AGENDA
IRVINE RANCH WATER DISTRICT
FINANCE AND PERSONNEL COMMITTEE MEETING
WEDNESDAY, DECEMBER 9, 2015

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

ATTENDANCE Committee Chair: Peer Swan ____ Committee Member: Steve LaMar ____

ALSO PRESENT

Paul Cook	____	Cheryl Clary	____
Rob Jacobson	____	Christopher Smithson	____
Tanja Fournier	____	Eileen Lin	____
Kevin Burton	____	Tina Bertsch	____
Jenny Roney	____	Tony Mossbarger	____
Paul Weghorst	____	Gretchen Ronin	____
_____	____	_____	____
_____	____	_____	____

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 – RAMOS/RONEY

   Recommendation: Receive and file.

ACTION

6. ANNUAL BOARD OF DIRECTORS' FEES – SAVEDRA

   Recommendation: That the Board either accept or decline the five (5%) percent scheduled compensation increase for calendar year 2016.

TREASURY SECTION

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

   Recommendation: Receive and file.

TREASURY SECTION - Continued

8. QUARTERLY DEFERRED COMPENSATION PLAN AND FUND REVIEW – DAVIS/FOURNIER/JACOBSON/CLARY

   Recommendation: Receive and file.

9. PROPOSED 2016 INVESTMENT POLICY – DAVIS/FOURNIER/ JACOBSON/CLARY

   Recommendation: That the Committee recommend Board approval of the proposed 2016 Investment Policy and adopt a Resolution approving Investment Policy and authorizing the Treasurer and Assistant Treasurers to invest and reinvest funds of the District and of each of its Improvement Districts and to sell and exchange securities.

10. AMENDMENT AND RESTATEMENT OF THE 401(a) MONEY PURCHASE PENSION PLAN – FOURNIER/JACOBSON/CLARY

    Recommendation: That the Committee recommend Board approval to amend the District's 401(a) Money Purchase Plan to include the required language related to the additional contribution equal to 1% of the employee's base salary for Managers, Supervisors, and Confidential employees who have completed two years of regular, full-time service with the District.

11. DISCUSSION ITEMS – ALL

    a. Updated investment activities/rates

12. Items for discussion at next meeting.

OTHER BUSINESS

13. Directors' Comments

14. Adjournment

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

December 9, 2015
Prepared by: Marta Ramos
Submitted by: Jenny Roney
Approved by: Paul Cook

FINANCE AND PERSONNEL COMMITTEE

EMPLOYEE POPULATION AND TURNOVER STATUS REPORT

SUMMARY:

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

FISCAL IMPACTS:

None.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

RECOMMENDATION:

Receive and file.

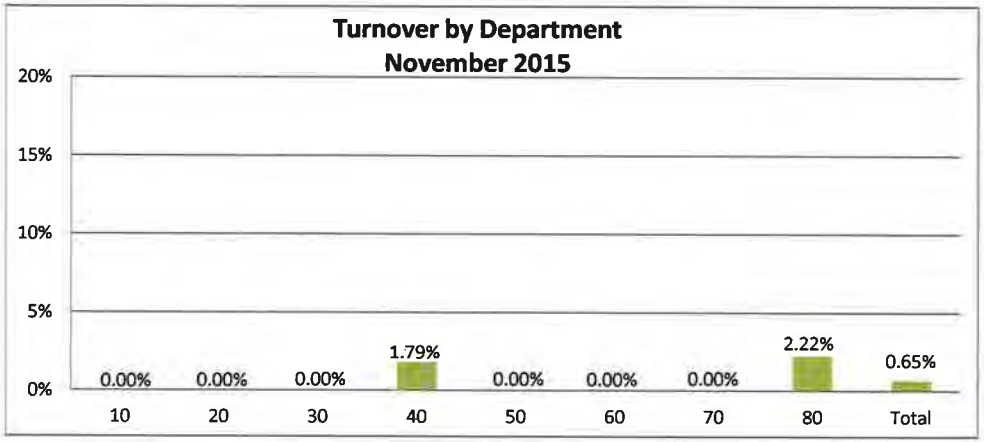
LIST OF EXHIBITS:

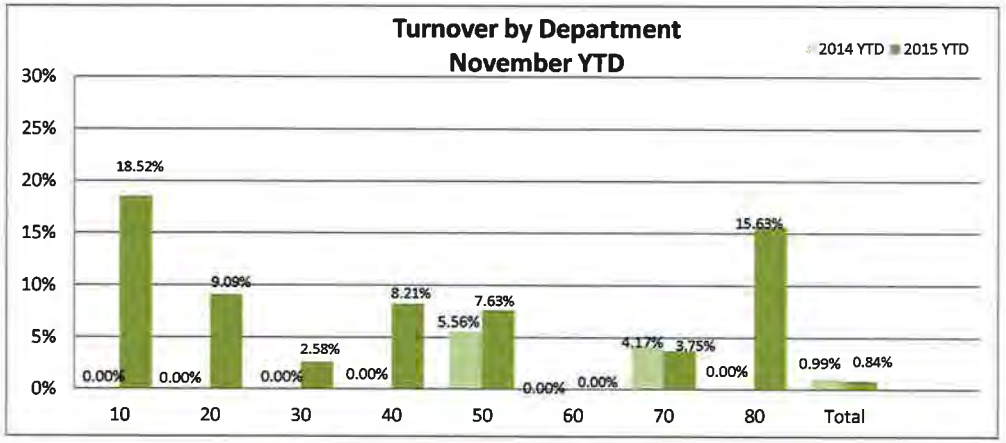
Exhibit "A" - Employee Population/Turnover Status Report

EXHIBIT A

IRVINE RANCH WATER DISTRICT
EMPLOYEE POPULATION STATUS REPORT
November 2015

	@11/01/15	Current Month Activity									@11/30/15			FY 15/16	Avg FYTD	Avg FYTD	Avg FYTD	Internal Turnover		External Turnover	
	Positions	New	Terms		Promo Trnsfr		Lateral Trnsfr		LOA		Positions		Positions	Budgeted	Filled Budget	Temp Emp	Total Filled	Current	2015	Current	2015
Dept No	Filled	Hires	Vol	Invol	In	Out	In	Out	In	Out	Filled	LOA	Unfilled	Positions*	Positions	FTE	Positions	Period	YTD	Period	YTD
10P	13.0										13.0		1	14.0	12.3	1.3	13.5	0.00%	0.00%	0.00%	18.18%
20P	65.0	1							1		67.0	1	7	75.0	65.3	14.2	79.4	0.00%	1.52%	0.00%	9.10%
30P	39.0								1	1	39.0		1	40.0	38.5	5.8	44.3	0.00%	0.00%	0.00%	2.58%
40P	56.0		1						3	2	56.0	4	7	67.0	61.3	2.5	63.8	0.00%	1.65%	1.79%	9.92%
50P	38.0										38.0	3	7	48.0	41.0	1.9	42.9	0.00%	2.55%	0.00%	7.66%
60P	18.0									1	17.0	2	1	20.0	20.3	1.0	21.3	0.00%	34.38%	0.00%	0.00%
70P	32.0										32.0	1	1	34.0	30.3	7.3	37.5	0.00%	0.00%	0.00%	3.68%
80P	45.0	2	1						1	1	46.0	3	5	54.0	45.8	2.1	47.8	0.00%	0.00%	2.22%	17.85%
Totals	306	3	2	0	0	0	0	0	6	5	308.0	14	30	352.0	314.5	36.0	350.5	0.00%	0.29%	0.65%	0.82%
8/14	309	4	1	0	0	0	0	0	1	4	309	8	21	336.00	306.25	25.99	332.24	0.00%	16.74%	0.32%	3.61%



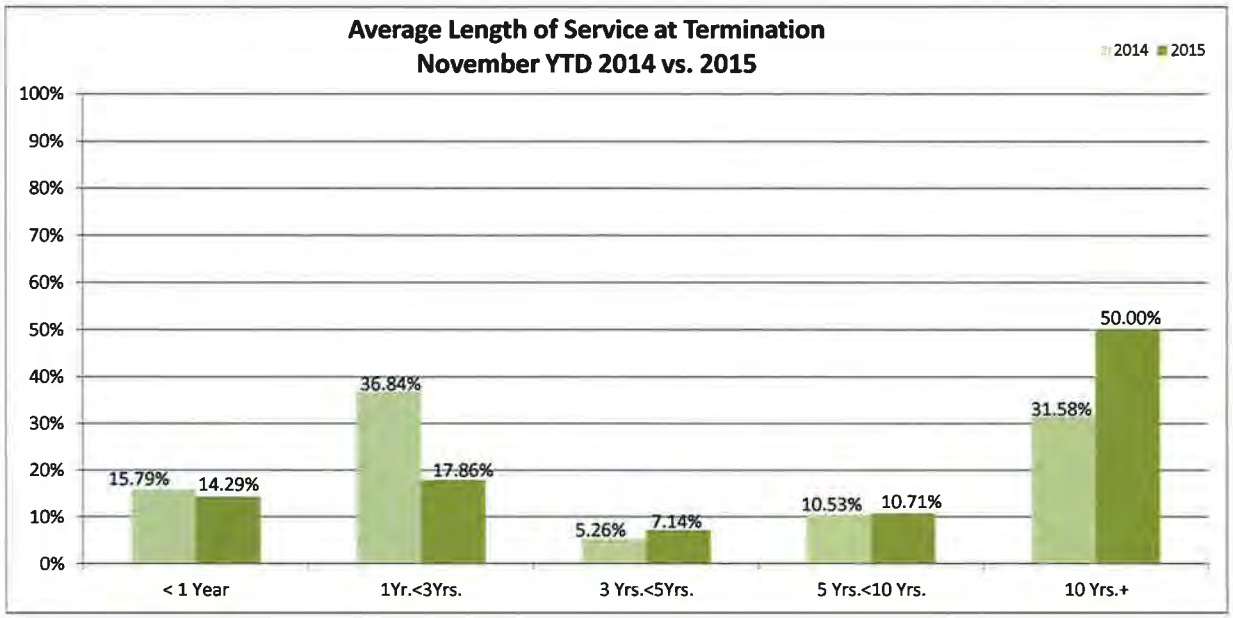


10P-GM, HR, Safety; 20P-Fin., Cust. Serv., IS, Purch.; 30P-Eng.: 40P-Water Ops; 50P-Recycling; 60P-Water Quality; 70P-Water Resources, Policy, Conservation and Public Affairs;80P-Maintenance Ops

IRVINE RANCH WATER DISTRICT
TURNOVER STATUS REPORT
November 2015

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.+
10P	1	1															1	1
20P			1		1		3	2							2		2	3
30P									1									1
40P		1			1	1	1			1	1			2	2	1		1
50P				1						2				1				2
60P																		
70P				1											1			
80P				1		3	1	1	1		1			1		1		6
2015 Total	1	2	1	3	2	4	5	3	2	3	2		28	4	5	2	3	14
2014 Data	1	4	1	1	1	1	3	1	5	1	3	2	24					
Percentage of Total Turnover														14.29%	17.86%	7.14%	10.71%	50.00%

2015 Average YTD Length of Service at Termination	11.09 Years
2014 Average YTD Length of Service at Termination	19.07 Years
2013 Average YTD Length of Service at Termination	17.24 Years
2012 Average YTD Length of Service at Termination	16.69 Years
2011 Average YTD Length of Service at Termination	18.31 Years



IRVINE RANCH WATER DISTRICT
EMPLOYEE POPULATION STATUS REPORT
November 2015

NEW HIRES

Hire	Dept	Employee Name	Position	Comments
11/09/15	80P	Sudhir Pisal	Automation Programmer	
11/09/15	80P	Jessee Hesch	Facilities Services Technician	
11/10/15	20P	May Geng	Accountant	

TERMINATIONS

Termination Date	Dept	Employee Name	Position	Reason	Comments
11/20/15	40P		Water Maintenance Technician I	Vol.	
11/05/15	80P		Sr. Maintenance Mechanic	Vol.	

RETIREMENTS

Effective Date	Departing Dept	Employee Name	Position	Reason	Comments

PROMOTIONS

Effective Date	Departing Dept	Employee Name	Departing Position	New Dept	New Position
10/26/15	40P	Michael Wiley	Water Maintenance Technician I	40P	Metering Systems Technician II
11/02/15	80P	Alex Garcia	Instrumentation Technician	80P	Sr. Instrumentation Technician
11/02/15	30P	Eric Akiyoshi	Senior Engineer	30P	Principal Engineer
11/09/15	80P	Jason Tran	Maintenance Mechanic	80P	Sr. Maintenance Mechanic

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
11/23/15	30P	Carlos Collazo	Water Maintenance Technician III	30P	Construction Inspector
11/07/15	80P	Jorge Figueroa	Vehicle & Equipment Maintenance Mec	50P	Operator I
10/12/15	40P	Jon Moore	Water Maintenance Technician II	40P	Operator I
05/12/14	20P	Ozzie Gonzalez	Mailroom Coordinator	70P	Water Use Efficiency Specialist

IRVINE RANCH WATER DISTRICT
EMPLOYEE POPULATION STATUS REPORT
November 2015

UNFILLED POSITIONS			
Dept	**Position**	**Salary Grade**	**Comments**
10P	Human Resources Assistant	22.N	Conducting 2nd interviews
20P	Accounting Clerk	15.N	Dept. Manager reviewing applications
20P	Accounting Clerk	15.N	Dept. Manager reviewing applications
20P	Mgr. of Risk & Contract Admin.	17.E	Reposted, position closing 11-23
20P	Applications Analyst	15.E	Being filled by consultants
20P	Sr. Application Developer	18.E	Being filled by consultants
20P	Sr. Database Administrator	18.E	Being filled by consultants
20P	Application Manager	20.E	Selected candidated, initiated reference/background check
30P	Senior Engineer	20.E	
40P	Metering Systems Technician I	16.N	
40P	Water Maintenance Technician II	22.N	
40P	Cross Connection Control Specialist	24.N	Selected candidate, initiated reference/background check
40P	Water Maintenance Technician III	26.N	
40P	Operator II	27.N	Dept. Manager reviewing applications
40P	Operator II	27.N	Dept. Manager reviewing applications
40P	Operator III	29.N	Dept. Manager reviewing applications
50P	Sr. Wetlands Specialist	29.N	Candidate to start 12-2
50P	Operator II	27.N	Decision pending panel selection
50P	Operator III	29.N	Decision pending panel selection
50P	Operator III	29.N	Decision pending panel selection
50P	Operator III	29.N	Decision pending panel selection
50P	Operator III	29.N	Decision pending panel selection
50P	Operator III	29.N	Decision pending panel selection
60P	Laboratory Supervisor	13.E	Selected candidated, initiated reference/background check
70P	Public Affairs Specialist	29.N	Being filled by a temporary
80P	Maintenance Mechanic	20.N	Selected candidate, initiated reference/background check
80P	Maintenance Mechanic	20.N	Selected candidate, initiated reference/background check
80P	Instrumentation Technician	28.N	To be filled 1/1/16
80P	Instrumentation Technician	28.N	
80P	Automation Technician	28.N	Dept. Manager reviewing applications

IRVINE RANCH WATER DISTRICT
EMPLOYEE POPULATION STATUS REPORT
November 2015

LEAVE OF ABSENCE

Type of Leave	Original Status	Final Status	Dept. No.	Claim #	Date Leave Began	Anticipated Return Date	Current Length	Comments
Extended LOA	SDI	WC	80P	001640	8/1/2013		28 Months	W/C Claim Interactive Process underway
Extended LOA	SDI		50P	001149	6/27/2014	12/2/2015	17 Months	
FMLA	WC	LTD	50P	001341	4/30/2015	12/10/2015	6 Months	W/C Claim
FMLA	WC	LTD	40P	001401	5/12/2015	12/2/2015	5 Months	W/C Claim
FMLA	SDI	LTD	40P	001618	6/30/2015	11/30/2015	4 Months	W/C Claim
FMLA	SDI		20P	001587	7/29/2015	12/1/2015	3 Months	
FMLA	SDI		80P	001880	8/18/2015	10/18/2015	3 Months	
FMLA	SDI		60P	001554	8/25/2015	12/25/2015	3 Months	
FMLA	SDI		80P	001572	9/18/2015	9/18/2016		Intermittent
FMLA	SDI		50P	001409	10/2/2015	1/2/2016	2 Months	
FMLA	SDI		70P	001779	10/8/2015	2/7/2015	6 Weeks	
FMLA	SDI		40P	001339	10/19/2015	12/27/2015	5 Weeks	
FMLA	SDI		60P	001305	10/26/2015	11/29/2015	5 Weeks	
FMLA	SDI		80P	001962	11/7/2015	12/7/2015	4 Weeks	
FMLA	WC		40P	001843	11/9/2015	11/20/2015	2 Weeks	

