sick leave hours will be used to pay the recipient on a first in- first out basis. Donated sick leave hours not used by the specified recipient will be returned to the donating employee(s) following the end of the pay period in which the recipient no longer qualifies for the use of donated sick leave.

Adopted by IRWD Board of Directors on: ~~February 11, 2019~~

IRVINE RANCH WATER DISTRICT
PERSONNEL POLICIES AND PROCEDURES

POLICY NO. 18 - VACATION

DRAFT

I. GENERAL POLICY

- A. The District believes it is important for employees to take vacation leave on an annual basis when practicable, to enable them to take time off away from their job responsibilities in order to relax and refresh themselves physically and mentally.

II. RATES OF ACCRUAL

- A. **Regular Full-Time Employees:** All regular full-time employees will accrue vacation leave according to the following monthly schedule, based upon years of service:

Less than 5 years' service	6.67 hours - (80 hours per year)
5 or more years of service but less than 10 years	10.00 hours - (120 hours per year)
10 or more years of service	13.33 hours - (160 hours per year)
<u>15 or more years of service</u> <u>————— but less than 20 years</u>	<u>15.00 hours – (180 hours per year)</u>

- B. **Managers, Supervisors, Confidential, and Exempt Employees:** Managers, supervisors, confidential and exempt employees will accrue vacation according to the same monthly schedule set forth in Section II.A., until they have completed at least ~~15~~20 years of service, at which time they will accrue vacation according to the following monthly schedule, based upon years of service:

15 or more years of service ————— but less than 20 years	15.00 hours – (180 hours per year)
20 or more years of service	16.67 hours – (200 hours per year)

- C. **Regular Part-Time Employees:** All regular part-time employees are eligible for pro-rated vacation leave based upon a 40-hour weekly schedule and years of service.

- D. **Temporary Employees:** Temporary employees are not eligible to accrue vacation leave.

E. **Vacation Accrual During Leaves of Absence**

1. **Accrual during Paid Leave:** A regular employee on authorized leave of absence will continue to accrue vacation hours at the same rate set forth in Sections II.A. or II.B. (Full-time) and Section II.C. (Part-time) as long as

POLICY NO. 18 – VACATION

accrued sick leave and vacation hours have not been exhausted and provided that the employee is utilizing some portion of accrued leave benefits. Once accrued sick leave and vacation hours have been exhausted, or if an employee elects not to coordinate benefits while on a leave of absence, the employee will cease to accrue vacation hours until he/she returns to active employment status.

2. **Accrual during Consecutive Unpaid Leave:** An employee on an authorized leave of absence without pay, including extended military leave of absence, extended sick leave, or FMLA/CFRA/PDL leave, taken on a consecutive basis, will not accrue vacation leave during such absences, unless otherwise required by law.
3. **Accrual during an Intermittent or Reduced Schedule Leave:** An employee on an authorized unpaid leave of absence taken on an intermittent or reduced schedule basis will accrue vacation at the same rate as set forth in Section II.A. or II.B. (Full-time) or Section II.C. (Part-time).

III. REQUESTS FOR VACATION LEAVE

- A. Employees are not eligible to take time off for vacation leave during the first six (6) months of employment.
- B. Requests for vacation leave shall be made in advance by the employee to his/her immediate supervisor for appropriate approvals.
- C. Established District holidays occurring during scheduled vacation leave are not counted as vacation days.

IV. MAXIMUM ACCRUAL AND REDUCTION OF VACATION HOUR BALANCES

The maximum number of vacation hours accrued may not exceed the greater of 240 hours or two times an employee's annual accrual.

A. Voluntary Transfer of Vacation Hours

Once a year, ~~generally~~ in ~~February~~~~November~~, an employee who has taken at least 40 hours of vacation during the immediately preceding completed calendar year may elect to transfer into the employee's Deferred Compensation Plan account:

1. Any vacation hours accrued in excess of the employee's maximum accrual;
and/or
2. Any accrued vacation hours below the employee's maximum accrual, as long as the employee retains a balance of at least 80 vacation hours following the transfer.

Hours will be transferred at a rate of 100% of the employee's current pay rate at the time of transfer.

B. Voluntary Reduction of Vacation Hours by Managers, Supervisors, and Confidential Employees

In lieu of using accrued vacation leave for a covered leave, an employee may elect to either (i) receive cash payment (“cashout”) of vacation leave, (ii) contribute vacation leave to his or her account under the District’s 457(b) plan, or (iii) a combination of both. To make the election, an employee must, in November of the calendar year preceding the calendar year in which the employee wishes the cashout or contribution (or both) to occur, file an irrevocable election form with the District stating their intent to cashout or contribute the leave and identifying the number of vacation leave hours covered by the election. The election form must be filed with the District’s Human Resources Department. The election will apply only to vacation leave hours accrued in the same calendar year as the cashout or contribution (i.e., the calendar year following the filing of the election). Employees who do not file a valid election by November 30 of a preceding calendar year may not subsequently elect under this provision to cashout or contribute any vacation leave accrued in the following calendar year.

1. Limits on Cashouts and Contributions.

An employee’s election to receive cashouts or contributions of vacation leave for a calendar year is subject to the following limitations:

- The aggregate cashout and contribution may not reduce the employee’s vacation leave balance below 80 hours. Accordingly, the cashout or contribution amount will be lowered as needed to maintain the 80-hour minimum (if the employee elected both cashouts and contributions, the reduction will be made proportionally from both according to the election percentage); and no election or contribution will occur if the employee’s vacation leave balance is 80 hours or less.
- If any part of the employee’s elected contribution cannot be made to the 457(b) plan due to contribution limits imposed by the tax laws, that amount will instead be paid in cash to the employee.
- The employee’s elected cashout or contribution will be processed in the calendar year following the election, at the time and in the manner determined by the District.

~~1. Generally, in February of each year, employees identified in Section II. B. of this Policy, who have taken at least 40 hours of vacation during the immediately preceding calendar year may choose one or more of the following options, as long as they retain a balance of at least 80 vacation hours following any sell back or transfer:~~

- ~~a. Elect to sell back to the District some or all of the vacation hours that exceed their maximum accrual.~~

POLICY NO. 18 – VACATION

~~b. — Elected to sell back to the District some or all of the accrued vacation hours below the maximum accrual.~~

~~c. — Elected to make a voluntary transfer of some or all of the accrued vacation hours under Section IV.A.~~

2. ~~Employees who choose to sell back vacation hours will be compensated at 100% of the employee's pay rate in effect at the time compensation is provided.~~ All cash payments are subject to state and federal withholdings.

C. Automatic Transfer of Vacation Hours in Excess of Maximum Accrual

1. ~~In the event the employee's accrued vacation balance by the end of January of a calendar year exceed the Vacation Accrual Maximum, the excess accruals will be automatically contributed by the District to the employee's account under the District's 401(a) defined contribution plan. By the end of January each year, employees who have accrued vacation hours in excess of the maximum, and who have not made a voluntary election under Section IV.A. or B. will be required to transfer all hours in excess of the allowed maximum accrual into their Deferred Compensation Plan account.~~

2. This transfer will be conducted once a year, generally in February, and hours will be transferred at a rate of 100% of the employee's current wage rate at the time of transfer. Employees are responsible for ensuring that their vacation accrual balance falls below the allowed maximum accrual if they do not wish to have vacation hours automatically transferred to their 401(a) defined contribution plan ~~Deferred Compensation Plan~~ account.

3. If an employee's scheduled vacation is canceled at the District's request, or if extenuating circumstances arise which require an employee to accrue vacation leave in excess of the allowed maximum accrual, written approval may be granted by the General Manager to carry over the excess hours for a specified period of time, without automatic transfer.

V. PAYMENT FOR UNUSED VACATION LEAVE UPON SEPARATION

Upon separation from the District, employees shall be paid for unused accrued vacation hours through the date of separation. These unused accrued vacation hours shall be paid at the employee's current pay rate at the time of separation, regardless of the length of service with the District.

Adopted by IRWD Board of Directors on: February 11, 2019

IRVINE RANCH WATER DISTRICT

PERSONNEL POLICIES AND PROCEDURES

POLICY NO. 19 – FAMILY AND MEDICAL CARE LEAVES OF ABSENCE (FMLA/CFRA/PDL)

DRAFT

I. GENERAL POLICY

- A. This Policy is intended to provide employees with information about and establish guidelines for the taking of family care and medical leave, in accordance with the federal Family and Medical Leave Act (FMLA), the California Family Rights Act (CFRA), and the California Pregnancy Disability Leave Law (PDL).
- B. To the extent not already provided for under current leave policies and provisions, the District will provide family and medical care leave for eligible employees as required by State and federal Law. The leaves provided for in this Policy are granted under a variety of state and federal laws. Employees should be aware that leave under one Section of the Policy may also qualify for leave under another Section. For example, military caregiver leave is provided for under the FMLA, but in certain circumstances, might also qualify for CFRA leave. In addition, an employee is entitled to take CFRA leave to care for a registered domestic partner, but FMLA leave does not include registered domestic partners. In such cases, the District will advise affected employees in writing which of their statutorily protected leaves are being used and how much of that leave remains.
- C. Additional definitions and other provisions governing employees' rights and obligations under the FMLA, CFRA, and PDL that are not specifically set forth below are set forth in the Department of Labor's FMLA regulations (29 C.F.R. § 825.00 *et seq.*) and the California Department of Fair Employment and Housing's CFRA regulations (2 C.C.R. § 11087 *et seq.*) and PDL regulations (2 C.C.R. § 11035 *et seq.*) This Policy is deemed to include such regulatory provisions, including subsequent revisions to such regulatory provisions, except where expressly contradicted by the terms of this Policy.

II. FAMILY CARE AND MEDICAL LEAVE (FMLA/CFRA Leave)

- A. **Eligibility:** To be eligible for FMLA/CFRA leave, an employee must have been employed by the District for at least 12 months prior to the date on which the FMLA/CFRA leave is to commence, and have worked at least 1,250 hours over the 12-month period preceding the FMLA/CFRA leave. For employees performing covered military service under the federal Uniformed Service Employment and Reemployment Rights Act, periods of absence due to such service shall be counted for purposes of determining whether the employee meets these eligibility requirements.
- B. **Qualifying Reasons for FMLA/CFRA Leave:** Employees meeting the eligibility requirements under Section II.A. may take FMLA/CFRA leave for any of the following qualifying reasons:
 - 1. Birth of a child of the employee; or placement of a child with an employee in connection with the adoption or foster care of a child by the employee.

