

AGENDA
IRVINE RANCH WATER DISTRICT
POST-EMPLOYMENT BENEFITS TRUST RETIREMENT BOARD
QUARTERLY MEETING

TUESDAY, FEBRUARY 2, 2021

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

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

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

Via Web: <https://irwd.webex.com/irwd/j.php?MTID=m358cec9350ecbfe9d6489470352453fa>

Meeting Number: 146 792 8003

Password: mkXdmJFZ333

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

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

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

CALL TO ORDER 12:00 p.m.

ATTENDANCE Board Member: Peer Swan ____ Board Member: Steve LaMar ____
Board Member: Paul Cook ____

ALSO PRESENT Cheryl Clary ____ ____ ____
Rob Jacobson ____ ____ ____
Jennifer Davis ____ ____ ____

PUBLIC COMMENT NOTICE

If you wish to address the Committee on any item, please submit a request to speak via the "chat" feature available when joining the meeting virtually. Remarks are limited to three minutes per speaker on each subject. You may also submit a public comment in advance of the meeting by emailing comments@irwd.com before 8:00 a.m. on Tuesday, February 2, 2021.

ALL VOTES SHALL BE TAKEN BY A ROLL CALL VOTE.

COMMUNICATIONS

1. Meeting Minutes: Rob Jacobson
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.

ACTION

5. MINUTES OF THE MEETING OF THE IRVINE RANCH WATER DISTRICT RETIREMENT BOARD – JACOBSON / CLARY

Recommendation: That the minutes of the November 3, 2020 Board Meeting of the Irvine Ranch Water District Retirement Board be approved as presented.


6. IRWD POST-RETIREMENT BENEFITS TRUST INVESTMENT REVIEW – JACOBSON / CLARY

Recommendation: Based on discussions and direction from the Board, staff will implement agreed-upon changes to the investment portfolio, if any.

OTHER BUSINESS

7. Directors' Comments
8. 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 Retirement Board in connection with a matter subject to discussion or consideration at an open meeting of the Retirement Board 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 Retirement Board 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 the Retirement Board, except that if such writings are distributed one hour prior to, or during, the meeting, they will be available electronically via the Webex meeting noted. Upon request, the District will provide for written agenda materials in appropriate alternative formats, and reasonable disability-related modification or accommodation to enable individuals with disabilities to participate in and provide comments at public meetings. Please submit a request, including your name, phone number and/or email address, and a description of the modification, accommodation, or alternative format requested at least two days before the meeting. Requests should be emailed to comments@irwd.com. Requests made by mail must be received at least two days before the meeting. Requests will be granted whenever possible and resolved in favor of accessibility.

February 2, 2021
Prepared by: J. Davis
Submitted by: R. Jacobson / C. Clary
Approved by: Paul A. Cook 

RETIREMENT BOARD

MINUTES OF THE MEETING OF THE IRVINE RANCH WATER DISTRICT RETIREMENT BOARD

SUMMARY:

Provided are the minutes of the November 3, 2020 meeting of the Irvine Ranch Water District Retirement Board for approval.

FISCAL IMPACTS:

None.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

RECOMMENDATION:

THAT THE MINUTES OF THE NOVEMBER 3, 2020 BOARD MEETING OF THE IRVINE RANCH WATER DISTRICT RETIREMENT BOARD BE APPROVED AS PRESENTED.

LIST OF EXHIBITS:

Exhibit "A" – November 3, 2020 Minutes

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EXHIBIT “A”

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE IRVINE RANCH WATER DISTRICT RETIREMENT BOARD

November 3, 2020

The meeting of the Board of Directors of the Irvine Ranch Water District (IRWD) Retirement Board was called to order telephonically by Chairman Swan at 1:00 p.m. on November 3, 2020.

Directors Present: Chairman Peer Swan, Vice Chairman Steve La Mar, and Paul Cook

Also Present: Treasurer Robert Jacobson, Executive Director of Finance and Administrative Services Cheryl Clary, Assistant Treasurer Tanja Fournier and Dan Quirk of SageView Advisory Group.

COMMUNICATION: None.

ITEMS RECEIVED TOO LATE TO BE AGENDIZED: None.

ACTION CALENDAR

MINUTES OF BOARD MEETING

Tanja Fournier presented the minutes from the August 4, 2020 meeting.

On MOTION by Cook, seconded by La Mar and affirmed by Peer Swan, the minutes of the August 4, 2020 meeting were approved as presented.

Trust Investment Review

- A capital markets and legislative update was provided by SageView.
- All trust investment options were reviewed as of 09/30/2020. All options are currently performing in line with benchmarks or above 50th percentile peer group rankings.
- The Portfolio return and expense ratio, style analysis, and asset allocation by fund were reviewed. Of note was the following:
 - As of September 30, 2020, the IRWD Post-Retirement Benefits Trust market value was \$88,254,574, up from \$83,096,419 as of June 30, 2020.
 - For the quarter, the net total return was 6.20%. This beat the custom benchmark return of 6.11%, with outperformance from Metropolitan West Total Return and Baird Core Plus contributing to the positive performance.
 - For the trailing twelve months, the total return was 11.42%, in line with the custom benchmark return of 11.49%.

- The portfolio is primarily allocated to index funds, leading to a low overall expense ratio of 0.13%.
- The four actively scored funds by SageView all score in the top decile of peer group rankings, while all index funds receive a pass rating.
- There were no changes to the target allocation, which currently stands at a 70/30 stock/bond mix.

ADJOURNMENT

There being no further business, Chairman Swan adjourned the meeting.

APPROVED and SIGNED this 2nd day of February 2021.

Board Member, IRVINE RANCH WATER DISTRICT
RETIREMENT BOARD

Secretary, IRVINE RANCH WATER DISTRICT
RETIREMENT BOARD

February 2, 2021
 Prepared by: J. Davis
 Submitted by: R. Jacobson / C. Clary
 Approved by: Paul A. Cook



RETIREMENT BOARD

IRWD POST-RETIREMENT BENEFITS TRUST INVESTMENT REVIEW AS OF DECEMBER 31, 2020

SUMMARY:

Staff and a representative from IRWD's pension investment advisor SageView Investment Advisors will present the Portfolio Investment Review for the quarter ended December 31, 2020, and provide an update on current market conditions and any recommended portfolio changes.

BACKGROUND:

Quarterly Investment Review:

As of December 31, 2020, the IRWD Post-retirement Benefits Trust market value was \$97,821,468, a net increase of \$9,566,893 from the prior quarter end. The change was primarily due to an increase in market value of \$8,121,873 and dividends and capital gains in the amount of \$1,475,108. Trust expenses for the quarter included \$30,000 paid to SageView Advisory Group and \$88 for transaction and reporting fees paid to Fidelity. The closing balances and fund returns as of December 31, 2020 were as follows:

Investment	Quarterly Return	Quarter Ended September 30, 2020	Month Ended December 31, 2020	Incr/(Decr)	Percent of Portfolio
EQUITIES					
Vanguard Institutional Index Fund.	12.15%	\$42,801,323	\$48,000,332	\$5,199,008	49.1%
Vanguard Extended Mkt (small/mid) Index Fund	27.43%	6,634,392	8,454,183	\$1,819,791	8.6%
Vanguard Developed Market Index	17.00%	8,796,275	10,291,310	\$1,495,036	10.5%
Vanguard Emerging Markets Index	16.89%	1,298,596	1,517,933	\$219,337	1.6%
Vanguard High Dividend Yield Index Admiral	14.07%	2,623,015	2,992,131	\$369,115	3.1%
FIXED INCOME					
Metropolitan Total Return Bond Fund	1.21%	3,933,156	3,979,599	\$46,443	4.1%
Baird Core Plus Bond Fund	1.44%	16,606,979	16,846,700	\$239,721	17.2%
Vanguard High-Yield Corporate Fund	4.63%	2,177,913	2,278,987	\$101,074	2.3%
Vanguard Long Term Inv. Grade Admiral	3.16%	3,353,999	3,460,289	\$106,290	3.5%
CASH-SHORT TERM					
Fidelity Government Cash Reserves		28,926	4	(\$28,922)	0.0%
Closing Balance		\$88,254,575	\$97,821,468	\$9,566,893	100.0%

For the quarter ended December 31, 2020, the portfolio return was 10.84%, which outperformed the index based custom benchmark return of 10.75%. For the one-year period ended December 31, 2020 the return was 16.36%, which was in line with the custom benchmark return of 16.41% and outperformed the peer-group custom benchmark return of 12.52%. The Portfolio Investment Review as of December 31, 2020 is provided as Exhibit "A".

A representative from SageView will present the Portfolio Investment Review for the quarter ended December 31, 2020, update the Board on current market conditions, and provide any recommended portfolio changes for the Board's consideration.

FISCAL IMPACTS:

As of December 31, 2020, the IRWD Post-retirement Benefits Trust market value was \$97,821,468, a net increase of \$9,566,893 from the prior quarter end. The change was primarily due to an increase in market value of \$8,121,873, and dividends and capital gains in the amount of \$1,475,108. Trust expenses were \$30,000 and \$88 for transaction and reporting fees paid to SageView Advisory Group and Fidelity, respectively.

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:

BASED ON DISCUSSIONS AND DIRECTION FROM THE BOARD, STAFF WILL IMPLEMENT AGREED-UPON CHANGES TO THE INVESTMENT PORTFOLIO, IF ANY.