Leave	Original Status	Final Status	Dept. No.	Claim #	Date Leave Began	Anticipated Return Date	Expected Length	Actual Return Date	Comments
FMLA	PFL	PFL	10P	001641	1/26/2015	1/30/2015	1 Week	01/30/15	Returned
FMLA	SDI	SDI	80P	001572	12/18/2014	2/5/2015	6 Weeks	02/09/15	Returned
FMLA	SDI	SDI	80P	001880	1/15/2015	2/5/2015	3 Weeks	02/05/15	Returned
FMLA	PFL	PFL	60P	001305	1/17/2015	3/23/2015	6 Weeks	03/16/15	Returned
FMLA	SDI	SDI	30P	001559	3/18/2015	4/2/2015	2 Weeks	04/02/15	Returned
FMLA	SDI	SDI	20P	001551	3/31/2015	4/10/2015	2 Weeks	04/10/15	Returned
FMLA	PFL	PFL	20P	000671	3/7/2015	5/8/2015	9 Weeks	05/07/15	Returned
FMLA	SDI	SDI	20P	000578	3/7/2015	5/6/2015	9 Weeks	05/06/15	Returned
FMLA	PFL	PFL	50P	001590	4/9/2015	5/11/2015	4 Weeks	05/11/15	Returned
FMLA	SDI	SDI	10P	001515	4/20/2015	4/27/2015	3 Weeks	05/11/15	Returned
FMLA	SDI	SDI	20P	001229	5/4/2015	5/18/2015	2 Weeks	05/18/15	Returned
FMLA	PFL	PFL	80P	001906	5/14/2015	5/27/2015	3 Weeks	05/27/15	Returned
FMLA	WC	WC	50P	001458	3/3/2015	6/3/2015	2 Months	06/03/15	Returned
FMLA	SDI	SDI	80P	001375	5/19/2015	6/30/2015	1 Week	06/29/15	Returned
FMLA	PFL	PFL	80P	001114	6/15/2015	6/29/2015	2 Weeks	06/29/15	Returned
FMLA	SDI	SDI	10P	00870	6/6/2015	6/30/2015	3 Weeks	06/30/15	Returned
FMLA	WC	WC	80P	001777	6/29/2015	7/14/2015	2 Weeks	07/14/15	Returned
FMLA	WC	WC	40P	001232	6/24/2015	7/16/2015	3 Weeks	07/16/15	Returned
FMLA	WC	LTD	50P	000860	3/13/2015	7/30/2015	4 Months	07/31/15	Returned
Personal	Personal	VAC	50P	001119	7/27/2015	8/5/2015	7 days	08/05/15	Returned
FMLA	PFL	PFL	80P	001896	7/23/2015	8/10/2015	2 Weeks	08/10/15	Returned
FMLA	SDI	SDI	30P	000986	10/6/2014	5/30/2015	3 Months	08/14/15	Returned
FMLA	SDI	SDI	80P	001173	7/18/2015	8/18/2015	1 Month	08/19/15	Returned
Extended LOA	WC	WC	80P	001389	4/29/2013	9/30/2015	29 Months	09/30/15	Retired
FMLA	SDI	SDI	40P	001736	5/27/2015	9/1/2015	3 Months	09/01/15	Returned
Medical	SDI	SDI	50P	002061	9/11/2015	9/30/2015	2 Weeks	09/05/15	Returned
Medical	Sick	Sick	40P	002044	10//12/15	10/19/2015	3 Weeks	10/19/15	Returned
FMLA	SDI	Sick	20P	001503	10/14/2015	10/21/2015	2 Weeks	10/21/15	Returned
Extended LOA	SDI	LTD	80P	000857	4/23/2015	10/23/2015	6 Months	11/02/15	Returned
FMLA	PFL	PFL	40P	001706	9/14/2015	11/2/2015	6 Weeks	11/02/15	Returned
FMLA	SDI	SDI	30P	000652	10/19/2015	11/9/2015	3 Weeks	11/09/15	Returned
FMLA	Sick	Sick	40P	001228	10/26/2015	11/2/2015	1 Week	11/02/15	Returned

IRVINE RANCH WATER DISTRICT
EMPLOYEE POPULATION STATUS REPORT
October 2015

Month	Dept	Length of Employment	Termination		Comments
			Vol	Invol	
January	10P	7 Years 5 Months	X		Relocating
February	10P	13 Years 10 Months	X		Retired
	40P	1 Year, 4 Months	X		Relocating
March	20P	9 Years, 6 Months	X		Other employment
April	50P	10 Years	X		Relocating, other employment
	10P	1 Year 11 Months	X		Other employment
	80P	3 Years, 1 Month	X		Other employment
May	20P	31 Years	X		Retired
	40P	11 Months	X		Other employment
June	80P	30 Years, 2 Months	X		Retired
	80P	28 Years, 9 Months	X		Retired
	80P	16 Years, 4 Months	X		Retired
	40P	4 Years, 8 Months	X		Resigned
July	20P	1 Year, 1 Month		X	Released from probation
	50P	25 Years, 10 Months	X		Retired
	20P	9 Years, 7 Months	X		Resigned
	20P	12 Years, 3 Months	X		Other opportunity
	40P	1 Year , 10 Months	X		Other employment
August	20P	26 Years, 3 Months	X		Retired
	80P	2 Months		X	Released from probation
	20P	2 Years, 7 Months	X		Resigned
September	30P	22 Years, 10 Months	X		Retired
	80P	13 Years, 2 Months	X		Retired
October	40P	38 Years, 2 Months	X		Retired
	50P	25 Years, 8 Months	X		Retired
	50P	3 Months	X		Vol. Resigned
November	80P	19 Years, 3 Months	X		Other employment
	40P	9 Months	X		Other employment
December					

IRVINE RANCH WATER DISTRICT
SUMMARY OF TEMPORARY AND CONTRACT EMPLOYEES
October 2015
ACTIVE EMPLOYEES

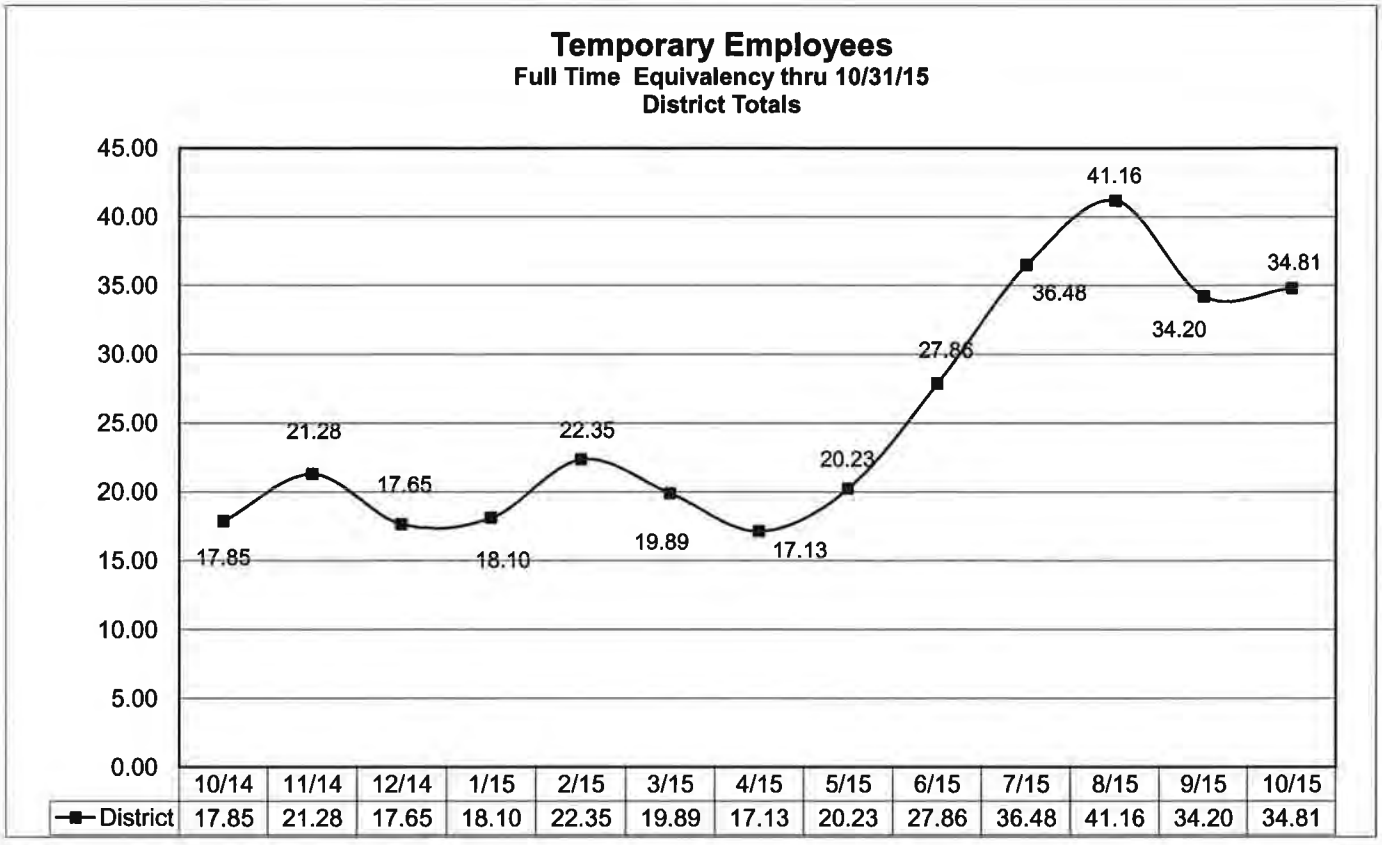
Current Month FTE	Avg FYTD Temp Emp FTE	Active PERS Y/N *	Agency	Dept	Hire Date	Term Date	Classification	Hourly Rate	Est Hours per Month	Est Cost Per Month	Expected Duration (Months)	Actual Worked (Months)	Projected Cost FY' YTD	Actual Cost FY 'YTD
0.89	0.83	Yes		130	1/29/2014		Full Time	21.00	168	3,528.00	12	4	14,112.00	12,274.50
0.89	**0.83**			**10P**										
1.00	0.86	No	X	210	4/28/2015		Full Time	27.50	168	4,620.00	6	4	18,480.00	16,854.06
0.78	0.47	No	X	210	7/21/2015		Full Time	27.50	168	4,620.00	6	3.5	16,170.00	9,171.25
0.93	0.93	Yes		220	10/16/2012		Full Time	17.00	168	2,856.00	12	4	11,424.00	11,381.50
0.94	0.81	Yes		220	4/21/2014		Full Time	32.30	168	5,426.40	12	4	21,705.60	18,826.86
0.86	0.87	Yes		220	4/21/2014		Full Time	32.30	168	5,426.40	12	4	21,705.60	20,466.90
0.92	0.93	No	X	220	6/1/2015		Full Time	26.12	168	4,388.16	12	4	17,552.64	4,234.71
1.00	0.84	No	X	220	7/13/2015		Full Time	26.12	168	4,388.16	12	4	17,552.64	4,809.35
0.98	0.79	No	X	220	7/13/2015		Full Time	26.12	168	4,388.16	12	4	17,552.64	4,533.13
0.91	0.50	No	X	220	8/24/2015		Full Time	26.12	168	4,388.16	12	2.25	9,873.36	4,202.19
0.94	0.89	Yes		220	3/3/2014		Full Time	20.84	168	3,501.12	12	4	14,004.48	13,280.29
0.97	0.72	Yes		220	10/13/2014		Full Time	36.80	168	6,182.40	12	4	24,729.60	6,688.40
1.00	0.90	No	X	220	5/11/2015		Full Time	28.95	168	4,863.60	12	4	19,454.40	5,985.41
0.93	0.83	No	X	240	2/2/2015		Full Time	22.41	168	3,764.88	12	4	15,059.52	3,652.83
0.81	0.82	Yes		250	6/6/2015		Full Time	19.49	168	3,274.32	12	4	13,097.28	11,245.73
0.54	0.70	EXC		250	6/1/2015		Part Time	14.00	84	1,176.00	12	4	4,704.00	6,916.00
0.44	0.63	EXC		250	5/26/2015		Part Time	14.00	84	1,176.00	12	4	4,704.00	6,188.00
13.95	**12.50**			**20P**										
0.91	0.86	Yes		300	7/5/2014		Full Time	34.09	168	5,727.12	12	4	22,908.48	20,590.36
0.86	0.83	Yes		300	6/20/2015		Full Time	32.78	168	5,507.04	12	4	22,028.16	19,241.86
0.85	0.81	Yes		300	6/20/2015		Full Time	32.78	168	5,507.04	12	4	22,028.16	18,766.55
0.91	0.81	Yes		300	6/20/2015		Full Time	22.83	168	3,835.44	12	4	15,341.76	13,047.35
0.47	0.55	EXC		300	7/21/2014		Part Time	15.00	84	1,260.00	12	4	5,040.00	5,760.00
0.21	0.60	EXC		300	6/1/2015		Part Time	14.00	84	1,176.00	12	4	4,704.00	5,922.00
0.21	0.60	EXC		300	6/1/2015		Part Time	14.00	84	1,176.00	12	4	4,704.00	5,880.00
0.36	0.73	EXC		300	6/22/2015		Part Time	14.00	84	1,176.00	12	4	4,704.00	7,161.00
4.77	**5.79**			**30P**										
1.00	1.00	No	X	425	5/26/2015		Full Time	26.40	168	4,435.20	5	4	17,740.80	19,918.80
0.96	0.75	No	X	430	5/28/2015		Full Time	26.40	168	4,435.20	5	4	17,740.80	14,599.20
0.60	0.15	No	X	430	10/14/2015		Full Time	26.40	168	4,435.20	2	1.5	6,652.80	2,798.40
0.28	0.07	No	X	430	10/26/2015		Full Time	26.40	168	4,435.20	4	1.25	5,544.00	1,399.20
2.84	**1.97**			**40P**										
0.67	0.17	No	X	510	10/5/2015		Full Time	43.56	168	7,318.08	9	1	7,318.08	5,137.03
0.84	0.70	Yes		515	11/3/2014		Full Time	25.47	168	4,278.96	12	4	17,115.84	12,607.65
0.55	0.56	EXC		515	6/29/2015		Part Time	14.00	84	1,176.00	12	4	4,704.00	5,558.00
2.05	**1.43**			**50P**										
0.43	0.66	EXC		630	7/6/2015		Part Time	14.00	84	1,176.00	12	4	4,704.00	6,531.00
0.81	0.36	No	X	630	8/31/2015		Full Time	28.53	160	4,564.80	6	2.1	9,586.08	7,139.63
1.24	**1.02**			**60P**										
0.97	0.84	Yes		710	5/8/2014		Full Time	24.96	168	4,193.28	12	4	16,773.12	15,007.20
0.20	0.64	No	X	710	6/8/2015		Full Time	33.62	168	5,648.16	12	4	22,592.64	15,414.77
1.00	0.75	No	X	710	6/8/2015		Full Time	33.62	168	5,648.16	12	4	22,592.64	18,667.17
1.00	1.00	No	X	710	6/8/2015		Full Time	33.62	168	5,648.16	12	4	22,592.64	28,085.31
1.00	1.00	No	X	710	6/29/2015		Full Time	33.62	168	5,648.16	12	4	22,592.64	25,341.08
0.44	0.63	EXC		710	6/29/2015		Part Time	14.00	84	1,176.00	12	4	4,704.00	6,261.50
0.59	0.41	No	X	730	8/13/2015		Part Time	19.80	84	1,663.20	12	2.5	4,158.00	5,737.05
0.82	0.44	No	X	730	8/13/2015		Part Time	19.00	84	1,596.00	12	2.5	3,990.00	5,861.50
0.76	0.30	No	X	730	8/13/2015	11/6/2015	Part Time	19.80	84	1,663.20	12	2.5	4,158.00	4,271.85
1.00	0.89	No	X	730	7/8/2015		Full Time	54.00	168	9,072.00	6	4	36,288.00	34,236.00
7.80	**6.90**			**70P**										
0.91	0.28			840	9/28/2015		Full Time	30.59	168	5,139.12	6	2.25	11,563.02	5,995.64
1.00	0.92	Yes		850	4/14/2014	11/9/2015	Full Time	24.13	168	4,053.84	12	4	16,215.36	15,955.96
0.91	0.86	No	X	850	5/11/2015		Full Time	38.92	168	6,538.56	4	4	26,154.24	23,687.69
2.82	**2.06**			**80P**										
36.36	**32.50**													

IRVINE RANCH WATER DISTRICT
SUMMARY OF TEMPORARY AND CONTRACT EMPLOYEES
October 2015
TERMINATED TEMPORARY EMPLOYEES

Current Month FTE	Avg FYTD Temp Emp FTE	Active PERS Y/N *	Agency	Dept	Hire Date	Term Date	Classification	Hourly Rate	Est Hours per Month	Est Cost Per Month	Expected Duration (Months)	Actual Worked (Months)	Projected Cost FYTD	Actual Cost FYTD
0.84	0.42	Yes		110	1/1/2015	8/14/2015	Full Time	20.00	168	3,360.00	3	1.5	5,040.00	5,960.00
0.84	**0.42**			**10P**										
0.89	0.47	No	X	210	6/8/2015	8/27/2015	Full Time	30.14	168	5,063.52	3	2	10,127.04	9,976.34
0.00	0.00	Yes		220	2/24/2014	7/4/2015	Full Time	32.30	168	5,426.40	12	1	5,426.40	0.00
0.00	0.00	Yes		220	4/7/2014	7/4/2015	Full Time	32.30	168	5,426.40	12	1	5,426.40	0.00
0.31	0.10	No	X	220	8/24/2015	9/9/2015	Full Time	26.12	168	4,388.16	12	1.25	5,485.20	1,417.01
0.09	0.08	No	X	220	8/24/2015	9/9/2015	Full Time	26.12	168	4,388.16	12	1.25	5,485.20	437.51
0.36	0.51	No	X	220	7/13/2015	9/14/2015	Full Time	26.12	168	4,388.16	12	3	13,164.48	1,645.56
0.26	0.50	No	X	220	7/13/2015	9/14/2015	Full Time	26.12	168	4,388.16	12	3	13,164.48	1,188.46
				20P										
0.00	0.00	Yes		300	5/15/2014	7/4/2015	Full Time	19.96	168	3,353.28	12	12	40,239.36	0.00
0.00	**0.00**			**30P**										
0.56	0.57	No	X	430	5/28/2015	9/22/2015	Full Time	26.40	168	4,435.20	3	3	13,305.60	10,685.40
0.00	**0.00**			**40P**										
0.70	0.61	No		515	11/3/2014	9/30/2015	Full Time	25.47	168	4,278.96	3	3	12,836.88	10,901.16
0.00	**0.00**			**50P**										
0.00	**0.00**			**60P**										
0.25	0.29	No		710	5/23/2015	8/7/2015	Full Time	25.47	168	4,278.96	3	2	8,557.92	5,297.76
0.26	0.08	No	X	730	7/29/2015	8/6/2015	Part Time	15.84	84	1,330.56	1	0.5	665.28	930.60
0.00	**0.00**			**70P**										
0.00	**0.00**			**80P**										
	#REF!												807,745.26	585,731.63