POLICY 19 – FAMILY AND MEDICAL CARE LEAVES OF ABSENCE

2. Because of any qualifying exigency arising out of the fact that the spouse, domestic partner, child, or parent of the employee is on active military duty in the Armed Forces in support of a contingency operation. A “qualifying exigency” is defined, as a situation or pressing need calling for immediate attention.
3. For a serious health condition of the employee which makes him/her unable to perform his/her job.
4. For a serious health condition of a child of an employee.
5. To care for a parent, grandparent, grandchild, sibling, or spouse, or domestic partner who has a serious health condition.

The FMLA also specifically provides for ~~military exigency leave and~~ military caregiver leave, and those types of leaves are addressed under Section IV of this Policy. The PDL also provides for leave for employees with a serious health condition is on account of her pregnancy, childbirth, or related medical conditions, and that leave is addressed under Section III.

C. Definitions

1. **Child:** Leave may be taken under Section B.1., B.2., or B.3. by an employee for a "child" who is:
 - a. A biological child, adopted child, foster child, stepchild, legal ward of the employee, ~~or~~ a child to whom the employee stands *in loco parentis*, or a child of a domestic partner and who, at the time leave is to commence is either:
 - i. ~~under 18 years of age; or~~
 - ii. ~~18 years of age or older and incapable of caring for himself/herself because of a mental or physical disability.~~
2. ***In loco parentis:***
 - a. For purposes of this Policy an employee stands *in loco parentis* by providing day-to-day care or financial support with demonstrated intent of assuming the responsibilities typically held by a parent.
 - b. Whether an employee stands *in loco parentis* to a child for purposes of this Policy will be determined by the District on a case-by-case basis, and the District may require reasonable documentation to support an employee's claim of providing either day-to-day care or financial support for the child.
3. **Serious Health Condition:** A serious health condition is an illness, injury, impairment, or physical or mental condition of the employee or a child, parent, spouse, or registered domestic partner

POLICY 19 – FAMILY AND MEDICAL CARE LEAVES OF ABSENCE

of the employee that makes the employee unable to work or unable to perform one or more of the essential functions of the employee's position, and which involves either inpatient care or continuing treatment or supervision by a health care provider, as follows:

- a. “Inpatient care” means an overnight stay in a hospital, hospice, or residential medical care facility, or any subsequent treatment in connection with such inpatient care, or any resulting period of incapacity.
 - i. A person is considered to have an “overnight stay” for purposes of this provision if a health care facility formally admits him/her to the facility with the expectation that he/she will remain at least overnight and occupy a bed, even if it later develops that such person can be discharged or transferred to another facility and does not actually remain overnight.
- b. “Continuing treatment or supervision by a health care provider” means and includes any one or more of the following:
 - i. In-person treatment two or more times, within 30 days of the first day of incapacity, unless extenuating circumstances exist, by a health care provider, by a nurse under direct supervision of a health care provider, or by a provider of health care services (*e.g.* physical therapist) under orders of, or on referral by, a health care provider, with the first visit being within seven days of the first day of incapacity; or
 - ii. In-person treatment by a health care provider on at least one occasion, which results in a regimen of continuing treatment under the supervision of the health care provider, with the first visit being within seven days of the first day of incapacity.
 - iii. Any period of incapacity due to pregnancy, or for prenatal care, whether or not in-person treatment is received during that time, or whether the resulting absence lasts fewer than three days.
 - iv. Any period of incapacity, or treatment for such incapacity, due to a chronic serious health condition, whether or not in-person treatment is received during that time, or whether the resulting absence lasts fewer than three days. A chronic serious health condition is one which:

POLICY 19 – FAMILY AND MEDICAL CARE LEAVES OF ABSENCE

- A. Requires periodic visits (defined as at least twice a year) for treatment by a health care provider, or by a nurse under direct supervision of a health care provider; and
 - B. Continues over an extended period of time (including recurring episodes of a single underlying condition); and
 - C. May cause episodic rather than a continuing period of incapacity (e.g., asthma, diabetes, epilepsy, *etc.*).
- v. A period of incapacity, which is permanent or long-term due to a condition for which treatment may not be effective. The employee or family member must be under the continuing supervision of, but need not be receiving active treatment by, a health care provider. Examples include Alzheimer's, a severe stroke, or the terminal stages of a disease.
- vi. Any period of absence to receive multiple treatments (including any period of recovery therefrom) by a health care provider or by a provider of health care services under orders of, or on referral by, a health care provider, for either:
- A. Restorative surgery after an accident or other injury; or
 - B. A condition that would likely result in a period of incapacity of more than three consecutive, full calendar days in the absence of medical intervention or treatment, such as cancer (chemotherapy, radiation, *etc.*), severe arthritis (physical therapy), or kidney disease (dialysis).
4. **“Incapacity”** means that a person is unable to work, attend school, or perform regular daily activities due to a serious health condition, its treatment, or the recovery that it requires.

D. Amount of Leave Entitlement: Provided that all applicable conditions of Section II.B. are met, an employee may take a maximum of 12 workweeks of FMLA/CFRA leave in a rolling 12-month period measured backwards from the date the employee uses any FMLA/CFRA leave.

- 1. Employees taking FMLA/CFRA leave for the birth, adoption, or foster care of their child must initiate and complete any FMLA/CFRA leave within one year of the birth of the child or placement of the child with the employee for adoption or foster care.

POLICY 19 – FAMILY AND MEDICAL CARE LEAVES OF ABSENCE

2. ~~Parents who~~ Parents who are both employed by the District ~~may be limited to taking a maximum combined 12 workweeks of FMLA/CFRA leave in a 12-month period for the birth, adoption, or foster care of their child. Both parents or registered domestic partners (CFRA only in some circumstances)~~ may be on leave simultaneously, provided the employees provide a certificate, from a health care provider, stating the need for both employees' participation in the care of the child.
3. An employee's FMLA/CFRA leave does not need to be consecutive, but can be cumulative within a 12-month period.
4. Industrial injury leaves and non-industrial injury leaves are FMLA/CFRA leaves if they are taken for serious health conditions.

E. Concurrent Use of Accrued Paid Leave Leave taken under this Policy is unpaid. Employees may elect or may be required to use their accrued leave balances concurrently with FMLA/CFRA leave, as provided below. When an employee elects or is required to use his/her accrued leave balances, the employee may specify in writing the order in which the employee would prefer to exhaust his/her leave balances. If the employee fails to designate the order of exhaustion, the District will determine the order, subject to the terms of applicable District policy. The paid leave shall run concurrently with the FMLA/CFRA leave, and shall not extend the employee's entitlement to FMLA/CFRA leave beyond 12 workweeks.

1. **Sick leave:** Employees are required to use all accumulated sick leave concurrently when FMLA/CFRA leave is taken for the employee's own serious health condition. Employees may choose to use their accumulated sick leave when FMLA/CFRA leave is taken for any other reason under Section II.B. of this Policy.
2. **Other paid leaves:** Employees are required to use all other accrued paid leaves of absence, including but not limited to, vacation and holiday leave, when taking FMLA/CFRA leave for any reason.

F. Coordination with Wage Replacement Plans

An employee requesting a family care leave of absence for his or her own serious health condition may coordinate any unused accumulated sick and vacation hours with short-term disability, long-term disability, worker's compensation and any other wage-replacement benefits for which the employee may be eligible, up to an amount equal to the employee's regular salary.

G. Intermittent or Reduced Schedule Leave: Intermittent FMLA/CFRA leave is leave taken on an as-needed basis in increments of minutes, hours, or days. A reduced schedule FMLA/CFRA leave involves a reduction in the number of hours per day or per week that an employee regularly

POLICY 19 – FAMILY AND MEDICAL CARE LEAVES OF ABSENCE

works, with the employee substituting FMLA/CFRA time substitute for hours not worked. The minimum FMLA/CFRA leave increment that can be taken by an employee is 15 minutes.

1. Calculation of Intermittent or Reduced Schedule Leave: The maximum equivalent number of hours to which an employee is entitled during the 12-week period will be based on the employee's regularly scheduled workweek. For example, an employee who is regularly scheduled to work 40 hours per workweek will be entitled to a maximum of 480 hours of FMLA/CFRA leave, whereas, an employee who is regularly scheduled to work 32 hours per workweek will be entitled to a maximum of 384 hours of FMLA/CFRA leave. In calculating this amount for employees with a varying schedule, the District will use an average of the employee's workweeks within the 12-month period immediately preceding the intermittent or reduced schedule leave.

2. Impact on Salary: Where permitted by applicable state and federal wage and hour laws, the District may make deductions from an employee's salary for all hours of leave taken as intermittent leave, unless the employee is entitled or required to coordinate paid leave.

3. Inclusion of Scheduled Overtime: If an employee normally would be required to work overtime hours, but is unable to do so because of an FMLA/CFRA-qualifying reason that limits the employee's ability to work overtime, the hours that the employee would have been required to work may be counted against the employee's FMLA/CFRA entitlement, as the employee would be considered to be using intermittent or reduced schedule leave. For example, if an employee is normally required to work 50 hours in a particular workweek, but because of an FMLA/CFRA-qualifying reason, the employee works only 40 hours that week, the employee would use 10 hours of FMLA/CFRA-protected leave out of the 50-hour workweek.

4. Conditions for Taking Intermittent or Reduced Schedule Leave

a. FMLA/CFRA leave taken for the employee's own serious health condition, or the serious health condition of the employee's spouse, registered domestic partner, parent, or child, or for military caregiver leave under Section IV.B. of this policy, may be taken intermittently or on a reduced leave schedule when medically necessary (as distinguished from voluntary treatments and procedures).

b. Military exigency leave under Section IV.A. of this Policy (FMLA only) may be taken on an intermittent or reduced schedule basis without limitation.

c. Leave taken following the birth, adoption, or placement or foster care of a child may be taken on an intermittent or reduced

POLICY 19 – FAMILY AND MEDICAL CARE LEAVES OF ABSENCE

schedule basis, subject to the conditions set forth in Section II.G.6., below.