LIST OF EXHIBITS:

Exhibit "A" – The Portfolio Investment Review as of December 31, 2020



Plan Investment Review

Irvine Ranch Water District Post-Employment Benefits Trust

For period ending December 31, 2020

SEE
WHERE
YOU'RE
GOING

Jonathan Upham Registered Representative with and securities offered through Cetera Advisor Networks LLC, member FINRA/SIPC
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Section I

Market Overview

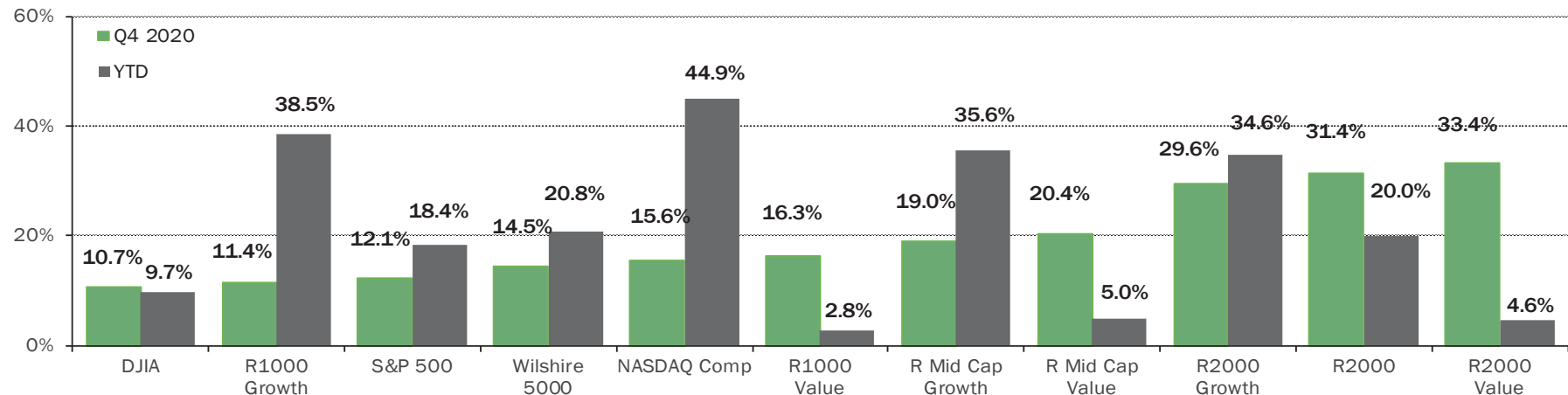
The views are those of SageView Advisory Group and should not be construed as investment advice. All information is believed to be from reliable sources; however, we make no representation as to its completeness or accuracy. All economic and performance information is historical and not indicative of future results. The market indices discussed are unmanaged. Investors cannot directly invest in unmanaged indices. Additional risks are associated with international investing, such as currency fluctuations, political and economic stability, and differences in accounting standards. Please consult your financial advisor for more information.

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U.S. Equities

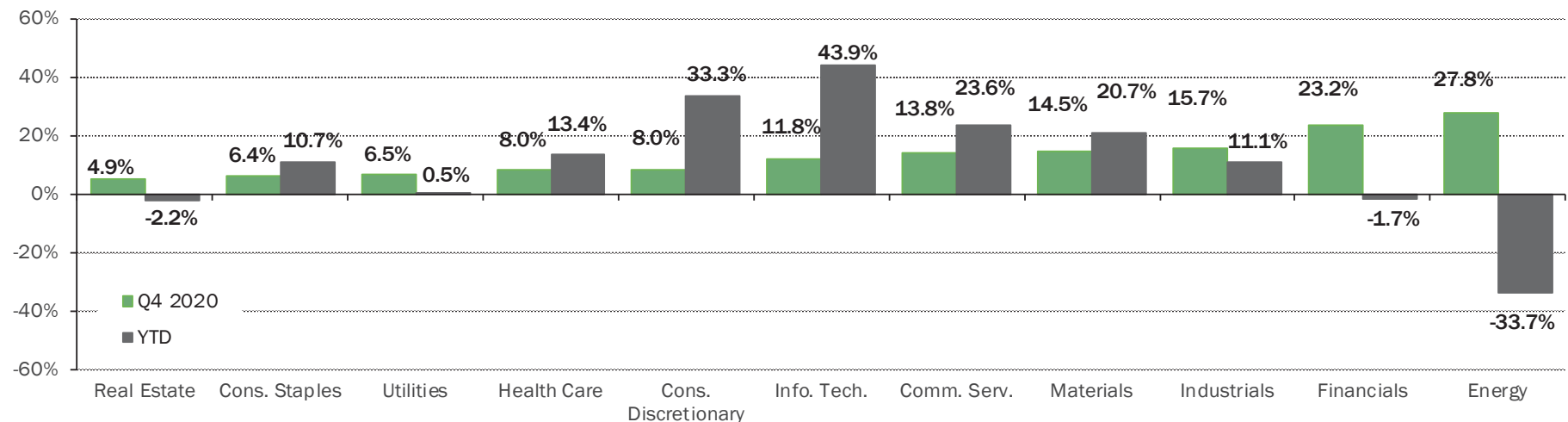
A volatile 2020 ended with U.S. stocks rallying to reach record highs during the final months. Small-cap value stocks led the way in the fourth quarter, but still significantly trailed growth categories over longer time frames. Despite a fourth quarter rally, Energy remained the worst performing sector for the fourth consecutive year.

PERFORMANCE OF MAJOR U.S. EQUITY INDEXES - Q4 2020 AND YTD



Source: Morningstar. Returns represent total return, including dividends.

S&P 500 SECTOR RETURNS - Q4 2020 AND YTD



Source: Morningstar. Returns represent cumulative total return, including dividends.

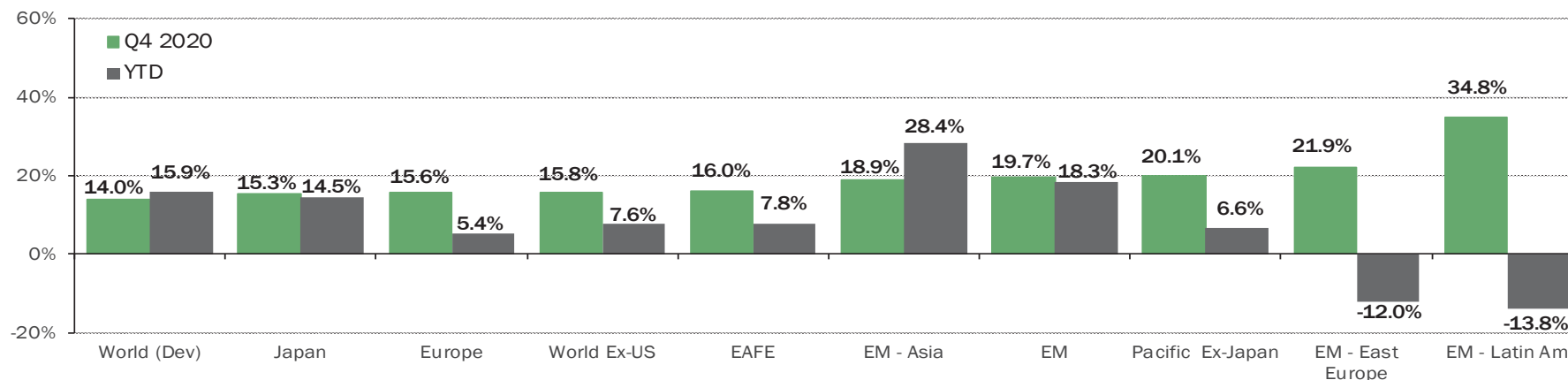
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International Equities

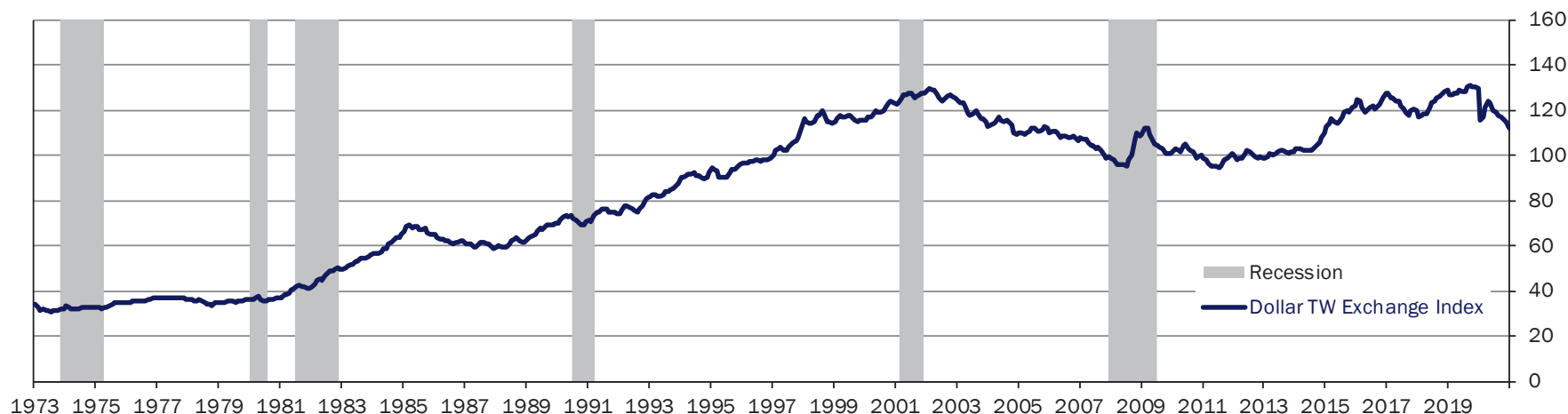
Emerging markets, particularly within Latin America, outperformed Developed Markets in the fourth quarter, yet still finished down for the year. In Brazil, dovish central bank policies funneled a million new local investors into Brazil's stock market. Vaccine optimism, stimulus, and a late Brexit deal fueled the International Developed indices in the fourth quarter.

INTERNATIONAL EQUITY MARKET RETURNS - Q4 2020 AND YTD



Source: Morningstar. Returns represent cumulative total return, including dividends.

Dollar Trade Weighted Exchange Index for Broad Currencies: 1973 - 2020



Source: Bloomberg. Data as of December 31, 2020.