RET = Retired Annuitant working less than 960 hrs/yr/No=Temporary Employee not enrolled in PERS Membership
EXC = Exclude by PERS Contract / Yes= Temporary employee enrolled in PERS Membership

* Temporaries are reported 30 days in arrears


Temporary Employees
Full Time Equivalency thru 10/31/15
District Totals
45.00
40.00
35.00
30.00
25.00
20.00
15.00
10.00
5.00
0.00
17.85
21.28
17.65
18.10
22.35
19.89
17.13
20.23
27.86
36.48
41.16
34.20
34.81
10/14 11/14 12/14 1/15 2/15 3/15 4/15 5/15 6/15 7/15 8/15 9/15 10/15
District 17.85 21.28 17.65 18.10 22.35 19.89 17.13 20.23 27.86 36.48 41.16 34.20 34.81

December 9, 2015
Prepared and
Submitted by: N. Savedra
Approved by: Paul Cook

FINANCE AND PERSONNEL COMMITTEE

ANNUAL BOARD OF DIRECTORS' FEES

SUMMARY:

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

BACKGROUND:

The last Board of Directors' compensation increase was effective in January 2015. The current compensation for the Board of Directors is $248 per meeting, not to exceed ten (10) meetings per month. In accordance with Section 20202 et seq. of the California Water Code, the Board's meeting compensation increases on January 1 of each year by five (5%) percent. If the Board accepts the increase, the resulting per meeting fee will be $260 (rounded to the nearest dollar). Provided as Exhibit "A" is a survey of the Director Fees for other local water districts.

FISCAL IMPACTS:

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

ENVIRONMENTAL COMPLIANCE:

Not applicable

RECOMMENDATION:

That the Board either accept or decline the five (5%) percent scheduled compensation increase for calendar year 2016.

LIST OF EXHIBITS:

Exhibit "A" – Survey of Director Fees

BOARD OF DIRECTORS PER DIEM SURVEY
(as of November 30, 2015)

AGENCY	PER DIEM MEETING	EFFECTIVE DATE	MAXIMUM MEETINGS PER MONTH
El Toro Water District	$198.00	December 2007	10
Irvine Ranch Water District	$248.00	January 2015	10
Mesa Water District	$240.00	April 2015	10
Moulton Niguel Water District	$215.00	October 2015	10
Municipal Water of Orange County	$256.55	January 2015	10
Orange County Water District	$250.00	September 2015	10
Santa Margarita Water District	$210.00	February 2009	10
South Coast Water District	$190.00	January 2006	10
Yorba Linda Water District	$150.00	January 2003	10

December 9, 2015
Prepared by: Jennifer Davis/Tanja Fournier
Submitted by: Robert Jacobson/Cheryl Clary
Approved by: Paul Cook

FINANCE AND PERSONNEL COMMITTEE

MONTHLY INVESTMENT AND DEBT REVIEW

SUMMARY:

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

- The Investment Portfolio Summary Report as of November 30, 2015, as outlined in Exhibit "A"
- The U.S. Treasury Yield Curve as of November 30, 2015, as outlined in Exhibit "B"
- The Summary of Fixed and Variable Debt as of November 30, 2015, as outlined in Exhibit "C"
- The Summary of Variable Rate Debt as of November 30, 2015, as outlined in Exhibit "D"

BACKGROUND:

Investment Portfolio:

For November 2015, the rate of return for the fixed income investment portfolio was 0.55%, which is unchanged from October. Including real estate investments, the weighted average rate of return for the District's investment portfolio for November 2015 was 3.40%, which was an 0.08% increase from October's rate of 3.32%. The change is primarily due to a decrease in the fixed income portfolio balance relative to the overall investment portfolio including real estate.

Debt Portfolio:

As of November 30, 2015, the District's weighted average all-in variable rate was 0.37%, which is unchanged from October. Including the District's fixed rate Certificates of Participation at 3.82%, the 2010 Build America Bonds at 4.46%, and the negative cash accruals from the fixed payer interest rate swaps, which hedge a portion of the District's variable rate debt, the total average debt rate was 3.38%, which is a 0.04% increase from October's rate of 3.34%.

Interest Rate Swaps:

Due to the timing of the Committee meeting, the swap report is not complete at this time. Staff will provide an update at the meeting. As of November 30, 2015, the District had posted $7,921,249 of collateral with Citigroup, which represents a $189,333 decrease from the collateral posted in October and $2,210,000 with Merrill Lynch, which is unchanged from October. The total collateral deposit for the District is currently $10,131,249. The collateral earns the Fed Funds Effective Rate, which is currently 0.12%.

FISCAL IMPACTS:

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

ENVIRONMENTAL COMPLIANCE:

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

RECOMMENDATION:

Receive and file.

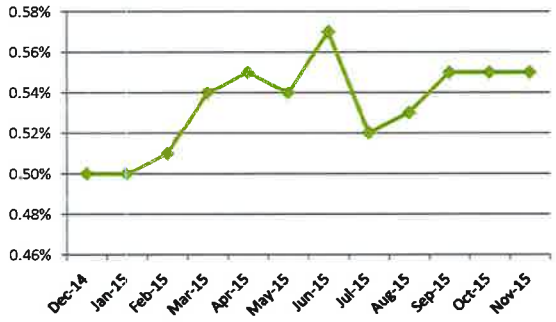
LIST OF EXHIBITS:

Exhibit "A" – Investment Portfolio Summary as of November 30, 2015
Exhibit "B" – Yield Curve as of November 30, 2015
Exhibit "C" – Summary of Fixed and Variable Debt Rates as of November 30, 2015
Exhibit "D" – Summary of Variable Rate Debt as of November 30, 2015

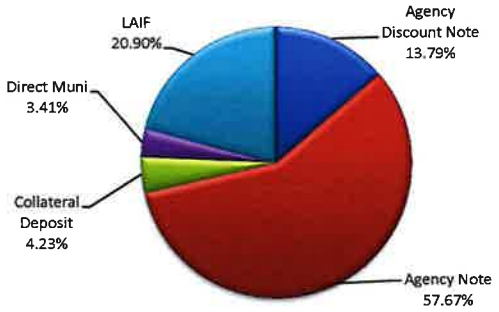
Exhibit "A"

Irvine Ranch Water District
Investment Portfolio Summary
November 2015

Monthly Fixed Income Yield



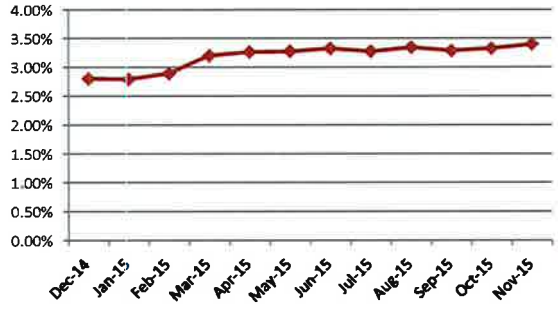
Portfolio Distribution



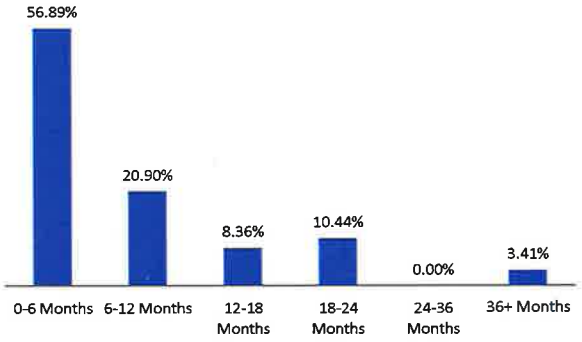
Investment Summary

Type	PAR	Book Value	Market Value
Agency Note	138,000,000	138,361,276	138,381,170
LAIF	50,000,000	50,000,000	50,029,732
Agency Discount Note	33,000,000	32,985,261	32,986,084
Collateral Deposit	10,131,249	10,131,249	10,131,249
Direct Muni	8,157,889	8,157,889	8,157,889
Grand Total	239,289,138	239,635,676	239,686,124

Weighted Average Return Including Real Estate Portfolio



Maturity Distribution



Top Issuers

Issuer	PAR	% Portfolio
Fed Home Loan Bank	71,000,000	29.67%
Fed Home Loan Mortgage Corp	50,000,000	20.90%
State of California Treasury - LAIF	50,000,000	20.90%
Fed Natl Mortgage Assoc	40,000,000	16.72%
ETWD	8,157,889	3.41%
Citi-Group Collateral	7,921,249	3.31%
Fed Ag Mortgage Corp	5,000,000	2.09%
Fed Farm Credit Bank	5,000,000	2.09%
Merrill Lynch Collateral	2,210,000	0.92%

IRVINE RANCH WATER DISTRICT
INVESTMENT SUMMARY REPORT

11/30/15

SETTLMT *	Call Schedule	Initial Call	Maturity Date	Rating	INVESTMENT TYPE	INSTITUTION / ISSUER	PAR Amount	COUPON DISCOUNT	YIELD	YTFC	ORIGINAL COST	CARRY VALUE	MARKET VALUE[1] 11/30/2015	UNREALIZED[2] GAIN/(LOSS)
10/26/15			12/01/15		LAIF	State of California Tsy	$50,000,000		0.360%		$50,000,000.00	$50,000,000.00	50,029,732.30	29,732.30
10/09/14	N/A	N/A	12/01/15	Aaa/AA+/NR	FNMA - Note	Fed Natl Mortgage Assoc	5,000,000	0.270%	0.233%	0.233%	5,002,100.00	5,000,000.00	5,000,300.00	300.00
10/29/14	N/A	N/A	12/18/15	Aaa/AA+/NR	FHLB - Note	Fed Home Loan Bank	5,000,000	0.300%	0.200%	0.200%	5,005,670.00	5,000,232.27	5,000,950.00	717.73
05/27/14	N/A	N/A	12/21/15	Aaa/AA+/AAA	FNMA - Note	Fed Natl Mortgage Assoc	5,000,000	0.375%	0.241%		5,010,450.00	5,000,364.75	5,001,200.00	835.25
01/15/13	N/A	07/15/13	01/15/16	NA/AA+/AAA	FHLB - Note	Fed Home Loan Bank	5,000,000	0.375%	0.390%		4,997,750.00	4,999,751.37	5,001,500.00	1,748.63
06/30/15	N/A	N/A	01/25/16	NR	FHLB - Discount Note	Fed Home Loan Bank Discount Note	5,000,000	0.150%	0.152%		4,995,645.83	4,998,854.21	4,998,950.00	95.79
07/29/15	N/A	N/A	02/24/16	NR	FHLMC - Discount Note	Fed Home Loan Mortgage Corp -Discount Note	10,000,000	0.175%	0.178%		9,989,791.67	9,995,868.06	9,996,200.00	331.94
04/28/15	N/A	N/A	02/26/16	NR	FNMA - Discount Note	Fed Natl Mortgage Discount Note	10,000,000	0.190%	0.193%		9,983,797.22	9,995,250.00	9,996,000.00	750.00
11/23/15	N/A	N/A	03/16/16	NR	FHLB - Discount Note	Fed Home Loan Bank Discount Note	8,000,000	0.200%	0.203%		7,994,933.33	7,995,288.89	7,994,933.60	(355.29)
10/16/15	N/A	N/A	04/07/16	NR	FHLB - Note	Fed Home Loan Bank	5,000,000	0.220%	0.220%		5,000,000.00	5,000,000.00	4,996,950.00	(3,050.00)
05/20/15	N/A	N/A	05/04/16	Aaa/AA+/NR	FHLB - Note	Fed Home Loan Bank	3,000,000	0.300%	0.315%		2,999,565.00	2,999,807.36	3,000,270.00	462.64
10/14/15	N/A	N/A	05/13/16	Aaa/AA+/AAA	FHLMC - Note	Fed Home Loan Mortgage Corp	5,000,000	0.500%	0.238%		5,007,600.00	5,005,879.25	5,005,000.00	(879.25)
05/20/15	N/A	N/A	05/18/16	Aaa/AA+/NR	FHLB - Note	Fed Home Loan Bank	5,000,000	0.250%	0.305%		4,997,285.00	4,998,739.46	4,995,300.00	(3,439.46)
05/20/15	N/A	N/A	05/27/16	Aaa/AA+/AAA	FHLMC - Note	Fed Home Loan Mortgage Corp	5,000,000	2.500%	0.304%		5,111,650.00	5,053,280.70	5,060,400.00	7,119.30
06/04/15	N/A	N/A	06/20/16	Aaa/AA+/NR	FHLB - Note	Fed Home Loan Bank	5,000,000	0.340%	0.355%		4,999,200.00	4,999,576.96	4,997,250.00	(2,326.96)
07/01/15	N/A	N/A	06/24/16	Aaa/AA+/NR	FHLB - Note	Fed Home Loan Bank	5,000,000	0.375%	0.345%		5,001,450.00	5,000,832.03	4,998,550.00	(2,282.03)
11/20/14	N/A	N/A	06/27/16	Aaa/AA+/AAA	FHLMC - Note	Fed Home Loan Mortgage Corp	5,000,000	0.375%	0.424%		4,996,091.65	4,998,603.68	4,999,300.00	696.32
05/08/14	N/A	N/A	07/05/16	Aaa/AA+/AAA	FNMA - Note	Fed Natl Mortgage Assoc	5,000,000	0.375%	0.484%		4,988,300.00	4,996,782.13	5,000,600.00	3,817.87
06/09/15	N/A	N/A	08/25/16	Aaa/AA+/AAA	FHLMC - Note	Fed Home Loan Mortgage Corp	10,000,000	2.000%	0.467%		10,184,900.00	10,111,858.24	10,125,900.00	14,041.76
10/19/15	N/A	N/A	09/28/16	Aaa/AA+/AAA	FNMA - Note	Fed Natl Mortgage Assoc	10,000,000	1.250%	0.342%		10,085,280.00	10,074,742.53	10,069,000.00	(5,742.53)
06/15/15	N/A	N/A	10/13/16	NR	FAMCA - Note	Fed Ag Mortgage Corp	5,000,000	0.970%	0.578%		5,025,900.00	5,016,893.62	5,026,250.00	9,356.38
11/28/14	Quarterly	05/15/15	11/15/16	Aaa/AA+/NR	FHLMC - Note	Fed Home Loan Mortgage Corp	5,000,000	0.600%	0.600%	0.600%	5,000,000.00	5,000,000.00	5,000,500.00	500.00
09/21/15	N/A	N/A	12/09/16	Aaa/AA+/AAA	FHLB - Note	Fed Home Loan Bank	5,000,000	1.625%	0.532%		5,066,150.00	5,055,595.73	5,055,700.00	104.27
10/08/15	N/A	N/A	01/30/17	Aaa/AA+/AAA	FNMA - Note	Fed Natl Mortgage Assoc	5,000,000	1.250%	0.492%		5,049,445.00	5,043,882.44	5,041,600.00	(2,282.44)
09/21/15	N/A	N/A	02/22/17	Aaa/AA+/AAA	FHLMC - Note	Fed Home Loan Mortgage Corp	5,000,000	0.875%	0.570%		5,021,500.00	5,018,564.42	5,018,650.00	85.58
06/15/15	N/A	06/13/14	03/30/17	Aaa/AA+/NR	FHLB - Note	Fed Home Loan Bank	5,000,000	0.625%	0.727%		4,990,950.00	4,993,288.61	4,996,950.00	3,661.39
08/27/15	N/A	N/A	05/30/17	NR	FHLB - Note	Fed Home Loan Bank	5,000,000	0.625%	0.642%		4,998,500.00	4,998,724.30	4,995,350.00	(3,374.30)
11/05/15	N/A	N/A	08/28/17	Aaa/AA+/NR	FHLB - Note	Fed Home Loan Bank	5,000,000	0.750%	0.800%		4,995,500.00	4,995,676.74	4,995,500.00	(176.74)
09/16/15	One Time	03/15/16	09/15/17	Aaa/AA+/AAA	FHLMC - Note	Fed Home Loan Mortgage Corp	5,000,000	0.900%	0.915%	0.960%	4,998,500.00	4,998,656.16	5,007,850.00	9,193.84
09/29/15	Continuous after	03/28/16	09/28/17	Aaa/AA+/NR	FFCB - Note	Fed Farm Credit Bank	5,000,000	0.810%	0.815%		4,999,500.00	4,999,543.15	5,004,100.00	4,556.85
07/29/15	Continuous after	01/16/13	10/16/17	Aaa/AA+/NR	FHLB - Note	Fed Home Loan Bank	5,000,000	1.000%	0.997%		5,000,000.00	5,000,000.00	4,986,250.00	(13,750.00)
05/30/15	N/A	N/A	04/30/36	NR	Direct Muni	ETWD	8,157,889	4.570%	4.570%	4.570%	8,157,889.19	8,157,889.19	8,157,889.19	
SUB-TOTAL							$229,157,889				$229,655,293.89	$229,504,426.24	$229,554,875.09	$50,448.85
RESTRICTED CASH (Swap Collateral Deposits)[5]														
11/02/15					Collateral Deposit	Citi-Group	$7,921,249		0.120%		$7,921,249.13	$7,921,249.13	7,921,249.13	
05/29/15					Collateral Deposit	Merrill Lynch	$2,210,000		0.120%		$2,210,000.00	$2,210,000.00	2,210,000.00	
SUB-TOTAL							$10,131,249				$10,131,249.13	$10,131,249.13	$10,131,249.13	
TOTAL INVESTMENTS							$239,289,138				$239,786,543.02	$239,635,675.37	$239,686,124.22	
				October	Petty Cash Ck Balance	Bank of America					3,400.00 2,012,819.97 $241,802,762.99			