5. **Temporary Transfer:**

a. **Required by the District** The District may require that the employee temporarily transfer to an available alternative position for which the employee is qualified and which provides equivalent pay and benefits and that better accommodates recurring leave periods than the employee's regular position.

b. **Requested by Employee:** An employee on intermittent or reduced schedule FMLA/CFRA leave for foreseeable and planned medical treatments may request a transfer to an open and available position for which the employee is qualified, if the duties of that position would better accommodate the employee's, intermittent or reduced schedule FMLA/CFRA leave. Transfers will not be considered under this Section when the intermittent or reduced schedule FMLA/CFRA leave is unscheduled, such as in the case of chronic conditions.

6. **Leave Taken for Baby Bonding:** The basic minimum duration of a leave taken for the birth, adoption, or foster care of a child shall be two weeks. However, the District will grant a minimum of two requests to take baby-bonding leave in increments shorter than two weeks in the applicable one-year period. The District may, in its discretion grant more than two requests for leave shorter than two weeks in duration. Any modification permitted under this sub-section shall not increase the employee's total leave entitlement beyond the amount provided in Section II.D.

H. Employee Notice: Employees requesting leave under the FMLA/CFRA must notify Human Resources in accordance with the rules set forth below. Employees must either use a Request for Leave of Absence Form or otherwise provide sufficient information to make the District aware that the employee needs FMLA/CFRA leave, which qualifying reason applies to the leave (by reference to Section II.B. of this Policy), and the anticipated timing and duration of that leave. Supervisors who receive employee requests for FMLA/CFRA leave (or leave that may be FMLA/CFRA-qualifying) must forward any such requests to Human Resources.

1. **Foreseeable Events:** An employee must provide the District with at least 30 days' advance notice before the date the leave is to begin, or must provide notice as soon as is practicable, normally the same business day or next business day if the employee is off work when he/she learns of the need for leave. If the employee provides less than 30 days' advance notice, the District may require explanation of why 30 days' advance notice was not practicable.

a. In any case in which the need for FMLA/CFRA leave is foreseeable based on one of the circumstances listed below in sub-section b., the employee shall make a reasonable effort to schedule

POLICY 19 – FAMILY AND MEDICAL CARE LEAVES OF ABSENCE

any planned medical treatment or supervision so as not to unduly disrupt the operations of the District. However, any such scheduling shall be subject to the approval of the health care provider of the employer or the employee's child, parent, spouse, or registered domestic partner (CFRA only).

b. The need for leave is considered “foreseeable” when it is taken for any of the following reasons:

- i. Planned medical treatment for a serious health condition of the employee.
- ii. Planned medical treatment for a serious health condition of a family member.
- iii. An expected birth, or placement for adoption or foster care.

c. If an employee fails to provide the requisite 30-day advance notice for foreseeable events without any reasonable excuse for the delay, the District reserves the right to delay the taking of the leave by up to 30 days after the date the employee provides notice of the need for FMLA/CFRA leave.

2. Unforeseeable Events: If an employee requires FMLA/CFRA leave for an unforeseeable event, the employee is required to provide notice to the District as soon as is practicable.

3. Notice of Intermittent/Reduced Schedule Leave: The notice requirements for foreseeable intermittent or reduced schedule leaves shall be the same as for other foreseeable leaves, and the notice requirements for unforeseeable intermittent or reduced schedule leave shall be the same as for other unforeseeable leaves.

4. Incomplete Notice: If the employee’s notice does not contain sufficient information for the District to determine whether the employee’s leave could be for an FMLA/CFRA-qualifying purpose, Human Resources may follow up with the employee for additional information and the employee is required to respond to the same. However, the employee shall not be required to provide the District with a diagnosis.

5. Changes to Dates of Leave: The employee must advise Human Resources as soon as practicable when he/she learns that the dates of the FMLA/CFRA leave may change.

6. Requests for Extension: Any requests for extensions of an FMLA/CFRA leave must be received at least five working days before the date on which the employee was originally scheduled to return to work, where practicable, and must include the revised anticipated date(s) and duration of the FMLA/CFRA leave. If the employee has exhausted his/her leave entitlement under Section II.D., the District will evaluate on a case-by-case basis whether additional leave may be available as a reasonable accommodation for the employee's own serious health condition; however,

POLICY 19 – FAMILY AND MEDICAL CARE LEAVES OF ABSENCE

any such additional leave shall not be subject to the provisions of this Section II.

I. District Response to a Request for FMLA/CFRA Leave or Request for Extension - Eligibility Notice: Within five working days of an employee's request to take FMLA/CFRA leave, the District shall provide the employee with a written Eligibility Notice. The Eligibility Notice is not a designation of the employee being on FMLA/CFRA Leave. The Eligibility Notice shall include the following information:

1. Whether the employee is eligible to take FMLA/CFRA leave. If the employee is ineligible for FMLA/CFRA leave, the notice will include the reason(s) why the employee is ineligible.
2. Whether the employee has exhausted his/her 12-week FMLA/CFRA entitlement.
3. Whether additional information, such as a medical certification, is required from the employee in order to process the employee's request for FMLA/CFRA leave or request for extension.
4. The employee's rights and responsibilities under the FMLA/CFRA, which will include a statement of whether the employee is required to provide a medical certification or recertification. A statement requiring a medical certification will also advise the employee of the anticipated consequences of his/her failure to provide adequate notice.
5. If the employee has requested an extension of leave for his/her own serious health condition but has exhausted his/her leave entitlement under Section II.D., the District will advise whether additional leave will be granted as a reasonable accommodation; however, any such additional leave shall not be subject to the provisions of this Section II.

J. Medical Certification and Recertification: Any request for FMLA/CFRA leave for an employee's own serious health care condition or for FMLA/CFRA leave to care for a family member with a serious health condition must be supported by medical certification from the treating health care provider. Employees are encouraged to use the District's medical certification form to ensure that all pertinent information is obtained. Any request for an extension of FMLA/CFRA leave also must be supported by a medical certification from the treating health care provider. Again, employees are encouraged to use the District's medical certification to ensure that all pertinent information is obtained.

1. Timing of Request for Medical Certification: The District will request medical certification:

- a. Within five business days after an employee requests foreseeable leave;

POLICY 19 – FAMILY AND MEDICAL CARE LEAVES OF ABSENCE

b. Within five business days after an employee provides notice of an unforeseeable leave, or within five business days after an unforeseeable leave commences, whichever is later;

c. At a later date if the District has a reason to question the appropriateness or duration of an employee's leave (FMLA only).

2. Timing for Employee's Return of the Medical Certification:

All medical certifications and recertifications must be returned to the District within 15 days from the District request, regardless of whether the leave is foreseeable or unforeseeable. Exceptions to this may be granted by Human Resources when it is not practicable to provide the certification or recertification within 15 days, despite the employee's diligent, good faith efforts to do so.

3. Certification for Serious Health Condition of Spouse,

Registered Domestic Partner, Parent, or Child: The employee must have the patient's treating health care physician complete a medical certification form when requesting family leave to care for a family member with a serious health condition. Employees are encouraged to use the District's medical certification form to ensure that all pertinent information is obtained.

a. Medical Recertification: If the employee requests additional leave beyond the time period which the health care provider originally estimated that the employee needed to take care of the employee's child, parent, spouse, or registered domestic partner, the District may request a recertification from the employee.

4. Certification for the Employee's Own Serious Health Condition:

a. First Opinion: The employee must have his/her health care physician complete a medical certification form when requesting FMLA/CFRA leave for his/her own serious health condition. Employees are encouraged to use the District's medical certification form to ensure that all pertinent information is obtained.

b. Second and Third Opinions: If the District has reason to doubt the validity of the certification provided by the employee, the District may require the employee to obtain a second opinion from a doctor of the District's choosing at the District's expense. If the employee's health care provider and the doctor providing the second opinion do not agree, the District may require a third opinion, also at the District's expense, performed by a mutually agreeable doctor who will make a final determination that shall be binding on both the District and the employee.

c. Medical Recertification: The District may request recertification of a medical condition upon the expiration of the

POLICY 19 – FAMILY AND MEDICAL CARE LEAVES OF ABSENCE

time period, which the health care provider originally estimated, if additional FMLA/CFRA leave is requested.

5. Certification for an Employee’s Return to Work:

a. Returning from a Continuous Leave: As a condition of restoration to his/her former position, an employee taking continuous leave under the FMLA/CFRA is required to provide the District with certification from his/her health care provider stating that he/she is able to resume his/her essential work functions. An employee who fails to provide the certification may have his/her reinstatement delayed.

b. Returning from an Intermittent or Reduced Schedule Leave: In addition to the requirement in Section 5.a., above, if the employee is on intermittent or reduced schedule leave, the District may require a fitness for duty certification at fixed intervals not exceeding every 30 days if there are reasonable safety concerns. “Reasonable safety concerns” means a reasonable belief of significant risk of harm to the employee or others.

c. Contents of Certification: The District will provide the employee with a form and a copy of the employee’s job description for his/her health care provider to review in completing the return to work certification, and employees are encouraged to use the District’s form to ensure that all pertinent information is obtained. The employee must provide a complete and sufficient fitness for duty certification. If the employee’s health care provider releases the employee back to work with restrictions, the District will engage in the interactive process to determine what reasonable accommodation, if any, will permit the employee to return to work in accordance with the ADA and the FEHA.

6. Employee’s Failure to Provide a Medical Certification or Recertification: If the employee fails to timely provide a complete and sufficient medical certification when requested, the request for FMLA/CFRA leave may be denied, delayed until a sufficient certification is provided. Employees will be advised of these consequences in connection with any request by the District for medical certification or recertification.

K. District’s Designation of Leave: Absent extenuating circumstances, within five working days after the District has acquired enough information to determine whether the employee’s request qualifies for FMLA/CFRA leave, the District will provide the employee with a written Designation Notice.