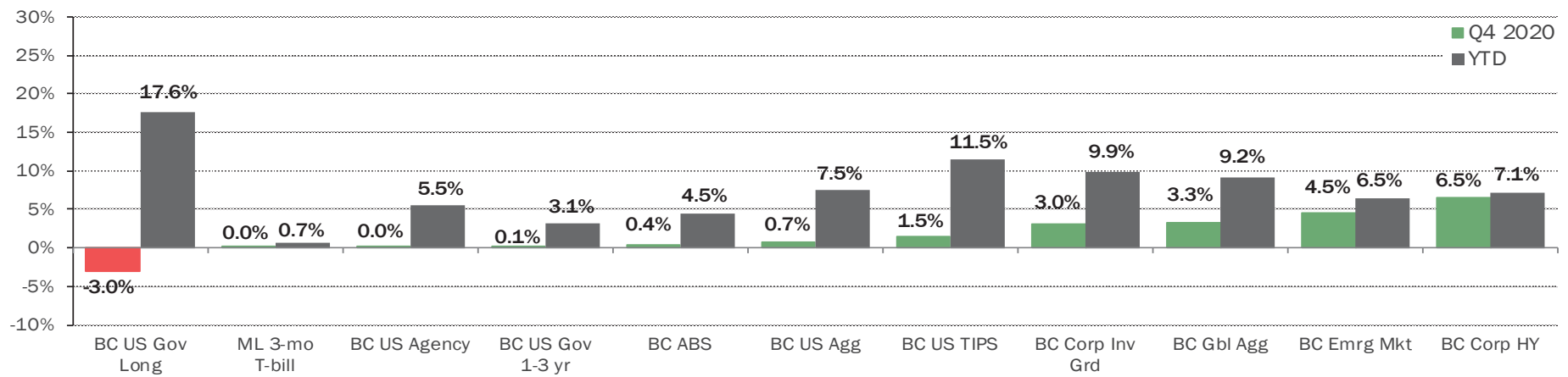
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Fixed Income

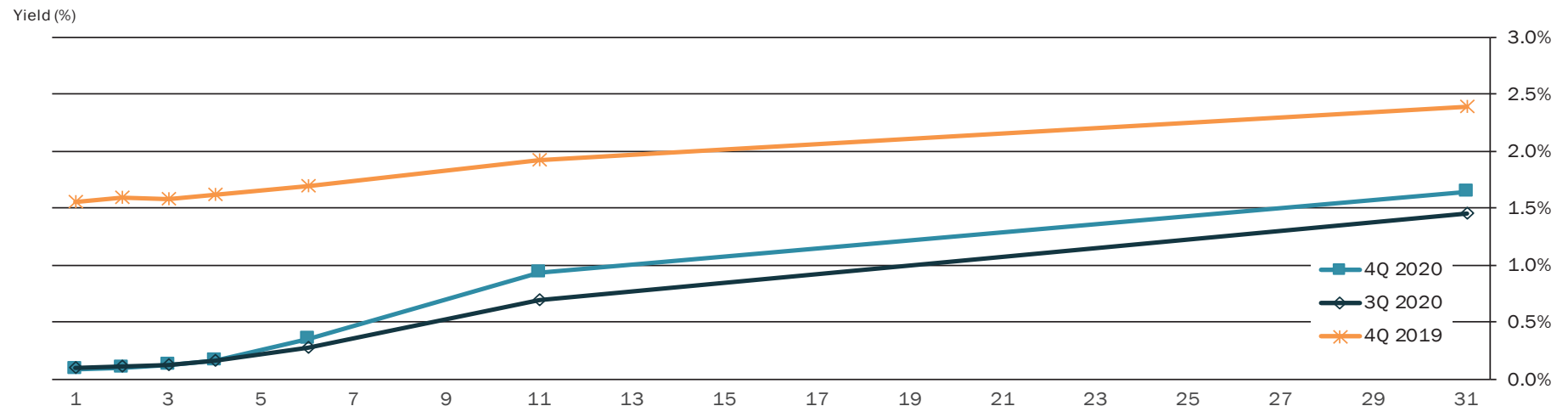
Expectations for another round of U.S. fiscal stimulus, along with optimism around COVID-19 vaccines, sent interest-rate sensitive bonds lower in the fourth quarter. Asset classes like U.S. high yield and emerging market bonds led returns in a “risk on” environment. The U.S. Treasury yield curve steepened from the prior quarter, but rate cuts in 2020 kept yields historically low.

FIXED INCOME RETURNS Q4 2020 and YTD



Source: Morningstar. Returns represent total return, including dividends.

U.S. TREASURY YIELD CURVE



Source: Bloomberg. Data as of respective quarter end.

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Asset Class Returns

															2006 - 2020	
2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Ann.	Vol.
REITs 35.1%	EM Equity 39.8%	Fixed Income 5.2%	EM Equity 79.0%	REITs 27.9%	REITs 8.3%	REITs 19.7%	Small Cap 38.8%	REITs 28.0%	REITs 2.8%	Small Cap 21.3%	EM Equity 37.8%	Cash 1.8%	Large Cap 31.5%	Small Cap 20.0%	Large Cap 9.8%	EM Equity 23.3%
EM Equity 32.6%	Comdty. 16.2%	Cash 1.8%	High Yield 59.4%	Small Cap 26.9%	Fixed Income 7.8%	High Yield 19.6%	Large Cap 32.4%	Large Cap 13.7%	Large Cap 1.4%	High Yield 14.3%	DM Equity 25.6%	Fixed Income 0.0%	REITs 28.7%	EM Equity 18.7%	Small Cap 8.9%	REITs 23.1%
DM Equity 26.9%	DM Equity 11.6%	Asset Alloc. -25.4%	DM Equity 32.5%	EM Equity 19.2%	High Yield 3.1%	EM Equity 18.6%	DM Equity 23.3%	Fixed Income 6.0%	Fixed Income 0.5%	Large Cap 12.0%	Large Cap 21.8%	REITs -4.0%	Small Cap 25.5%	Large Cap 18.4%	High Yield 7.5%	Small Cap 22.6%
Small Cap 18.4%	Asset Alloc. 7.1%	High Yield -26.9%	REITs 28.0%	Comdty. 16.8%	Large Cap 2.1%	DM Equity 17.9%	Asset Alloc. 14.9%	Asset Alloc. 5.2%	Cash 0.0%	Comdty. 11.8%	Small Cap 14.6%	High Yield -4.1%	DM Equity 22.7%	Asset Alloc. 10.6%	REITs 7.1%	DM Equity 19.1%
Large Cap 15.8%	Fixed Income 7.0%	Small Cap -33.8%	Small Cap 27.2%	Large Cap 15.1%	Cash 0.1%	Small Cap 16.3%	High Yield 7.3%	Small Cap 4.9%	DM Equity -0.4%	EM Equity 11.6%	Asset Alloc. 14.6%	Large Cap -4.4%	Asset Alloc. 19.5%	DM Equity 8.3%	EM Equity 6.9%	Comdty. 18.8%
Asset Alloc. 15.3%	Large Cap 5.5%	Comdty. -35.6%	Large Cap 26.5%	High Yield 14.8%	Asset Alloc. -0.7%	Large Cap 16.0%	REITs 2.9%	Cash 0.0%	Asset Alloc. -2.0%	REITs 8.6%	High Yield 10.4%	Asset Alloc. -5.8%	EM Equity 18.9%	Fixed Income 7.5%	Asset Alloc. 6.7%	Large Cap 16.7%
High Yield 13.7%	Cash 4.8%	Large Cap -37.0%	Asset Alloc. 25.0%	Asset Alloc. 13.3%	Small Cap -4.2%	Asset Alloc. 12.2%	Cash 0.0%	High Yield 0.0%	High Yield -2.7%	Asset Alloc. 8.3%	REITs 8.7%	Small Cap -11.0%	High Yield 12.6%	High Yield 7.0%	DM Equity 5.0%	High Yield 12.2%
Cash 4.8%	High Yield 3.2%	REITs -37.7%	Comdty. 18.9%	DM Equity 8.2%	DM Equity -11.7%	Fixed Income 4.2%	Fixed Income -2.0%	EM Equity -1.8%	Small Cap -4.4%	Fixed Income 2.6%	Fixed Income 3.5%	Comdty. -11.2%	Fixed Income 8.7%	Cash 0.5%	Fixed Income 4.5%	Asset Alloc. 11.8%
Fixed Income 4.3%	Small Cap -1.6%	DM Equity -43.1%	Fixed Income 5.9%	Fixed Income 6.5%	Comdty. -13.3%	Cash 0.1%	EM Equity -2.3%	DM Equity -4.5%	EM Equity -14.6%	DM Equity 1.5%	Comdty. 1.7%	DM Equity -13.4%	Comdty. 7.7%	Comdty. -3.1%	Cash 1.2%	Fixed Income 3.2%
Comdty. 2.1%	REITs -15.7%	EM Equity -53.2%	Cash 0.1%	Cash 0.1%	EM Equity -18.2%	Comdty. -1.1%	Comdty. -9.5%	Comdty. -17.0%	Comdty. -24.7%	Cash 0.3%	Cash 0.8%	EM Equity -14.2%	Cash 2.2%	REITs -5.1%	Comdty. -4.0%	Cash 0.8%

Source: Barclays, Bloomberg, FactSet, MSCI, NAREIT, Russell, Standard & Poor's, J.P. Morgan Asset Management. Large cap: S&P 500, Small cap: Russell 2000, EM Equity: MSCI EME, DM Equity: MSCI EAFE, Comdty: Bloomberg Commodity Index, High Yield: Bloomberg Barclays Global HY Index, Fixed Income: Bloomberg Barclays US Aggregate, REITs: NAREIT Equity REIT Index, Cash: Bloomberg Barclays 1-3m Treasury. The "Asset Allocation" portfolio assumes the following weights: 25% in the S&P 500, 10% in the Russell 2000, 15% in the MSCI EAFE, 5% in the MSCI EME, 25% in the Bloomberg Barclays US Aggregate, 5% in the Bloomberg Barclays 1-3m Treasury, 5% in the Bloomberg Barclays Global High Yield Index, 5% in the Bloomberg Commodity Index and 5% in the NAREIT Equity REIT Index. Balanced portfolio assumes annual rebalancing. Annualized (Ann.) return and volatility (Vol.) represents period from 12/31/05 to 12/31/20. Please see disclosure page at end for index definitions. All data represents total return for stated period. The "Asset Allocation" portfolio is for illustrative purposes only. Past performance is not indicative of future returns. *Guide to the Markets - U.S.* Data are as of December 31, 2020.

