AGENDA
IRVINE RANCH WATER DISTRICT
FINANCE AND PERSONNEL COMMITTEE MEETING
THURSDAY, MARCH 10, 2022

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=mddf1f0343cfdc04002f4f623d80e271f
Meeting Number (Access Code): 2498 190 1322
Meeting Password: jhDx69SrcN3

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

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

CALL TO ORDER	1:00 p.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 Thursday, March 10, 2022.

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 REPORT – SAINI / CLARY

   Recommendation: Receive and file.

8. REAL ESTATE QUARTERLY PERFORMANCE – DAVIS / JACOBSON / CLARY

   Recommendation: Receive and file.

9. RESIDENTIAL INVESTMENT PROPERTY PERFORMANCE 2021 ANNUAL REPORT – JACOBSON / CLARY

   Recommendation: Receive and file.

10. RISK MANAGEMENT QUARTERLY REPORT – KANOFF / JACOBSON / CLARY

    Recommendation: Receive and file.

11. FISCAL YEAR 2021-22 OPERATING AND NON-OPERATING FINANCIAL HIGHLIGHTS QUARTERLY UPDATE – PARDEE / SMITHSON / CLARY

    Recommendation: Receive and file.

ACTION

12. <u>LETTER OF CREDIT EXTENSION FOR THE SERIES 2009B BONDS – DAVIS / JACOBSON / CLARY</u>

Recommendation: That the Board authorize staff to extend the Bank of America N.A. Letter of Credit for IRWD's 2009B bonds for three years, from April 2022 to April 2025, at an annual cost of 0.28%.

OTHER BUSINESS

13. 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
- *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.)*

14. Open Session

15. Directors' Comments

16. Adjourn

****

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

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March 10, 2022
Prepared by: L. Srader
Submitted by: T. Mitcham
Approved by: Paul A. Cook

FINANCE AND PERSONNEL COMMITTEE

EMPLOYEE POPULATION AND TURNOVER STATUS REPORT

SUMMARY:

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

FISCAL IMPACTS:

None.

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" – Employee Population/Turnover Status Report

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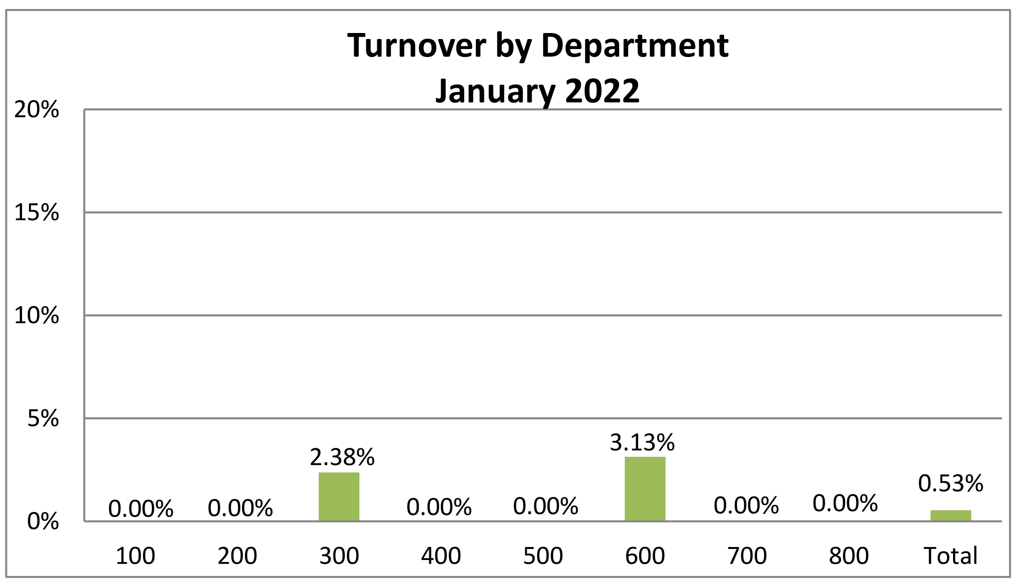
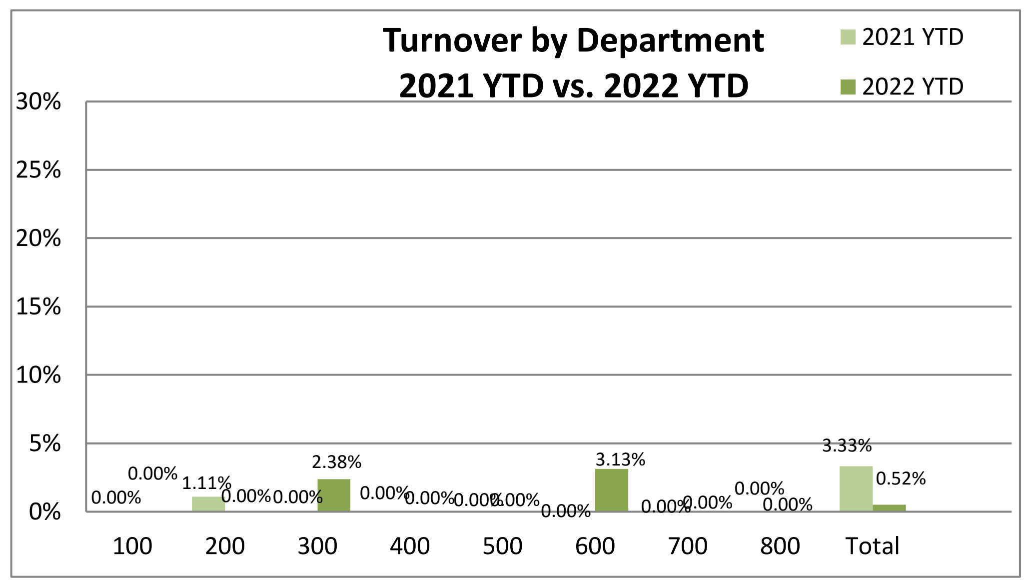
EXHIBIT "A"

IRVINE RANCH WATER DISTRICT
EMPLOYEE POPULATION STATUS REPORT
January 2022

	@01/01/22	Current Month Activity								@01/31/22		FY 21/22	Avg FYTD	Avg FYTD	Avg FYTD	Turnover	
	Positions	New	Terms		Promo Trnsfr		Lateral Trnsfr			Positions	Positions	Budgeted	Filled Budget	Temp Emp	Total Filled	Current	2021
Dept	Filled	Hires	Vol	Invol	In	Out	In	Out		Filled	Unfilled	Positions	Positions	FTE	Positions	Period	YTD
100	19.0	1								20.0	5	25.0	17.6	0.18	17.7	0.00%	0.00%
200	87.0	1								88.0	4	92.0	89.4	0.97	90.4	0.00%	0.00%
300	42.0		1							41.0	3	44.0	42.4	2.06	44.5	2.38%	2.38%
400	66.0									66.0	7	73.0	66.9	2.17	69.0	0.00%	0.00%
500	49.0									49.0	13	62.0	51.0	1.67	52.7	0.00%	0.00%
600	32.0			1						31.0	2	33.0	31.1	4.65	35.8	3.13%	3.13%
700	24.0									24.0	4	28.0	29.4	2.68	32.1	0.00%	0.00%
800	55.0	2								57.0	4	61.0	54.3	0.00	54.3	0.00%	0.00%
Totals	374	4	1	1	0	0	0	0		376.0	42	418.0	382.1	14.38	396.5	0.53%	0.53%
1/21	390	0	1	0	0	0	0	0		389	24	412.0	388.6	19.3	407.9	0.26%	3.33%



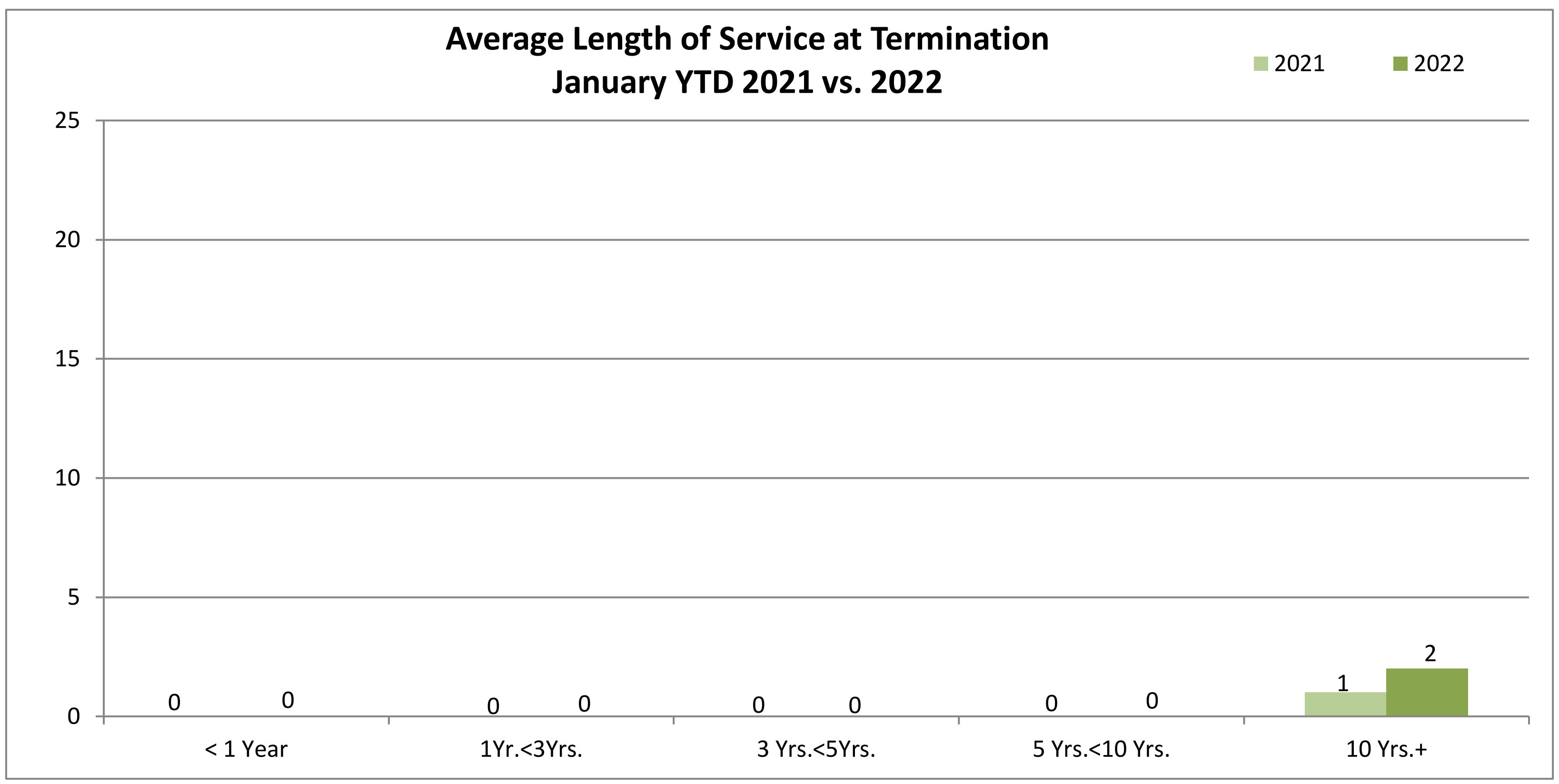


100-GM, HR, Safety; 200-Fin., Cust. Serv., IS, Purch.; 300-Eng.: 400-Water Ops; 500-Recycling; 600-WQ&RC; 700-Water Res., Recyc. Water and Public Affairs; 800-Adm. & Maintenance Ops