1. Designating Leave as FMLA/CFRA-Qualifying: If the leave is designated as being FMLA/CFRA-qualifying, the Designation Notice will contain, but is not limited to, the following information:

POLICY 19 – FAMILY AND MEDICAL CARE LEAVES OF ABSENCE

- a. A statement that the leave is being designated as FMLA and/or CFRA leave;
 - b. The amount of leave being counted as FMLA and/or CFRA leave, if known;
 - c. Whether accrued paid leave will be used during the leave, and that any paid leave used will count as FMLA/CFRA leave;
 - d. Whether a medical certification will be required to release the employee to return to work; and
 - e. Whether a job description or description of essential duties is attached to the Designation Notice for the health care provider to use in completing the medical certification to release the employee to return to work.
2. **Unable to Designate:** If the District is unable to determine whether the leave requested is FMLA/CFRA-qualifying because more information is needed, the employee will be informed that
- a. the medical certification is incomplete or insufficient, and the District will provide a list of deficiencies and explain the employee’s opportunity to cure said deficiencies; or
 - b. a second or third medical opinion is being required.
3. **Not Designating Leave as FMLA/CFRA-Qualifying:** If the District has determined that the employee’s leave does not qualify as FMLA/CFRA leave, the District will notify the employee in writing that his/her leave is not being designated as FMLA/CFRA leave, and the reason for the denial.

L. **Employment Benefits and Protection:**

1. **Previously Accrued Benefits:**
- a. Leave under the FMLA/CFRA will not result in the loss of any employment benefits accrued before the date the leave commenced.
 - b. Leave under the CFRA will not constitute a break in service or otherwise cause the employee to lose longevity, even if other paid or unpaid leave constitutes a break in service for purposes of establishing longevity, or for layoff, recall, promotion, job assignment, or longevity-related benefits.
2. **No Accrual of Leave during Unpaid FMLA/CFRA Leave:**
- a. An employee on unpaid FMLA/CFRA leave shall not accrue any additional paid leave time. Thus, employees will not accrue vacation leave, sick leave, or other paid leave, nor will they be paid for holidays during the unpaid leave.

POLICY 19 – FAMILY AND MEDICAL CARE LEAVES OF ABSENCE

b. However, during the time that an employee supplements his/her unpaid FMLA/CFRA leave with paid leave, the employee will continue to accrue leaves and benefits in accordance with the provisions of the District's policy governing those leaves of absence (i.e., when coordinating with sick leave, the rules governing sick leave will apply with regard to the employee's benefits).

3. Maintenance of Health Insurance of the Employee: Employees will continue to receive the same medical benefits while on FMLA/CFRA leave for up to 12 workweeks in a 12-month period. The District shall be responsible for the continued payment of the District's share of the cost of the employee's health benefits during that 12-workweek period. Benefits for absences beyond the allotted period will be handled in the same manner as benefits for employees on any other type of unpaid leave of absence.

4. Maintenance of Benefits Requiring Employee Contributions:

a. During any period of unpaid leave, unless otherwise prohibited by applicable law, an employee may elect to discontinue monthly payments into the flexible benefits account, and any other benefits offered or sponsored by the District to which the employee is required to make monthly contributions, other than group medical benefits. Employees must notify the District in writing of such an election.

- i. Employees returning from unpaid leave who have discontinued payments into their flexible benefits account have a right to elect to reinstate coverage at the same level of participation as before their leave.
- ii. Employees that experience an event that qualifies as a Qualified Status Change under IRS regulations are allowed to change the amount of their monthly payments into either the miscellaneous medical or dependent care flexible spending accounts. If this option is chosen, employees have thirty (30) days from the date of the qualified status change or from the date, they return from FMLA leave to change their payments. (See Policy No. 41-Flexible Advantage Program for more specific information on the Flexible Benefits Program)..
- iii. Expenses that are incurred during the time that employees are not making monthly payments are not eligible for reimbursement.

b. An employee will continue to be responsible for making the payment of his/her share of premiums for group medical benefits and any other contributions for which the District has not received advanced notice of election to discontinue. If any

POLICY 19 – FAMILY AND MEDICAL CARE LEAVES OF ABSENCE

premium amounts are increased or decreased for other employees similarly situated, the employee will be required to pay the new premium rates.

c. All monthly contributions are due and payable to the District at the same time as they would be if made through payroll deduction.

d. The District and employees who are CalPERS members will continue to make contributions in accordance with the terms of the plan during any period of FMLA/CFRA leave in which the employee uses paid leave time. The District will not make plan payments for employees during any leave period which is unpaid, and the unpaid leave period will not be counted for purposes of service credit under the plan.

e. If the District provides a new health plan or benefits or changes health plans or benefits while an employee is on CFRA leave, the District will give written notice to the employee to advise that he/she is subject to the new or changed plan/benefits in the same manner, and to the same extent, as if the employee were not on leave.

5. Failure to Return from Leave: The District may recover the entire premium it paid for maintaining health insurance benefits for an employee during any period of unpaid leave if the employee fails to return to work promptly upon the expiration of a leave for a reason other than the continuation, recurrence or onset of a serious health condition that entitles the employee to leave or other circumstances beyond his/her control.

M. Reinstatement:

1. Restoration to Position: When an employee returns from a leave under the FMLA/CFRA, he/she will be restored to the position held when the leave began, or to a comparable position, with equivalent (i.e. virtually identical) employment benefits, pay, and other conditions of employment.

a. The duties of the position must be capable of being performed in the same or similar geographic location, and involve the same or substantially similar duties as the position held when leave began, with responsibilities that entail equivalent skill, effort, responsibility, and authority.

2. Denial of Restoration Rights: The District may refuse to reinstate an employee to his/her pre-leave position at the conclusion of an FMLA/CFRA leave when either of the following conditions exists:

a. Key Employee: The employee is a salaried eligible employee who is among the highest paid ten percent of the District's employees; and the following steps take place:

POLICY 19 – FAMILY AND MEDICAL CARE LEAVES OF ABSENCE

- i. The District notifies the employee at the time the employee gives notice of the need for leave, or when leave commences, if earlier, that he/she is a key employee, and also notifies the employee of the potential consequences with respect to reinstatement and maintenance of health benefits if the District should determine that reinstatement will result in substantial and grievous economic injury to its operations; and
- ii. As soon as the District makes a good faith determination that substantial and grievous economic injury will result if the District reinstates that key employee at the end of the requested FMLA/CFRA leave period, the District notifies the employee that it intends to deny reinstatement at the end of the requested leave period.
 - A. The notice from the District will include an explanation for the basis for the District’s determination and provide the key employee with a reasonable time in which to return to work, taking into account the circumstances, such as the requested duration of the leave and the urgency of the need for the employee to return.
- iii. The key employee has already begun the FMLA/CFRA leave at the time of receiving the notice, and he/she does not return to work within the specified timeframe after receiving such notice from the District.
 - A. The key employee will remain entitled to the maintenance of health benefits under Section III.L.3. for the duration of the originally requested leave, but the District will not be entitled to recover its contributions to premiums under Section III.L.5.
 - B. The key employee’s rights will then continue under the CFRA unless and until the employee either gives notice that he/she will not seek to return to work or the employee requests to return to work at the conclusion of the leave and receives notice that the District has denied that request.
- iv. If the key employee requests to return to work upon completion of the originally requested leave, the District again determines that substantial and

POLICY 19 – FAMILY AND MEDICAL CARE LEAVES OF ABSENCE

grievous economic injury will result if the District reinstates the employee, based on the facts at hand, and the District provides written notice of the denial.

b. Position No Longer Exists: The employee's position and any comparable position have ceased to exist because of legitimate business reasons unrelated to the employee's FMLA/CFRA leave. In this case, the District shall reasonably accommodate the employee through alternative means that will not cause undue hardship to the District's operation. The District may offer an employee any other position that is available and suitable. The District is not required to create new employment that would not otherwise be created, discharge or transfer another employee, or promote another employee who is not qualified to perform the job.

3. Opportunity to Fulfill Missed Requirements: If an employee is unable to attend a necessary course, renew a license, or is otherwise adversely affected in terms of fulfilling minimum requirements or qualifications for the position as a result of the FMLA/CFRA leave the employee will be given a reasonable opportunity to fulfill those requirements or qualifications upon returning to work from FMLA/CFRA leave.

III. PREGNANCY DISABILITY LEAVE OR TRANSFER.

A. Eligibility and Duration:

1. Eligibility

a. Any employee who is disabled on account of pregnancy, childbirth, or related medical conditions may take a pregnancy-related disability leave, regardless of the number of hours worked or her length of employment with the District. However, unless an employee has met the eligibility requirements under Section II.A. of this Policy, she shall not be subject to the additional terms and conditions that apply to an employee who is eligible for FMLA leave.

b. An employee's pregnancy-related disability is not considered a serious health condition under the CFRA and is not counted against an employee's CFRA leave eligibility.

2. Amount of Leave Entitlement: An eligible employee may take a pregnancy-related disability leave for the period of disability, up to four months (an equivalent of 17 1/3 weeks). The pregnancy disability leave shall run concurrently with any family care or medical leave to which the employee may be entitled under the FMLA. An employee is entitled to take off the number of days or hours that the employee would normally work during 17 1/3 weeks of employment. For example, an employee, who regularly works 40 hours per week, is entitled to take 693 hours of

POLICY 19 – FAMILY AND MEDICAL CARE LEAVES OF ABSENCE

leave, and an employee who regularly works 20 hours per week, would be entitled to 346.5 hours of leave.

3. **Temporary Transfer:** Any employee affected by conditions related to pregnancy, childbirth, or related medical conditions is entitled to transfer temporarily to a less strenuous or hazardous position or to less strenuous or hazardous duties upon the certification of the employee's health care provider that the transfer is medically advisable, if the transfer can be reasonably accommodated.
4. **Reasonable Accommodation:** The District will provide reasonable accommodation to an employee who is affected by pregnancy, childbirth or related medical conditions as required by law.