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Section II

Investment Summary

Executive Summary and Observations

- Assets total \$97,821,468 at December 31, 2020, up from \$88,254,574 at September 30, 2020.
- Trade activity during the quarter:
-None

For the quarter, the net total return was 10.84%, compared to the index-based custom benchmark of 10.75% and the peer-group custom benchmark of 10.71%. Relative to the custom index benchmark, outperformance resulted from Baird Core Plus and Metropolitan West total Return, and the Vanguard Long-term Investment Grade fund.

- For the past 12 months, the net total return was 16.36%, in line with the index-based custom benchmark return of 16.41%. The return for the portfolio beat the peer-group custom benchmark return of 12.52%.
- The portfolio is heavily allocated to index funds, leading to a low overall expense ratio of 0.11%.

Baird Core Plus, Metropolitan West Total Return, Vanguard Long-term Investment Grade, and Vanguard High Yield

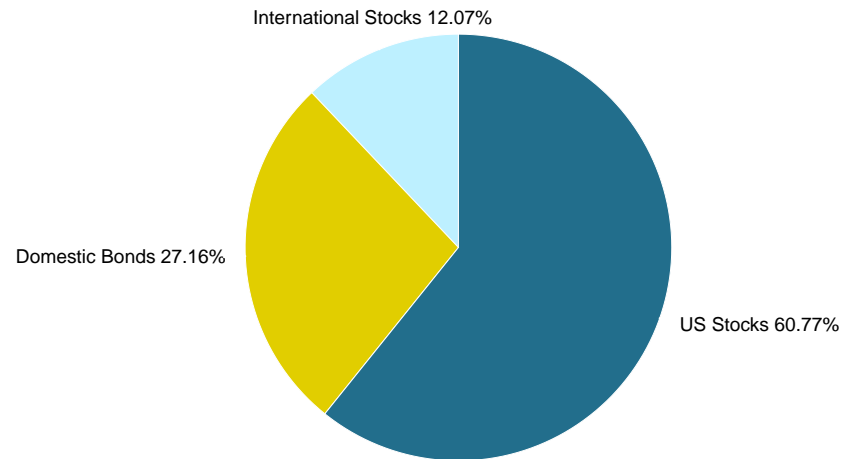
- Corporate Bond score in the upper half of SageView's peer group quantitative rankings, while all index funds receive a pass rating.



Asset Allocation by Fund

As of 12/31/2020

Fund	% of Plan Assets	Total Assets
Vanguard Institutional Index I	49.07%	\$48,000,331.79
Baird Core Plus Bond Inst	17.22%	\$16,846,699.90
Vanguard Developed Markets Index Instl	10.52%	\$10,291,310.33
Vanguard Extended Market Index Admiral	8.64%	\$8,454,182.50
Metropolitan West Total Return Bd I	4.07%	\$3,979,599.11
Vanguard Long-Term Investment-Grade Adm	3.54%	\$3,460,289.46
Vanguard High Dividend Yield Index Adm	3.06%	\$2,992,130.57
Vanguard High-Yield Corporate Adm	2.33%	\$2,278,987.32
Vanguard Emerging Mkts Stock Idx Adm	1.55%	\$1,517,932.70
Fidelity® Government Cash Reserves	0.00%	\$4.38
Total Market Value:	100.00%	\$97,821,468.06



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Target Allocation vs. Actual

Ticker	Fund	12/31/2019	3/31/2020	6/30/2020	9/30/2020	12/31/2020	12/31/2020 % Weight	12/31/2020 % Target
FDRXX	Fidelity Government Cash Reserves	39,593	29,938	29,274	28,926	4	0.0%	0.0%
VWETX	Vanguard Long Term Investment Grade Adm	0	0	3,426,063	3,353,999	3,460,289	3.5%	4.0%
VSCSX	Vanguard Short Term Corporate Bond	3,252,944	3,152,942					
BCOIX	Baird Core Plus Institutional	15,551,374	15,095,038	15,963,238	16,606,979	16,846,700	17.2%	19.0%
MWTIX	Metropolitan West Total Return I	8,553,445	6,074,629	6,326,735	3,933,156	3,979,599	4.1%	4.5%
VWEAX	Vanguard High Yield Corporate Bond	2,059,239	1,835,622	1,984,507	2,177,913	2,278,987	2.3%	2.5%
	Fixed Income	29,456,594	26,188,169	27,729,817	26,100,974	26,565,580	27.2%	30.0%
VINIX	Vanguard Institutional Index	38,523,634	33,131,402	39,938,331	42,801,323	48,000,332	49.1%	48.0%
VHYAX	Vanguard High Dividend Yield Index Admiral	0	0	0	2,623,015	2,992,131	3.1%	3.0%
VEXAX	Vanguard Extended Market Index	6,398,058	4,711,468	6,179,635	6,634,392	8,454,183	8.6%	7.5%
VTMNX	Vanguard Developed Markets Index	8,415,442	6,850,475	8,048,955	8,796,275	10,291,310	10.5%	10.0%
VEMAX	Vanguard Emerging Markets Index	1,268,656	1,000,545	1,199,681	1,298,596	1,517,933	1.6%	1.5%
	Equity	54,605,790	45,693,889	55,366,602	62,153,601	71,255,888	72.8%	70.0%
	Total	84,062,384	71,882,058	83,096,423	88,254,575	97,821,468	100.0%	100.0%

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Fund Performance Summary

As of 12/31/2020

Fund Benchmark Category	Asset Class	(%) of Plan	3 Month	YTD	1 Year	3 Years Annualized	5 Years Annualized	10 Years Annualized	Expense Ratio	SageView Ranking
Fidelity® Government Cash Reserves	Money Market-Taxable	0.00%	0.00	0.27	0.27	1.23	0.87	0.44	0.38	NA
ICE BofA US 3M Trsy Bill TR USD*			0.03	0.67	0.67	1.61	1.20	0.64		
Cat: Morningstar Money Market - Taxable			0.01	0.29	0.29	1.16	0.81	0.41	0.45	
Baird Core Plus Bond Inst	Intermediate Core-Plus Bond	17.22%	1.44	8.80	8.80	6.03	5.49	4.83	0.30	TOP DEC
BBgBarc US Agg Bond TR USD*			0.67	7.51	7.51	5.34	4.44	3.84		
Cat: Morningstar Intermediate Core-Plus Bond			1.97	8.06	8.06	5.34	4.86	4.25	0.77	
Metropolitan West Total Return Bd I	Intermediate Core-Plus Bond	4.07%	1.21	9.13	9.13	6.04	4.79	4.74	0.46	TOP QUAR
BBgBarc US Agg Bond TR USD*			0.67	7.51	7.51	5.34	4.44	3.84		
Cat: Morningstar Intermediate Core-Plus Bond			1.97	8.06	8.06	5.34	4.86	4.25	0.77	
Vanguard Long-Term Investment-Grade Adm	Long-Term Bond	3.54%	3.16	15.47	15.47	9.42	9.64	8.52	0.12	2 ND QUAR
BBgBarc US Govt/Credit Long TR USD*			1.68	16.12	16.12	9.80	9.35	8.16		
Cat: Morningstar Long-Term Bond			3.75	14.29	14.29	9.04	9.16	7.65	0.61	
Vanguard High-Yield Corporate Adm	High Yield Bond	2.33%	4.63	5.39	5.39	5.86	7.18	6.50	0.13	TOP DEC
ICE BofA US High Yield TR USD*			6.48	6.17	6.17	5.89	8.43	6.62		
Cat: Morningstar High Yield Bond			5.96	4.91	4.91	4.75	6.77	5.56	0.97	
Vanguard High Dividend Yield Index Adm	Large Value	3.06%	14.07	1.14	1.14	5.72	9.95	11.47	0.08	Pass
Russell 1000 Value TR USD*			16.25	2.80	2.80	6.07	9.74	10.50		
Cat: Morningstar Large Value			15.73	2.91	2.91	5.57	9.42	9.73	0.94	
Vanguard Institutional Index I	Large Blend	49.07%	12.15	18.39	18.39	14.15	15.19	13.86	0.04	Pass
S&P 500 TR USD*			12.15	18.40	18.40	14.18	15.22	13.88		
Cat: Morningstar Large Blend			12.80	15.84	15.84	11.90	13.37	12.28	0.84	
Vanguard Extended Market Index Admiral	Mid-Cap Blend	8.64%	27.43	32.21	32.21	15.34	16.05	13.22	0.06	Pass
S&P Completion TR USD*			27.40	32.17	32.17	15.21	15.93	13.12		
Cat: Morningstar Mid-Cap Blend			20.78	12.39	12.39	8.27	11.08	10.32	0.95	

*Investment Policy Benchmark

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Fund Performance Summary

As of 12/31/2020

Fund Benchmark Category	Asset Class	(%) of Plan	3 Month	YTD	1 Year	3 Years Annualized	5 Years Annualized	10 Years Annualized	Expense Ratio	SageView Ranking
Vanguard Developed Markets Index Instl	Foreign Large Blend	10.52%	17.00	10.27	10.27	4.82	8.34	5.93	0.05	Pass
FTSE Dv Ex US TR USD*			17.02	10.24	10.24	5.12	8.69	5.95		
Cat: Morningstar Foreign Large Blend			15.77	9.27	9.27	4.18	7.58	5.35	0.93	
Vanguard Emerging Mkts Stock Idx Adm	Diversified Emerging Mkts	1.55%	16.89	15.24	15.24	5.80	11.70	3.12	0.14	Pass
FTSE EMs AC China A Incl (US RIC) NR USD*			17.50	15.51	15.51	5.84	11.38	3.36		
Cat: Morningstar Diversified Emerging Mkts			19.50	17.83	17.83	5.69	11.75	3.63	1.23	