[1] LAIF market value is as of the most recent quarter-end as reported by LAIF.
Security market values are determined using Bank of New York ("Trading Prices"), Bloomberg and/or broker dealer pricing.
[2] Gain (loss) calculated against carry value using the trading value provided by Bank of New York/or Brokers
[3] Real estate rate of return is based on most recent quarter end return
[4] Calculation excludes Direct Muni - ETWD
[5] Swap Collateral Deposits assumes 6 month maturity, dependent on interest rate changes

This Investment Summary Report is in conformity with the 2015 Investment Policy and provides sufficient liquidity to meet the next six months estimated expenditures.
*S - Step up

Outstanding Variable Rate Debt	$319,800,000
	$189,800,000
	$241,802,763
	127%
	196

	Investment Portfolio	Real Estate[3] Portfolio	Weighted Avg. Return
November	0.55%	12.84%	3.40%
October	0.55%	12.84%	3.32%
Change			

IRVINE RANCH WATER DISTRICT
SUMMARY OF MATURITIES

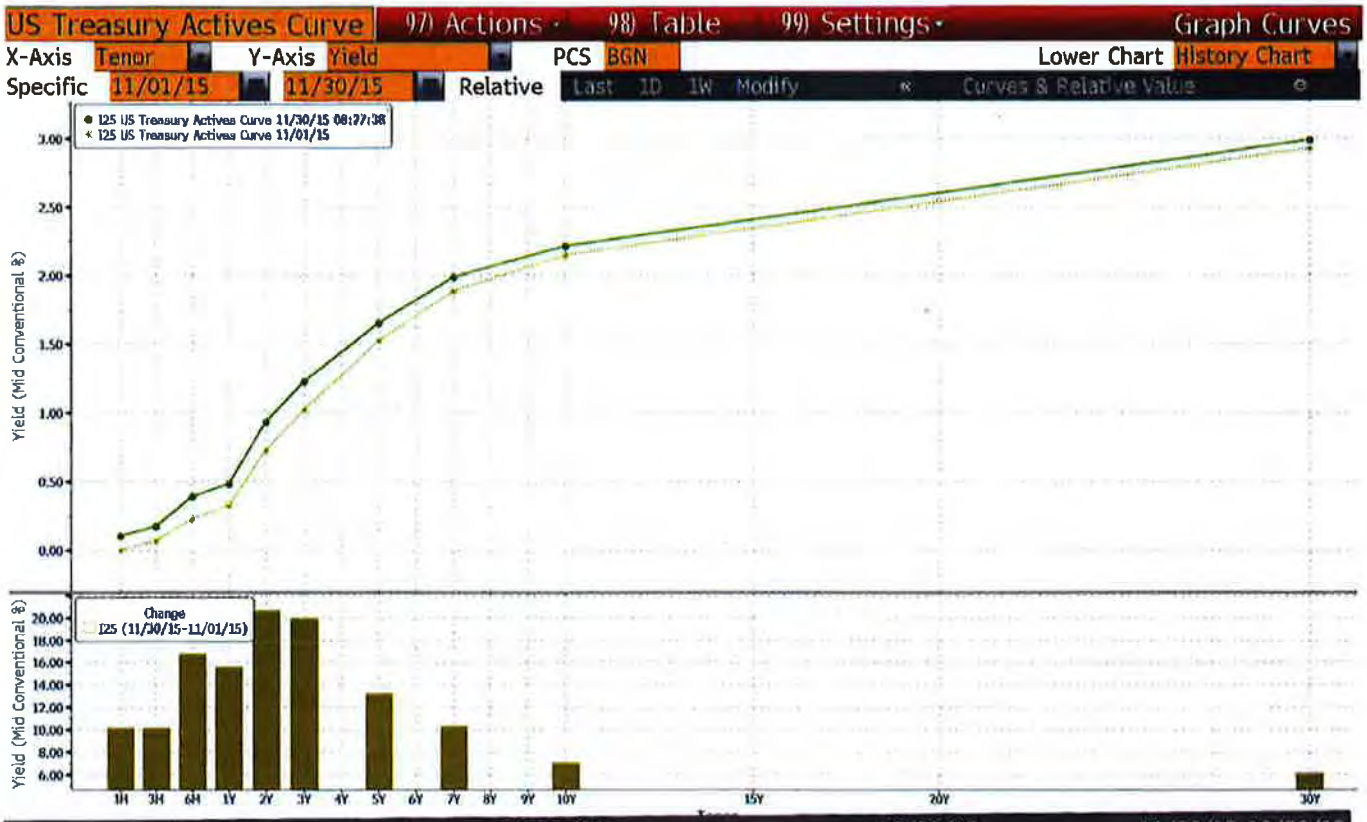
11/30/15

DATE	TOTAL	%	LAIF	Agency Notes	Agency Discount Notes	Collateral Deposit	Direct Muni
11/15	$50,000,000	20.90%	$50,000,000				
12/15	15,000,000	6.27%		15,000,000			
01/16	10,000,000	4.18%		5,000,000	5,000,000		
02/16	20,000,000	8.36%			20,000,000		
03/16	18,131,249	7.58%			8,000,000	$10,131,249	
04/16	5,000,000	2.09%		5,000,000			
05/16	18,000,000	7.52%		18,000,000			
06/16	15,000,000	6.27%		15,000,000			
07/16	5,000,000	2.09%		5,000,000			
08/16	10,000,000	4.18%		10,000,000			
09/16	10,000,000	4.18%		10,000,000			
10/16	5,000,000	2.09%		5,000,000			
SUB-TOTAL	$181,131,249	75.70%	$50,000,000	$88,000,000	$33,000,000	$10,131,249	
13 Months - 3 YEARS							
11/01/16 - 12/31/2016	10,000,000	4.18%		10,000,000			
1/1/2017 - 3/31/2017	15,000,000	6.27%		15,000,000			
04/01/17-06/30/17	5,000,000	2.09%		5,000,000			
07/01/17 - 9/30/2017	15,000,000	6.27%		15,000,000			
10/30/17 - 12/31/2017	5,000,000	2.09%		5,000,000			
	-						
	-						
04/30/2036	8,157,889	3.41%					8,157,889
TOTALS	$239,289,138	100.00%	$50,000,000	$138,000,000	$33,000,000	$10,131,249	$8,157,889
% OF PORTFOLIO			20.90%	57.67%	13.79%	4.23%	3.41%

Irvine Ranch Water District
Summary of Real Estate
9/30/2015

	ACQUISITION DATE	PROPERTY TYPE	OWNERSHIP INTEREST	ORIGINAL COST	RATE OF RETURN QUARTER ENDED Sep-15
Sycamore Canyon	Dec-92	Apartments	Fee Simple	$ 43,550,810	16.97%
Wood Canyon Villas	Jun-91	Apartments	Limited Partner	$ 6,000,000	8.53%
ITC (230 Commerce)	Jul-03	Office Building	Fee Simple	$ 5,739,845	4.68%
Waterworks Business Pk.	Nov-08	Research & Dev.	Fee Simple	$ 8,630,577	5.15%
Sand Canyon Professional Center	Jul-12	Medical Office	Fee Simple	$ 8,648,594	8.12%
				$ 72,569,826	12.84%

Exhibit "B"



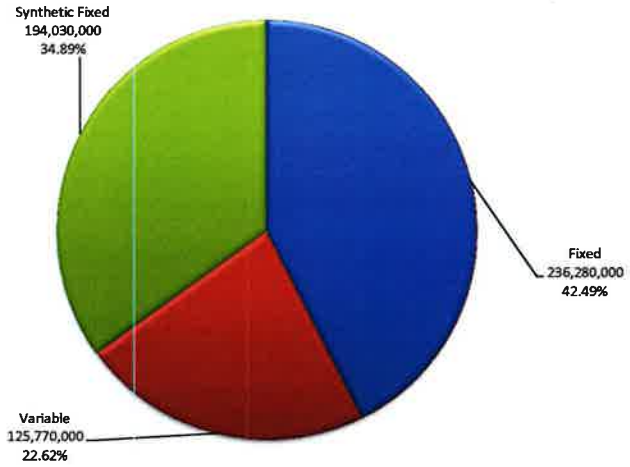
	Tenor	11/30/15	10/30/15	11/30/15-10/30/15
11)	1M	0.104	0.003	10.2
12)	3M	0.175	0.074	10.2
13)	6M	0.395	0.226	16.8
14)	1Y	0.479	0.324	15.6
15)	2Y	0.932	0.726	20.6
16)	3Y	1.224	1.025	20.0
17)	5Y	1.652	1.519	13.3
18)	7Y	1.989	1.886	10.3
19)	10Y	2.214	2.143	7.1
20)	30Y	2.984	2.923	6.2

Australia 61 2 9777 8600 Brazil 5511 2395 9000 Europe 44 20 7330 7500 Germany 49 69 9204 1210 Hong Kong 852 2977 6000
Japan 81 3 3201 8900 Singapore 65 6212 1000 U.S. 1 212 318 2000 Copyright 2015 Bloomberg Finance L.P.
SN 485352 PST GMT-8:00 H143-4550-0 30-Nov-2015 08:28:42

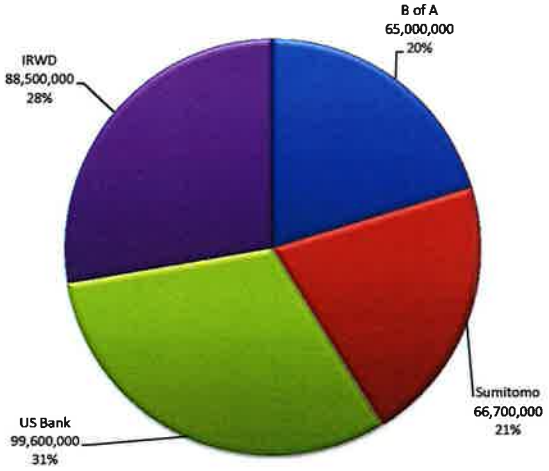
Exhibit "C"

Irvine Ranch Water District
Summary of Fixed and Variable Rate Debt
November 2015

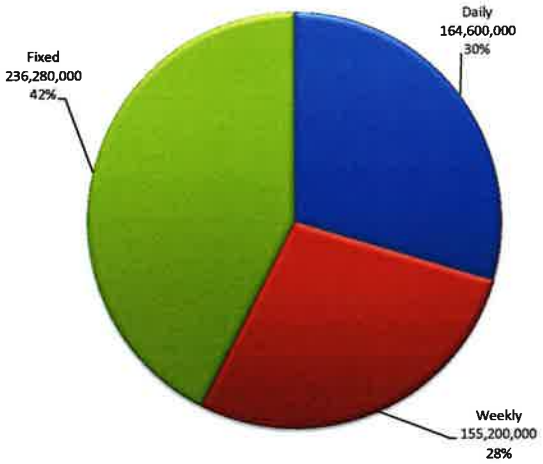
Current Debt Mix By Type



Letters of Credit / Support



Current Debt Rate Reset



Outstanding Par by Series

Series	Issue Date	Maturity Date	Remaining Principal	Percent	Letter of Credit	Rmkt Agent	Mode	Reset
Series 1993	05/19/93	04/01/33	$34,600,000	6.22%	US Bank	BAML	Variable	Daily
Series 1995	12/13/95	01/01/21	$14,200,000	2.55%	Sumitomo	CG	Variable	Weekly
Series 2008-A Refunding	04/24/08	07/01/35	$52,500,000	9.44%	Sumitomo	BAML	Variable	Weekly
Series 2011-A-1 Refunding	04/15/11	10/01/37	$53,100,000	9.55%	IRWD	Goldman	Variable	Weekly
Series 2011-A-2 Refunding	04/15/11	10/01/37	$35,400,000	6.37%	IRWD	Morgan	Variable	Weekly
Series 2009 - A	06/04/09	10/01/41	$65,000,000	11.69%	US Bank	US Bank	Variable	Daily
Series 2009 - B	06/04/09	10/01/41	$65,000,000	11.69%	B of A	Goldman	Variable	Daily
2010 Refunding Cops	02/23/10	03/01/32	$61,280,000	11.02%	N/A	N/A	Fixed	Fixed
2010 Build America Taxable Bond	12/16/10	05/01/40	$175,000,000	31.47%	N/A	N/A	Fixed	Fixed
Total			$556,080,000	100%				

IRVINE RANCH WATER DISTRICT

SUMMARY OF FIXED & VARIABLE RATE DEBT

November-15

ITN

Daily

Weekly

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 (2014)	5th Bus. Day	$38,300,000	$34,600,000	US BANK	05/07/15	11/07/18	Aa3/VMIG1	AA-/A-1+	N/R	$35,066,389	0.3300%	$115,719	BAML	DAILY	0.10%	$34,600	BANK OF NY
SERIES 1995	12/13/95	01/01/21	JAN 1	1st Bus. Day	$40,000,000	$14,200,000	SUMITOMO	04/01/11	07/14/17			N/R	$14,410,082	0.3800%	$54,758	CG	WED	0.08%	$10,650	BANK OF NY
SERIES 2008-A Refunding	04/24/08	07/01/35	JUL 1	5th Bus. Day	$60,215,000	$52,500,000	SUMITOMO	04/01/11	07/14/17	Aa2 (*)	N/R	N/R	$53,276,712	0.3800%	$202,452	BAML	WED	0.07%	$36,750	BANK OF NY
SERIES 2011-A-1 Refunding	04/15/11	10/01/37	Oct 1	1st Bus. Day	$60,545,000	$53,100,000	N/A	N/A	N/A	Aa1/VMIG1	A-1+	AAA/F1+	N/A	N/A	N/A	Goldman	WED	0.13%	$66,375	BANK OF NY
SERIES 2011-A-2 Refunding	04/15/11	10/01/37	Oct 1	1st Bus. Day	$40,370,000	$35,400,000	N/A	N/A	N/A	Aa1/VMIG1	A-1+	AAA/F1+	N/A	N/A	N/A	Morgan S.	WED	0.13%	$44,250	BANK OF NY
SERIES 2009 - A	06/04/09	10/01/41	Oct 1	1st Bus. Day	$75,000,000	$65,000,000	US BANK	04/01/11	07/15/16	Aa1/VMIG 1	AA+/A-1+	AA-/F1+	$65,726,575	0.3500%	$230,043	US Bank	DAILY	0.07%	$45,500	US BANK
SERIES 2009 - B	06/04/09	10/01/41	Oct 1	1st Bus. Day	$75,000,000	$65,000,000	B of A	04/01/11	07/15/16	Aa3/VMIG 1	A+/A-1	A+/F1+	$65,726,575	0.3500%	$230,043	Goldman	DAILY	0.10%	$65,000	US BANK
					$389,430,000	$319,800,000	SUB-TOTAL VARIABLE RATE DEBT						$234,206,334 (Wt. Avg)	0.3557%	$833,015			0.09% (Wt. Avg)	$303,125	
FIXED RATE ISSUES																				
2010 REFUNDING COPS	02/23/10	03/01/32	Mar -1	MAR/SEPT	$85,145,000	$61,280,000	N/A	N/A	N/A	Aa1	AAA	AAA	N/A	N/A	N/A	N/A	N/A	N/A	N/A	BANK OF NY
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
					$260,145,000	$236,280,000	SUB-TOTAL FIXED RATE DEBT													
					$649,575,000	$556,080,000	TOTAL- FIXED & VARIABLE RATE DEBT													

Remarketing Agents		
CG	14,200,000	4%
Goldman	118,100,000	37%
Morgan Stanley	35,400,000	11%
BAML	87,100,000	27%
US Bank	65,000,000	20%
	319,800,000	

GO VS COP's		
GO:	494,800,000	89%
COPS:	61,280,000	11%
Total	556,080,000	

LOC Banks	
SUMITOMO	66,700,000
BANK OF AMERICA	65,000,000
US BANK	99,600,000
	231,300,000

Breakdown Between Variable & Fixed Rate Mode		
Daily Issues	164,600,000	30%
Weekly Issues	66,700,000	12%
ITN Issues	88,500,000	16%
Sub-Total	319,800,000	
Fixed Rate Issues	$236,280,000	42%
Sub-Total - Fixed	236,280,000	
TOTAL DEBT FIXED & VAR.	556,080,000	100%

vrdsum.xlsx
11/30/2015

Exhibit "D"