IRVINE RANCH WATER DISTRICT
TURNOVER LONGEVITY RATIO
January 2022

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													0					
200	1												1					1
300		1											1					1
400													0					
500													0					
600													0					
700													0					
800													0					
2022 Total	1	1	0	0	0	0	0	0	0	0	0	0	2	0	0	0	0	2
2021 Data	1	1	1	0	1	7	2	1	3	6	4	4	31					
Percentage of Total Turnover														0.00%	0.00%	0.00%	0.00%	100.00%

2022 Average YTD Length of Service at Termination	17.21 Years
2021 Average YTD Length of Service at Termination	10.21 Years
2020 Average YTD Length of Service at Termination	16.33 Years
2019 Average YTD Length of Service at Termination	9.21 Years
2018 Average YTD Length of Service at Termination	13.85 Years



IRVINE RANCH WATER DISTRICT
EMPLOYEE POPULATION STATUS REPORT
JANUARY 2022

NEW HIRES				
Date	**Dept**	**Employee Name**	**Position**	**Prior Company/Agency**
01/17/22	100	Hyun "Steve" Choi	Director of Safety and Security	City of Long Beach
01/17/22	800	Jason Manning	Reliability Engineer	South Orange County Wastewater Authority
01/22/22	200	Brianna Smith	Customer Service Specialist I	JNR Incorporated
01/31/22	800	Dixie Daquial	Electrical Technician	Disneyland Resort

TERMINATIONS					
Date	**Dept**	**Employee Name**	**Position**	**Reason**	**Comments**
01/11/22	600			Invol	
01/07/22	300			Vol	

RETIREMENTS					
Date	**Dept**	**Employee Name**	**Position**	**Reason**	**Comments**

PROMOTIONS					
Date	**Departing Dept**	**Employee Name**	**Departing Position**	**New Dept**	**New Position**

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
JANUARY 2022

UNFILLED POSITIONS			
Dept	**Position**	**Salary Grade**	**Comments**
100	Community Relations Manager	U18.E	Recruiting
100	Public Affairs Specialist	29.N	
100	Human Resources Analyst	U31.N	Recruiting
100	Human Resources Analyst	U31.N	Recruiting
100	Safety Specialist	U26.N	
200	Manager of Contract Admin & Risk	U19.E	Recruiting
200	Senior Accounting Clerk	20.N	
200	Accountant	27.N	
200	Director of Information Services	U27.E	Recruiting
300	Senior Engineer	U20.E	Recruiting
300	Engineer	U17.E	Recruiting
300	Engineering Manager	U24.E	
400	Operator III	29.N	
400	Water Maintenance Technician I	16.N	
400	Field Services Manager	U18.E	Recruiting
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	Operations Supervisor	S35.N	Recruiting
500	Process Specialist	32.N	
500	Automation Specialist	32.N	
500	Collection Systems Supervisor	S32.N	Recruiting
500	Collection Systems Supervisor	S32.N	Recruiting
500	Operator III	29.N	Recruiting
500	Collection System Technician I	15.N	Recruiting
500	Collection Systems Technician I	15.N	
500	Collection Systems CCTV Tech	21.N	
500	Operator II	27.N	Recruiting
500	Collection Systems CCTV Tech	21.N	Recruiting
500	Sr. Coll Systems CCTV Tech	25.N	Recruiting
500	Operations Supervisor	S35.N	Recruiting
600	Scientist	28.N	Recruiting
600	Senior Scientist	32.N	
700	Water Efficiency Supervisor	U12.E	Recruiting
700	Recycled Water Specialist	24.N	
700	Water Efficiency Specialist	26.N	
700	Senior Energy & Water Resources Planner	U17.E	Recruiting
800	Instrumentation Technician	30.N	
800	Instrumentation Technician	28.N	
800	Senior Electrical Technician	30.N	Recruiting
800	Director of Field Operations	U27.E	

IRVINE RANCH WATER DISTRICT
EMPLOYEE POPULATION STATUS REPORT
January 2022

LEAVE OF ABSENCE					
Type of Leave	**Pay Status**	**Date Leave Began**	**Anticipated Return Date**	**Current Length**	**Comments**
FMLA/CFRA	SDI	9/24/2021	3/17/2022	24.86	
FMLA/CFRA	SDI	9/6/2021	3/7/2022	26.00	
FMLA/CFRA	SDI	12/8/2021	3/8/2022	12.86	
FMLA/CFRA	SDI	12/13/2021	3/7/2022	12.00	
FMLA/CFRA	SDI	12/23/2021	2/24/2022	9.00	
FMLA/CFRA	SDI	12/27/2021	6/27/2022	26.00	
FMLA/CFRA	SDI	1/4/2022	3/29/2022	12.00	
FMLA/CFRA	SDI	10/12/2021	3/7/2022	20.86	
FMLA/CFRA	SDI	7/22/2021	3/12/2022	33.29	
FMLA/CFRA	WC/TTD	1/27/2022	3/1/2022	4.71	
FMLA/CFRA	WC/TTD	1/27/2022	2/16/2022	2.86	
FMLA/CFRA	WC/TTD	7/22/2021	3/12/2022	33.29	
FMLA/CFRA	SDI	1/17/2022	1/27/2022	1.43	
FMLA/CFRA	SDI	1/24/2022	2/24/2022	4.43	
Paid Admin Leave	PAL	12/22/2021	2/9/2022	7.00	

Leave	Original Status	Date Leave Began	Return Date	Length	Return Date	Comments
WC/FMLA/CFRA	SDI	10/23/2020	5/7/2021	6 months	05/07/21	Returned
FMLA/CFRA	SDI	3/29/2021	4/12/2021	1 month	04/12/21	Returned
FMLA/CFRA	SDI	4/22/2021	6/3/2021	1 month	06/08/21	Returned
FMLA/CFRA	SDI	2/26/2021	7/1/2021	4 months	07/01/21	Returned
FMLA/CFRA	SDI	6/21/2021	7/19/2021	2 weeks	07/19/21	Returned
FMLA/CFRA	SDI	6/9/2021	7/12/2021	3 weeks	07/12/21	Returned
FMLA/CFRA	SDI	4/16/2021	9/23/2021	5 months	09/23/21	Returned
FMLA/CFRA	SDI	8/20/2021	9/29/2021	1 month	09/29/21	Returned
FMLA/CFRA	SDI	7/20/2021	9/15/2021	2 months	09/15/21	Returned
FMLA/CFRA	SDI	7/22/2021	9/30/2021	2 months	09/30/21	Returned
FMLA/CFRA	SDI	9/20/2021	11/16/2021	1 month	11/16/2021	Returned
FMLA/CFRA	SDI	9/20/2021	11/17/2021	1 month	11/17/2021	Returned
FMLA/CFRA	SDI	9/28/2021	12/5/2021	1 month	12/5/2021	Returned
FMLA/CFRA	SDI	9/30/2021	10/18/2021	1 month	10/18/2021	Returned
FMLA/CFRA	SDI	9/16/2021	11/1/2021	2 months	11/1/2021	Returned
FMLA/CFRA	SDI	9/7/2021	10/5/2021	1 month	10/5/2021	Returned
FMLA/CFRA	SDI	10/11/2021	11/30/2021	1 month	11/30/2021	Returned
FMLA/CFRA	SDI	6/29/2021	10/25/2021	4 months	10/25/2021	Returned
FMLA/CFRA	SDI	5/20/2021	10/21/2021	6 months	10/21/2021	Returned
FMLA/CFRA	SDI	10/4/2021	12/30/2021	1 month	12/30/21	Returned
FMLA/CFRA	SDI	11/1/2021	12/20/2021	1 month	12/20/21	Returned
FMLA/CFRA	SDI	10/5/2021	11/15/2021	1 month	11/15/21	Returned

IRVINE RANCH WATER DISTRICT
EMPLOYEE POPULATION STATUS REPORT FOR 2021

Month	Length of Employment	Termination		Comments
		Vol	Invol	
January	14 years, 3 months		X	
	20 years, 2 months	X		Requested demotion to part-time status
February				
March				
April				
May				
June				
July				
August				
September				
October				
November				
December				

IRVINE RANCH WATER DISTRICT
SUMMARY
AGENCY & DISTRICT TEMPORARY EMPLOYEES

ACTIVE

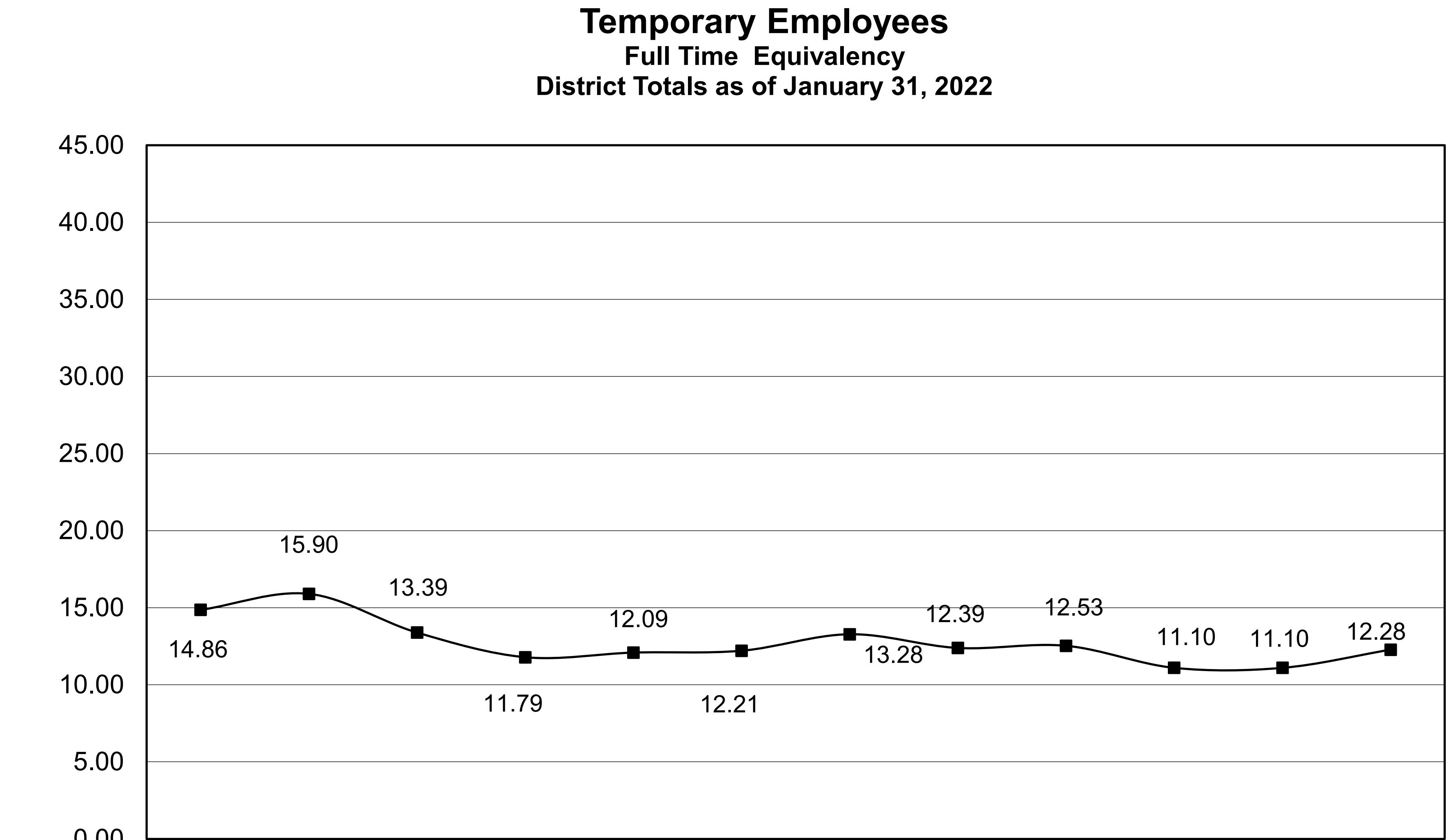
Current Month FTE	FYTD Ave Hours Worked FTE	PERS Enroll-ment	Agency	Dept	Hourly Rate	Est Hours per Month	Est Cost Per Month	Expected Duration (Months)	Actual Worked (Months)	Projected Cost FY' YTD	Actual Cost FY 'YTD
0.81	0.18	Yes		100	50.00	84	4,200.00	8	2	8,400.00	10,812.50
0.81	**0.18**			**100**							
0.00	**0.00**			**200**							
0.92	0.76	Yes		300	37.70	168	6,333.60	12	6	38,001.60	34,985.60
0.23	0.38	No		300	18.00	84	1,512.00	12	6	9,072.00	8,388.00
0.20	0.41	No		300	18.00	84	1,512.00	12	6	9,072.00	8,901.00
0.46	0.07	Yes		300	81.81	84	6,872.04	12	2	13,744.08	6,462.99
0.25	0.44	No		300	19.00	84	1,596.00	12	6	9,576.00	10,146.00
2.07	**2.06**			**300**							
0.87	0.71	Yes		400	24.78	168	4,163.04	12	7	29,141.28	21,310.80
0.87	**0.71**			**400**							
0.92	0.82	Yes		500	30.28	168	5,087.04	12	6	30,522.24	30,045.33
0.29	0.85	Yes		500	24.21	168	4,067.28	6	2	8,134.56	27,042.57
1.21	**1.67**			**500**							
0.72	0.24	No		600	14.00	84	1,176.00	10	6	7,056.00	4,109.00
0.25	0.10	No		600	14.00	84	1,176.00	12	5	5,880.00	1,736.00
0.60	0.09	No		600	14.00	84	1,176.00	7	3	3,528.00	1,456.00
0.51	0.30	No		600	17.00	84	1,428.00	12	5	7,140.00	6,162.50
0.95	0.86	Yes		600	27.72	168	4,656.96	12	8	37,255.68	28,838.50
0.21	0.30	No		600	14.00	84	1,176.00	10	6	7,056.00	5,131.00
0.90	0.34	No	X	600	45.72	168	7,680.96	7	3	23,042.88	18,745.20
4.15	**2.23**			**600**							
0.87	0.81	Yes		700	32.04	168	5,382.72	6	6	32,296.32	31,399.20
0.82	0.79	Yes		700	32.04	168	5,382.72	6	6	32,296.32	30,822.48
0.00	0.00	No	X	700	30.28	168	5,087.04	4		0.00	0.00
0.92	0.21	Yes		700	32.04	168	5,382.72	6	3	16,148.16	8,234.28
0.57	0.11	Yes		700	42.95	84	3,607.80	7	3	10,823.40	5,819.73
3.18	**1.92**			**700**	.						
0.00	**0.00**			**800**							
12.28	**8.77**										