*Investment Policy Benchmark

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IPS Historical Ranking

Fund Name	03/2018	06/2018	09/2018	12/2018	03/2019	06/2019	09/2019	12/2019	03/2020	06/2020	09/2020	12/2020
Fidelity® Government Cash Reserves	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Baird Core Plus Bond Inst	TOP DEC	TOP DEC	TOP DEC	TOP DEC	TOP DEC	TOP DEC	TOP DEC	TOP DEC	TOP DEC	TOP DEC	TOP DEC	TOP DEC
Metropolitan West Total Return Bd I	TOP DEC	TOP DEC	TOP QUAR	TOP QUAR	TOP DEC	2 ND QUAR	2 ND QUAR	2 ND QUAR	TOP DEC	TOP DEC	TOP DEC	TOP QUAR
Vanguard Long-Term Investment-Grade Adm	2 ND QUAR	2 ND QUAR	2 ND QUAR	TOP QUAR	2 ND QUAR	TOP DEC	TOP DEC	TOP DEC	TOP DEC	TOP DEC	TOP DEC	2 ND QUAR
Vanguard High-Yield Corporate Adm	TOP QUAR	TOP QUAR	TOP QUAR	TOP QUAR	TOP DEC	TOP DEC	TOP DEC	TOP QUAR	TOP DEC	TOP DEC	TOP DEC	TOP DEC
Vanguard High Dividend Yield Index Adm	NA	NA	NA	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
Vanguard Institutional Index I	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
Vanguard Extended Market Index Admiral	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
Vanguard Developed Markets Index Instl	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
Vanguard Emerging Mkts Stock Idx Adm	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass

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Fund Score Summary

Fund Name	Ticker	Total Return Composite Ranking	Rolling 12 Mo Perf. (5 Yrs.)	RSquared (3 Yrs)	Modified Sharpe Ratio (36 Mos.)	Alpha (60 Mos.)	Up Capture Ratio (10 Yrs.)	Down Capture Ratio (10 Yrs.)	Batting Average (10 Yrs.)	Expense Ratio	SageView Normalized Ranking
Baird Core Plus Bond Inst	BCOIX	25%	30%	26%	21%	25%	17%	41%	8%	5%	6%
Metropolitan West Total Return Bd I	MWTIX	38%	46%	2%	8%	49%	46%	15%	37%	22%	13%
Vanguard Long-Term Investment-Grade Adm	VWETX	42%	42%	30%	49%	60%	20%	62%	6%	11%	26%
Vanguard High-Yield Corporate Adm	VWEAX	34%	39%	51%	10%	18%	68%	9%	18%	3%	10%

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Baird Core Plus Bond Inst

BCOIX

Ranking Vs. Peers - Intermediate Core-Plus Bond

December 31, 2020

Intermediate Core-Plus Bond Universe: 756 Funds

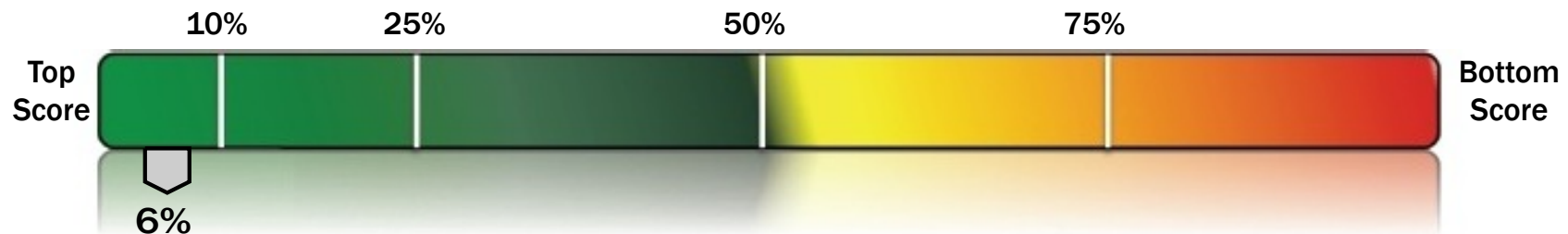
Performance Ranking			Ranking
Total Return Composite Ranking			25.15%
	10 Year	17.00%	
	5 Year	24.00%	
	3 Year	25.00%	
	1 Year	37.00%	
Rolling 12 Month - 5 Years			30.49%

Ratio Statistics		Ranking
Modified Sharpe Ratio - 36 Months		21.00%
Alpha - 60 Months		25.00%
Up Capture Ratio - 10 years		17.00%
Down Capture Ratio - 10 years		41.00%
Batting Average - 10 Years		8.00%

Style Consistency			Ranking
Style Consistency to Benchmark			
BBgBarc US Agg Bond TR USD	R2		26.00%

Fund Expense		Ranking
Expense Ratio	0.3	5.00%

SageView Normalized Ranking	
SageView Normalized Ranking	6.00%
STATUS	TOP DECILE



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Metropolitan West Total Return Bd I

MWTIX

Ranking Vs. Peers - Intermediate Core-Plus Bond

December 31, 2020

Intermediate Core-Plus Bond Universe: 756 Funds

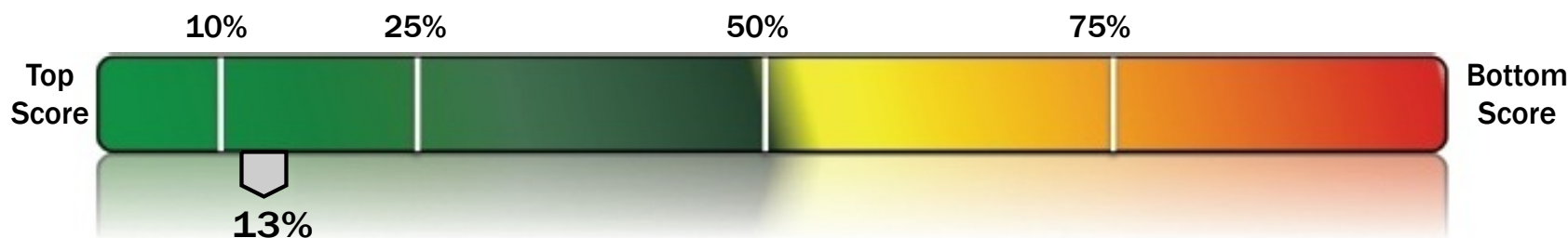
Performance Ranking			Ranking
Total Return Composite Ranking			37.50%
	10 Year	22.00%	
	5 Year	53.00%	
	3 Year	24.00%	
	1 Year	29.00%	
Rolling 12 Month - 5 Years			45.76%

Ratio Statistics		Ranking
Modified Sharpe Ratio - 36 Months		8.00%
Alpha - 60 Months		49.00%
Up Capture Ratio - 10 years		46.00%
Down Capture Ratio - 10 years		15.00%
Batting Average - 10 Years		37.00%

Style Consistency			Ranking
Style Consistency to Benchmark			
BBgBarc US Agg Bond TR USD	R2		2.00%

Fund Expense		Ranking
Expense Ratio	0.46	22.00%

SageView Normalized Ranking	
SageView Normalized Ranking	13.00%
STATUS	TOP QUARTILE



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Vanguard Long-Term Investment-Grade Adm

VWETX

Ranking Vs. Peers - Long-Term Bond

December 31, 2020

Long-Term Bond Universe: 51 Funds

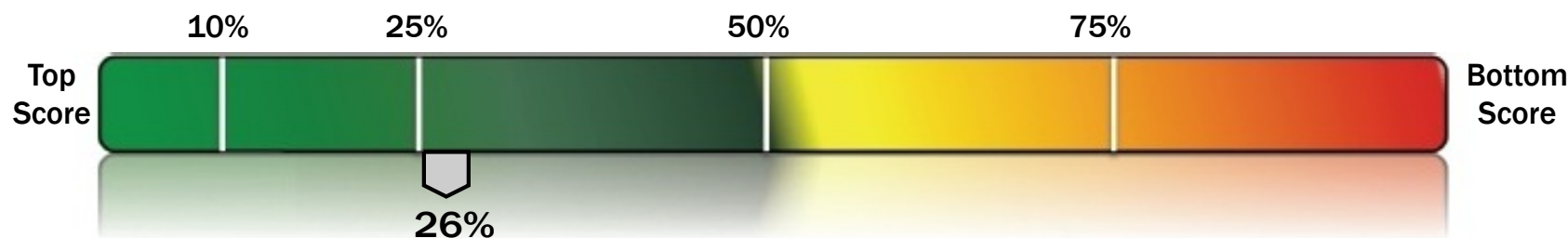
Performance Ranking			Ranking
Total Return Composite Ranking			42.10%
	10 Year	30.00%	
	5 Year	40.00%	
	3 Year	52.00%	
	1 Year	44.00%	
Rolling 12 Month - 5 Years			41.86%

Ratio Statistics		Ranking
Modified Sharpe Ratio - 36 Months		49.00%
Alpha - 60 Months		60.00%
Up Capture Ratio - 10 years		20.00%
Down Capture Ratio - 10 years		62.00%
Batting Average - 10 Years		6.00%

Fund Expense		Ranking
Expense Ratio	0.12	11.00%

Style Consistency			Ranking
Style Consistency to Benchmark			
BBgBarc US Govt/Credit Long TR USD	R2		30.00%

SageView Normalized Ranking	
SageView Normalized Ranking	26.00%
STATUS	2nd QUARTILE



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Vanguard High-Yield Corporate Adm

VWEAX

Ranking Vs. Peers - High Yield Bond

December 31, 2020

High Yield Bond Universe: 728 Funds

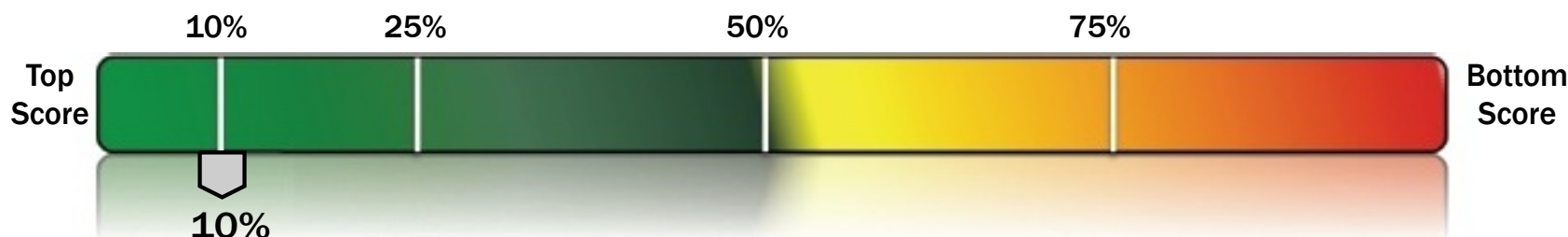
Performance Ranking		Ranking
Total Return Composite Ranking		33.70%
10 Year	13.00%	
5 Year	46.00%	
3 Year	16.00%	
1 Year	47.00%	
Rolling 12 Month - 5 Years		39.06%