IRVINE RANCH WATER DISTRICT
SUMMARY OF DEBT RATES
Nov-15

Rmkt Agent	GOLDMAN	GOLDMAN	MORGAN STANLEY	MERRILL LYNCH		CITIGROUP	US BANK
	DAILY	WEEKLY	WEEKLY	DAILY	WEEKLY	WEEKLY	DAILY
Bond Issue	2009 - B	2011 A-1	2011 A-2	1993	2008-A	1995	2009-A
Par Amount	65,000,000	53,100,000	35,400,000	34,600,000	52,500,000	14,200,000	65,000,000
Bank	BOFA	(SIFMA+3)	(SIFMA+3)	US BANK	Sumitomo	Sumitomo	US BANK
Reset		Wednesday	Wednesday		Wednesday	Wednesday	
11/1/2015	0.01%	0.04%	0.04%	0.01%	0.01%	0.01%	0.01%
11/2/2015	0.01%	0.04%	0.04%	0.01%	0.01%	0.01%	0.01%
11/3/2015	0.01%	0.04%	0.04%	0.01%	0.01%	0.01%	0.01%
11/4/2015	0.01%	0.04%	0.04%	0.01%	0.01%	0.01%	0.01%
11/5/2015	0.01%	0.04%	0.04%	0.01%	0.01%	0.01%	0.01%
11/6/2015	0.01%	0.04%	0.04%	0.01%	0.01%	0.01%	0.01%
11/7/2015	0.01%	0.04%	0.04%	0.01%	0.01%	0.01%	0.01%
11/8/2015	0.01%	0.04%	0.04%	0.01%	0.01%	0.01%	0.01%
11/9/2015	0.01%	0.04%	0.04%	0.01%	0.01%	0.01%	0.01%
11/10/2015	0.01%	0.04%	0.04%	0.01%	0.01%	0.01%	0.01%
11/11/2015	0.01%	0.04%	0.04%	0.01%	0.01%	0.01%	0.01%
11/12/2015	0.01%	0.04%	0.04%	0.01%	0.01%	0.01%	0.01%
11/13/2015	0.01%	0.04%	0.04%	0.01%	0.01%	0.01%	0.01%
11/14/2015	0.01%	0.04%	0.04%	0.01%	0.01%	0.01%	0.01%
11/15/2015	0.01%	0.04%	0.04%	0.01%	0.01%	0.01%	0.01%
11/16/2015	0.01%	0.04%	0.04%	0.01%	0.01%	0.01%	0.01%
11/17/2015	0.01%	0.04%	0.04%	0.01%	0.01%	0.01%	0.01%
11/18/2015	0.01%	0.04%	0.04%	0.01%	0.01%	0.01%	0.01%
11/19/2015	0.01%	0.04%	0.04%	0.01%	0.01%	0.01%	0.01%
11/20/2015	0.01%	0.04%	0.04%	0.01%	0.01%	0.01%	0.01%
11/21/2015	0.01%	0.04%	0.04%	0.01%	0.01%	0.01%	0.01%
11/22/2015	0.01%	0.04%	0.04%	0.01%	0.01%	0.01%	0.01%
11/23/2015	0.01%	0.04%	0.04%	0.01%	0.01%	0.01%	0.01%
11/24/2015	0.01%	0.04%	0.04%	0.01%	0.01%	0.01%	0.01%
11/25/2015	0.01%	0.04%	0.04%	0.01%	0.01%	0.01%	0.01%
11/26/2015	0.01%	0.04%	0.04%	0.01%	0.01%	0.01%	0.01%
11/27/2015	0.01%	0.04%	0.04%	0.01%	0.01%	0.01%	0.01%
11/28/2015	0.01%	0.04%	0.04%	0.01%	0.01%	0.01%	0.01%
11/29/2015	0.01%	0.04%	0.04%	0.01%	0.01%	0.01%	0.01%
11/30/2015	0.01%	0.04%	0.04%	0.01%	0.01%	0.01%	0.01%
Avg Interest Rates	0.01%	0.04%	0.04%	0.01%	0.01%	0.01%	0.01%
Rmkt Fee	0.10%	0.13%	0.13%	0.10%	0.07%	0.08%	0.07%
LOC Fee	0.35%			0.33%	0.38%	0.38%	0.35%
All-In Rate	**0.46%**	**0.17%**	**0.17%**	**0.44%**	**0.46%**	**0.47%**	**0.43%**
Par Amount		118,100,000	35,400,000		87,100,000	14,200,000	65,000,000

Interest Rate Mode	Percent of Total Variable Rate Debt		Par Outstanding	Weighted All-In Average Rate		Base Rate Average
Daily	51.47%		164,600,000	0.44%		0.01%
Weekly	48.53%		155,200,000	0.29%		0.03%
	100.00%	$	**319,800,000**	0.37%		0.02%
Fixed Rate COPS	25.94%		61,280,000	3.82%		
Fixed Rate BABS	74.06%		175,000,000	4.46%	(1)	
	100.00%	$	**236,280,000**	4.29%		
All-In Debt Rate Including $130 Million Notional Amount of Swaps						**3.38%**

(1) Rate adjusted up from 4.35% as a result of sequestration reducing BAB's subsidy by 6.8%

December 9, 2015
Prepared by: Jennifer Davis/Tanja Fournier
Submitted by: Rob Jacobson/Cheryl Clary
Approved by: Paul Cook

FINANCE AND PERSONNEL COMMITTEE

QUARTERLY DEFERRED COMPENSATION PLAN AND FUND REVIEW

SUMMARY:

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

- A Summary of the Deferred Compensation Program and Distribution of Assets as of September 30, 2015, as outlined in Exhibit "A".
- Mutual Fund Performance Review as of September 30, 2015, as outlined in Exhibit "B".

BACKGROUND:

Overview of the Deferred Compensation Assets:

As of September 30, 2015, the District's Section 457(b) and 401(a) Plans (collectively, the "Plans") assets totaled $42,369,379, which represented a $2,369,621 decrease from the quarter ending June 30, 2015 and a $91,424 decrease for the one year period ending September 30, 2015. The changes in Plan assets over these two periods are summarized as follows:

	For the One Year Period Ending September 30, 2015	*For the Quarter Ending September 30, 2015*
Beginning Balance	$42,460,803	$44,739,000
Employee Contributions	2,076,903	429,277
District Contributions	664,168	153,658
Transfers to/from other plans	412,685	95,640
Distributions	(2,494,663)	(366,455)
Net Investment Gain (Loss)	(750,517)	(2,681,741)
Ending Balance – September 30, 2015	$42,369,379	$42,369,379
Change in assets for the period	($91,424)	($2,369,621)

Review of Investment Options:

The District's deferred compensation policy states that any investment option performing "Below Benchmark" for four consecutive quarters or seven out of the trailing 12 quarters, has "Failed" the Long-Term Rolling Analysis (LTRA) and the investment option is to be replaced. For the quarter ending September 30, 2015, all the funds in the Plan passed the LTRA. The Advised Assets Group Performance Review as of September 30, 2015 is attached as Exhibit "B".

FISCAL IMPACTS:

As of September 30, 2015 the District's Plan assets totaled $42,369,379, which represented a $2,369,621 decrease from the quarter ending June 30, 2015, and a $91,424 decrease for the one year period ending September 30, 2015.

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" – Summary of the Deferred Compensation Plan and Distribution of Assets
Exhibit "B" – Advised Assets Group Fund Performance Review

Exhibit "A"

IRVINE RANCH WATER DISTRICT

SUMMARY OF DEFERRED COMPENSATION PROGRAM

September 30, 2015

Deferred Compensation IRS Section 457 (Employee Contributions)

Money Purchase Pension Plan & Executive Plan - IRS Section 401 (a) (District Contribution)

	457 Assets			401(a) Assets	
	Empower-Retirement Core Investments	Ameritrade Brokerage	**Total 457**	**Total 401(a)** 401 (a)	**GRAND TOTAL** 457 & 401(a)
Assets	$30,169,877	$2,749,865	**$32,919,742**	**$9,449,637**	**$42,369,379**
Change From Prior Quarter	*($1,653,605)*	*($119,019)*	*($1,772,624)*	*($596,996)*	*($2,369,621)*
Change From Prior Year (09/2014)	*$52,791*	*($170,555)*	*($117,764)*	*$26,340*	*($91,424)*
Quarterly Contributions	**$429,277**	n/a	**$429,277**	**$153,658**	**$582,936**
Change From Prior Quarter	*($96,949)*			($26,199)	

	For the One Year Period Ending September 30, 2015	For the Quarter Ending September 30, 2015
Beginning Balance	$42,460,803	$44,739,000
Employee Contributions	2,076,903	429,277
District Contributions	664,168	153,658
Transfers to/from other plans	412,685	95,640
Distributions	(2,494,663)	(366,455)
Net Investment Gain (Loss)	(750,517)	(2,681,741)
Ending Balance - September 30, 2015	$42,369,379	$42,369,379
Change in assets for the period	($91,424)	($2,369,621)

Employee Participation	
Full-time Permanent Employees	326
Temporary Employees	14
Student Interns	9
Employees Participating	276
Percent Participation	85%

IRVINE RANCH WATER DISTRICT
SUMMARY OF DEFERRED COMPENSATION PROGRAM
DISTRIBUTION OF ASSETS

Quarter Ending September 30, 2015

Fund	Assets	Percent of Assets	Change from previous quarter
PROFILE FUNDS			
Aggressive Profile Fund	3,838,504	9.1%	1.0%
Moderate Profile Fund	3,793,230	9.0%	0.2%
Conservative Profile Fund	2,374,136	5.6%	0.2%
Sub Total	**10,005,870**	**23.7%**	**1.4%**
INTERNATIONAL FUND			
Harbor International Instl	1,918,423	4.5%	-0.7%
Vanguard Total Intl Stock Index Admiral	222,197	0.5%	0.1%
Sub Total	**2,140,619**	**5.0%**	**-0.6%**
SMALL CAP FUNDS			
Baron Small-Cap Growth Fund	1,963,780	4.6%	-0.4%
Munder Veracity Small Cap	1,260,670	3.0%	-0.3%
Vanguard Small Cap Index	383,477	0.9%	0.3%
Sub Total	**3,607,926**	**8.5%**	**-0.4%**
MEDIUM CAP FUNDS			
Munder Mid-Cap Core Growth Fund	1,768,753	4.2%	-0.3%
Hotchkis & Wiley Mid-Cap Value Fund	2,591,391	6.1%	-0.8%
Vanguard Mid-Cap Index Fund	476,234	1.1%	0.2%
Sub Total	**4,836,378**	**11.4%**	**-0.8%**
LARGE CAP FUNDS			
American Growth Fund R4	3,217,445	7.6%	-0.2%
Vanguard 500 Index Signal	3,858,272	9.1%	-0.1%
Diamond Hill Large-Cap Fund	1,445,430	3.4%	-17.2%
Sub Total	**8,521,147**	**20.1%**	**-17.5%**
BOND FUND			
Metropolitan West Total Return Bond	2,231,913	5.3%	5.3%
Sub Total	**2,231,913**	**5.3%**	**5.3%**
STABLE VALUE FUND			
Putnam Stable Value	8,100,277	19.1%	12.3%
Sub Total	**8,100,277**	**19.1%**	**12.3%**
OTHER			
Ameritrade Brokerage	2,925,249	6.9%	0.1%
Total Assets	**$42,369,379**	**100%**	

Exhibit "B"

ADVISED ASSETS GROUP

FUND PERFORMANCE REVIEW

IRVINE RANCH WATER DISTRICT DEFERRED COMPENSATION PLAN | 98453-01

Reporting Period Ending September 30, 2015

The analytical material contained herein merely describes the process that AAG applies in evaluating funds. It may or may not be based on the plan's current investment policy and is not intended to be used by plan sponsor as a primary basis for deciding whether to make a particular fund available under the plan. Funds listed on the Fund Performance Review are designed to meet stated investment objectives and risk profiles, but do not constitute investment advice from AAG or its affiliate. Plan fiduciaries should review the educational material provided and consult with their investment advisers if necessary to make the investment decision. Neither AAG, nor its representatives, agents or affiliates are permitted to give legal, ERISA, or tax advice. Any discussion of these matters included or related to this document or other educational information is provided for informational purposes only. Such discussion does not purport to be complete or to cover every situation. Current tax and ERISA law are subject to interpretation and legislative change. The appropriateness of any product for any specific taxpayer may vary depending on the particular set of facts and circumstances. You should consult with and rely on your own legal and tax advisers.

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IMPORTANT DISCLOSURES

The Fund Performance Review is compiled at the request of the Plan Sponsor and/or broker. It is designed as a high level analytical tool to aide plan sponsors in carrying out their fiduciary responsibilities; it is not intended as investment advice. Plan Sponsors may wish to review the enclosed material with their investment adviser, consultant or broker, if necessary, prior to making final investment decisions.

Funds listed on the Fund Performance Review are designed to meet stated investment objectives and risk profiles. Risks associated with the investment options can vary significantly and the relative risks of investment categories may change under certain economic conditions. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be more or less than their original cost. Current performance may be lower or higher than performance data shown due to market activity. Past performance is not a guarantee of future results.

FUND PERFORMANCE REVIEW: OVERVIEW

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OBJECTIVE:
- To quantify historical fund performance relative to peer group benchmarks.
- To identify funds that have consistently underperformed over the long-term.
- To assist in identifying style drift and discern gaps within the plan portfolio.

FUNDAMENTALS:
- An objective analysis based on set criteria.
- Based on long-term and risk-adjusted performance.
- Comparison against peer group of similar funds as determined by *Morningstar, Inc.*®

SOURCE:
- Statistics are derived from an independent third-party: *primarily Morningstar Direct*®

SCOPE:
- The Fund Performance Review is designed as a high level analytical tool to aide plan sponsors in carrying out their fiduciary responsibilities.

The purpose of this document is to provide investment-related information only for the plan sponsor in its role as a fiduciary to the Plan, not as investment advice for plans or plan participants. Although the data contained in this report is from reliable sources, Advised Assets Group, LLC cannot guarantee is completeness or accuracy. Risks associated with investment options can vary significantly with each particular investment category and the relative risks of categories may change under certain economic conditions. The investment return and principal of an investment will fluctuate so that an investor's shares, when redeemed, may be more of less than their original cost.

Current performance may be lower or higher than performance data shown due to market volatility. Past performance is no guarantee of future returns.

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FUND PERFORMANCE REVIEW: CRITERIA

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- **OVERALL RATING:** Based on performance, risk-adjusted performance and the Overall Morningstar Rating™.
  - **Return Composite:** Determined by taking the equal weighted average of the 3, 5 and 10 year category return percentiles.
  - **Sharpe Composite:** Calculated by averaging the 3 and 5 year category Sharpe percentiles.
  - **Overall Composite:** The equally weighted average of the Return Composite and Sharpe Composite.
  - **Overall Morningstar Rating™:** Represents a measure of an investment's risk-adjusted return, relative to similar investments. The Overall Composite is the sole determinate for the Overall Rating for funds that do not have an Overall Morningstar Category Rating.

Overall Composite		Overall Morningstar Rating	Overall Rating
≥ 50.0%	AND	❸, ❹, or ❺	Above
≥ 50.0%	OR	❸, ❹, or ❺	Neutral
< 50.0%	AND	❶, or ❷	Below
≤ 25.0%			Below

- **LONG-TERM ROLLING ANALYSIS:** Based on the accumulated trailing 12 quarters "Overall Ratings".

Consecutive number of Quarters Receiving a Below Rating		Total number of Quarters Below out of trailing 12 quarters	Long-Term Rolling Analysis
< 4 Quarters	AND	< 7 Quarters	Pass
≥ 4 Quarters	OR	≥ 7 Quarters	Warning OR Fail
OR			
Overall Rating: ≤ 25.0%			Warning OR Fail

- **FUNDS RECEIVING A WARNING:** Please see the footnotes page for Special Product Consideration Funds.

For expanded definitions of the Composites, Sharpe Ratio and Ratings, please refer to the corresponding glossary. Information for this fund evaluation was received from what we believe to be reliable sources, but we cannot absolutely guarantee accuracy, completeness or suitability for any purpose. The performance data quoted within represents past performance and is not a guarantee or indication of future investment results. For each fund with at least a three-year history, Morningstar calculates a Morningstar Rating based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a fund's monthly performance (including the effects of sales charges, loads, and redemption fees), placing more emphasis on downward variations and rewarding consistent performance. The top 10% of the funds in each category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars and the bottom 10% receive 1 star. (Each share class is counted as a fraction of one fund within this scale and rated separately, which may cause slight variations in the distribution percentages). The Overall Morningstar Rating for a fund is derived from a weighted average of the performance figures with its three-, five- and ten-year (if applicable) Morningstar Rating metrics. Past Performance is no guarantee of future results.

FUND COMPLEX RATING (Based on Recent Mutual Fund Investigations)

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- **OVERVIEW:** Due to the issues involving mutual fund complexes and their compliance with security laws and regulations, Great-West FinancialSM developed a ratings system for funds involved in its packaged products. Mutual fund complexes are assigned a rank of red, yellow or green.