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**							
0.98	0.97	Yes		200	22.37	168	3,758.16	12	5	18,790.80	18,734.88
0.98	**0.97**			**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
1.00	0.45	No	X	400	32.26	168	5,419.68	4	4	21,678.72	12,718.51
0.00	0.05	No	X	400	30.53	168	5,129.04	6	4	20,516.16	1,221.20
1.98	**1.46**			**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
0.87	0.96	No	X	600	32.76	168	5,503.68	6	4	22,014.72	21,785.40
1.00	0.60	No	X	600	46.43	1687	78,327.41	5	4	313,309.64	23,981.10
2.85	**0.87**			**600**							
0.68	0.76	EXC		700	14.00	84	1,176.00	12	5	5,880.00	9,198.00
0.00	**0.00**			**700**							
0.00	**0.00**			**800**							
5.80	3.30									774,446.96	420,078.31

EXC = Exclude from PERS enrollment
Yes= Temporary employee enrolled in PERS Membership
No=Temporary Agency employee
*Data reported 30 days in arrears



	2/21	3/21	4/21	5/21	6/21	7/21	8/21	9/21	10/21	11/21	12/21	1/22
District	14.86	15.90	13.39	11.79	12.09	12.21	13.28	12.39	12.53	11.10	11.10	12.28

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March 10, 2022
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 February 28, 2022, as outlined in Exhibit "A";
- The U.S. Treasury Yield Curve as of February 28, 2022, as shown in Exhibit "B";
- The Summary of Fixed and Variable Debt as of February 28, 2022, as outlined in Exhibit "C"; and
- The Summary of Variable Rate Debt Rates as of February 28, 2022, as outlined in Exhibit "D".

BACKGROUND:

Investment Portfolio:

The rate of return for the fixed income investment portfolio was 0.35%, a 0.03% decrease from January's rate of 0.38%. Including real estate investments, the weighted average rate of return for IRWD's investment portfolio for February 2022 was 2.77%, a 0.02% increase from January's rate of 2.75% due to the change in the fixed income average balance from $394.6 million to $384.7 million.

Debt Portfolio:

As of February 28, 2022, IRWD's weighted average all-in variable rate was 0.42%, a 0.07% increase from January's rate of 0.35%. The increase was due to higher interest rates on the weekly variable rate debt. 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 IRWD's variable rate debt, the total average debt rate was 2.93%, a 0.05% decrease from January's rate of 2.98%. The decrease was due primarily to the change in the negative cash accrual from $279,016 to $250,408 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.

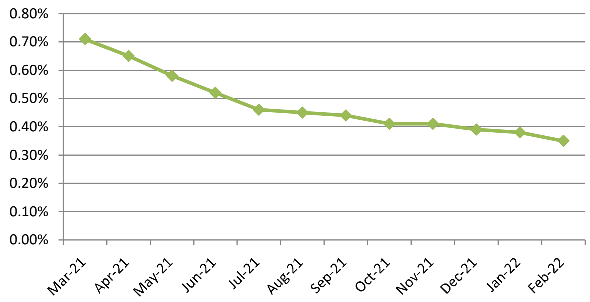
LIST OF EXHIBITS:

Exhibit "A" – Investment Portfolio Summary as of February 28, 2022
Exhibit "B" – Yield Curve as of February 28, 2022
Exhibit "C" – Summary of Fixed and Variable Debt as of February 28, 2022
Exhibit "D" – Summary of Variable Rate Debt Rates as of February 28, 2022

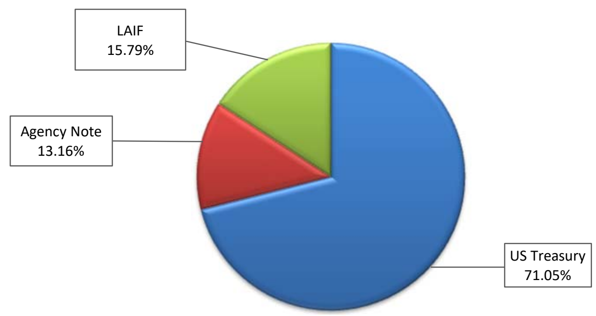
Exhibit "A"

Irvine Ranch Water District
Investment Portfolio Summary
February 2022

Monthly Fixed Income Yield



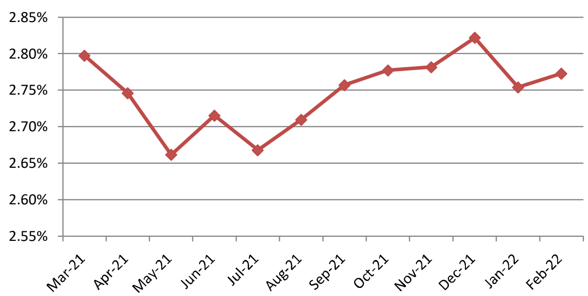
Portfolio Distribution



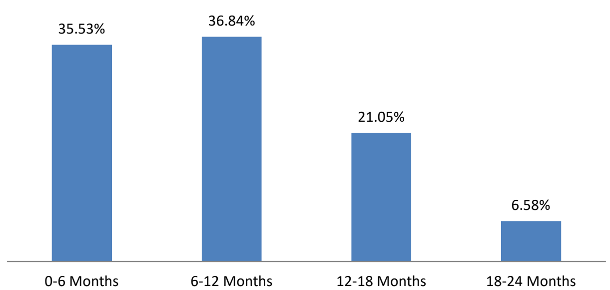
Investment Summary

Type	PAR	Book Value	Market Value
US Treasury	270,000,000	269,594,803	268,604,509
LAIF	60,000,000	60,000,000	59,846,347
Agency Note	50,000,000	50,057,892	50,075,050
Grand Total	380,000,000	379,652,694	378,525,907

Weighted Average Return Including Real Estate Portfolio



Maturity Distribution



Top Issuers

Issuer	PAR	% Portfolio
US Treasury	270,000,000	71.05%
State of California Tsy.	60,000,000	15.79%
Fed Farm Credit Bank	40,000,000	10.53%
Fed Home Loan Bank	10,000,000	2.63%
Grand Total	380,000,000	100.00%