Ratio Statistics		Ranking
Modified Sharpe Ratio - 36 Months		10.00%
Alpha - 60 Months		18.00%
Up Capture Ratio - 10 years		68.00%
Down Capture Ratio - 10 years		9.00%
Batting Average - 10 Years		18.00%

Style Consistency		Ranking
Style Consistency to Benchmark		
BBgBarc US HY 2% Issuer Cap TR USD	R2	51.00%

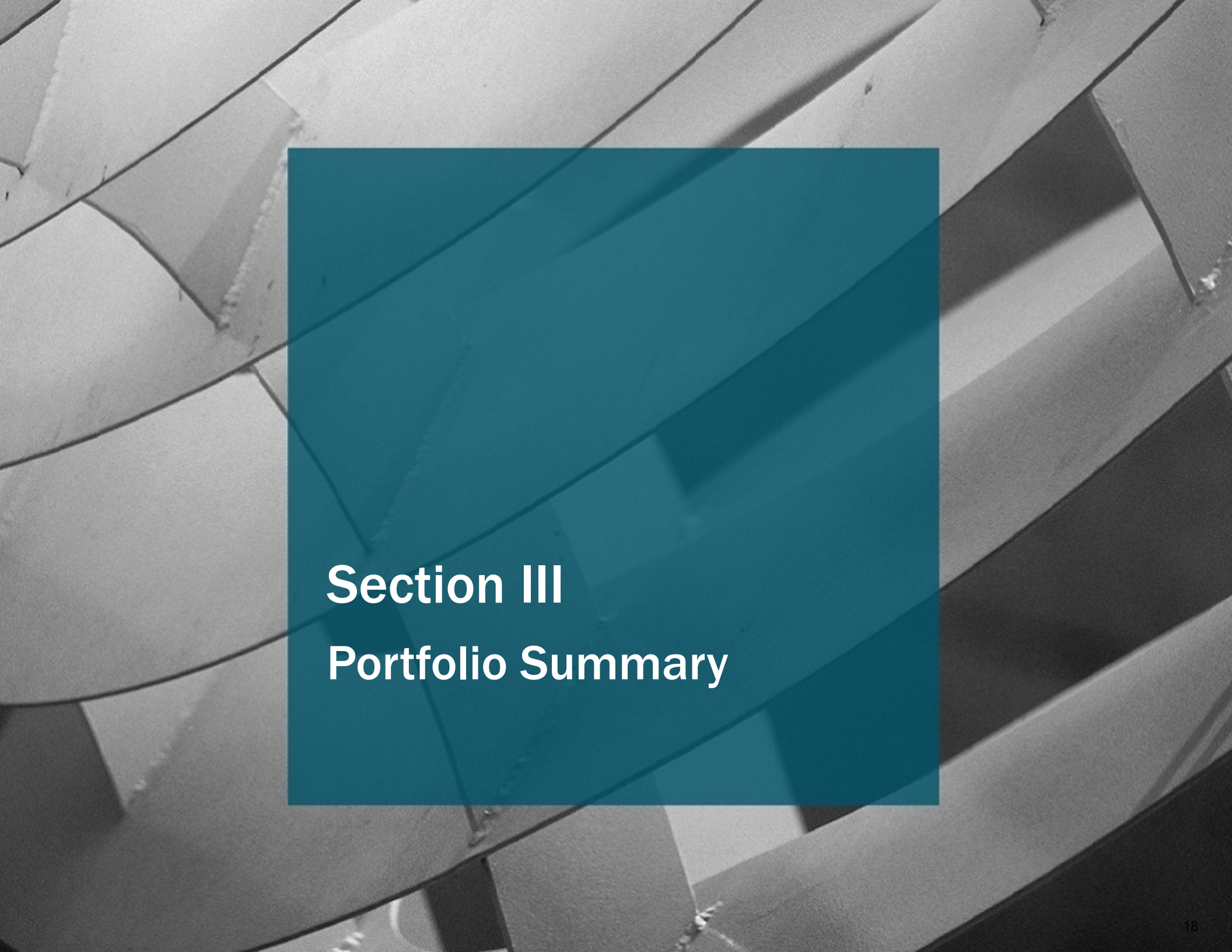
Fund Expense		Ranking
Expense Ratio	0.13	3.00%

SageView Normalized Ranking	
SageView Normalized Ranking	10.00%
STATUS	TOP DECILE



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Section III

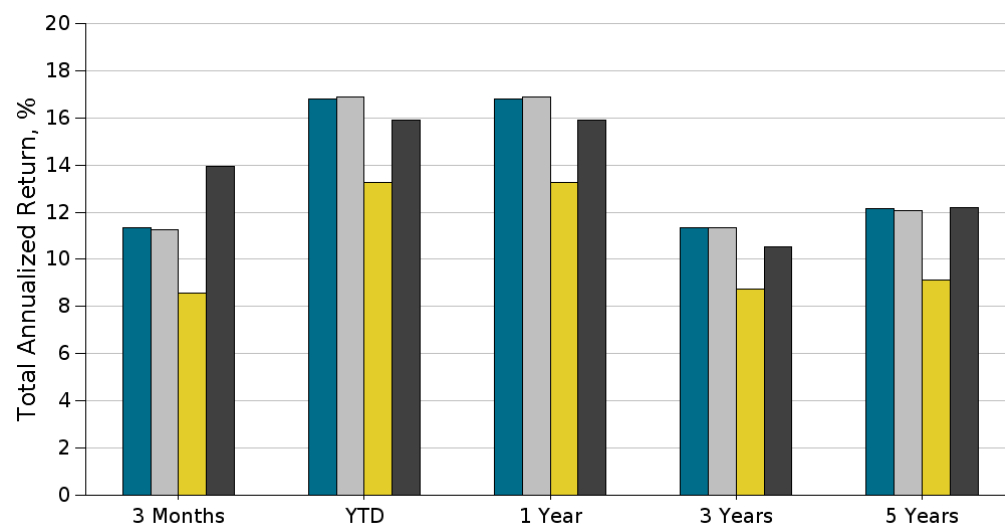
Portfolio Summary

Portfolio Return vs. Custom Benchmark

As of 12/31/2020

Performance As Of December 31, 2020	3 Month	YTD	1 Year	3 Year	5 Year	Std Dev 5 Yr	Prospectus Exp Ratio
Irvine Ranch Water District Post-Employment Benefits Trust	10.84	16.36	16.36	11.32	NA	NA	0.11
Irvine Ranch Water District Post-Employment Benefits Trust Custom Benchmark	10.75	16.41	16.41	11.32	NA	NA	NA
Irvine Ranch Water District Post-Employment Benefits Trust Custom Category Averages Benchmark	10.71	12.52	12.52	8.82	NA	NA	0.85
Institutional Portfolio 60-30-10	8.58	13.27	13.27	8.73	9.13	9.05	NA
MSCI World NR USD	13.96	15.90	15.90	10.54	12.19	15.14	NA

¹Industry Average Exp Ratio 0.89%. Based on plan assets \$50Mii+



- Irvine Ranch Water District Post-Employment Benefits Trust
- Irvine Ranch Water District Post-Employment Benefits Trust Custom Benchmark
- Institutional Portfolio 60-30-10
- MSCI World NR USD

Benchmark	Weight
S&P 500 TR USD	49.07%
BBgBarc US Agg Bond TR USD	21.29%
FTSE Dv Ex US TR USD	10.52%
S&P Completion TR USD	8.64%
BBgBarc US Govt/Credit Long TR USD	3.54%
Russell 1000 Value TR USD	3.06%
ICE BofA US High Yield TR USD	2.33%
FTSE EMs AC China A Incl (US RIC) NR USD	1.55%
ICE BofA US 3M Trsy Bill TR USD	0.00%

¹Industry Average Expense Ratio Source: 401(k) Averages Book, 20th Edition, published by HR Investment Consultants

The Institutional Portfolio 60-30-10 consists of 60% MSCI World NR USD, 30% BBgBarc US Agg Bond TR USD and 10% ICE BofA US 3M Trsy Bill TR USD

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Management Style Analysis

As of 12/31/2020

Domestic Equity Style Box

	VALUE	BLEND	GROWTH
LARGE CAP	<ul style="list-style-type: none"> Vanguard High Dividend Yield Index Adm (\$83.33 bn) 	<ul style="list-style-type: none"> Vanguard Institutional Index I(\$165.87 bn) 	
MID CAP		<ul style="list-style-type: none"> Vanguard Extended Market Index Admiral (\$9.12 bn) 	
SMALL CAP			