RED RATING: A fund complex or any of its respective funds may be placed on the Red Fund Corporate Rating and may be terminated or disqualified from participating in the packaged products if that fund complex is determined by a court or appropriate regulatory agency or the fund complex admits to having allowed regulatory violations or corporate infractions in its funds by its employees (officers or portfolio managers) of the complex. In such event, depending on the severity of the violation or infraction, the fund(s) may be terminated even if such activity was not found to have occurred in a fund used by Great-West FinancialSM but elsewhere in the fund complex.

YELLOW RATING: A fund or fund complex will be put on the Yellow Fund Complex Corporate Rating if that fund complex is by a court or appropriate regulatory agency or admits to having allowed regulatory violations or infractions in its funds. While a fund is on the Yellow Fund Complex Corporate Rating, no action shall be taken to terminate or replace the fund.

GREEN RATING: A fund or fund complex that has not been implicated in any regulatory violations or infractions nor has admitted to committing such activities.

PERFORMANCE SUMMARY

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	Morningstar Category	Fund Complex Rating	Ticker Symbol	Fund Name	Overall Rating[1] Composite % Overall	Return	Sharpe	Mstar Rating	Long-Term Rolling Analysis[2] Consecutive Quarters Below	# of Quarters Below Out of Trailing 12	
International [11]	Foreign Large Blend		HAINX	Harbor International Institutional	40.7	52.3	29.0	3 Neutral	0	0 out of 12	Pass
Small-Cap [13]	Small Growth		BSFIX	Baron Small Cap Instl	40.8	32.7	49.0	3 Neutral	0	0 out of 12	Pass
	Small Value		VSVIX	Victory Integrity Small-Cap Value Y	88.4	91.3	85.5	5 Above	0	0 out of 12	Pass
Mid-Cap	Mid-Cap Growth		MGOSX	Victory Munder Mid-Cap Core Growth R6	67.3	60.7	74.0	4 Above	0	0 out of 12	Pass
	Mid-Cap Value		HWMIX	Hotchkis & Wiley Mid-Cap Value I	61.4	79.3	43.5	3 Above	0	0 out of 12	Pass
Large-Cap	Large Growth		RGAFX	American Funds Growth Fund of Amer R5	70.8	61.0	80.5	4 Above	0	0 out of 12	Pass
	Large Value		DHLYX	Diamond Hill Large Cap Y	80.4	84.3	76.5	4 Above	0	0 out of 12	Pass
Bond[80] /MMF [12]	Intermediate-Term Bond		MWTIX	Metropolitan West Total Return Bond I	94.7	95.3	94.0	5 Above	0	0 out of 12	Pass
Index Funds [15]	Foreign Large Blend		VTIAX	Vanguard Total Intl Stock Index Admiral (Idx)	24.1	30.7	17.5	2 N/A	0	0 out of 12	Pass
	Small Blend		VSMAX	Vanguard Small Cap Index Adm (Idx)	80.9	79.3	82.5	4 N/A	0	0 out of 12	Pass
	Mid-Cap Blend		VIMAX	Vanguard Mid Cap Index Adm (Idx)	89.9	85.3	94.5	5 N/A	0	0 out of 12	Pass
	Large Blend		VFIAX	Vanguard 500 Index Admiral (Idx)	82.6	78.7	86.5	4 N/A	0	0 out of 12	Pass

Please refer to the Appendix page for additional footnotes

RETURN ANALYSIS

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	Fund Name	3rd Quarter 2015 Return	3rd Quarter 2015 Percent	Performance vs. Benchmark (Annualized Returns and Return Percentiles) 1 Year Return	1 Year Percent	3 Year Return	3 Year Percent	5 Year Return	5 Year Percent	10 Year Return	10 Year Percent	Incept. Date
International 11	Foreign Large Blend Peer Group	-10.20	50	-8.23	50	4.88	50	3.61	50	2.85	50	N/A
	Harbor International Institutional	-12.97	10	-10.29	22	3.15	20	3.47	46	5.21	91	12/29/1987
Small-Cap 13	Small Growth Peer Group	-11.94	50	2.67	50	11.29	50	12.19	50	7.27	50	N/A
	Baron Small Cap Instl	-12.52	40	-4.08	8	9.98	29	11.29	31	6.88	38	05/29/2009
	Small Value Peer Group	-9.99	50	-1.79	50	10.36	50	10.43	50	6.12	50	N/A
	Victory Integrity Small-Cap Value Y	-9.34	65	-0.13	66	13.29	92	12.60	91	7.65	91	07/07/2005
Mid-Cap	Mid-Cap Growth Peer Group	-9.24	50	1.17	50	11.84	50	11.80	50	7.35	50	N/A
	Victory Munder Mid-Cap Core Growth R6	-10.40	34	-0.14	38	12.62	61	12.80	66	7.52	55	06/01/2012
	Mid-Cap Value Peer Group	-9.35	50	-2.99	50	12.41	50	11.73	50	6.71	50	N/A
	Hotchkis & Wiley Mid-Cap Value I	-11.23	15	-8.46	9	13.77	78	14.44	97	7.06	63	01/02/1997
Large-Cap	Large Growth Peer Group	-6.55	50	1.93	50	12.71	50	12.78	50	6.98	50	N/A
	American Funds Growth Fund of Amer R5	-6.62	48	0.73	38	13.84	73	12.90	53	7.22	57	05/15/2002
	Large Value Peer Group	-8.34	50	-4.59	50	10.68	50	11.01	50	5.43	50	N/A
	Diamond Hill Large Cap Y	-8.12	55	-1.01	88	12.84	90	12.43	81	6.66	82	12/30/2011
Bond 10 /MMF 12	Intermediate-Term Bond Peer Group	0.58	50	1.84	50	1.55	50	3.18	50	4.49	50	N/A
	Metropolitan West Total Return Bond I	0.65	54	2.27	67	2.86	92	4.74	95	6.45	99	03/31/2000
Index Funds 15	Vanguard Total Intl Stock Index Admiral (Idx)	-11.61	26	-10.72	19	3.13	19	2.14	18	3.01	55	11/29/2010
	Vanguard Small Cap Index Adm (Idx)	-10.33	58	-0.15	47	12.48	72	12.99	78	7.75	88	11/13/2000
	Vanguard Mid Cap Index Adm (Idx)	-7.45	83	1.71	85	14.67	91	13.62	88	7.85	77	11/12/2001
	Vanguard 500 Index Admiral (Idx)	-6.45	78	-0.64	77	12.36	73	13.30	84	6.79	79	11/13/2000

Please refer to the Appendix page for additional footnotes

SHARPE RATIO AND EXPENSE ANALYSIS

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	Fund Name	Sharpe Ratio and Percentiles				Standard Deviation		Expense Ratio	Expense %	Manager Tenure	Fund Size $ MM
		3 Yr Ratio	3 Yr %	5 Yr Ratio	5 Yr %	3 Yr	5 Yr				
International 11	Foreign Large Blend Peer Group	0.470	50	0.310	50	11.54	14.97	1.15	50	-	-
	Harbor International Institutional	0.310	17	0.290	41	12.28	16.07	0.75	83	7	44977.0
Small-Cap 13	Small Growth Peer Group	0.840	50	0.790	50	14.20	16.44	1.26	50	-	-
	Baron Small Cap Instl	0.830	48	0.790	50	12.34	14.96	1.04	75	18	4527.0
	Small Value Peer Group	0.870	50	0.740	50	12.57	15.36	1.30	50	-	-
	Victory Integrity Small-Cap Value Y	1.020	85	0.840	86	13.07	15.56	1.23	56	12	1483.0
Mid-Cap	Mid-Cap Growth Peer Group	1.020	50	0.850	50	11.67	14.42	1.18	50	-	-
	Victory Munder Mid-Cap Core Growth R6	1.140	73	0.950	75	10.96	13.67	0.95	76	15	5974.0
	Mid-Cap Value Peer Group	1.120	50	0.860	50	10.74	13.58	1.15	50	-	-
	Hotchkis & Wiley Mid-Cap Value I	1.090	43	0.840	44	12.62	17.96	1.00	67	19	2902.0
Large-Cap	Large Growth Peer Group	1.140	50	1.000	50	10.89	12.96	1.07	50	-	-
	American Funds Growth Fund of Amer R5	1.384	94	1.056	67	9.72	12.19	0.38	98	27	141238.0
	Large Value Peer Group	1.040	50	0.920	50	10.20	12.24	1.02	50	-	-
	Diamond Hill Large Cap Y	1.160	78	1.020	75	10.88	12.19	0.65	88	13	3399.0
Bond 10 /MMF 12	Intermediate-Term Bond Peer Group	0.520	50	1.090	50	2.96	2.82	0.76	50	-	-
	Metropolitan West Total Return Bond I	0.999	93	1.674	95	2.82	2.76	0.44	89	19	68086.0
Index Funds 15	Vanguard Total Intl Stock Index Admiral (Idx)	0.320	18	0.210	17	11.62	15.26	0.14	98	7	174584.0
	Vanguard Small Cap Index Adm (Idx)	1.030	83	0.880	82	12.12	15.08	0.09	98	24	51541.0
	Vanguard Mid Cap Index Adm (Idx)	1.370	97	1.030	92	10.42	13.27	0.09	97	17	62254.0
	Vanguard 500 Index Admiral (Idx)	1.250	82	1.140	91	9.74	11.51	0.05	99	24	201560.0

Please refer to the Appendix page for additional footnotes

ANNUAL RETURNS AND STATISTICS

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	Fund Name	Calendar Year Returns 2014	2013	2012	2011	2010	MPT Statistics (3 year) Alpha	Beta	R2	Portfolio Construction Turnover Ratio	Number of Holdings	% in Top 10 Holdings
International [11]	Foreign Large Blend Peer Group	-5.35	20.13	17.97	-13.21	10.09	N/A	N/A	N/A	N/A	N/A	N/A
	Harbor International Institutional	-6.81	16.84	20.87	-11.13	11.98	-0.69	1.09	92	11	92	25.0%
Small-Cap [13]	Small Growth Peer Group	3.09	41.30	14.09	-2.39	27.92	N/A	N/A	N/A	N/A	N/A	N/A
	Baron Small Cap Instl	1.95	38.10	18.30	-1.37	23.79	-0.81	0.93	91	16	94	30.0%
	Small Value Peer Group	4.18	35.88	16.54	-4.68	25.38	N/A	N/A	N/A	N/A	N/A	N/A
	Victory Integrity Small-Cap Value Y	7.33	41.02	13.97	-2.60	29.74	0.92	1.01	96	38	125	13.0%
Mid-Cap	Mid-Cap Growth Peer Group	7.41	35.62	14.67	-3.89	25.83	N/A	N/A	N/A	N/A	N/A	N/A
	Victory Munder Mid-Cap Core Growth R6	10.40	33.93	16.15	-0.77	25.48	-1.63	1.00	95	27	85	18.0%
	Mid-Cap Value Peer Group	9.83	34.64	16.55	-4.23	22.15	N/A	N/A	N/A	N/A	N/A	N/A
	Hotchkis & Wiley Mid-Cap Value I	12.18	42.55	31.09	-8.60	34.41	-2.89	1.10	88	54	58	33.0%
Large-Cap	Large Growth Peer Group	10.29	34.29	15.42	-1.77	16.03	N/A	N/A	N/A	N/A	N/A	N/A
	American Funds Growth Fund of Amer R5	9.61	34.20	20.92	-4.59	12.63	1.29	0.92	94	26	429	22.0%
	Large Value Peer Group	10.72	31.58	14.96	-0.39	13.38	N/A	N/A	N/A	N/A	N/A	N/A
	Diamond Hill Large Cap Y	10.89	36.87	12.79	2.35	9.29	0.58	1.06	94	24	50	31.0%
Bond[30]/MMF [12]	Intermediate-Term Bond Peer Group	5.53	-1.65	6.60	6.45	7.54	N/A	N/A	N/A	N/A	N/A	N/A
	Metropolitan West Total Return Bond I	5.99	0.50	11.54	5.52	11.65	1.48	0.65	90	246	1688	30.0%
Index Funds [15]	Vanguard Total Intl Stock Index Admiral (Idx)	-4.17	15.14	18.21	-14.52	11.04	0.79	0.99	98	3	5815	8.0%
	Vanguard Small Cap Index Adm (Idx)	7.50	37.81	18.24	-2.69	27.89	1.21	0.95	99	10	1519	3.0%
	Vanguard Mid Cap Index Adm (Idx)	13.76	35.15	15.99	-1.97	25.59	0.61	0.97	98	11	372	7.0%
	Vanguard 500 Index Admiral (Idx)	13.64	32.33	15.96	2.08	15.05	-0.03	1.00	100	3	509	17.0%

Please refer to the Appendix page for additional footnotes

INDEX PERFORMANCE

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	Index	Total Return 1 Year	Total Return Annlzd 3 Year	Total Return Annlzd 5 Year	Total Return Annlzd 10 Year	Annual Return 2014	Annual Return 2013	Annual Return 2012	Annual Return 2011	Annual Return 2010
International 11	MSCI EMF ID	-21.21	-7.56	-5.94	1.82	-4.63	-4.98	15.15	-20.41	16.36
	MSCI EAFE Ndtr_D	-8.66	5.63	3.98	2.97	-4.90	22.78	17.32	-12.14	7.75
	MSCI World Ndtr_D	-5.09	8.58	8.29	4.73	4.94	26.68	15.83	-5.54	11.76
Small-Cap 13	Russell 2000 Growth	4.04	12.85	13.26	7.67	5.60	43.30	14.59	-2.91	29.09
	Russell 2000	1.25	11.02	11.73	6.55	4.89	38.82	16.35	-4.18	26.85
	Russell 2000 Value	-1.60	9.18	10.17	5.35	4.22	34.52	18.05	-5.50	24.50
Mid-Cap	Russell Mid Cap Growth	1.45	13.98	13.58	8.09	11.90	35.74	15.81	-1.65	26.38
	Standard & Poor's Midcap 400	1.40	13.12	12.93	8.25	9.77	33.50	17.88	-1.73	26.64
	Russell Mid Cap Value	-2.07	13.69	13.15	7.42	14.75	33.46	18.51	-1.38	24.75
Large-Cap	Russell 1000 Growth	3.17	13.61	14.47	8.09	13.05	33.48	15.26	2.64	16.71
	Standard & Poor's 500	-0.61	12.40	13.34	6.80	13.69	32.39	16.00	2.11	15.06
	Russell 1000 Value	-4.42	11.59	12.29	5.71	13.45	32.53	17.51	0.39	15.51
Bond 10 /MMF 12	BarCap US Aggregate Bond	2.94	1.71	3.10	4.64	5.97	-2.02	4.21	7.84	6.54
	BarCap US Credit	1.50	2.02	4.09	5.28	7.53	-2.01	9.37	8.35	8.47
	BarCap US MBS	3.43	1.98	3.03	4.71	6.08	-1.41	2.59	6.23	5.37
	BarCap US Government Bond	3.68	1.30	2.47	4.27	4.92	-2.60	2.02	9.02	5.52
	BarCap US Govt 1-3 Yr	1.20	0.70	0.79	2.62	0.64	0.37	0.51	1.56	2.40

Please refer to the Appendix page for additional footnotes

IMPORTANT DISCLOSURES

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Footnote Subscript	Disclosure
1	The Overall Rating is derived from the 3, 5 and 10 year net-of-fee performance figures, the 3 and 5 year Sharpe Ratio and the Morningstar Rating.
2	The Long-Term Rolling Analysis accumulates the trailing 12 quarter Overall Ratings and determines a Pass / Fail designation accordingly.
3	The Fund Performance Review is a proprietary high level analytical tool that is used to evaluate fund performance and is not intended as an offer or solicitation of securities, or as investment advice.
4	MSCI EMF ID: A capitalization-weighted index of stocks from 26 emerging markets that only includes issues that may be traded by foreign investors. The reported returns reflect equities priced in US dollars and do not include the effects of reinvested dividends.
5	A Percentile Ranking of 100% represents the best in class performance, whereas 0% represents the lowest.
6	MSCI Eafe Ndtr_D: Widely accepted as a benchmark for international stock performance, the EAFE Index is an aggregate of 21 individual country indexes that collectively represent many of the major markets of the world.
7	Please check on the availability of the Great-West product and its Blue Sky status for NAV.
8	MSCI World Ndtr_D: Includes all 23 MSCI developed market countries. Ndtr_D indexes are calculated daily and take into account actual dividends reinvested daily before withholding taxes, but exclude special tax credits declared by companies.
9	Russell 2000 Growth: Market-weighted total return index that measures the performance of companies within the Russell 2000 Index having higher price-to-book ratios and higher forecasted growth values.
10	Russell 2000: Consists of the smallest 2000 companies in the Russell 3000 Index, representing approximately 7% of the Russell 3000 total market capitalization.
11	Foreign investments, if part of the fund lineup, involve special risks, including currency fluctuations and political developments.
12	An investment in a Money Market Portfolio/Fund, if part of the portfolio/fund lineup, is not insured or guaranteed by the Federal Deposit Insurance Corporation. Although the portfolio/fund seeks to preserve the value of your investment at $1.00 per share, it is possible to lose money by investing in the portfolio/fund.
13	Equity securities of small-sized companies may be more volatile than securities of larger, more established companies.
14	Russell 2000 Value: Market-weighted total return index that measures the performance of companies within the Russell 2000 Index having lower price-to-book ratios and lower forecasted growth values.
15	Index Funds are not provided an overall rating as their objective is to track their respective index, not to outperform managed funds.
16	Russell Midcap Growth: Market-weighted total return index that measures the performance of companies within the Russell Midcap Index having higher price-to-book ratios and higher forecasted growth values.
17	Standard & Poor's Midcap 400: Includes approximately 10% of the capitalization of U.S. equity securities. These are comprised of stocks in the middle capitalization range.
18	Russell Midcap Value: Market-weighted total return index that measures the performance of companies within the Russell Midcap Index having lower price-to-book ratios and lower forecasted growth values.
19	Barra Large Cap Growth: Market capitalization-weighted index of the stocks in the Standard & Poor's 500 Index having the lowest book to price ratios. The index consists of approximately half of the S&P 500 on a market capitalization basis.
20	Standard & Poor's 500: A market capitalization-weighted index of 500 widely held stocks often used as a proxy for the stock market. It measures the movement of the largest issues. Standard and Poor's chooses the member companies for the 500 based on market size, liquidity and industry group representation.
21	Barra Large Cap Value: Market capitalization-weighted index of the stocks in the Standard & Poor's 500 Index having the highest book to price ratios. The index consists of approximately half of the S&P 500 on a market capitalization basis.
22	Barclays Capital Aggregate Bond: Composed of the Barclays Capital Govt/Credit Index, the Mortgage-Backed Securities Index, and the Asset-Backed Securities Index.
23	Bar Cap Credit: Listed for corporate bond-general and high-quality funds. This index tracks the returns of all publicly issued, fixed-rate, nonconvertible, dollar- denominated, SEC-registered, investment-grade corporate debt.
24	Bar Cap Mortgage-Backed: Includes 15- and 30-year fixed-rate securities backed by mortgage pools of the Government National Mortgage Association (GNMA).
25	Bar Cap Government Bond: Listed for government-bond general and Treasury funds because it tracks the returns of U.S. Treasuries, agency bonds, and one- to three-year U.S. government obligations. This index is effective for tracking portfolios holding non-mortgage government securities.
26	Bar Cap 1-3 Year Government: Comprised of both the Treasury Bond index (all public obligations of the U.S. Treasury, excluding flower bonds and foreign-targeted issues) and the Agency Bond Index (all publicly issued debt of U.S. Government agencies and quasi-federal corporations and corporate-debt guaranteed by the U.S. Government).