IRVINE RANCH WATER DISTRICT
INVESTMENT SUMMARY REPORT

02/28/22

SETTLMT	Call Schedule	Initial Call	Maturity Date	Rating	INVESTMENT TYPE	INSTITUTION / ISSUER	PAR Amount	COUPON DISCOUNT	YIELD	ORIGINAL COST	CARRY VALUE	MARKET VALUE[1] 2/28/2022	UNREALIZED[2] GAIN/(LOSS)
02/25/22			03/01/22		LAIF	State of California Tsy.	$60,000,000		0.270%	$60,000,000.00	$60,000,000.00	59,846,347.20	(153,652.80)
03/08/19	NA	NA	03/11/22	Aaa/AA+/NR	FHLB - Note	Fed Home Loan Bank	5,000,000	2.500%	2.481%	5,002,750.00	5,000,025.02	5,014,550.00	14,524.98
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	9,998,100.00	(1,900.00)
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	5,000,921.46	5,013,650.00	12,728.54
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	5,001,311.80	5,001,750.00	438.20
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	4,999,781.61	5,011,550.00	11,768.39
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	10,020,277.20	10,030,200.00	9,922.80
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	10,053,580.74	10,046,300.00	(7,280.74)
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	10,001,415.79	9,988,700.00	(12,715.79)
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	5,000,721.19	4,994,350.00	(6,371.19)
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	5,001,009.44	4,994,350.00	(6,659.44)
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	5,027,940.27	5,027,750.00	(190.27)
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	5,000,111.84	5,026,150.00	26,038.16
12/23/21	NA	NA	07/31/22	Aaa/AA/AAA	Treasury - Note	US Treasury	10,000,000	0.125%	0.157%	9,998,046.88	9,998,650.57	9,982,800.00	(15,850.57)
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	5,000,583.55	4,988,300.00	(12,283.55)
12/15/21	NA	NA	08/31/22	Aaa/AA/AAA	Treasury - Note	US Treasury	5,000,000	1.875%	0.188%	5,059,570.31	5,042,090.22	5,038,650.00	(3,440.22)
01/13/22	NA	NA	08/31/22	Aaa/AA/AAA	Treasury - Note	US Treasury	5,000,000	0.125%	0.312%	4,994,140.63	4,995,337.98	4,988,300.00	(7,037.98)
02/15/22	NA	NA	08/31/22	Aaa/AA/AAA	Treasury - Note	US Treasury	5,000,000	0.125%	0.776%	4,982,617.19	4,983,852.52	4,982,617.19	(1,235.33)
02/15/22	NA	NA	08/31/22	Aaa/AA/AAA	Treasury - Note	US Treasury	5,000,000	0.125%	0.769%	4,982,812.50	4,984,033.95	4,982,812.50	(1,221.45)
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	5,049,493.79	5,044,300.00	(5,193.79)
12/03/21	NA	NA	09/30/22	Aaa/AA/AAA	Treasury - Note	US Treasury	5,000,000	0.125%	0.210%	4,996,484.38	4,997,512.20	4,985,950.00	(11,562.20)
01/10/22	NA	NA	09/30/22	Aaa/AA/AAA	Treasury - Note	US Treasury	5,000,000	0.125%	0.332%	4,992,578.13	4,993,989.13	4,985,950.00	(8,039.13)
02/28/22	NA	NA	09/30/22	Aaa/AA/AAA	Treasury - Note	US Treasury	5,000,000	0.125%	0.742%	4,982,031.25	4,982,115.22	4,982,031.25	(83.97)
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	10,003,761.09	9,965,200.00	(38,561.09)
12/23/21	NA	NA	10/31/22	Aaa/AA/AAA	Treasury - Note	US Treasury	10,000,000	0.125%	0.253%	9,989,062.50	9,991,446.31	9,965,200.00	(26,246.31)
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	5,000,807.37	4,976,550.00	(24,257.37)
12/20/21	NA	NA	11/30/22	Aaa/NR/AAA	Treasury - Note	US Treasury	10,000,000	0.125%	0.266%	9,986,718.75	9,989,451.99	9,953,100.00	(36,351.99)
01/07/22	NA	NA	11/30/22	Aaa/NR/AAA	Treasury - Note	US Treasury	5,000,000	0.125%	0.401%	4,987,695.31	4,989,689.65	4,976,550.00	(13,139.65)
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	10,117,395.65	10,079,300.00	(38,095.65)
11/30/21	NA	NA	12/31/22	Aaa/AA/AAA	Treasury - Note	US Treasury	10,000,000	0.125%	0.216%	9,990,234.38	9,992,478.50	9,941,800.00	(50,678.50)
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	4,999,193.14	4,966,400.00	(32,793.14)
12/30/21	NA	NA	01/31/23	Aaa/NR/AAA	Treasury - Note	US Treasury	10,000,000	0.125%	0.417%	9,968,359.38	9,973,221.04	9,932,800.00	(40,421.04)
02/28/22	NA	NA	01/31/23	Aaa/AA/AAA	Treasury - Note	US Treasury	5,000,000	0.125%	1.070%	4,956,640.63	4,956,769.29	4,956,640.63	(128.67)
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	9,988,202.09	9,950,200.00	(38,002.09)
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	9,994,413.06	9,924,600.00	(69,813.06)
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	9,997,011.86	9,912,500.00	(84,511.86)
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	4,990,093.78	4,956,250.00	(33,843.78)
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	9,991,080.62	9,905,100.00	(85,980.62)
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	9,978,876.15	9,905,100.00	(73,776.15)
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	9,967,613.64	9,891,800.00	(75,813.64)
12/29/21	NA	NA	06/30/23	Aaa/AA/AAA	Treasury - Note	US Treasury	5,000,000	0.125%	0.563%	4,967,187.50	4,970,899.86	4,940,250.00	(30,649.86)
01/11/22	NA	NA	07/31/23	Aaa/AA/AAA	Treasury - Note	US Treasury	5,000,000	0.125%	0.710%	4,954,882.81	4,958,788.72	4,933,400.00	(25,388.72)
02/28/22	NA	NA	07/31/23	Aaa/AA/AAA	Treasury - Note	US Treasury	5,000,000	0.125%	1.408%	4,909,960.94	4,910,134.76	4,909,960.94	(173.82)
01/13/22	NA	NA	08/15/23	Aaa/AA/AAA	Treasury - Note	US Treasury	10,000,000	0.125%	0.769%	9,898,437.50	9,906,681.78	9,862,100.00	(44,581.78)
02/15/22	NA	NA	08/31/23	Aaa/AA/AAA	Treasury - Note	US Treasury	5,000,000	0.125%	1.473%	4,898,046.88	4,900,586.64	4,898,046.88	(2,539.76)
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	9,949,341.80	9,867,600.00	(81,741.80)
SUB-TOTAL							$380,000,000			$380,154,864.84	$379,652,694.29	$378,525,906.58	($1,126,787.72)
TOTAL INVESTMENTS							$380,000,000			$380,154,864.84	$379,652,694.29	$378,525,906.58	($1,126,787.72)

IRVINE RANCH WATER DISTRICT
INVESTMENT SUMMARY REPORT

02/28/22

SETTLMT	Call Schedule	Initial Call	Maturity Date	Rating	INVESTMENT TYPE	INSTITUTION / ISSUER	PAR Amount	COUPON DISCOUNT	YIELD	ORIGINAL COST	CARRY VALUE	MARKET VALUE[1] 2/28/2022	UNREALIZED[2] GAIN/(LOSS)
					Petty Cash					3,400.00			
					Ck Balance	Bank of America	ECR	0.19%		7,660,080.77			
										$387,818,345.61			

[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:	$387,818,346
Investment to Variable Rate Debt Ratio:	217%
Portfolio - Average Number of Days To Maturity	229

	Investment Portfolio	**Real Estate[3] Portfolio**	**Weighted Avg. Return**
February	**0.35%**	**12.23%**	**2.77%**
January	**0.38%**	**12.23%**	**2.75%**
Change	**-0.03%**		**0.02%**

This Investment Summary Report is in conformity with the 2022 Investment Policy and provides sufficient liquidity to meet the next six months estimated expenditures.
*S - Step up

IRVINE RANCH WATER DISTRICT
SUMMARY OF MATURITIES

02/28/22

DATE	TOTAL	%	LAIF	Agency Notes	Agency Discount Notes	Municipal Bonds	US Treasury
02/22	60,000,000	15.79%	$60,000,000				
03/22	25,000,000	6.58%		15,000,000			10,000,000
04/22	15,000,000	3.95%		15,000,000			
05/22	10,000,000	2.63%					10,000,000
06/22	25,000,000	6.58%					25,000,000
07/22	15,000,000	3.95%		5,000,000			10,000,000
08/22	25,000,000	6.58%					25,000,000
09/22	20,000,000	5.26%		5,000,000			15,000,000
10/22	20,000,000	5.26%					20,000,000
11/22	20,000,000	5.26%					20,000,000
12/22	20,000,000	5.26%					20,000,000
1/23	20,000,000	5.26%					20,000,000
SUB-TOTAL	$275,000,000	72.37%	$60,000,000	40,000,000			175,000,000

13 Months - 3 YEARS							
02/01/2023 - 04/31/2023	$55,000,000	14.47%		10,000,000			45,000,000
05/01/2023 - 07/31/2023	$25,000,000	6.58%					25,000,000
08/01/2023 +	$25,000,000	6.58%					25,000,000
TOTALS	$380,000,000	100.00%	$60,000,000	50,000,000	-		270,000,000
% OF PORTFOLIO			15.79%	13.16%			71.05%

Irvine Ranch Water District
Summary of Real Estate - Income Producing Investments
12/31/2021

	ACQUISITION DATE	PROPERTY TYPE	OWNERSHIP INTEREST	ORIGINAL COST	MARKET VALUE 6/30/2021	ANNUALIZED RATE OF RETURN QUARTER ENDED 12/31/2021
Sycamore Canyon	Dec-92	Apartments	Fee Simple	$ 43,550,810	$ 170,000,000	22.19%
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	9.49%
Waterworks Business Pk.	Nov-08	Research & Dev.	Fee Simple	$ 8,630,577	$ 11,600,000	7.57%
Sand Canyon Professional Center - Medical Office	Jul-12	Medical Office	Fee Simple	$ 8,648,594	$ 11,900,000	9.56%
Sand Canyon Professional Center - General Office	Sep-20	Office Building	Fee Simple	$ 25,985,968	$ 33,250,000	-0.56%
Total - Income Properties				$ 98,555,794	$ 271,008,924	12.23%