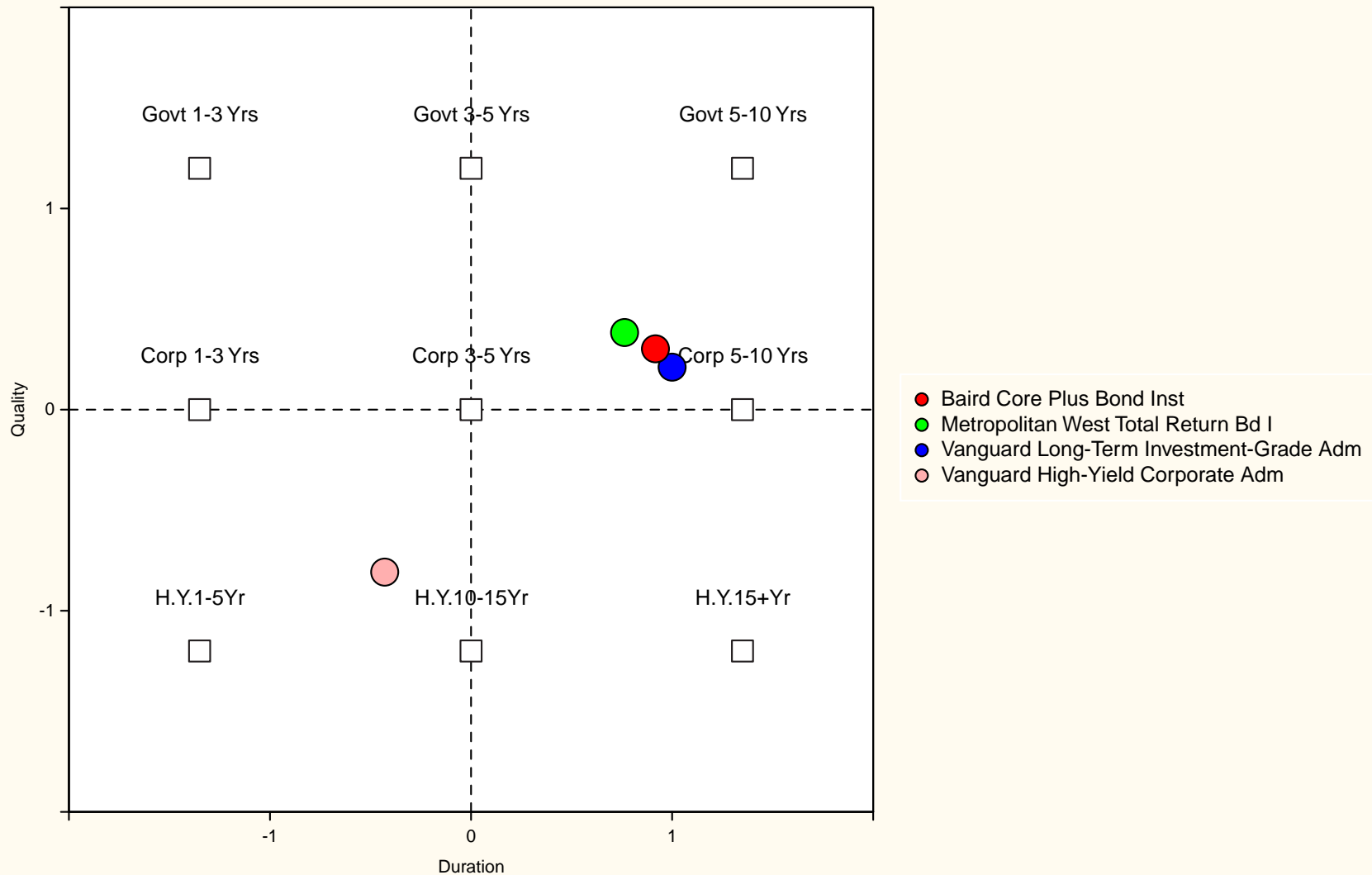
Average Market Cap. listed in parentheses