IMPORTANT DISCLOSURES

Footnote Subscript	Disclosure
27	In certain instances the fund shown and the related data is the load waived share class.
28	Investment options available in the plan may be through mutual funds and / or a group fixed annuity contract. Total return performance shown above represents that of the underlying fund and does not include a deduction for any applicable annuity contract of administrative fees / expenses. Performance numbers shown above would be less after applicable fees / expenses are deducted.

APPENDIX A - ADDITIONAL DISCLOSURES

ADVISED ASSETS GROUP

1. An investment in a money market fund, if part of the fund lineup, is not insured or guaranteed by the Federal Deposit Insurance Corporation. Although the fund seeks to preserve the value of your investment at $1.00 per share, it is possible to lose money by investing in the fund.

APPENDIX B - GLOSSARY

ADVISED ASSETS GROUP

12b-1 Fee The maximum annual charge deducted from fund assets to pay for distribution and marketing costs. Although usually set on a percentage basis, this amount will occasionally be a flat figure.

Actively managed A fund attempts to add portfolio value through such active investment techniques as sector allocation (top-down) and/or security selection (bottom-up).

Aggressive Growth (Objective) Funds that seek high growth of capital. Investments may include smaller companies, companies in newly-emerging industries or in special situations (i.e., turnaround, mergers & acquisitions, etc.).

Alpha is the coefficient that measures the portion of an investment's return arising from non-market or unsystematic risk. In actively managed portfolios, alpha is considered to be the value added by the manager through sector or security selection. A negative alpha would indicate that active management had produced less-than-market returns.

Annual Returns Total returns calculated on a calendar-year basis. The annual return for a fund will be the same as its trailing 12-month total return only at year-end.

Annualized Returns Returns for periods longer than one year are expressed as "annualized returns." This is equivalent to the compound rate of return which, over a certain period of time, would produce a fund's total return over that same period.

Asset Allocation (Objective) Funds that seek high total return by investing in a mix of equities, fixed-income securities and money market instruments.

Barclays Capital Aggregate Index Composed of the Barclays Capital Govt/Credit Index, the Mortgage-Backed Securities Index, and the Asset-Backed Securities Index. The returns published for the index are total returns, which include reinvestment of dividends.

Barclays Capital Government Bond Index Listed for government-bond general and Treasury funds. Because it tracks the returns of U.S. Treasuries, agency bonds, and one- to three-year U.S. government obligations, this index is effective for tracking portfolios holding non-mortgage government securities. The returns published for the index are total returns, which include reinvestment of dividends.

Basis Point One-hundredth of a percentage point. For example, 50 basis points equals .50%.

Beta also known as market or systematic risk, beta is the coefficient that measures an investment's volatility relative to "the market" (the S & P 500 Index has a beta of 1.00) as a whole. Portfolios with a beta greater than 1.00 will move higher or lower than the market as a whole, while those with betas of less than 1.00 will move less than the market.

Bond funds Contrary to individual bonds, which offer a guaranteed rate of return, bond funds are variable funds and their returns may rise or fall depending on market conditions. Funds with 70% or more of their assets invested in bonds are classified as Bond Funds. Bond funds are divided into two main groups: Taxable Bond and Municipal Bond. Taxable Bond Fund categories include the following: Long-Term Government, Intermediate-Term Government, Short-Term Government, Long-Term Bond, Intermediate-Term Bond, Short-Term Bond, Ultrashort-Bond, International- Bond, High-Yield Bond, Emerging-Markets Bond and Multisector Bond.

Capital Appreciation The market rise in share value of a company as it experiences growth in earnings and/or assets. By extension, funds will experience capital appreciation as the underlying securities in their portfolios appreciate in value.

Capitalization The total market value of all stock issued by a company. Funds are frequently categorized by the market capitalization of the stocks in their portfolios; i.e., "small cap" generally refers to companies valued by the market at less than $1 billion, "Mid-cap" to companies valued between $1 billion and $5 billion, and "Large-cap" to companies valued at more than $5 billion.

Corporate Bond--General (Objective) Funds that seek income by investing in fixed-income securities. Funds with this objective may hold a variety of issues, including but not limited to government bonds, high-quality corporates, mortgages, asset-backeds, bank loans and junk bonds.

Corporate Bond--High Yield (Objective) Funds that seek income by generally investing 65% or more of their assets in bonds rated below BBB. The price of these issues is generally affected more by the condition of the issuing company (similar to a stock) than by the interest-rate fluctuation that usually causes bond prices to move up and down.

Diversification The investment practice of spreading assets in a portfolio among a number of different companies, industries, sectors and/or instruments. Under Modern Portfolio Theory, the practice of diversification may assist an investor in reducing overall portfolio risk and evening out portfolio returns.

Domestic equity funds are placed in a category based on the style and size of the stocks they typically own. The style and size parameters are based on the divisions used in the investment style box Value, Blend, or Growth style and Small, Medium, or Large median market capitalization.

Equity-Income (Objective) Funds that are expected to pursue current income by investing at least 65% of their assets in dividend-paying equity securities.

Excess Returns The percentage of fund assets paid for operating and administrative expenses, as well as management fees. Fund expenses are reflected in a Fund's NAV.

APPENDIX B - GLOSSARY (CONTINUED)

ADVISED ASSETS GROUP

Expense Ratio The percentage of fund assets paid 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.

Foreign Stock Category An international fund having no more than 10% of stocks invested in the United States.

Fund of Funds A fund that specializes in buying shares in other mutual funds rather than individual securities. Quite often this type of fund is not discernible from its name alone, but rather through prospectus wording (i.e.: the fund's charter).

Government Bond–General (Objective) Offerings that pursue income by investing in a combination of mortgage-backed securities, Treasuries, and agency securities.

Growth (Objective) Funds that pursue capital appreciation by investing primarily in equity securities. Current income, if considered at all, is a secondary concern.

Growth and Income (Objective) Growth of capital and current income are near-equal objectives for these funds. Investments are typically selected for both appreciation potential and dividend-paying ab

Index Fund A fund that tracks a particular index and attempts to match returns. While an index typically has a much larger portfolio than a mutual fund, the fund's management may study the index's movements to develop a representative sampling, and match sectors proportionately.

International Equity Funds with 40% or more of their equity holdings in foreign stocks (on average over three years) are placed in the international equity class. These categories include Europe, Japan, International Hybrid, Latin America, Diversified Pacific, Pacific ex. Japan, Specialty Precious Metals, Diversified Emerging Markets, World Stock, and Foreign Stock. Foreign investments involve special risks, including currency fluctuations and political developments.

Life Cycle These funds are geared toward investors of a certain age or with a specific time horizon for investing. Typically they are grouped together in sets (i.e. conservative, moderate, and aggressive portfolios).

Management Fees The management fee is the percentage deducted from fund assets to pay an advisor or subadvisor. Often, as the fund's net assets grow, the percentage deducted for management fees decreases. For example, a particular fund may report a management fee of 0.40% on the first $500 million in assets, 0.35% on all assets between $500 million and $1 billion, and 0.30% on assets in excess of $1 billion. Thus, if the fund contains $1.5 billion in total net assets, the advisor scales back its management fees accordingly. Alternatively, the fund may compute the fee as a flat percentage of average net assets.
The management fee might also come in the form of a group fee (G), a performance fee (P), or a gross income fee (I). Note: The management fee is just one (albeit a major) component of a fund's costs. The overall expense ratio is the most useful number for investors. Actual fees are also noted in this section.

Morningstar was founded in 1984 to provide investors with useful information for making intelligent, informed investment decisions. The company's first product, originally named the Mutual Fund Sourcebook, proved to be innovative in its ability to tap into an underserved market. Soon a demand grew for an even more in-depth and analytical publication, leading to the launch of Morningstar Mutual Funds in late 1986. Morningstar and Advised Assets Group are separate and unaffiliated. The Morningstar name is a registered mark of Morningstar. Marks used in conjunction with Morningstar products or services are the property of Morningstar or its subsidiaries.

Morningstar Category identifies funds based on their actual investment styles as measured by their underlying portfolio holdings (portfolio statistics and compositions over the past three years). If the fund is new and has no portfolio, we estimate where it will fall before assigning a more permanent category. When necessary, we may change a category assignment based on current information.

MSCI EAFE Ndtr_D Listed for foreign stock funds (EAFE refers to Europe, Australasia, and Far East). Widely accepted as a benchmark for international stock performance, the EAFE Index is an aggregate of 21 individual country indexes that collectively represent many of the major markets of the world. Ndtr_D indexes are calculated daily and take into account actual dividends reinvested daily before withholding taxes, but exclude special tax credits declared by companies. In addition, Ndtr_D indexes subtract withholding taxes retained at the source, for foreigners who do not benefit from a double taxation treaty. The returns published for the index are total returns, which include reinvestment of dividends.

MSCI World Ndtr_D Includes all 23 MSCI developed market countries. Ndtr_D indexes are calculated daily and take into account actual dividends reinvested daily before withholding taxes, but exclude special tax credits declared by companies. In addition, Ndtr_D indexes subtract withholding taxes retained at the source, for foreigners who do not benefit from a double taxation treaty.

Mutual fund An investment option that pools money from many shareholders and invests it in a group of stocks, bonds, or other securities. Also known as an open-end investment management company, mutual funds are securities required to be registered with the SEC.

APPENDIX B - GLOSSARY (CONTINUED)

ADVISED ASSETS GROUP

NAV Stands for net asset value, which is the fund's share price. Funds compute this value by dividing the total net assets by the total number of shares.

Net Assets The month-end net assets of the mutual fund, recorded in millions of dollars. Net-asset figures are useful in gauging a fund's size, agility, and popularity. They help determine whether a small company fund, for example, can remain in its investment-objective category if its asset base reaches an ungainly size.

Overall Rating The equal weighted average of the Return Composite and the Sharpe Composite. The Return Composite is the equal weighted average of the 3, 5, and 10 year category return percentiles. The Sharpe Composite is the equal weighted average of the 3 and 5 year category sharpe percentiles.

Prospectus A fund's formal written statement, generally issued on an annual basis. In this statement the fund sets forth its proposed purposes and goals, and other facts (e.g.: history and investment objective) that an investor should know in order to make an informed decision.

Prospectus Objective Indicates a particular fund's investment goals, based on the wording in a fund's prospectus.

R-squared (R2) measures the degree to which movement in one variable is related to the movement in another variable. Portfolios with a high R-squared will react similarly to various market conditions. By combining investments with low correlations, an investor can reduce the overall risk within a portfolio.

Risk Basically there are four types of risk: 1) inflation risk means your money may not earn enough in the long run because as prices go up the value of your money goes down; 2) market risk means you could lose money because the price of a stock may go down; 3) credit risk means a company or organization that borrowed your money may not be able to pay it back; and 4) interest rate risk means you could lose money because as interest rates go up the value of bond investments goes down.

Russell 1000 Consists of the 1000 largest companies within the Russell 3000 index. Also known as the Market-Oriented Index, because it represents the group of stocks from which most active money managers choose. The returns published for the index are total returns, which include reinvestment of dividends.

Russell 1000 Growth Market-capitalization weighted index of those firms in the Russell 1000 with higher price-to-book ratios and higher forecasted growth values. The Russell 1000 includes the largest 1000 firms in the Russell 3000, which represents approximately 98% of the investable US equity market.

Russell 1000 Value Market-capitalization weighted index of those firms in the Russell 1000 with lower price-to-book ratios and lower forecasted growth values. The Russell 1000 includes the largest 1000 firms in the Russell 3000, which represents approximately 98% of the investable US equity market.

Russell 2000 Consists of the smallest 2000 companies in the Russell 3000 Index, representing approximately 7% of the Russell 3000 total market capitalization. The returns published for the index are total returns, which include reinvestment of dividends.

Russell 2000 Growth Market-weighted total return index that measures the performance of companies within the Russell 2000 Index having higher price-to-book ratios and higher forecasted growth values. The Russell 2000 Index includes the 2000 firms from the Russell 3000 Index with the smallest market capitalizations. The Russell 3000 Index represents 98% of the of the investable US equity market.

Russell 2000 Value Market-weighted total return index that measures the performance of companies within the Russell 2000 Index having lower price-to-book ratios and lower forecasted growth values. The Russell 2000 Index includes the 2000 firms from the Russell 3000 Index with the smallest market capitalizations. The Russell 3000 Index represents 98% of the of the investable US equity market.

Share Classes Shares of the same fund that offer different shareholder rights and obligations, such as different fee and load charges. Common share classes are A (front-end load), B (deferred fees), C (no sales charge and a relatively high annual 12b-1 fee, such as 1.00%). Multi-class funds hold the same investment portfolio for all classes, and differ only in their surrounding fee structure.

Sharpe Ratio measures the risk-adjusted performance of a portfolio. It is calculated by subtracting the risk-free rate of return (i.e., the return on treasury bills) from the return of the portfolio as a whole, then dividing by the standard deviation of the returns. The higher the Sharpe Ratio, the better the risk-adjusted performance of the portfolio.

Standard Deviation A statistical measurement of dispersion about an average, which, for a mutual fund, depicts how widely the returns varied over a certain period of time. Investors use the standard deviation of historical performance to try to predict the range of returns that are most likely for a given fund. When a fund has a high standard deviation, the predicted range of performance is wide, implying greater volatility.

Tax-deferred earnings You don't have to pay taxes on any earnings in your 401(k) until you withdraw your money. The money in a 401(k) can grow faster than with other types of savings plans, because the earnings you accumulate, if any, are also tax-deferred.

APPENDIX B - GLOSSARY (CONCLUDED)

Turnover Ratio A measure of the percentage of holdings that have been "turned over" – replaced with other holdings – within a portfolio during the course of a year.

Variable funds Investments that fluctuate with market conditions. Unlike guaranteed investments, such as bonds or CDs, variable funds don't guarantee a specific rate of return. They do offer potential for higher earnings in return for higher degree of market risk.

World Stock Category An international fund having more than 10% of stocks invested in the US. Also known as global funds. Foreign Investments involve special risks, including currency fluctuations and political developments.

December 9, 2015
Prepared by: Jennifer Davis/Tanja Fournier
Submitted by: Robert Jacobson/Cheryl Clary
Approved by: Paul Cook

FINANCE AND PERSONNEL COMMITTEE

PROPOSED 2016 INVESTMENT POLICY

SUMMARY:

Each year, the District is required to adopt an Investment Policy. Changes to the policy from year-to-year are required to conform to any amendments to the California Government Code governing investment of public funds. During 2015, there were no significant changes to the Government Code and the proposed policy for 2016 has no change from the policy adopted for 2015. Staff is requesting that the Committee recommend the Board approve the proposed policy attached as Exhibit "A".

BACKGROUND:

Staff annually submits a Statement of Investment Policy to the Board of Directors for approval. The annual submittal generally incorporates amendments to investment-related Government Code sections, policy objectives, delegation of authority and a detailed schedule of authorized investments. The proposed 2016 Investment Policy and related Resolution are attached as Exhibits "A" and Exhibit "B", respectively. During 2015, there were no significant amendments to the Government Code section relating to authorized investments for local agencies, and therefore the 2016 proposed policy is the same as the 2015 Investment Policy.