IRVINE RANCH WATER DISTRICT INVESTMENT SUMMARY REPORT
INVESTMENT ACTIVITY
Feb-22

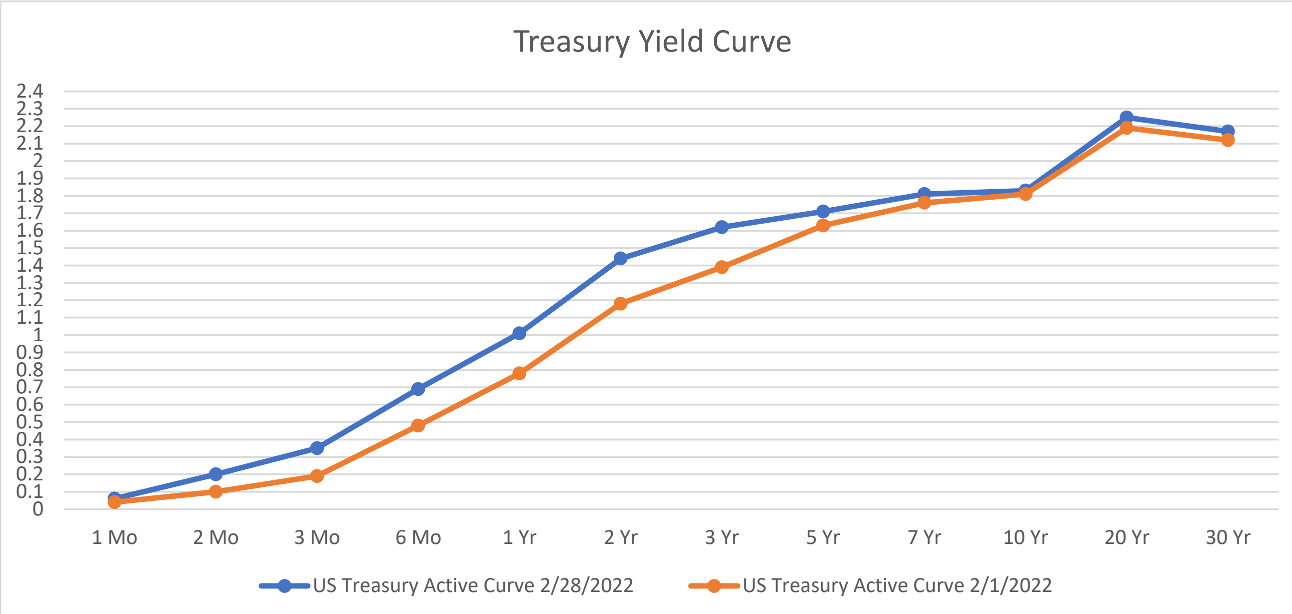
MATURITIES/SALES/CALLS

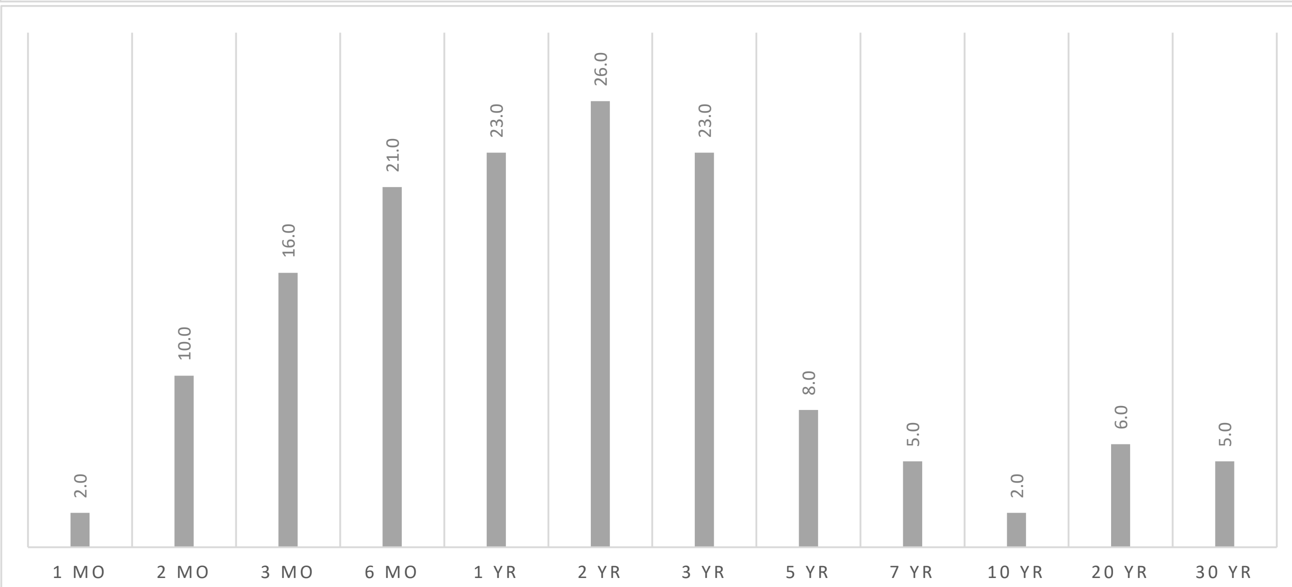
DATE	SECURITY TYPE	PAR	YIELD
2/3/2022	FFCB - Note	$5,000,000	2.36%
2/15/2022	Treasury - Note	$5,000,000	1.65%
2/28/2022	Treasury - Note	$5,000,000	0.14%
2/28/2022	Treasury - Note	$5,000,000	0.13%
2/28/2022	Treasury - Note	$5,000,000	0.05%

PURCHASES

Settlement Date	Maturity Date	SECURITY TYPE	PAR	YIELD TO MATURITY
2/15/2022	8/31/2023	Treasury - Note	$5,000,000	1.47%
2/15/2022	8/31/2022	Treasury - Note	$5,000,000	0.78%
2/15/2022	8/31/2022	Treasury - Note	$5,000,000	0.77%
2/28/2022	9/30/2022	Treasury - Note	$5,000,000	0.74%
2/28/2022	1/31/2023	Treasury - Note	$5,000,000	1.07%
2/28/2022	7/31/2023	Treasury - Note	$5,000,000	1.41%

Exhibit "B"





Tenor	US Treasury Active Curve 2/28/2022	US Treasury Active Curve 2/1/2022	Change
1 Mo	0.06	0.04	2.0
2 Mo	0.2	0.1	10.0
3 Mo	0.35	0.19	16.0
6 Mo	0.69	0.48	21.0
1 Yr	1.01	0.78	23.0
2 Yr	1.44	1.18	26.0
3 Yr	1.62	1.39	23.0
5 Yr	1.71	1.63	8.0
7 Yr	1.81	1.76	5.0
10 Yr	1.83	1.81	2.0
20 Yr	2.25	2.19	6.0
30 Yr	2.17	2.12	5.0

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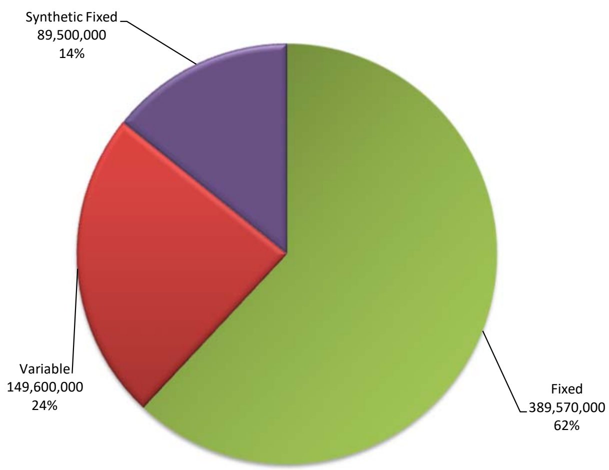
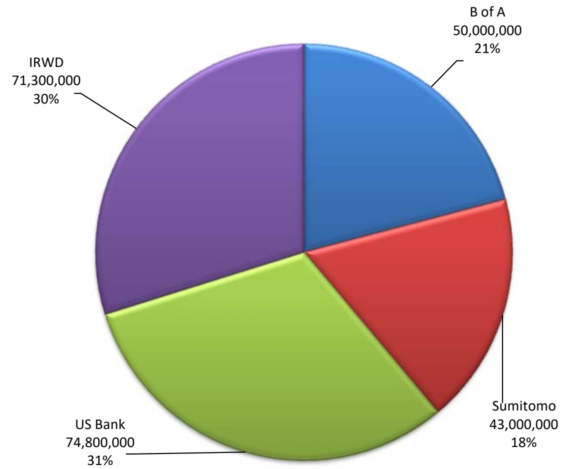
Exhibit "C"

Irvine Ranch Water District
Summary of Fixed and Variable Rate Debt
February 2022

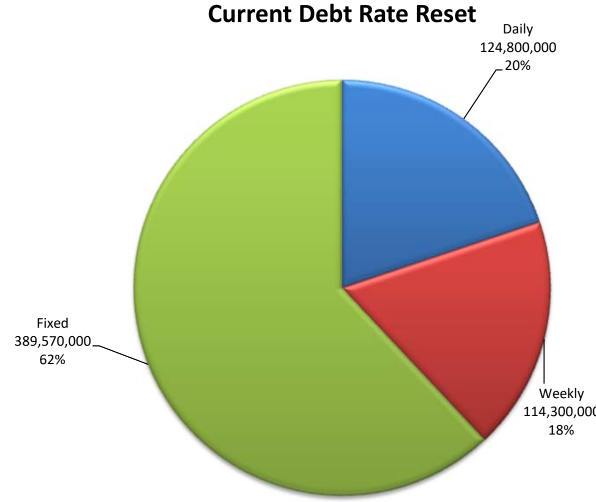
Current Debt Mix By Type



Letters of Credit / Support



Current Debt Rate Reset



Outstanding Par by Series

Series	Issue Date	Maturity Date	Remaining Principal	Percent	Letter of Credit/Support	Rmkt Agent	Mode	Reset
Series 1993	05/19/93	04/01/33	$24,800,000	3.94%	US Bank	BAML	Variable	Daily
Series 2008-A Refunding	04/24/08	07/01/35	$43,000,000	6.84%	Sumitomo	BAML	Variable	Weekly
Series 2011-A-1 Refunding	04/15/11	10/01/37	$42,780,000	6.80%	IRWD	Goldman	Variable	Weekly
Series 2011-A-2 Refunding	04/15/11	10/01/37	$28,520,000	4.54%	IRWD	Goldman	Variable	Weekly
Series 2009 - A	06/04/09	10/01/41	$50,000,000	7.95%	US Bank	US Bank	Variable	Daily
Series 2009 - B	06/04/09	10/01/41	$50,000,000	7.95%	B of A	Goldman	Variable	Daily
2016 COPS	09/01/16	03/01/46	$113,325,000	18.03%	N/A	N/A	Fixed	Fixed
2010 Build America Taxable Bond	12/16/10	05/01/40	$175,000,000	27.84%	N/A	N/A	Fixed	Fixed
Series 2016	10/12/16	02/01/46	$101,245,000	16.10%	N/A	N/A	Fixed	Fixed
Total			$628,670,000	100.00%				

IRVINE RANCH WATER DISTRICT

SUMMARY OF FIXED & VARIABLE RATE DEBT

February-22

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	Reimbursment Agreement Date	L/C Exp. Date	MOODYS	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%** (Wt. Avg)	**$516,210**			**0.10%** (Wt. Avg)	**$229,025**	
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	$101,245,000	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	**$389,570,000**	**SUB-TOTAL FIXED RATE DEBT**													
					$744,575,000	**$628,670,000**	**TOTAL- FIXED & VARIABLE RATE DEBT**													

Remarketing Agents

Goldman	121,300,000	51%
BAML	67,800,000	28%
US Bank	50,000,000	21%
	239,100,000	

GO VS COP's

GO:	515,345,000	82%
COPS:	113,325,000	18%
Total	**628,670,000**	

LOC Banks

SUMITOMO	43,000,000
BANK OF AMERICA	50,000,000
US BANK	74,800,000
	167,800,000

Breakdown Between Variable & Fixed Rate Mode

Daily Issues	124,800,000	20%
Weekly Issues	43,000,000	7%
ITN Issues	71,300,000	11%
Sub-Total	**239,100,000**	
Fixed Rate Issues	$389,570,000	62%
Sub-Total - Fixed	**389,570,000**	
TOTAL DEBT FIXED & VAR.	**628,670,000**	100%

vrdsum
3/1/2022

Exhibit "D"

SUMMARY OF DEBT RATES
Feb-22

Rmkt Agent	GOLDMAN	GOLDMAN	GOLDMAN	MERRILL LYNCH		US BANK
Mode	DAILY	WEEKLY	WEEKLY	DAILY	WEEKLY	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 + 6)**	**(SIFMA + 3) (SIFMA + 6)**	US BANK	Sumitomo	US BANK
Reset		**Wednesday**	**Wednesday**		**Wednesday**	
2/1/2022	0.02%	0.09%	0.09%	0.04%	0.05%	0.04%
2/2/2022	0.02%	0.09%	0.09%	0.05%	0.05%	0.04%
2/3/2022	0.02%	0.17%	0.17%	0.05%	0.12%	0.05%
2/4/2022	0.01%	0.17%	0.17%	0.04%	0.12%	0.05%
2/5/2022	0.01%	0.17%	0.17%	0.04%	0.12%	0.05%
2/6/2022	0.01%	0.17%	0.17%	0.04%	0.12%	0.05%
2/7/2022	0.01%	0.17%	0.17%	0.03%	0.12%	0.04%
2/8/2022	0.01%	0.17%	0.17%	0.03%	0.12%	0.04%
2/9/2022	0.01%	0.17%	0.17%	0.03%	0.12%	0.05%
2/10/2022	0.02%	0.23%	0.23%	0.05%	0.16%	0.07%
2/11/2022	0.02%	0.23%	0.23%	0.04%	0.16%	0.06%
2/12/2022	0.02%	0.23%	0.23%	0.04%	0.16%	0.06%
2/13/2022	0.02%	0.23%	0.23%	0.04%	0.16%	0.06%
2/14/2022	0.01%	0.23%	0.23%	0.04%	0.16%	0.05%
2/15/2022	0.01%	0.23%	0.23%	0.03%	0.16%	0.05%
2/16/2022	0.01%	0.23%	0.23%	0.03%	0.16%	0.05%
2/17/2022	0.01%	0.25%	0.25%	0.02%	0.19%	0.05%
2/18/2022	0.01%	0.25%	0.25%	0.03%	0.19%	0.05%
2/19/2022	0.01%	0.25%	0.25%	0.03%	0.19%	0.05%
2/20/2022	0.01%	0.25%	0.25%	0.03%	0.19%	0.05%
2/21/2022	0.01%	0.25%	0.25%	0.03%	0.19%	0.05%
2/22/2022	0.02%	0.25%	0.25%	0.03%	0.19%	0.05%
2/23/2022	0.01%	0.25%	0.25%	0.03%	0.19%	0.05%
2/24/2022	0.01%	0.26%	0.26%	0.03%	0.19%	0.06%
2/25/2022	0.02%	0.26%	0.26%	0.04%	0.19%	0.07%
2/26/2022	0.02%	0.26%	0.26%	0.04%	0.19%	0.07%
2/27/2022	0.02%	0.26%	0.26%	0.04%	0.19%	0.07%
2/28/2022	0.03%	0.26%	0.26%	0.04%	0.19%	0.08%
Avg Interest Rates	0.01%	0.23%	0.23%	0.04%	0.16%	0.05%
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%**	**0.35%**	**0.35%**	**0.44%**	**0.54%**	**0.42%**
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	0.42%		0.03%
Weekly	47.80%		114,300,000	0.42%		0.20%
	100.00%	**$**	**239,100,000**	0.42%		0.11%
Fixed						
COPS 2016	29.09%		113,325,000	2.90%		
BABS 2010	44.92%		175,000,000	4.44%	(1)	
SERIES 2016	25.99%		101,245,000	3.32%		
	100.00%	**$**	**389,570,000**	3.70%		
All-In Debt Rate Including $60 Million Notional Amount of Swaps						**2.93%**