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Manager Style Box

Fixed Income - Single Computation
January 2011 - December 2020

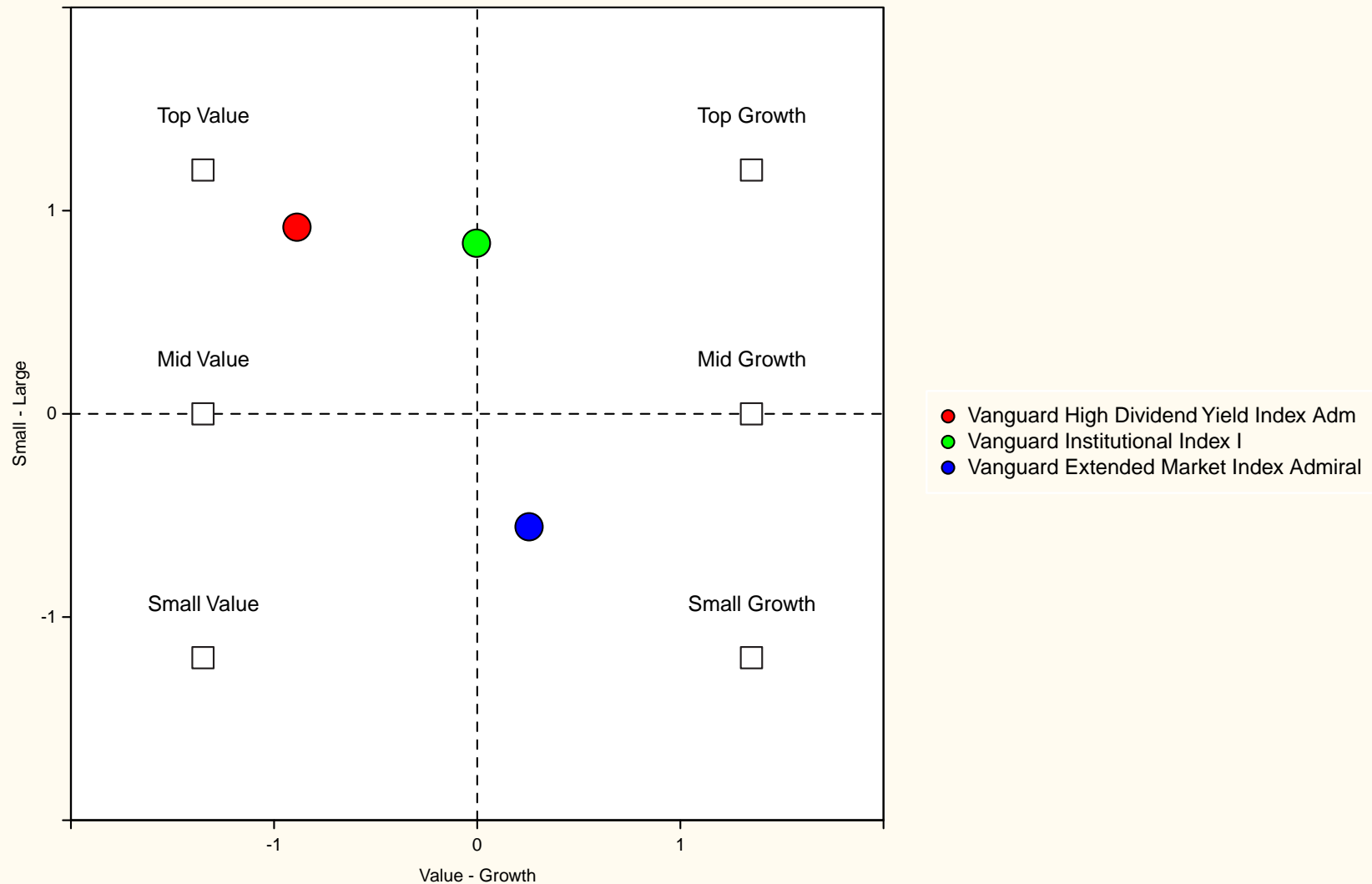


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Manager Style Box

Equity - Single Computation
January 2011 - December 2020

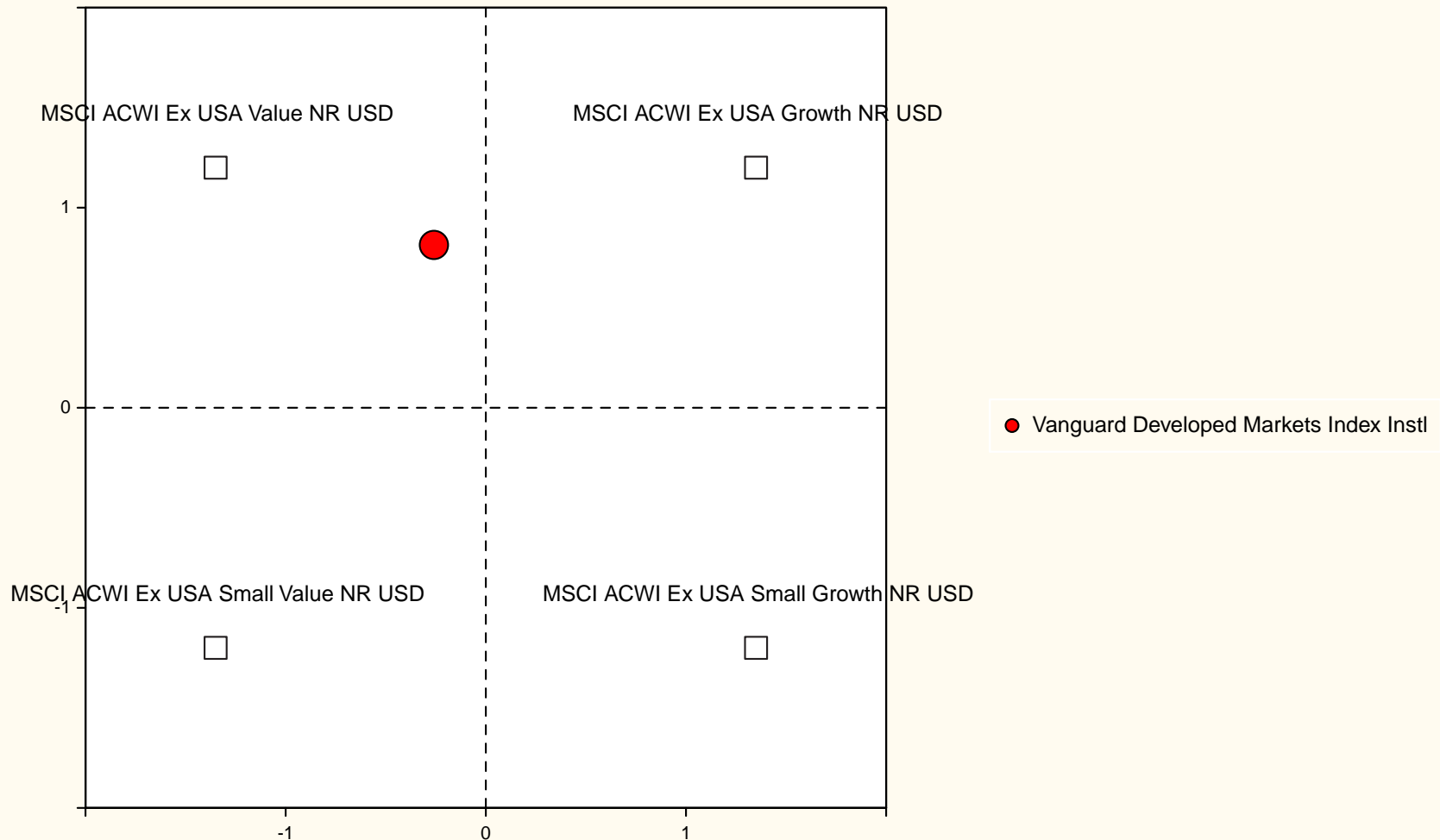


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Manager Style Box

International Equity - Single Computation
January 2011 - December 2020

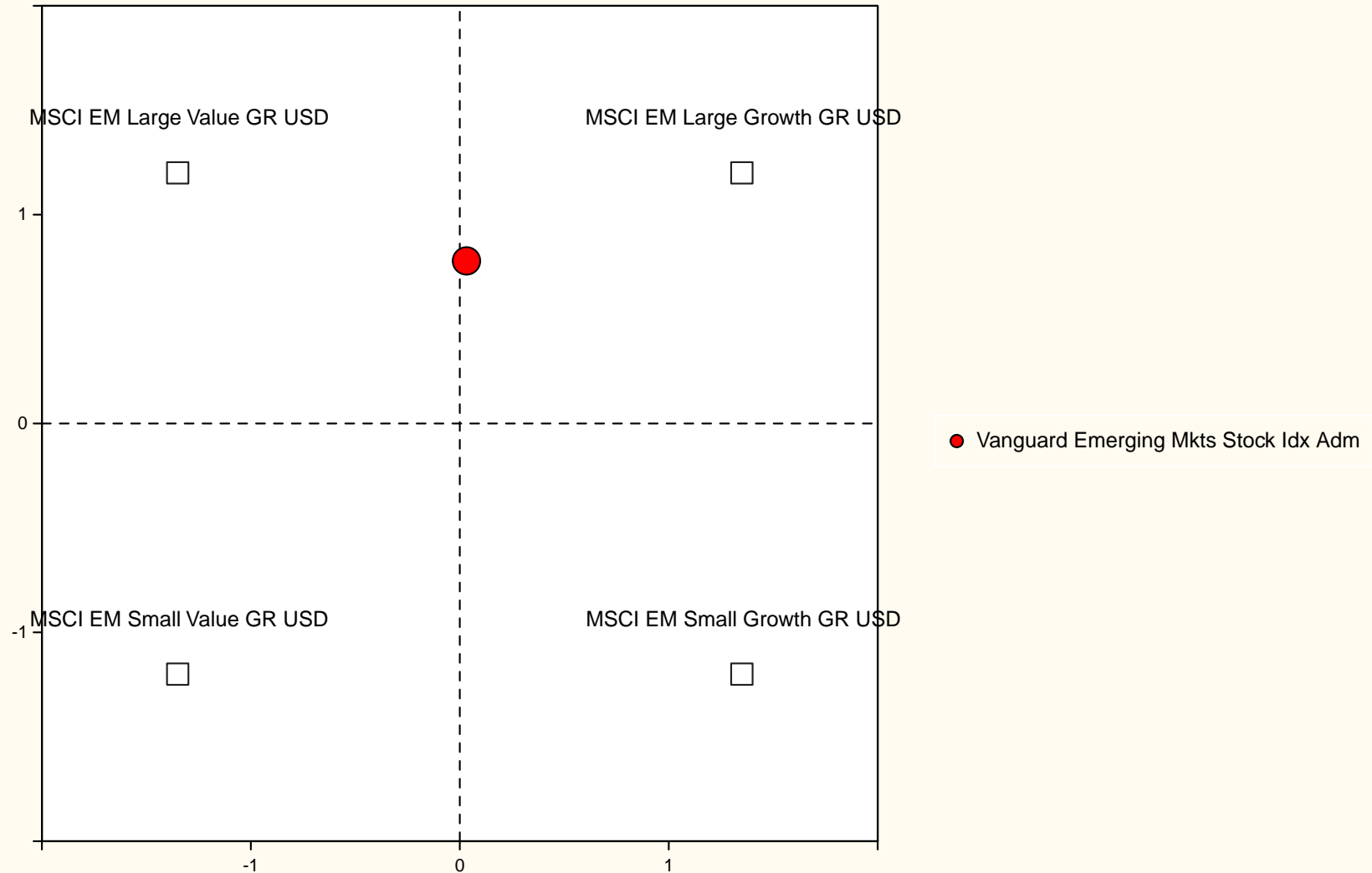


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Manager Style Box

Emerging Market - Single Computation
January 2011 - December 2020



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Section V

Appendix

Active Investment Options Analysis Criteria

All active plan investment options are reviewed quarterly against their peer group and index benchmark to determine the performance and quality of each offering. Each are evaluated using the following criteria:

1. Trailing 1, 3, 5 and 10 year returns – Total return is a basic measure of a fund's performance. Fund returns over each period are factored into a weighted average, based on the life of a fund. Recent returns receive a slightly higher weighting, while older returns, which may have been produced under different conditions, are weighted less.
2. Rolling period returns – A rolling period return divides a longer time frame into smaller time periods. A rolling 12-month return over five years is computed by first calculating a single period return over the first twelve months. Next, it calculates the 12-month return for months 2-13. The process continues until finally reaching the 12-month period spanning months 48-60. The final rolling figure reflects the average of all of the 12-month returns.
3. Batting Average – Batting average is calculated by (1) tallying the number of months in a given observation window where the investment return is greater than the return of the peer group median return and (2) dividing this amount by the total number of months in the observation window. The result is a ratio that ranges between 0 and 1. A batting average of greater than 0.50 signifies that the investment has outperformed the peer group more frequently than it has underperformed, irrespective of the magnitude of any outperformance or underperformance.
4. Style Consistency to the appropriate index – We utilize R-squared to assess whether the funds selected for the plan continue to operate and perform as expected within their appropriate asset class. R-squared measures the closeness between a fund's returns and movements in the benchmark. All active funds have some deviation from their benchmark, but excessive deviation could indicate that a fund is drifting away from its stated category mandate.
5. Modified Sharpe Ratio – The standard Sharpe Ratio calculation is calculated by subtracting the risk-free rate of return (the US Treasury Bill is typically used) from the portfolio return and dividing the result by the portfolio's standard deviation. A higher Sharpe ratio indicates that the portfolio was able to generate a higher return per unit of risk. Modified Sharpe Ratio is a related statistic that is equal to the Sharpe Ratio under normal circumstances. However, the Modified Sharpe calculation adds an exponent to the denominator that effectively raises the denominator to the -1 power in circumstances in which an investment's excess return is negative. This modification ensures that investments with both negative excess returns and higher standard deviations rank lower than investment with negative excess returns and lower standard deviations. Under the standard Sharpe Ratio calculation, the opposite is true.
6. Alpha – The use of Alpha allows us to gauge the effectiveness of the manager. Alpha is the difference between the portfolio's actual return and its expected return given the funds level of risk as calculated by beta.
7. Up Capture Ratio – The up capture ratio calculates the percentage of return of an index that a fund has captured during up market cycles. It tracks the fund's relative performance versus the appropriate index when the index is going up.
8. Down Capture Ratio – The down capture ratio calculates the percentage of return of an index a fund has captured during down market cycles. Funds that perform well in this category tend to reduce the downside loss for investors during bear markets.
9. Expense Ratio – The expense ratio is compared to the appropriate category average expense and then given a score based upon that percentage. This rewards low-cost funds and penalizes high-cost funds. Expense ratios are effectively "double weighted" in our scoring methodology, because performance returns are already net of expenses. Since fiduciaries are encouraged to carefully manage expenses, we believe explicitly factoring in fund fees is prudent.

Each fund is benchmarked to a specific market index, and fund performance is evaluated and compared to a relevant peer group using Morningstar category classifications. A fund is given a peer group ranking for each criterion, shown as a percentage. The percentage rankings for all criteria are then averaged to give a fund its average ranking score. All funds with at least a three year track record are scored in the above manner. A fund is then classified as Top Decile, top Quartile, 2nd Quartile, 3rd Quartile or 4th Quartile based upon the overall score compared to all other funds within that particular asset category.

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Passive Investment Options Analysis Criteria

All passive investment options are reviewed quarterly against their peer group and index benchmark to determine the performance and quality of each offering. Each are evaluated using the following criteria:

1. **Expense Ratio** – The percentage of fund assets, net of reimbursements, used to pay for operating expenses and management fees, including 12b-1 fees, administrative fees, and all other asset-based costs incurred by the fund, except brokerage costs. Fund expenses are reflected in the fund's NAV. Sales charges are not included in the expense ratio. The Prospectus Net Expense Ratio is collected annually from a fund's prospectus.
2. **Tracking Error** – A measure of the difference in returns between an investment and a benchmark. Tracking error is reported as a standard deviation of the difference between the returns of an investment and its benchmark.
3. **R-Squared** – A statistical metric that ranges from zero to 100 and measures the percentage of portfolio's performance that is explained by the movement of its benchmark index. R-Squared is helpful in assessing the reliability of alpha and beta in explaining a portfolio risk and return characteristics. An r-squared of 100 would mean that the portfolio's performance movements are perfectly correlated with those of the benchmark over time, and would suggest that alpha and beta may be relied upon with a high degree of confidence.
4. **Beta** – A measure of the volatility, or systematic risk, of an investment in comparison to a market index as a whole. Beta is calculated using regression analysis. Beta represents the tendency of an investment's returns to respond to moves in the market or index that it's calculated against. A beta of 1 indicates that the investment's price moves with the market. A beta of less than 1 means that the investment is theoretically less volatile than the market. A beta of greater than 1 indicates that the investment's price is theoretically more volatile than the market. The reliability of an investment's beta is a function of the investment's r-squared value in relation to the benchmark. A high r-squared value signifies that the beta measure is reliable, while a low r-squared signifies that it is potentially inaccurate.

Each of the criteria above carries a proprietary weight. An index fund is evaluated and ranked in each of the above criteria relative to their peer group. A fund is given a peer group ranking for each criterion. The percentage rankings for all criteria are then weighted to give a fund its average ranking score.

The raw score is then normalized on a scale of 1 to 100, with 1 being the best and 100 the worst. The top 75% of the funds in a category receive a passing score, while the bottom 25% fail.