B. Use of Accrued Leave: An employee taking pregnancy-related disability leave must coordinate any available sick leave with her pregnancy-related disability leave. An employee taking pregnancy-related disability leave may, at her option, coordinate any other accumulated paid leaves, including, but not limited to, vacation time, holiday pay, or other paid leaves for which she is eligible, with her pregnancy-related disability leave. The paid leave shall run concurrently with the pregnancy-related disability leave, and shall not extend the employee's entitlement to pregnancy-related disability leave beyond the amount specified in Section III.A.2 of this Policy.

1. **Coordination with Wage Replacement Plans:**

- a. This provision only applies when the employee's pregnancy-related disability leave is also designated as a serious health condition under the FMLA.
- b. Pursuant to the provisions of the FMLA, if an employee is receiving a wage replacement payment from State Disability Insurance, Short-Term Disability, and/or Long-Term Disability, the employee and the District may mutually agree to coordinate the employee's accrued paid leaves with the amount received from the wage replacement plan, up to an amount equal to the employee's regular salary.
- c. If the employee is still receiving SDI benefits when her twelve workweeks of leave under the FMLA expire, the District will require that she begin coordinating any additional accrued sick leave with the wage replacement benefits. The employee may also elect to coordinate all other accrued paid leaves with the wage replacement benefits.

C. Notice: An employee should notify her supervisor of her need for pregnancy-related disability leave or transfer as soon as she is aware of the need for such leave.

1. **Foreseeable Events:** Where the need for pregnancy-related disability

POLICY 19 – FAMILY AND MEDICAL CARE LEAVES OF ABSENCE

leave or transfer is foreseeable, the employee must provide at least 30 days' advance notice to the District of the need for pregnancy-related disability leave or transfer. If the leave or transfer is required in connection with any planned, non-emergency medical treatment or supervision, the employee shall consult with the District and make a reasonable effort to schedule any such planned medical treatment or supervision to minimize disruption to the District's operations, subject to the approval of the health care provider of the employee.

2. **Unforeseeable Events:** For non-emergency events that are not foreseeable 30 days in advance, or when 30 days' advance notice is not practicable, the employee must notify the District as soon as practicable under the circumstances, ordinarily within two working days after the employee learns of the need for leave.
3. **Notice of Intermittent Leave:** In the event that an employee requires intermittent pregnancy-related disability leave, she shall notify the District of the anticipated dates for the absences as much in advance as possible.
4. **Failure to Provide Notice:** If the employee fails to provide the requisite 30-day advance notice for foreseeable events without any reasonable excuse for the delay, the District reserves the right to delay the employee's right to take the FMLA/CFRA leave for up to 30 days after the date the employee provides notice of the need for pregnancy-related disability leave or transfer.

D. Contents of Notice or Request for Extension:

1. Employees must either use a Request for Leave of Absence Form or otherwise submit a request to Human Resources for pregnancy-related disability leave or transfer that includes the anticipated timing and duration of the leave or transfer and be sufficient to make the District aware that the employee requires a pregnancy-related disability leave or transfer. Any requests for extensions of a pregnancy-related disability leave or transfer must be received at least five working days before the date on which the employee was originally scheduled to return to work, where practicable, and must include the revised anticipated date(s) and duration of the pregnancy-related disability leave or transfer.
2. If the employee has exhausted her leave entitlement under Section III.A.2., the District will evaluate on a case-by-case basis whether additional leave may be available as a reasonable accommodation; however, any such additional leave shall not be subject to the provisions of this Section III.

- E. Intermittent or Reduced Schedule Leave:** Pregnancy-related disability leave can be taken on an intermittent or on a reduced schedule basis when medically advisable, as determined by the employee's health care provider. The minimum pregnancy-related disability leave increment that can be taken by an employee is fifteen minutes. If pregnancy-related disability is taken on an intermittent or reduced schedule basis and it is foreseeable based on planned medical treatment

POLICY 19 – FAMILY AND MEDICAL CARE LEAVES OF ABSENCE

because of pregnancy, the District retains the discretion to temporarily transfer the employee to an alternative position, for which the employee is qualified, with equivalent pay and benefits, which better accommodates the employee's leave schedule, but need not have equivalent duties.

F. District Response to a Request for Pregnancy-Related Disability Leave or Transfer or Request for Extension: Within five working days of an employee's request for pregnancy-related disability leave or transfer, the District shall provide the employee with a written Eligibility Notice, which shall conform to the provisions of Section II.I. The Eligibility Notice shall also inform the employee of her additional rights under the California Pregnancy Disability Leave Law. If the employee has exhausted her leave entitlement under Section II.A.2., the District will advise whether additional leave will be granted as a reasonable accommodation; however, any such additional leave shall not be subject to the provisions of this Section III.

G. Medical Certification:

1. Timing of Certification: Any request for pregnancy-related disability leave or transfer must be supported by a medical certification from a health care provider.

a. For foreseeable pregnancy-related disability leaves or transfers, employees must provide the required medical certification before the leave/transfer begins. When this is not possible, employees must provide the required certification within 15 days, unless it is not practicable under the circumstances to do so. Failure to provide the required medical certification may result in the denial or delay of foreseeable pregnancy-related disability leaves or transfers until such certification is provided.

b. In the case of unforeseeable leaves, failure to provide the required medical certification within 15 days of being requested to do so may result in a denial of the employee's continued leave until certification is eventually provided. Any request for an extension of the leave/transfer must also be supported by an updated certification.

2. Contents of the Certification for Pregnancy-Related Leave: Employees are encouraged to use the District's medical certification when requesting pregnancy-related disability leave to ensure that all pertinent information is obtained. The following information must be included: (1) date the employee became or will become disabled due to pregnancy; (2) the probable duration of the period or periods of disability; and (3) an explanatory statement that, due to the disability, the employee is unable to work at all or is unable to perform any one or more of the essential functions of her position without undue risk to herself, to the successful completion of her pregnancy, or to other persons.

POLICY 19 – FAMILY AND MEDICAL CARE LEAVES OF ABSENCE

3. **Contents of the Certification for Pregnancy-Related Transfers:** Employees are encouraged to use the District’s medical certification when requesting pregnancy-related disability transfer to ensure that all pertinent information is obtained. The medical certification for pregnancy-related transfer shall include: (1) date the employee became or will become disabled due to pregnancy; (2) the probable duration of the period or periods of disability; and (3) an explanatory statement that, due to the disability, the transfer is medically advisable.
 4. **No Second/Third Opinions Allowed:** There will not be a second or third opinion regarding pregnancy-related disability leave or transfer.
 5. **Return to Work Certification:** As a condition of restoration to her former position, an employee taking leave under the FMLA/PDL is required to provide the District with certification from her health care provider stating that she is able to resume her original job duties.
- H. District’s Designation of Leave:** Once an employee requests pregnancy-related disability leave or transfer, Human Resources shall notify the employee in writing whether the requested leave or transfer is approved and qualifies as pregnancy-related disability leave or transfer. This designation shall comply with the provisions of Section II.K., and shall inform the employee of any additional rights and obligations under the California Pregnancy Disability Leave Law.
- I. Employment and Benefits Protection:** The provisions set forth in Section II.L. of this Policy regarding employment and benefits protection in connection with FMLA/CFRA leave also, apply to all pregnancy-related disability leaves.
- J. Reinstatement:** Upon the completion of the employee’s pregnancy-related disability leave or transfer period, and upon submission of the return to work notice, the employee shall be returned to the same position she previously held, or to a comparable position as permitted by law. However, for pregnancy-related disabilities, there is no reinstatement exception for key employees.

IV. MILITARY FMLA/CFRA LEAVE.

The FMLA provides for two types of military family leave: military exigency leave and military caregiver leave. The CFRA also provides for military exigency leave. Terms and conditions for military family leave are addressed in Section IV.B. of this Policy.

- A. Military Exigency Leave:** The District permits employees who have a covered military family member in the Armed Forces (including the National Guard or Reserves) to take up to twelve workweeks of FMLA/CFRA leave due to a qualifying exigency resulting from the covered military family member’s active military duty (or call to active duty status) in support of a contingency operation. *Leave granted under this Section shall count against the FMLA/CFRA leave granted under Section II.*

1. **Definitions:**

POLICY 19 – FAMILY AND MEDICAL CARE LEAVES OF ABSENCE

- a. **Armed Forces:** The Army, Navy, Air Force, Marine Corps, or Coast Guard, including the National Guard and Reserves.
 - b. **Covered Active Duty or Call to Active Duty Status:** One of the following:
 - i. For a member of a regular component of the Armed Forces, duty during the deployment of the member with the Armed Forces to a foreign country; or
 - ii. For a member of a reserve component of the Armed Forces, duty during the deployment of the member with the Armed Forces to a foreign country under a federal call or order to active duty in support of a contingency operation under a provision of law referred to in section 101(a)(13) (B) of Title 10, United States Code.
 - c. **Covered Military Family Member:** An employee may take leave under FMLA/CFRA for the employee's spouse, ~~registered domestic partner~~, son, daughter, or parent who is a member of the Armed Forces and is on Covered Active Duty or Call to Active Duty Status. An employee may take leave under CFRA for the employee's domestic partner who is a member of the Armed Forces and is on Covered Active Duty or Call to Active Duty status.
 - i. For purposes of this definition only, "son" or "daughter" means the employee's biological, adopted, or foster child, stepchild, legal ward, or a child for whom the employee stood *in loco parentis*, within the meaning of Section II.C.1. of this Policy, regardless of age.
 - d. **Covered Military Family Member's Child:** The biological, adopted, or foster child, stepchild, legal ward, or child for whom the Military Family Member stands *in loco parentis*, within the meaning of Section III.C.2. of this Policy, who is either under the age of 18 or who is aged 18 or older but incapable of self-care because of a physical or mental disability at the time leave under this Section IV.A. is to commence.
 - e. **Covered Military Family Member's Parent:** The biological, adoptive, step, or foster father or mother, or an individual who stood *in loco parentis*, within the meaning of Section II.C.2. of this Policy, to a Covered Military Family Member who was under 18 years of age.
2. **Qualifying Reasons for Military Exigency Leave:** Military exigency leave can be taken for the following non-medical, non-routine activities only:

POLICY 19 – FAMILY AND MEDICAL CARE LEAVES OF ABSENCE

- a. **Short-Notice Deployment Activities:** If a Covered Military Family Member receives seven or less calendar days' notice prior to the date of deployment, an employee may take FMLA/CFRA leave to address any issue arising from an impending call or order to active duty in support of a contingency operation. The employee may take FMLA/CFRA leave for up to seven days beginning on the date the Covered Military Family Member receives the notice of impending call or order to active duty.
- b. **Military Events and Related Activities:** An employee may take FMLA/CFRA leave to attend any official ceremony, program, or event sponsored by the military that is related to the active duty or call to active duty status of the Covered Military Family Member. An employee may also take FMLA/CFRA leave to attend family support or assistance programs and informational briefings sponsored or promoted by the military, military service organizations, or American Red Cross that are related to the active duty or call to active duty status of a Covered Military Family Member.
- c. **Childcare and School Activities:** An employee may take FMLA/CFRA leave for the following reasons, if the reason is necessitated by the Covered Military Family Member's active duty or call to active duty status, or circumstances arising from it:
 - i. To make alternative childcare arrangements of a Covered Military Family Member's Child;
 - ii. To provide childcare for a Covered Military Family Member's Child on an urgent, immediate need basis, but not on a regular, routine, or everyday basis;
 - iii. To enroll in or transfer a Covered Military Family Member's Child in a new school or day care facility; and/or
 - iv. To attend meetings with staff at a school or day care facility, such as regarding disciplinary measures, parent-teacher conferences, or meetings with school counselors, for a Covered Military Family Member's Child.
- d. **Financial and Legal Arrangements:** An employee may take FMLA/CFRA leave in order to make or update financial or legal arrangements to address the Covered Military Family Member's absence while on active duty or call to active duty status; and/or to act as the Covered Military Family Member's representative before a federal, state, or local agency for purposes of obtaining, arranging, or appealing military service benefits while the Covered Military Family Member is on active duty or call to active duty status (up to a period of 90 days following the termination of the Covered Military Family Member's active duty status).

POLICY 19 – FAMILY AND MEDICAL CARE LEAVES OF ABSENCE

- e. **Counseling Activities:** An employee may take FMLA/CFRA leave to attend counseling, provided that:
 - i. The need for counseling arises from the Covered Military Family Member's active duty or call to active duty;
 - ii. Such counseling is provided by someone other than a health care provider; and
 - iii. The counseling is for the employee, the Covered Military Family Member, and/or the Covered Military Family Member's Child. (Note that if medical counseling is needed due to a serious health condition, the employee may be able to take FMLA/CFRA leave under Section II instead.)

- f. **Rest and Recuperation Activities:** If a military member is granted short-term, temporary, rest and recuperation leave during the period of deployment, an employee may take FMLA/CFRA leave to spend time with the military member. An employee may take FMLA/CFRA leave for this purpose for up to fifteen working days for each instance of rest and recuperation, beginning on the date the Covered Military Family Member commences each instance of rest and recuperation leave.

- g. **Post-Deployment Activities:** An employee may take FMLA/CFRA leave to attend arrival ceremonies, reintegration briefings and events, and any other official ceremony or program sponsored by the military for a period of 90 days following termination of the Covered Military Family Member's active duty status. An employee may also take FMLA/CFRA leave to address issues that arise from the death of a Covered Military Family Member while on active duty status, such as meeting and recovering the body of the Covered Military Family Member.

- h. **Parental Care:** An employee may take FMLA/CFRA leave for care of a Covered Military Family Member's Parent who is incapable of self-care.
 - i. "Incapable of self-care" means that the individual requires active assistance to provide daily self-care in three or more of the following activities: caring appropriately for one's grooming and hygiene; bathing; dressing; eating; cooking; cleaning; shopping; taking public transportation; paying bills; maintaining a residence; using telephones and directories; using a post office; or other activities or instrumental activities of daily living.
 - ii. An employee may take parental care leave for the

POLICY 19 – FAMILY AND MEDICAL CARE LEAVES OF ABSENCE

following purposes when the need arises from the covered active duty or call to active duty of the Covered Military Family Member:

- A. To arrange for alternative care of the Covered Military Family Member's Parent from the existing care arrangement;
- B. To provide care for the Covered Military Family Member's Parent on an urgent, immediate need basis (as opposed to a routine, regular, or everyday basis);
- C. To admit to or transfer to a care facility the Covered Military Family Member's Parent; or
- D. To attend meetings with staff at a care facility, such as meetings with hospice or social service workers, that are not regular or routine.

i. **Additional Activities:** An employee may take FMLA/CFRA leave for another form of exigency, provided that:

- i. The reason for the leave arises out of the Covered Military Family Member's active duty or call to active duty;
- ii. The District and the employee mutually agree that such leave shall be considered taken for a qualifying exigency; and
- iii. The District and employee mutually agree on the timing and duration of the leave.

3. **Employee Notice of Need for Military Exigency Leave.**

- a. **Timing of Notice:** Employees are required to give notice of the need for military exigency leave as soon as practicable under the circumstances.
- b. **Content of Notice:** Employees are required to use a Request for Leave of Absence Form or otherwise provide the District with sufficient information, depending on the situation, to notify the District as to the anticipated timing and duration of the leave, that a Covered Military Family Member is on active duty or call to active duty status, and that one of the qualifying exigencies in Section IV.A.2. is present.
- c. **Updates from Employee:** The employee is required to advise the District as soon as is practicable when the dates of leave or other circumstances change.

POLICY 19 – FAMILY AND MEDICAL CARE LEAVES OF ABSENCE

4. **District Response to Notice of Need for Military Exigency Leave:** The District will request any additional, necessary information needed to process the employee’s request and will also follow the procedures set forth under Section II of this Policy in responding to an employee’s notice that he/she has a need for military exigency leave.

5. **Certification of Need for Military Exigency Leave:** The District will request certification of the employee’s need for military exigency leave when it provides notice under Section II., and will provide the employee with a form to complete or an explanation of the information needed. Employees requesting military exigency leave for the first time for a particular active duty or call to active duty are also required to provide the District with a copy of the military member’s active duty orders.
 - a. **Required Information for Certification:**
 - i. A signed statement or description by the employee of the facts supporting the request for leave for one or more of the reasons set forth in Section IV.A.2 and any available supporting written documentation, including, but not limited to, meeting announcements, appointment confirmations, or a copy of a bill for services.
 - ii. The approximate date on which the reason for the leave commenced, or will commence.
 - iii. The applicable timeframe.
 - A. If for a single, continuous period, the beginning and end dates for the employee's absence from work;
 - B. If on an intermittent or reduced schedule basis, the estimated frequency and duration of the employee's absences.
 - iv. For leave involving a meeting with a third party, appropriate contact information for the individual or entity, such as name, title, organization, address, telephone number, fax number, and email address, as well as a brief description of the purpose of the meeting.
 - v. For leave involving rest and recuperation activities, a copy of the Covered Military Family Member's Rest and Recuperation orders, or other documentation issued by the military indicating that the Covered Military Family Member has been granted Rest and Recuperation leave and identifying the dates of that Rest and Recuperation leave.
 - b. **Timing of District’s Notice of Required Certification:** The

POLICY 19 – FAMILY AND MEDICAL CARE LEAVES OF ABSENCE

District will request the certification in accordance with the timeframes set forth in Section II.J. of this Policy.

- c. **Insufficient or Incomplete Certification:** Employees are required to provide a complete and sufficient certification. If an employee provides an incomplete or insufficient certification, the District will give the employee written notice of the deficiencies and seven calendar days to cure the deficiencies, unless seven days is not practicable, despite the employee's diligent, good faith efforts. The employee's leave may be denied if he/she fails to provide timely a required certification.
- d. **Verification of Certification:** The District may verify the employee's certification by contacting the appropriate Department of Defense unit to verify the military member is on active duty or call to active duty status. If the exigency involves meeting with a third party, the District may contact the entity or individual with whom the employee is meeting to verify the meeting or appointment schedule and the nature of the meeting. The District will not request additional information. No permission from the employee is required for such verification.

B. Military Caregiver Leave: An employee who is the spouse, registered domestic partner, son, daughter, parent, or next of kin of a Covered Servicemember in the Regular Armed Forces, National Guard, or Reserves who has incurred a serious injury or illness in the line of duty while on active duty may take up to 26 workweeks in a single 12-month period per covered servicemember and per injury/illness of the servicemember. *Leave granted under this Section shall run concurrently with the FMLA and CFRA leave where applicable. Leave granted under this Section shall be included in computing the employee's 12 weeks of leave granted under the FMLA, so that an employee may not, under any circumstances, exceed 26 total weeks of FMLA leave in a rolling 12-month period.*

1. Definitions:

- a. **Armed Forces:** The Army, Navy, Air Force, Marine Corps, or Coast Guard, including the National Guard and Reserves
- b. **Authorized Health Care Provider:** For purposes of completing, the certification required under Section IV.3.b., any one of the following:
 - i. United States Department of Defense ("DOD") health care provider;
 - ii. A United States Department of Veterans Affairs ("VA") health care provider;

POLICY 19 – FAMILY AND MEDICAL CARE LEAVES OF ABSENCE

- iii. A DOD TRICARE network authorized private health care provider;
- iv. A DOD non-network TRICARE authorized private health care provider; or
- v. Any health care provider permitted to provide medical certification under Section II of this Policy.

c. Covered Servicemember:

- i. A current member of the Armed Forces who is undergoing medical treatment, recuperation, or therapy, is otherwise in outpatient status, or is otherwise on the temporary disability retired list, for a Serious Injury or Illness; or
- ii. A veteran who is undergoing medical treatment, recuperation, or therapy, for a Serious Injury or Illness and who was a member of the Armed Forces, at any time during the period of five years preceding the date on which the employee commences FMLA leave to care for the veteran. If the veteran was discharged or released under conditions other than dishonorable, the period from October 28, 2009 through February 8, 2013 shall not be counted in determining whether the veteran's last day of service falls within the five-year period.

d. Next of Kin: The nearest blood relative of a Covered Servicemember (other than his/her spouse, registered domestic partner, parent, son, or daughter), in the following priority order:

- i. A blood relative designated in writing by the servicemember as his/her nearest blood relative for purposes of military caregiver leave under the FMLA, who, if so designated, shall be the only next of kin for purposes of this Policy;
- ii. Blood relatives who have been granted legal custody of the servicemember by court decree or statutory provisions;
- iii. Brothers or sisters;
- iv. Grandparents;
- v. Aunts or uncles; and
- vi. First cousins.