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

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March 10, 2022
Prepared by: M. Saini
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
Mar 10, 2022

Project Name	Project Summary	Schedule		Project Budget	Status
User Technology and Software Upgrades	Replace PCs based on IRWD replacement practices, including replacing desktops with laptops. Upgrade software as hardware is replaced. Modernize and upgrade conference room technology.	Start Complete	07/21 06/22	$350,000	Staff completed SC replacement of desktops with laptops. Staff continues to replace OPS personal computers, peripherals, and software upgrades. Conference Room technology upgrade completed for two conference rooms; staff is analyzing a comparison between the two upgraded Conference Rooms.
Wi-Fi Refresh	Replace the District's legacy Wi-Fi infrastructure with modern authentication and equipment.	Start Complete	03/22 07/22	$250,000	Site inspections have been completed at Baker, LAWRP, Operations, and Sand Canyon. An analysis of dead zones is being prepared in March. Equipment will be purchased based on analysis.
Oracle EBS Database Upgrade	Implement a technical upgrade of IRWD's Oracle EBS database to the most current version.	Start Complete	03/22 06/22	$240,000	Project kick-off is scheduled in second week of March 2022.

Project Name	Project Summary	Schedule		Project Budget	Status
Oracle EBS Direct Labor cost allocation to Projects	Oracle EBS Direct labor cost Allocation for G&A to Projects	Start Complete	03/22 07/22	$320,000	Project kick-off is scheduled in March 2022.

March 10, 2022
Prepared by: J. Davis
Submitted by: R. Jacobson / C. Clary
Approved by: Paul A. Cook

FINANCE AND PERSONNEL COMMITTEE

REAL ESTATE QUARTERLY PERFORMANCE

SUMMARY:

At the Committee meeting, staff will provide an update on the financial performance of IRWD's real estate investments and other revenue generating properties for the quarter and fiscal year ended December 31, 2021.

BACKGROUND:

For the quarter ended December 31, 2021, the net operating income (NOI) for IRWD's residential and commercial real estate investment properties was $3.0 million, which represents a 12.23% return for the period. The fiscal year (FY) to date NOI was approximately $5.9 million. Land lease income from the Strawberry Farms Golf Course was $222,743 and $481,659 for the quarter and FY to date, respectively. Lease revenue from the District's six cell sites were $90,528 and $144,827 for the quarter and FY to date, 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 December 31, 2021, was approximately $2.4 million and $4.7 million year to date, which were favorable to budget by $372,121 and $531,121, respectively. The quarter and fiscal year end variances were due to unanticipated revenue from the City of Anaheim's COVID-19 rent relief program for certain qualified tenants, as well as higher-than-anticipated occupancy and lower operating expenses for payroll, maintenance and apartment turnovers, and the deferral of larger budgeted items to calendar year 2022. IRWD's limited partnership investment in the Wood Canyon Villa Apartments property earned a preferred return of 9.00%, providing income of $136,110 for the quarter and $272,220 for the FY to date. The net return for Wood Canyon was 8.52% for the quarter and FY periods.

Commercial Investment Properties:

For the quarter and FY period ended December 31, 2021, NOI at the Irvine Market Place (230 Commerce) property was $136,142 and $271,022, which were favorable to budget by $10,217 and $8,066, respectively, due to rent from an unanticipated lease extension. Currently, the property has one suite available, which is being marketed by IRWD's commercial real estate broker Colliers International.

For the quarter and FY period ended December 31, 2021, NOI for the Waterworks Way Business Park property was in line with budget at $163,263 and $318,464, respectively. The property is currently 100% occupied.

For the quarter and FY period ended December 31, 2021, the NOI for the Sand Canyon Medical Office property was $206,771 and $410,000 and was in line with budget. The property is currently 100% occupied. The new seven-year lease extension with tenant Reproductive Sciences Management Company (formerly Coastal Fertility) will begin on June 1, 2022, at the end of the current 10-year lease term.

In September 2021, a seven-year lease for the Sand Canyon Professional Center general office building (69,968 square feet) was completed with Bandai Namo Holdings USA Inc. The tenant is currently constructing tenant improvements and the lease will commence on April 1, 2022.

Strawberry Farms Golf Course and Cell Site Leases:

Land lease income for Strawberry Farms Golf Course for the quarter ended December 31, 2021 was $222,743. This compares with income of $172,354 for the same period last year, representing a 29.24% increase for the period. The FY year-to-date income was $481,659, representing an increase of 30.55% compared to the same period last year. The increases were due to the prior year periods operating under COVID-19 orders. For the quarter and FY ended December 31, 2021, the lease revenue from IRWD's six cell sites were $90,528 and $144,827, respectively, which were increases of $16,774 and $22,573 from the same periods last year. The increases were due to timing of the revenue share amount.

FISCAL IMPACTS:

For the quarter and fiscal year period ended December 31, 2021, IRWD's commercial and residential real estate investments provided NOI of approximately $3.0 million and $5.9 million, respectively. Strawberry Farms Golf Course lease revenue was $222,743 for the quarter and $481,659 for the FY to date. The District's cell site revenue was $90,528 for the quarter and the FY to date was $144,827.

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 December 31, 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	Oct-21	Nov-21	Dec-21	FY Q2	FY 2021-22 TOTAL	FY Q1	FY Q2	Average Fiscal YTD	FY 19/20 - 21/22	FY 17/18 - 21/22
Sycamore Canyon Apartments	$ 43,550,810	Dec-92	$ 688,785	$ 781,598	$ 945,138	$ 2,415,521	$ 4,725,443	21.22%	22.19%	21.70%	20.30%	19.71%
Wood Canyon Villa Apartments	$ 6,000,000	Jun-91	$ 45,863	$ 44,384	$ 45,863	$ 136,110	$ 272,220	8.52%	8.52%	8.52%	8.50%	8.53%
Irvine Market Place Office	$ 5,739,845	Jul-03	$ 41,475	$ 42,846	$ 51,821	$ 136,142	$ 271,022	9.40%	9.49%	9.44%	9.69%	9.80%
Waterworks Way Business Park	$ 8,630,577	Nov-08	$ 56,421	$ 58,982	$ 47,860	$ 163,263	$ 318,464	7.19%	7.57%	7.38%	6.90%	6.29%
Sand Canyon Professional Center - Medical	$ 8,648,594	Jul-12	$ 71,833	$ 70,445	$ 64,493	$ 206,771	$ 410,000	9.40%	9.56%	9.48%	9.22%	9.07%
Sand Canyon Professional Center - General	$ 25,985,968	Sep-20	$ (22,038)	$ (3,941)	$ (10,109)	$ (36,088)	$ (95,989)	-0.92%	-0.56%	-0.74%		
TOTAL - INCOME PROPERTIES	$ 98,555,793		$ 882,339	$994,314	$1,145,066	$3,021,719	$ 5,901,160	11.65%	12.23%	11.94%	11.47%	11.15%

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 December 31, 2021

	2021-22 NET INCOME				
Property Description	Oct-21	Nov-21	Dec-21	FY Q2	NET INCOME 2021 - 2022
Strawberry Farms Golf Course	$ 76,873	$ 73,815	$ 72,055	$ 222,743	$ 481,659
Change From Prior Year Period [1]:				$ 50,389 29.24%	$ 112,723 30.55%
Cellular Sites	$ 46,197	$ 13,612	$ 30,719	$ 90,528	$ 144,827
Change From Prior Year Period:				$ 16,774 22.74%	$ 22,573 18.46%

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

3/2/2022
5:19 PM

March 10, 2022
Prepared by: R. Jacobson
Submitted by: C. Clary
Approved by: Paul A. Cook

FINANCE AND PERSONNEL COMMITTEE

RESIDENTIAL INVESTMENT PROPERTY PERFORMANCE
2021 ANNUAL REPORT

SUMMARY:

Staff and IRWD's apartment property consultant Market-THINK will present the annual performance report for the Sycamore Canyon and Wood Canyon Villa apartment properties for the calendar year ended December 31, 2021. The report will include property management and capital improvement plans for calendar year 2022 and an update on the Orange County apartment market.

BACKGROUND:

Staff completed its analysis of the 2021 financial statements (calendar year) and final 2022 operating and capital budgets for the Sycamore Canyon and Wood Canyon Villa apartment properties as submitted by IRWD's apartment property manager Western National Properties. At the meeting, staff and Ms. Susan Sirota of Market-THINK will present the following:

- A report of the 2021 financial performance for the District's residential investment properties including an overview of completed capital projects;
- A review of budget highlights and planned capital projects for 2022, which include additional roof replacements (three buildings), deck and balcony repairs/replacements, unit interior upgrades (kitchen lighting, cabinet hardware, baseboards, etc.); technology improvements, and main pool amenity enhancements;
- An updated forecast of Orange County apartment market activity for 2022 including new apartment construction projects, rental rate and occupancy projections, and perspectives on the 2022 apartment leasing market from industry economists; and
- An update on leasing impacts and measures being taken by Western National Properties property management staff at Sycamore Canyon and Wood Canyon Villas related to COVID-19.

FISCAL IMPACTS:

For calendar year 2021, the net operating income (NOI) from the Sycamore Canyon Apartments property was $9.1 million. The District's preferred return income from the Wood Canyon Villa property was $540,000. For calendar year 2022, the NOI from the Sycamore Canyon Apartments property is projected to be $9.4 million and the preferred return income from the Wood Canyon Villa property is projected to be $540,000.

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:

None.

March 10, 2022
Prepared by: D. Kanoff
Submitted by: R. Jacobson / C. Clary
Approved by: Paul A. Cook

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 second quarter of Fiscal Year (FY) ending June 30, 2022.

BACKGROUND:

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

- Insurance premiums total $1,126,065 and are $7,415 over budget;
- Third-party claim administration expenses total $1,520 and are $13,480 under budget;
- Legal expenses total $136,958; and
- Claim payments total ($131,472) and are $196,472 under budget due to self-insured retention (SIR) accrual adjustments.

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

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Exhibit "A"

Irvine Ranch Water District
Insurance and Claims Summary
Period Ending December 31, 2021

PREMIUM	Actual FY 21/22	Budget FY 21/22	Variance	% Variance	Prior FY 20/21
Crime	5,346	5,300	(46)	-1%	5,091
General Liability	731,217	684,500	(46,717)	-7%	481,778
Pollution	90,805	115,350	24,545	21%	86,624
Property	275,869	305,000	29,131	10%	155,053
Cyber	22,828	8,500	(14,328)	-169%	6,343
Total	1,126,065	1,118,650	(7,415)	-1%	734,889

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	1,650	1,500	150
Claim Payments - Property		6,497	6,497	65,000	58,503	23,864
1 Accrual - Bodily Injury	(137,969)		(137,969)		137,969	-50,000
2 Claim Admin	270	1,250	1,520	15,000	13,480	6,028
Total FY 21/22	(137,699)	7,897	(129,802)	81,650	211,452	(19,958)

1 SIR accrual adjustments made to Sura & SLR claims (Rash)

2 Includes $1,250 annual administrative fee

CATEGORY	Open FY 21/22	Closed FY 21/22	Total FY 21/22	Prior FY 20/21
Legal	136,958		136,958	108,921
Total FY 21/22	136,958		136,958	108,921

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

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Exhibit "B"

Register of Closed General Liability Claims as of December 31, 2021

Closed Claims Fiscal Year 2021-2022			
CLAIM TYPE	CLAIMANT	Claim Payments - Property	Grand Total
Single Event	Chase Bank - Irvine	1,261	1,261
	Adam Cohen	4,077	4,077
	Stacy Marlin	250	250
	Kathy Chang	40	40
	Ginger Pierson	869	869
Grand Total		6,497	6,497

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March 10, 2022
Prepared by: D. Pardee / C. Smithson
Submitted by: C. Clary
Approved by: Paul A. Cook

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 through the second quarter of Fiscal Year (FY) 2021-22. Actual operating net revenue was $75.1 million, while total system operating expenses were $81.1 million for a net operating loss of $6.0 million. Consolidated expenses, including capital, totaled $92.1 million compared with a budget of $87.9 million. Non-operating net income was $43.4 million compared with a budget of $38.2 million.

BACKGROUND:

Details of unaudited actual results through the second 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 a summary of the major components included in salaries and benefits.

Summary of Operating Revenues and Expenses:

The net operating loss for IRWD was $6.0 million. Exhibit "A" shows a detailed comparison and explanations for significant variances of actual to budget revenues and expenses by system through the second quarter of FY 2021-22. A summary by system is shown below.

Potable Water System:

Net revenues were under budget by $0.7 million and total expenses exceeded budget by $2.3 million. Sales were 495 AF below budget. Commodity revenues were $0.9M below budget and purchased water and electricity expenses were $0.7M and $1.5M respectively, above budget. Explanations are included on Exhibit "A-2".

Recycled Water System:

Net revenues were below budget by $1.0 million and total expenses were over budget by $0.6 million. Sales were 911 AF lower than budget. Purchased water was $0.8M over budget partially offset by a $0.6M positive variance in other operating expenses. Explanations are provided on Exhibit “A-4”.

Sewer System:

Net revenues were under budget by $0.2 million and total expenses were over budget by $0.6 million. Salaries and Benefits were over budget by $1.1M. Explanations are provided on Exhibit “A-6”.

Conservation, Natural Treatment System (NTS) and Water Banking (Over-allocation Fund):

Net revenues NTS were under budget by $0.6 million and total expenses were over budget by $1.0 million. Repairs and Maintenance expenses were over budget by $1.1M. Explanations are provided on Exhibit “A-7”.

Summary of Operating Expenses:

Exhibit “B” is a summary of actual to budget expenses by major category, including capital, through the second quarter of FY 2021-22. Net operating expenses were $92.1 million, which is over budget by $4.2 million. The full-year forecast for FY 2021-22 is $188.2 million, which is $8.0 million higher than budget.

Summary of Non-Operating Revenues and Expenses:

Exhibit “C” is a 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 revenue pays debt service. Property taxes and connection fees help to pay for new infrastructure.

The non-operating net income was $43.4 million, which was over budget by $5.2 million. Revenues were over budget by $4.7 million and expenses were below budget by $0.5 million. The full-year forecasted net income for FY 2021-22 is $80.1 million, which is $3.0 million higher than budget.

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 Net Income

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Exhibit "A"

Actual vs Budget Operating Net Income by System
Through the Second Quarter of Fiscal Year 2021-22
(in thousands)

Consolidated

Revenues:	**Actual**	**Budget**	**Variance**
Commodity	$ 44,604	$ 47,137	$ (2,533)
Fixed Service Charges and Other	48,646	48,768	(122)
Total Revenues	**$ 93,250**	**$ 95,905**	**$ (2,655)**
Contribution to Enhancement and Replacement Funds	(18,104)	(18,299)	195
Net Revenues	**$ 75,146**	**$ 77,606**	**$ (2,460)**
Expenses:			
Salaries and Benefits	$ 20,683	$ 19,061	$ (1,622)
Purchased Water	23,575	22,087	(1,488)
Electricity	11,914	10,241	(1,673)
Repairs and Maintenance - OC San	2,244	2,060	(184)
All Other Repairs and Maintenance	6,823	6,335	(488)
All Other Operating Expense	15,860	16,759	899
Total Expenses	**$ 81,099**	**$ 76,543**	**$ (4,556)**
Net Operating Income (Loss)	**$ (5,953)**	**$ 1,063**	**$ (7,016)**

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

Actual vs Budget Operating Net Income by System
Through the Second Quarter of Fiscal Year 2021-22
(in thousands)

Potable (treated and untreated systems)			
Revenues:	**Actual**	**Budget**	**Variance**
Commodity	$ 25,126	$ 26,066	$ (940)
Fixed Service Charges and Other	18,539	18,310	229
Total Revenues	**$ 43,665**	**$ 44,376**	**$ (711)**
Contribution to Enhancement and Replacement Funds	(5,684)	(5,694)	10
Net Revenues	**$ 37,981**	**$ 38,682**	**$ (701)**
Expenses:			
Salaries and Benefits	$ 8,031	$ 7,706	$ (325)
Purchased Water	20,330	19,676	(654)
Electricity	6,822	5,299	(1,523)
Repairs and Maintenance	2,282	2,381	99
All Other Operating Expense	5,129	5,236	107
Total Expenses	**$ 42,594**	**$ 40,298**	**$ (2,296)**
Net Operating Income (Loss)	**$ (4,613)**	**$ (1,616)**	**$ (2,997)**

Revenues:

Commodity Revenue was below budget.

- This is mostly due to timing of agricultural lease income related to water banking.
- In addition, water usage was reduced as a result of drought conservation messaging.

Expenses:

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).

Electricity was over budget.

- Costs were higher partially due to unaccrued prior year's invoices received.
- The cost of electricity per kilowatt was significantly higher than budgeted.

Actual vs Budget Operating Net Income by System
Through the Second Quarter of Fiscal Year 2021-22

Potable (treated and untreated systems)

	Acre Feet (AF)			Cost (in Millions)		
	Actual	Budget	Variance	Actual	Budget	Variance
Treated						
Pumped	22,309	23,084	775	$11.1	$11.5	$0.4
Imported	4,417	3,570	(847)	5.3	4.6	(0.7)
Baker Treatment Plant (Baker)	3,842	3,600	(242)	3.2	3.3	0.1
Total Treated	30,568	30,254	(314)	19.6	19.4	(0.2)
Untreated						
Native Water	200	1,690	1,490	-	0.3	0.3
Transfer to Recycled	(171)	(1,664)	(1,493)	(0.2)	(0.6)	(0.4)
Imported	4,416	1,026	(3,390)	2.8	1.1	(1.7)
Transfer to Recycled	(2,751)	(943)	1,808	(1.9)	(0.6)	1.3
Total Untreated	1,694	109	(1,585)	0.7	0.2	(0.5)
Total	**32,262**	**30,363**	**(1,899)**	**$ 20.3**	**$ 19.6**	**$ (0.7)**
Process Waste	(948)	(462)	486			
System Loss*	(3,001)	(1,092)	1,908			
Sales/Cost of Sales	**28,314**	**28,809**	**495**	**$ 20.3**	**$ 19.6**	**$ (0.7)**

Pumped Water usage and cost were under budget.

- Pumped water was reduced due to maintence at DATS.
- DRWF pumping was reduced to match DATS.

Potable Imported water usage and cost exceeded 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 due to lack of native water availability to meet recycled demands.

Sales were under budget.

Overall usage was under budget by 1.7%.

Actual vs Budget Operating Net Income by System
Through the Second Quarter of Fiscal Year 2021-22
(in thousands)

Recycled			
Revenues:	**Actual**	**Budget**	**Variance**
Commodity	$ 11,673	$ 12,701	$ (1,028)
Fixed Service Charges and Other	3,317	3,298	19
Total Revenues	**$ 14,990**	**$ 15,999**	**$ (1,009)**
Contribution to Enhancement and Replacement Funds	(663)	(709)	46
Net Revenues	**$ 14,327**	**$ 15,290**	**$ (963)**
Expenses:			
Salaries and Benefits	$ 3,772	$ 3,633	$ (139)
Purchased Water	3,245	2,411	(834)
Electricity	3,650	3,348	(302)
Repairs and Maintenance	494	556	62
All Other Operating Expense	3,258	3,892	634
Total Expenses	**$ 14,419**	**$ 13,840**	**$ (579)**
Net Operating Income (Loss)	**$ (92)**	**$ 1,450**	**$ (1,542)**

Revenues:

Commodity Revenue was below budget.

Water usage was reduced as a result of drought conservation messaging.

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).

All Other Operating Expense were under budget.

Engineering expenses for El Toro Groundwater Remediation Program are delayed due to scheduling with US Department of Navy.

Actual vs Budget Operating Net Income by System
Through the Second Quarter of Fiscal Year 2021-22

Recycled

	Acre Feet (AF)			Cost (in Millions)		
	Actual	Budget	Variance	Actual	Budget	Variance
Produced/ Storage	13,729	15,041	1,312	$ -	$ -	$ -
Imported	2,751	943	(1,808)	1.9	0.6	(1.3)
Pumped	2,281	2,300	19	0.9	1.0	0.1
Native Recycled	171	1,664	1,493	0.2	0.6	0.4
Total	**18,931**	**19,948**	**1,017**	**$ 3.0**	**$ 2.2**	**$ (0.8)**
Process Waste	(342)	(345)	(3)			
System Loss*	(212)	(315)	(103)			
Sales/Cost of Sales	**18,377**	**19,288**	**911**	**$ 3.0**	**$ 2.2**	**$ (0.8)**

Produced and stored water were under budget.
Less stored water was used due to reduced demand for recycled water.

Imported water usage and cost were over budget.
Usage was over budget due to decreased availability of native water.

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 4.7% due primarily to lower landscape sales.

Actual vs Budget Operating Net Income by System
Through the Second Quarter of Fiscal Year 2021-22
(in thousands)

Sewer

Revenues:	**Actual**	**Budget**	**Variance**
Fixed Service Charges and Other	$ 26,790	$ 27,160	$ (370)
Total Revenues	**26,790**	**27,160**	**(370)**
Contribution to Enhancement and Replacement Funds	(11,757)	(11,896)	139
Net Revenues	**$ 15,033**	**$ 15,264**	**$ (231)**
Expenses:			
Salaries and Benefits	$ 6,593	$ 5,478	$ (1,115)
Electricity	1,310	1,445	135
Repairs and Maintenance - OC San	2,244	2,060	(184)
All Other Repairs and Maintenance	1,600	2,063	463
All Other Operating Expense	5,111	5,167	56
Total Expenses	**$ 16,858**	**$ 16,213**	**$ (645)**
Net Operating Income (Loss)	**$ (1,825)**	**$ (949)**	**$ (876)**

Expenses:

Salaries and Benefits were over budget.