If no blood relative has been designated under Section IV.B.1.d.i., all blood relatives at the next applicable level of priority shall be

POLICY 19 – FAMILY AND MEDICAL CARE LEAVES OF ABSENCE

considered "next of kin" who may take FMLA leave to provide care for the Covered Servicemember, either simultaneously or not.

- e. **Outpatient Status:** The status of a Covered Servicemember who is assigned to a military medical treatment facility as an outpatient, or a unit established for the purpose of providing command and control of members of the military receiving medical care as outpatients.
- f. **Parent of a Covered Servicemember:** A Covered Servicemember's biological, adoptive, step or foster father or mother, or an individual who stood *in loco parentis* to a Covered Servicemember, within the meaning of Section II.C.2. of this Policy.
- g. **Son or Daughter of a Covered Servicemember:** A Covered Servicemember's biological, adopted, or foster child, step child, legal ward, or child for whom the Covered Servicemember stood *in loco parentis*, within the meaning of Section II.C.1. of this Policy, except that this definition shall apply regardless of the child's age.
- h. **Serious Injury or Illness:**
 - i. For a current member of the Armed Forces an injury or illness incurred by a Covered Servicemember in the line of duty on active duty (or that existed before the beginning of the member's active duty and was aggravated by service in the line of duty or active duty), and that may render the servicemember medically unfit to perform the duties of his/her office, grade, rank, or rating.
 - ii. For a veteran who is a Covered Servicemember:
 - A. an injury or illness that was incurred by the member in the line of duty on active duty in the Armed Forces (or existed before the beginning of the member's active duty and was aggravated by service in line of duty on active duty) and that manifested itself before or after the member became a veteran; and
 - B. is one of the following:
 - 1. a continuation of a Serious Injury or Illness that was incurred or aggravated when the veteran was a member of the Armed Forces and rendered him/her unable to perform the duties of his/her office, grade, rank, or rating; or

POLICY 19 – FAMILY AND MEDICAL CARE LEAVES OF ABSENCE

2. a physical or mental condition for which the veteran has received a U.S. Department of Veteran Affairs Service-Related Disability Rating (VASRD) of 50 percent or greater, and the VASRD rating is based, in whole or in part, on the condition precipitating the need for the military caregiver leave; or
3. a physical or mental condition that substantially impairs the veteran's ability to secure or follow a substantially gainful occupation by reason of a disability or disabilities related to military service, or would do so absent treatment; or
4. an injury, including a psychological injury, on the basis of which the veteran has been enrolled in the Department of Veterans Affairs Program of Comprehensive Assistance for Family Caregivers.

i. **Veteran:** A person who served in the Armed Forces, and who was discharged or released therefrom under conditions other than dishonorable.

2. **Terms of Military Caregiver Leave.** Except for the differences set forth in this Section IV.B., the District shall grant military caregiver leave under the same terms that FMLA/CFRA leave is granted under Section II to care for a parent, spouse, registered domestic partner, or child with a serious health condition.

3. **Required Certifications:** The District will provide the employee with a form to complete that certify the service member's family relationship, military status, and Serious Injury or Illness. The employee is required to ensure that this form, or an equivalent form containing the information set forth in this Section, is completely and sufficiently completed and returned within the same time periods set forth in Section II.J. of this Policy. If the employee fails to provide a complete and sufficient form, the District will inform him/her of the deficiencies, and grant the employee at least seven calendar days to cure them.

a. **Certification of Family Relationship and Military Status:**

The District will require proof of the servicemember's family relationship to the employee and proof of the servicemember's military status for the employee's first request of military caregiver leave for a particular illness or injury for a particular servicemember.

b. **Certification of Serious Illness or Injury:** The District will

POLICY 19 – FAMILY AND MEDICAL CARE LEAVES OF ABSENCE

require certification from an Authorized Health Care Provider that the servicemember is suffering from a Serious Illness or Injury. However, the employee will not be required to reveal the servicemember's diagnosis.

i. The Authorized Health Care Provider may base the certification upon his/her personal determination and/or may certify his/her reliance upon determination(s) made by an authorized DOD representative or an authorized VA representative. The certification must also include:

A. The name, address, appropriate contact information (telephone number, fax number, and/or email address) of the health care provider, the type of medical practice, the medical specialty, and the basis on which he/she is an authorized health care provider, as set forth in Section IV.B.1.b, above;

B. The approximate date on which the injury or illness commenced, or was aggravated, and its probable duration; and

C. Information sufficient to establish that the Covered Servicemember is in need of care and addressing the following matters:

1. Whether the need for care is for a single continuous period, and if so, an estimate of the beginning and ending dates, including any time needed for treatment and recovery;

2. Whether there is a medical necessity for periodic care, based on a schedule of planned medical treatment, and if so an estimate of the treatment schedule;

3. Whether there is a medical necessity for periodic care for reasons other than planned medical treatment, such as episodic flare-ups, and if so, an estimate of the frequency and duration of the periodic care.

4. **Alternative Certifications:**

a. **Special Automatic Certification:** The DOD may issue a special

POLICY 19 – FAMILY AND MEDICAL CARE LEAVES OF ABSENCE

invitation to a member(s) of a servicemember's family when a DOD health care provider has determined that the injury or illness is serious enough to warrant the immediate presence of a family member at the servicemember's bedside. If the DOD issues an invitational travel order ("ITO") or invitational travel authorization ("ITA") for "medical purposes" to any member(s) of the servicemember's family (even if the employee's name is not on it), the ITO or ITA constitutes automatic certification of military status and Serious Injury or Illness for the period of time specified in the ITO or ITA for the employee to take leave on either a continuous or intermittent basis, and the District will not require further certification of those matters for the specified period of time. However, in this circumstance, the District may still require proof of the covered family relationship between the employee and the servicemember. The ITO or ITA is in effect for the duration specified on it. If the employee wishes to request leave to care for a Covered Service Member beyond the period of time specified in an ITO or ITA, he/she must submit additional certification in accordance with Section IV.B.3.b., above.

- b. **Documentation of Enrollment in Department of Veterans Affairs Program of Comprehensive Assistance for Family Caregivers:** As another alternative to the certification required under Section IV.B.3.b., the District will accept as sufficient certification documentation of the Department of Veterans Affairs Program of Comprehensive Assistance for Family Caregivers, whether or not the employee is the named caregiver in the enrollment documentation. However, the District may still require proof of the covered family relationship between the employee and the servicemember. The District may also require proof of the servicemember's date of discharge and proof that the servicemember's discharge was other than dishonorable.
5. **Authentication and Clarification:** The District may seek authentication and clarification of a certification issued under Section IV.B.3.d., or of an ITO or ITA, or of documentation of enrollment in the Department of Veterans Affairs Program of Comprehensive Assistance for Family Caregivers.
6. **Second and Third Opinions:** No second or third opinions of the servicemember's Serious Illness or Injury will be sought from an Authorized Health Care Provider who meets the criterion set forth in V.B.1(a)(i)-(iv); however, the District may request a second or third opinion by an Authorized Health Provider who meets the criterion in V.B.1(a)(v). No second or third opinions will be sought regarding an ITO or ITA for the period of time specified in the ITO or ITA.
7. **Recertification:** No recertifications of the servicemember's Serious Illness or Injury will be sought.

POLICY 19 – FAMILY AND MEDICAL CARE LEAVES OF ABSENCE

- 8. Administrative Delays in Issuance of Military Documents:** When an employee is unable to submit required documentation within the timeframe required under Section II.J, despite his/her diligent, good faith efforts to obtain such documents, the District will not delay or deny leave on the grounds of such administrative delay.

V. EMPLOYEE RESPONSIBILITIES AND DUTY TO COOPERATE

Employees are expected to fully cooperate with the District in meeting the obligations and requirements set forth under this Policy, as well as those set forth in state and federal law. An employee's cooperation includes, but is not limited to, timely completion of all requested forms and responding to all inquiries for additional information. Cooperation also requires that an employee respond to the District's inquiries for information to determine whether the employee is requesting leave under the FMLA, CFRA, and/or PDL. Employees are also required to consult with the District and make a reasonable effort to schedule foreseeable treatments so as to not unduly disrupt the District's operations. Employees on family care or medical leave must respond to the District's reasonable inquiries and keep the District updated as to the status of the employee's family care or medical leave.

Failure to cooperate with the District or failure to meet the employee's responsibilities may result in a delay in granting the employee's leave, a denial of leave, and/or a denial of the protections and benefits afforded by the FMLA, CFRA, and/or PDL. Employees who have questions about their responsibilities under this Policy should direct their inquiries to Human Resources.

Adopted by IRWD Board of Directors on: [February 11, 2019](#)

IRVINE RANCH WATER DISTRICT
PERSONNEL POLICIES AND PROCEDURES

POLICY NO. 22 - HOLIDAYS

DRAFT

1. General Policy

The District recognizes the importance of leisure time in achieving greater productivity. Eligible employees will receive twelve paid holidays per year, two of which are considered floating holidays and one of which is considered a Personal Holiday. The two floating holidays are determined at the District's option, with approval of the General Manager. The personal holiday is determined by each eligible employee, subject to approval of the employee's supervisor.

2. Holiday Schedule

The District's twelve paid holidays are:

New Year's Day
President's Day (follow Federal schedule)
Memorial Day
Independence Day
Labor Day
Thanksgiving Day
Friday following Thanksgiving Day
Day before Christmas holiday
Christmas Day
Two Floating Holidays
One Personal Holiday

Floating holidays are designated annually. The selection of floating holidays is designed to spread out the holidays as evenly as possible over the year so that employees have time away from their jobs at regular intervals to refresh themselves and spend time with their families. Staff also takes into consideration which holidays are commonly observed by the various school systems. A holiday schedule for each calendar year will be published and distributed to employees before the beginning of each calendar year.