Actual labor and associated G&A have exceeded the projected (budgeted) expenses used primarily at the Biosolids Facility.

Actual vs Budget Operating Net Income by System
Through the Second Quarter of Fiscal Year 2021-22
(in thousands)

Conservation, NTS and Water Banking (Over-Allocation Fund)

Revenues:		**Actual**		**Budget**		**Variance**
Commodity	$	7,805	$	8,370	$	(565)
Total Revenues		**7,805**		**8,370**		**(565)**
Contribution to Enhancement and Replacement Funds		-		-		-
Net Revenues	**$**	**7,805**	**$**	**8,370**	**$**	**(565)**
Expenses:						
Salaries and Benefits	$	2,287	$	2,244	$	(43)
Electricity		132		149		17
Repairs and Maintenance		2,447		1,335		(1,112)
All Other Operating Expense		2,362		2,464		102
Total Expenses	**$**	**7,228**	**$**	**6,192**	**$**	**(1,036)**
Net Operating Income (Loss)	**$**	**577**	**$**	**2,178**	**$**	**(1,601)**

Revenues:

Commodity Revenue was below budget.

This is due to reduced water usage as a result of the drought conservation messaging.

Expenses:

Repairs and Maintenance were over budget.

This is due to unbudgeted costs for pumping banked water sold under an exchange agreement with Dudley Ridge (10,000 AF converted from non-state to state water).

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Exhibit "B"

Irvine Ranch Water District

Operating Expenses

(in thousands)

Through the Second Quarter of Fiscal Year 2021-22				FY 2021-22 Full Year	
Expense Name	**Actual**	**Budget**	**Actual vs Budget**	**Forecast**	**Budget**
Regular Labor	$ 17,213	$ 15,647	$ (1,566)	$ 37,000	$ 34,770
Overtime Labor	1,451	1,206	(245)	2,430	2,430
Contract Labor	429	680	251	1,411	1,411
Employee Benefits	14,411	13,992	(419)	31,500	30,484
Salaries & Benefits Total	**$ 33,504**	**$ 31,525**	**$ (1,979)**	**$ 72,341**	**$ 69,095**
Water	23,575	22,088	(1,487)	43,400	42,330
Electricity	12,144	10,497	(1,647)	24,000	19,715
Fuel	475	570	95	1,140	1,140
Telecommunication	417	430	13	860	860
Other Utilities	114	121	7	225	225
Water & Utilities Total	**$ 36,725**	**$ 33,706**	**$ (3,019)**	**$ 69,625**	**$ 64,270**
Chemicals	2,077	2,251	174	4,424	4,424
Operating Supplies	1,618	1,359	(259)	2,717	2,717
Printing	152	151	(1)	321	321
Postage	205	208	3	416	416
Permits, Licenses and Fees	1,259	1,036	(223)	2,023	2,023
Office Supplies	29	47	18	95	95
Duplicating Equipment	54	77	23	153	153
Equipment Rental	52	38	(14)	76	76
Materials & Supplies Total	**$ 5,446**	**$ 5,167**	**$ (279)**	**$ 10,225**	**$ 10,225**
Rep & Maint OC SAN & Others	2,879	2,703	(176)	5,415	5,415
Rep & Maint IRWD	7,100	6,216	(884)	14,000	13,315
Insurance	996	1,200	204	2,363	2,363
Legal Fees	1,066	1,525	459	3,076	3,076
Engineering Fees	314	681	367	1,226	1,226
Accounting Fees	44	48	4	97	97
Data Processing	1,992	2,021	29	4,042	4,042
Personnel Training	506	633	127	1,462	1,462
Personnel Physicals	50	14	(36)	27	27
Other Professional Fees	1,823	2,777	954	4,500	5,754
Directors' Fees	85	90	5	188	188
Professional Services Total	**$ 16,855**	**$ 17,908**	**$ 1,053**	**$ 36,396**	**$ 36,965**
Election Expense	80	80	-	160	160
Safety	39	60	21	120	120
Alarm and Patrol Services	331	430	99	860	860
Biosolids Disposals	382	195	(187)	390	390
Contract Meter Reading	766	775	9	1,550	1,550
Over-Allocation	64	180	116	718	718
Other	186	190	4	432	432
Other Total	**$ 1,848**	**$ 1,910**	**$ 62**	**$ 4,230**	**$ 4,230**
Total Expenses	**$ 94,378**	**$ 90,216**	**$ (4,162)**	**$ 192,817**	**$ 184,785**
Less: Reimbursement from Partners	(2,255)	(2,317)	(62)	(4,627)	(4,627)
Grand Total	**$ 92,123**	**$ 87,899**	**$ (4,224)**	**$ 188,190**	**$ 180,158**

Irvine Ranch Water District
Operating Expenses
Through the Second Quarter of Fiscal Year 2021-22

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

Regular Labor is over budget by $1.6 million.

- Promotions and positions were filled above midpoint due to a robust job market ($0.6 million).
- Regular labor expense was higher due to regular labor hours used instead of sick and vacation benefits ($0.4 million).
- Unbudgeted Supplemental COVID-19 sick pay was used ($0.3 million).
- The Cost of Living Adjustment (COLA) was 3.6% vs budget (1.6%) ($0.3 million).

Water is over budget by $1.5 million.

- This is primarily due to increased use of imported water.
- Potable groundwater pumping was reduced due to well maintenance for the Deep Water Aquifer Treatment System (DATS) and Dyer Road Well Field (DRWF) was reduced to match DATS.
- Use of Native water by the recycled system was reduced due to lack of availability.

Electricity is over budget by $1.6 million.

- An adjustment to prior fiscal year invoices was not accrued or budgeted ($0.6 million).
- The cost of electricity per kilowatt was higher than budgeted.

IRWD Repairs and Maintenance is over budget by $0.9 million.

This is due to unbudgeted costs for pumping banked water sold under an exchange agreement with Dudley Ridge (10,000 AF converted from non-state to state water).

Other Professional Fees were under budget by $1.0 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
Salary and Employee Benefits Summary
Through the Second Quarter of Fiscal Year 2021-22
(in thousands)

Expense Name	Actual	Budget	Actual vs Budget
District Labor Cost (2,080 hours)	$ 20,268	$ 17,979	$ (2,289)
Paid Time Off Net Accrual	621	221	(400)
PERS Contribution and in Excess of ARC	5,302	5,722	420
Employee Medical (health, dental, vision)	3,403	3,497	94
Retiree Benefits	245	394	149
401A Contributions	696	704	8
Workers Compensation (Premiums and Claims)	624	761	137
Other Employer Taxes (medicare, employment)	369	311	(58)

	Applied	Budget	Variance
General & Administrative Expense Allocation	183%	200%	17%
General & Administrative Expense Allocation Less:PERS employer portion and paid time off	97%	155%	58%

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Irvine Ranch Water District
Consolidated Non-Operating Actual to Budget and Forecast Expense
Through the Second Quarter of Fiscal Year 2021-22
(in thousands)

	Actual	Budget	Actual vs Budget	Forecast	Budget	Forecast vs Budget
Revenues:						
Property Taxes	$ 37,299	$ 34,790	$ 2,509	$ 71,700	$ 71,000	$ 700
Investment Income	713	1,065	(352)	1,500	1,930	(430)
Connection Fees	4,645	5,000	(355)	10,000	10,000	-
Real Estate Income	8,174	8,090	84	16,000	16,190	(190)
Other Income	6,327	3,500	2,827	10,100	7,000	3,100
Total Revenues	**$ 57,158**	**$ 52,445**	**$ 4,713**	**$ 109,300**	**$ 106,120**	**$ 3,180**
Expenses:						
Interest Expense	$ 10,263	$ 10,610	$ 347	$ 21,000	$ 21,210	(210)
Real Estate Expense	3,337	3,350	13	6,700	6,700	-
Other Expenses	114	250	136	1,500	1,500	-
Total Expenses	**$ 13,715**	**$ 14,210**	**$ 495**	**$ 29,200**	**$ 29,410**	**$ (210)**
Net Income	**$ 43,443**	**$ 38,235**	**$ 5,208**	**$ 80,100**	**$ 76,710**	**$ 2,970**

Revenues:

Property Taxes were over budget.

Above budget due to the receipt of prior year property taxes and higher assessed values.

Other Income was over budget.

Over budget due to the receipts of $1M for the Proposition 1 Water Recycling Grant and $1.8M for water service arrearages from California Water and Wastewater Arrearage Payment

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March 10, 2022
Prepared by: J. Davis
Submitted by: R. Jacobson / C. Clary
Approved by: Paul A. Cook

FINANCE AND PERSONNEL COMMITTEE

LETTER OF CREDIT EXTENSION FOR THE SERIES 2009B BONDS

SUMMARY:

IRWD currently has $50.0 million of Consolidated Series 2009B Bonds (2009B Bonds) supported by a Bank of America N.A. (BANA) letter of credit (LOC) scheduled to expire on May 16, 2022. BANA provided a proposal to extend the LOC for a three-year or four-year term. Based on the proposal received and feedback from the District's Municipal Advisor Public Financial Management (PFM), staff recommends the Board authorize staff to extend the BANA LOC for three years at a rate of 0.28% per year.

BACKGROUND:

IRWD currently has $50.0 million of 2009B Bonds supported by a BANA LOC scheduled to expire on May 16, 2022. Current pricing for the LOC is 0.30%. BANA provided a proposal to extend the LOC for a three-year or four-year term at an annual rate of 0.28% and 0.34%, respectively.

Staff reviewed current LOC market rates with PFM, the District's municipal financial advisor, to ensure the fee proposal was competitive with LOC pricing from other banks of similar credit quality. Staff recommends the Board authorize staff to extend the LOC for a three-year term at an annual cost of 0.28%, a 02% decrease from the current LOC fee. The Letter of Credit Pricing is provided as Exhibit "A".

FISCAL IMPACTS:

Extending the Bank of America N.A. Letter of Credit for the 2009B Bonds for a three-year term at 0.28% will result in an estimated total cost of $387,534. The LOC fee reduction from 0.30% to 0.28% provides a savings of approximately $27,700 for the three-year period. Expenses related to the extension for legal services and other miscellaneous costs are estimated at $19,000.

RECOMMENDATION:

That the Board authorize staff to extend the Bank of America N.A. Letter of Credit for IRWD's 2009B Bonds for three years, from April 2022 to April 2025, at an annual cost of 0.28%.

LIST OF EXHIBITS:

Exhibit "A" – Letter of Credit Pricing

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EXHIBIT "A"

IRVINE RANCH WATER DISTRICT
BANK OF AMERICA N.A. LETTER OF CREDIT PRICING
March 1, 2022

Series 2009B Bonds							
			Current		Proposed		
Fiscal Year	**Principal**	**Stated(1)**	**LOC Fee**	**Annual Cost**	**LOC Fee**	**Cost**	**Savings**
2022(2)	50,000,000	$50,558,904	0.30%	$37,919	0.28%	$35,391	$2,528
2023	47,500,000	48,030,959	0.30%	144,093	0.28%	134,487	9,606
2024	45,000,000	45,503,014	0.30%	136,509	0.28%	127,408	9,101
2025(2)	42,500,000	42,975,068	0.30%	96,694	0.28%	90,248	6,446
Total				$415,215		$387,534	**$27,681**

(1) Stated amount represents the average par amount of bonds outstanding for the 2009B Bonds, plus 34 days of interest at the maximum rate of 12%.

(2) Represents two quarters

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