3. Eligibility

A. Designated Calendar and Floating Holidays

All Regular District employees of the District are eligible for holiday pay based on their individual work schedule (5/8, 9/80 or 4/10) at the time the holiday occurs. Regular District employees assigned to a part-time schedule (less than 40 hours in one week) are eligible for pro-rated holiday pay based on the average daily hours worked during the payroll period in which the holiday occurs. District Temporary employees, paid through the District payroll system, are eligible for holiday pay when a holiday falls on their regularly scheduled day to work.

POLICY NO. 22 – HOLIDAYS

Eligible employees must be actively at work, or using sick or vacation time, the work day immediately prior to *and* the work day immediately following the holiday, in order to receive holiday pay. Any unauthorized absence occurring the day preceding or following the holiday will result in holiday pay not being granted.

B. Personal Holiday

Following 6 months of employment, all Regular District employees are eligible to take one scheduled workday off as a personal holiday each calendar year. The personal holiday must be requested by an employee and approved by the employee's supervisor at least one week before the employee plans to use it. ~~A personal holiday that is not used by December 31st of each calendar year in which is granted will be added to the employee's vacation accrual balance. When an employee is going to separate from the District for reasons of retirement or voluntary termination and at the time of separation his or her Personal Holiday has not yet been used, the Personal Holiday can accrue to the employee's vacation balance and then paid out to the employee upon separation in accordance with existing policy. When this situation occurs but the employee termination is involuntary, the Personal Holiday shall not accrue to the employee and shall not be paid out upon termination.~~

4. **Holidays Falling During Weekends and Vacations**

When a holiday falls on a weekend, the General Manager will select an alternate day off as a District holiday. Holidays that occur during an employee's vacation will not be counted as a vacation day.

When a scheduled holiday falls on an employee's regularly scheduled day off, vacation hours equal to the amount of hours normally scheduled to work on the corresponding day of the following work week, will be credited to the employee's vacation accrual account.

5. **Rate of Pay**

Regular employees will be paid holiday pay in an amount equivalent to their base hourly pay rate times the number of hours the employee was normally scheduled to work if the day were not a holiday

6. **Employees Required to Work on a District Observed Holiday**

Should a non-exempt employee be required to work on a holiday, he or she will receive holiday pay in addition to compensation at one and one half (1-1/2) times his or her regular rate of pay for time worked.

7. **Work Distribution on a District Observed Holiday**

Supervisors are responsible to schedule distribution of holidays to be worked as evenly as practicable among the employees within their respective departments.

Adopted by IRWD Board of Directors on: February 11, 2019

IRVINE RANCH WATER DISTRICT

PERSONNEL POLICIES AND PROCEDURES

POLICY NO. # 52– LACTATION ACCOMMODATION

DRAFT

1. Scope

The Irvine Ranch Water District (“District”) will provide employees who desire to express breast milk a private place and reasonable amount of break time to express milk for their nursing infant, so long as such break time does not seriously disrupt the District’s operations. This policy is in accordance with laws and regulations regarding lactation accommodation in the workplace.

2. Policy

- a. In accordance with applicable state and federal law, an employee who needs to express breast milk for the employee’s infant child will be permitted to take a reasonable amount of break time for that purpose, as a lactation accommodation. The break time must, if possible, run concurrently with any break time already provided to the employee. For non-exempt employees, break time that takes place outside of authorized paid rest time is unpaid. To the extent that break time would seriously disrupt the District’s operations, the District may limit the employee’s use of such time.
- b. An employee seeking lactation accommodation must contact Human Resources by email, or via other written communication. The District will respond via email or other written document within a reasonable period of time to acknowledge the request. Before implementing a lactation accommodation, the District will request input from the employee and the employee’s supervisor(s) regarding the anticipated timing of lactation break(s) and proposed location(s) for taking lactation breaks.
- c. Following such a request, the District will provide written details to the employee regarding the terms of the lactation accommodation, which will include:
 - i. Identification of a lactation space, other than a bathroom, that is in close proximity to the employee’s work area, is safe, clean, free of hazardous materials, and that is shielded from view and free from intrusion while the employee is lactating.
 - A. The District will also ensure that the lactation space contains a place to sit and a surface to place a breast pump and personal items and contains access to electricity or alternative devices (such as extension cords or charging stations) needed to operate an electric or battery-powered breast pump.

POLICY 52 – LACTATION ACCOMMODATION

- B. If the designated space is a room that may also be used for purposes other than lactation, the District will ensure that the use of the room for lactation will take priority over other uses
 - ii. Identification of a sink with running water and a refrigerator (or other cooling device suitable for storing expressed milk) that are in close proximity to the employee's work area and that will be accessible for the employee's use.
- d. If the District is unable to provide break time or a location in compliance with this policy, the District will provide the requesting employee a written notice that the District is unable to provide the requested accommodation.
- e. An employee requesting an accommodation under this policy has a right to file a complaint with the Labor Commissioner for any violation of a right under Chapter 3.8 of the Labor Code.

Adopted by IRWD Board of Directors on: xx,xxx

EXHIBIT "B"

RESOLUTION NO. 2021 - __

RESOLUTION OF THE BOARD OF DIRECTORS OF
IRVINE RANCH WATER DISTRICT,
SUPERSEDING RESOLUTION NO. 2021-2 AND
ESTABLISHING REVISED PERSONNEL POLICIES AND PROCEDURES

The Irvine Ranch Water District (IRWD) is a California Water District formed pursuant to Division 13 of the Water Code of the State of California; and

Section 34900 of said Code provides that the Board of Directors shall employ and appoint such agents, officers and employees as may be required and prescribe their duties and fix their salaries; and

By adoption of Resolution No. 2021-2 dated January 11, 2021, the Board established revised Personnel Policies and Procedures; and

The Board of Directors of Irvine Ranch Water District deem it advisable and in the best interest of said District to revise Personnel Policies and Procedures periodically to ensure compliance with current employment and labor laws and regulations.

The Board of Directors of Irvine Ranch Water District hereby resolve, determine and order as follows:

Section 1. That Resolution No. 2021-2 be and hereby is superseded.

Section 2. That the Personnel Policies and Procedures for Irvine Ranch Water District be, and hereby are, approved and adopted as more specifically set forth in Attachment I of this Resolution, attached hereto and by this reference made a part hereof.

ADOPTED, SIGNED AND APPROVED this 13th day of December 2021.

President, IRVINE RANCH WATER DISTRICT
and of the Board of Directors thereof

District Secretary, IRVINE RANCH WATER DISTRICT
and of the Board of Directors thereof

APPROVED AS TO FORM:
Hanson Bridgett LLP

By: _____
General Counsel

Note: This page is intentionally left blank.

December 7, 2021
Prepared and
Submitted by: K. Swan
Approved by: Paul A. Cook *P.A. Cook*

FINANCE AND PERSONNEL COMMITTEE

ANNUAL BOARD OF DIRECTORS' FEES

SUMMARY:

The Finance and Personnel Committee annually reviews the Board of Directors' compensation and recommends to the Board to either accept or deny a fee increase for the new calendar year. Pursuant to the District's Ordinance No. 1989-1 and enacted under Section 20202 et seq. of the California Water Code, the Board's meeting compensation increases on January 1 of each year, not exceed an amount equal to five (5%) percent, and no compensation for more than 10 days in a calendar month.

BACKGROUND:

The most recent Board of Directors' compensation increase was effective in January 2020. The current compensation for the Board of Directors is \$300 per meeting, not to exceed 10 meetings per calendar month. In accordance with Section 20202 et seq. of the California Water Code, the Board's meeting compensation increases on January 1 of each year by five (5%) percent, subject to acceptance or rejection by the Board. If the Board approves a 5% increase, the resulting per meeting fee will be \$315 (rounded to the nearest dollar).

Provided as Exhibit "A" is a survey of the Director Fees of other water districts for comparative purposes containing service connections and combined operating and capital budgets.

FISCAL IMPACTS:

A 5% increase has a nominal impact on the operating budget if accepted by the Board.

ENVIRONMENTAL COMPLIANCE:

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

RECOMMENDATION:

That the Board either accept or decline the five (5%) percent compensation increase for calendar year 2022.

LIST OF EXHIBITS:

Exhibit "A" – Survey of Director Fees

Note: This page is intentionally left blank.

EXHIBIT "A"
 BOARD OF DIRECTORS PER DIEM SURVEY
 (as of November 30, 2021)

Agency	Service Connections	Combined Operating & Capital Budgets	Per Diem Rate <i>(10 meetings per month, unless noted otherwise)</i>
Contra Costa Water Agency	62,000	\$188.2 million	\$100
East Bay Municipal District	401,482	\$1.1 billion	Monthly salary of \$1,367
Eastern Municipal Water District	159,143	\$440.8 million	\$223
Elsinore Valley Municipal Water District	83,150	\$194.3 million	\$221.43 (4 Directors) \$232.50 (1 Director)
Inland Empire Utilities Agency	--	\$431 million	\$260
Irvine Ranch Water District	235,000	\$296.9 million	\$300
Moulton Niguel Water District	55,135	\$205.3 million	\$254.65
Municipal Water District of Orange County	642,864	\$184.9 million	\$327.43
Orange County Water District	403	\$366.6 million	\$315
Rancho California Water District	53,990	\$197 million	\$200
San Diego County Water Authority	--	\$1.7 billion <i>Two-year Budget</i>	\$150 Board \$180 Officers
Santa Clara Valley Water District	--	\$838 million	\$331.86 <i>15 days per month</i>
Santa Margarita Water District	57,633	\$78.2 million	\$270
South Coast Water District	31,638	\$82.9 million	\$255.00
West Basin Municipal Water District	515	\$283.4 million	\$270.70 <i>Monthly: \$463.50 auto + \$387.03 communications</i>
Western Municipal Water District	24,519	\$165.1 million	\$240.67

Note: This page is intentionally left blank.