As specified in the Government Code, the Board's delegation of authority to the Treasurer and Assistant Treasurer(s) to manage the District's investment program is limited to a one year period, renewable annually. The recommended 2016 Investment Policy includes continuation of this annual delegation of authority to the Treasurer and Assistant Treasurer(s).

Given the conservative nature of the State codes and the Board's additional restrictions, staff believes the authorized investments in the recommended 2016 Investment Policy are sufficiently limited to ensure appropriate investment security while retaining some degree of flexibility to take advantage of changing market opportunities. Additionally, the recommended policy provides authority for the Finance and Personnel Committee to further restrict, but not liberalize, authorized investments. Any liberalization of authorized investments would first require the approval of the Board of Directors.

FISCAL IMPACTS:

None.

ENVIRONMENTAL COMPLIANCE:

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

RECOMMENDATION:

That the Committee recommend Board approval of the proposed 2016 Investment Policy and adopt a Resolution approving Investment Policy and authorizing the Treasurer and Assistant Treasurers to invest and reinvest funds of the District and of each of its Improvement Districts and to sell and exchange securities.

LIST OF EXHIBITS:

Exhibit "A" – Proposed 2016 Investment Policy
Exhibit "B" – Resolution Adopting 2016 Investment Policy

Exhibit "A"

IRVINE RANCH WATER DISTRICT

PROPOSED 2016 INVESTMENT POLICY

Introduction:

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

Policy:

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

Scope:

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

Standard of Care:

The Board of Directors and those persons authorized to make investment decisions on behalf of the District are trustees of public funds. The standard of care to be used in all investment transactions shall be the "prudent person" standard and shall be applied in the context of managing the overall portfolio (Government Code Section 53600.3). The "prudent person" standard is:

> Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation but for investment, considering the probable safety of their capital as well as the probable income to be derived.

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

Objectives:

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

1. Safety: Safety of principal is the foremost objective of the investment program. Investments of the District shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. Accordingly, diversification by issuer, type, and maturity of securities will be made to avoid or minimize potential losses on individual securities.

2. Liquidity: The District's investment portfolio will remain sufficiently liquid to enable the District to meet all operating and capital cash requirements. To the extent required, this liquidity will be maintained through the purchase of securities with active secondary or resale markets and with short-term maturities so as to minimize market risk on the market price of the securities.

3. Yield: The District's investment portfolio shall be designed with the objective of attaining the highest rate of return commensurate with the above requirements for the preservation of capital and the maintenance of adequate liquidity.

Delegation of Authority:

In accordance with Government Code Sections 53607 and 53608, the Board of Directors has delegated to the District's Treasurer and Assistant Treasurer(s), acting singly, the authority to manage the District's investment program and to provide for the safekeeping of securities. This delegated authority is effective for the 2016 calendar year (Resolution 2015-XX).

Authorized Investments:

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

Government Code:

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

Water Code:

- Section 35912 - Real estate

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

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

The Board of Directors has approved investing in securities with terms or remaining maturities in excess of five years as part of the District's investment program, but that no such investments are to be made without the concurrence of the Finance and Personnel Committee.

Authorized Financial Institutions:

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

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

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

Safekeeping and Custody:

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

Reporting:

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

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

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

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

Investment Policy Adoption and Amendments:

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

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

Exhibit "A"
IRVINE RANCH WATER DISTRICT
2016 AUTHORIZED INVESTMENTS

INVESTMENT	MAJOR PROVISIONS (G.C. 53601 OR 53635 except as noted)	ADDITIONAL RESTRICTIONS IMPOSED BY THE BOARD OF DIRECTORS
California State and Local Agency Bonds, Notes and Warrants	Registered State warrants, treasury notes or bonds. Any bonds, notes, warrants or other evidences of indebtedness of any local agency.	Limited to securities approved by the Finance and Personnel Committee.
U.S. Treasury and Agency Obligations	U.S. Treasury notes, bonds, bills or certificates of indebtedness or those for which the full faith and credit of the United States are pledged for the payment of principal and interest. Also federal agency or U.S. government sponsored obligations.	No additional restrictions.
Registered treasury notes or bonds of California or other 49 United States	Registered treasury notes or bonds of any of the other 49 United States in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 United States, in addition to California.	Limited to states and/or agencies approved by the Finance and Personnel Committee.
Banker's Acceptances	Must be eligible for discount at the Federal Reserve Bank. May not exceed 180 days maturity or 40% of local agency funds. No more than 30% of local agency funds may be invested in banker's acceptances of any one commercial bank.	Limited to domestic and foreign banks approved by the Finance and Personnel Committee.
U.S. Dollar Denominated Senior Unsecured Unsubordinated Obligations	Permits United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank, rated "AA" or better, not exceeding 30% of the agency's moneys that may be invested pursuant Section 53601	Limited to securities approved by the Finance and Personnel Committee.

IRVINE RANCH WATER DISTRICT
2016 AUTHORIZED INVESTMENTS

INVESTMENT	MAJOR PROVISIONS (G.C. 53601 OR 53635 except as noted)	ADDITIONAL RESTRICTIONS IMPOSED BY THE BOARD OF DIRECTORS
Commercial Paper	Must be of "prime" quality of the highest ranking or of the highest letter and number rating as provided for by a nationally recognized rating service. Issuers must be organized and operating in U.S., have assets exceeding $500 million and be rated "A" or better. May not exceed 270 days maturity. May not exceed 25% of a local agency's funds. May not exceed 270 days maturity. May not exceed 25% of a local agency's funds.	Limited to corporations approved by the Finance and Personnel Committee.
Negotiable Certificates of Deposit	Issued by national or state-chartered banks, savings associations, federal associations, or state or federal credit unions or state-licensed branches of a foreign bank. Specified restrictions on credit unions. Limited to 30% of local agency funds.	Limited to domestic and foreign banks and thrift institutions approved by the Finance and Personnel Committee.
Repurchase and Reverse Repurchase Agreements	Repurchase agreements are limited to one year or less and collateral shall be valued at least 102%. Reverse repurchase agreements, including securities lending agreements, are limited to 20% of the base portfolio value and to terms of 92 days or less unless a spread is guaranteed in writing. Securities being sold on reverse must be owned by the agency for at least 30 days. Reverse repurchase agreements may be made with primary dealers of the Federal Reserve Bank of New York, or nationally and state chartered banks with a significant banking relationship with the local agency.	All reverse repurchase agreements must have the prior approval of the Finance and Personnel Committee. All repurchase agreements must be made only with primary dealers of the Federal Reserve Bank of New York, or nationally and state chartered banks with a significant banking relationship with the local agency.
Medium Term Corporate Notes	All debt securities issued by U.S. corporations or depository institutions licensed by the U.S. or any state and operating within the U.S. Institutions rated "A" or better. May not exceed five years maturity, or 30% of funds.	For depository institutions, same as shown under Negotiable Certificates of Deposit. For corporations, limited to those approved by the Finance and Personnel Committee.

IRVINE RANCH WATER DISTRICT
2016 AUTHORIZED INVESTMENTS

INVESTMENT	MAJOR PROVISIONS (G.C. 53601 OR 53635 except as noted)	ADDITIONAL RESTRICTIONS IMPOSED BY THE BOARD OF DIRECTORS
Shares of Beneficial Interest	Issued by diversified management companies investing in securities as specified. Companies shall have highest rating assigned by not less than two nationally recognized statistical rating organizations or shall have a registered and experienced investment advisor. Purchase price shall not include any commissions. Limited to 20% of funds of which no more than 10% may be with any one fund.	No additional restrictions.
Collateralized Negotiable Securities	Notes, bonds or obligations secured by a valid first priority security interest in specified securities. Collateral to be placed by delivery or book-entry into the custody of a trust company/department not affiliated with the issuer. Security interest perfected in accordance with Uniform Commercial Code or applicable federal regulations. Collateral requirements are the same as required to secure bank deposits made by local agencies.	No investment in collateralized negotiable securities shall be made without the prior approval of the Finance and Personnel Committee.
Collateralized Mortgage Obligations and Asset-Backed Securities	Mortgage pass-through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable pass-through certificate, or consumer receivable-backed bond of a maximum of 5 years maturity. Securities must be issued by an issuer having an "A" or higher rating by a nationally recognized rating service. Securities themselves must have an "AA" rating and may not exceed 20% of surplus funds.	No investment in collateralized mortgage obligations or asset-backed securities shall be made without the prior approval of the Finance and Personnel Committee.
Financial Futures and Options	Authorizes the investment in financial futures and financial option contracts in any of the investment categories contained in G.C. Section 53601. **(Government Code Section 53601.1)**	No investments in financial futures and financial option contracts are to be made without the prior approval of the Finance and Personnel Committee.

IRVINE RANCH WATER DISTRICT
2016 AUTHORIZED INVESTMENTS

INVESTMENT	MAJOR PROVISIONS (G.C. 53601 OR 53635 except as noted)	ADDITIONAL RESTRICTIONS IMPOSED BY THE BOARD OF DIRECTORS
Prohibited Investments	A local agency shall not invest any funds in inverse floaters, range notes, and mortgage derived interest-only strips, or any security that could result in zero interest accrual if held to maturity. **(Government Code Sections 53601.6 and 53631.5)**	No additional restrictions.
Local Agency Investment Fund	Permits a local agency to deposit funds with the State Treasurer for the purpose of investment in securities prescribed in Government Code Section 16430. **(Government Code Section 16429.1 et seq.)**	No additional restrictions.
Orange County Treasury Pool	Permits a local agency to deposit funds with the County Treasurer for investment in securities prescribed in Government Code Section 53601 or 53635. **(Government Code Section 53684)**	No investments are to be made with the Orange County Treasury Pool without the prior approval of the Board of Directors.
Inactive Public Deposits	Deposits or contracts with Federal Reserve System banks insured by FDIC, savings associations or federal associations which are home loan bank members or insured by FSLIC, and state or federal credit unions. Specified restrictions on credit unions.	No inactive public deposits are to be made without the prior approval of the Finance and Personnel Committee.
Public Finance Contracts	Includes interest rate swap agreements, currency swap agreements, forward payment conversion agreements, futures, or index-based agreements to hedge payment, currency, rate, spread or similar exposure. Requires certain determinations by governing body. (Government Code Section 5920 et seq.)	The Board is authorized to approve the general parameters for swap transaction types, maximum notional amount(s) and maximum duration(s). The Finance and Personnel Committee shall structure specific parameters for individual transactions including notional amount, transaction timing, counterparty selection, index to be used and ISDA agreement approval. (Resolution 2003-36)

IRVINE RANCH WATER DISTRICT
2016 AUTHORIZED INVESTMENTS

INVESTMENT	MAJOR PROVISIONS (G.C. 53601 OR 53635 except as noted)	ADDITIONAL RESTRICTIONS IMPOSED BY THE BOARD OF DIRECTORS
Real Estate Investments	Authorized to invest no more than 30% of the District's Replacement Fund in real estate located in Orange County. (Water Code Section 35912)	Real estate investments shall be made in accordance with existing Board policies (Resolution 1990-30). All real estate investments must be individually approved by the Board of Directors.

Exhibit "B"

RESOLUTION NO. 2015-___

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

WHEREAS, the Treasurer of the Irvine Ranch Water District is permitted by Section 53646 of the California Government Code to annually render to the Board of Directors a statement of investment policy, which the Board shall consider at a public meeting; and

WHEREAS, in accordance with such requirement, the Treasurer has presented an investment policy to the Board at this meeting; and

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

WHEREAS, Section 53608 of the California Government Code permits the Board of Directors to delegate to the Treasurer of the District the Board's authority to deposit for safekeeping the bonds, notes, bills, debentures, obligations, certificates of indebtedness, warrants or other evidences of indebtedness in which money of the District is invested; and

WHEREAS, under Section 53635.2 of the California Government Code, funds of the District may be deposited with certain financial institutions; and

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

WHEREAS, Resolution No. 2014-55 contains the previous delegation by this Board of the authority to invest or reinvest funds, sell or exchange securities, deposit investments for safekeeping, and deposit funds;

NOW THEREFORE, the Board of Directors of Irvine Ranch Water District DOES HEREBY RESOLVE, DETERMINE and ORDER as follows:

Section 1. The 2016 Investment Policy of the District is approved in the form presented by the Treasurer to this meeting, to be effective January 1, 2016, and remain in effect until it is revoked or is superseded.

Section 2. The authority of the Board of Directors to invest or reinvest funds of the District and its improvement districts or sell or exchange securities so purchased, subject to the requirements of the Investment Policy approved hereby, is hereby delegated to each of the Treasurer and the Assistant Treasurer(s), acting singly. Pursuant to Government Code Section 53607, the Treasurer shall assume full responsibility for those transactions until this delegation is revoked or expires. This delegation shall become effective January 1, 2016, and shall remain in effect until it is revoked or is superseded by a subsequent delegation.

Section 3. The authority of the Board of Directors to deposit for safekeeping the bonds, notes, bills, debentures, obligations, certificates of indebtedness, warrants or other evidences of instruments in which money of the District and its improvement districts is invested, subject to the requirements of the investment policy approved hereby, is hereby delegated to each of the Treasurer and the Assistant Treasurer(s), acting singly. This delegation shall become effective January 1, 2016, and shall remain in effect until it is revoked or is superseded by a subsequent delegation.

ADOPTED, SIGNED AND APPROVED this _____ day of _____, 2015.

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

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

APPROVED AS TO FORM:

BOWIE, ARNESON,
WILES & GIANNONE
Legal Counsel – IRWD

By _____

00186867/ 111815

December 9, 2015
Prepared by: Tanja Fournier
Submitted by: Rob Jacobson/Cheryl Clary
Approved by: Paul Cook

FINANCE AND PERSONNEL COMMITTEE

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

SUMMARY:

In September 2015, the Board approved an additional contribution to the 401(a) Money Purchase Pension Plan (401(a) Plan) equal to 1% of base salary for District managers, supervisors, and confidential employees who have completed two years of regular, full-time service. This change requires a modification to "Schedule A" of the Adoption Agreement, and the Plan is required to be amended and restated.

BACKGROUND:

Amendment to the 401(a) Money Purchase Plan – 1% Contribution:

In September 2015, the Board approved an additional contribution to the 401(a) Money Purchase Pension Plan (401(a) Plan) equal to 1% of the base salary for managers, supervisors, and confidential employees who have completed two years of regular, full-time service with the District. This change requires a modification to "Schedule A" of the Adoption Agreement, and the Plan is required to be amended and restated. The revised Plan Adoption Agreement is attached as Exhibit "A".

FISCAL IMPACTS:

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

ENVIRONMENTAL COMPLIANCE:

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

RECOMMENDATION:

That the Committee recommend Board approval to amend the District's 401(a) Money Purchase Plan to include the required language related to the additional contribution equal to 1% of the employee's base salary for Managers, Supervisors, and Confidential employees who have completed two years of regular, full-time service with the District.

LIST OF EXHIBITS:

Exhibit "A" – Revised 401(a) Adoption Agreement

Exhibit "A"

98453-02

ADOPTION AGREEMENT

GREAT-WEST RETIREMENT SERVICES®

SECTION 401(a)

MONEY PURCHASE PENSION PLAN

FOR GOVERNMENTAL EMPLOYERS

Adopted By: IRVINE RANCH WATER DISTRICT
Employer

IRVINE RANCH WATER DISTRICT MONEY PURCHASE PENSION PLAN AND TRUST
Plan Name

AMENDED AND RESTATED_____.

GREAT-WEST RETIREMENT SERVICES
SECTION 401(a)
MONEY PURCHASE PENSION PLAN
FOR GOVERNMENTAL EMPLOYERS

The Employer named below hereby establishes (or, as applicable, amends and restates) a money purchase pension plan for eligible Employees as provided in this Adoption Agreement and the accompanying 2011 Great-West Retirement Services Section 401(a) Money Purchase Pension Plan for Governmental Employers sample Basic Plan Document.

A. EMPLOYER INFORMATION

1. EMPLOYER'S NAME AND ADDRESS:

IRVINE RANCH WATER DISTRICT
15600 SAND CANYON AVENUE
IRVINE, CA 92620

2. TELEPHONE NUMBER: **949-453-5341**

3. TAX ID NUMBER: **95-2232918**

4. NAME OF PLAN: **IRVINE RANCH WATER DISTRICT MONEY PURCHASE PENSION PLAN AND TRUST**

5. NAME OF PLAN ADMINISTRATOR (the Employer unless another person(s) is appointed as set forth in Section 3.02 of the Plan):

THE EMPLOYER

B. EFFECTIVE DATE.

(Check Box 1 OR Box 2 and fill in the blank(s).)

1. [ ] This is a new Plan having an effective date of the date the Employer executes this Adoption Agreement or, if later:_____.

2. [**X**] This is an amended and restated Plan.

The effective date of the original Plan was January 1, 1997.

The effective date of the amended and restated Plan is _____.

C. PLAN YEAR.

(Check Box 1 OR Box 2.)

Plan Year shall mean:

1. [**X**] the calendar year.

2. [ ] the 12-consecutive-month period ending on _____ of each year.

D. CUSTODY OF ASSETS. *(Check each box that applies.)*

Internal Revenue Code ("Code") § 401(a) shall be satisfied by setting aside Plan assets for the exclusive benefit of Participants and Beneficiaries, as follows:

1. [**X**] in a Trust pursuant to the provisions of Article VIII of the Plan. The Employer or certain Employees (or holders of certain positions with Employer) as named in the trustee appointment attached to this Adoption Agreement shall be the Trustee. *Note: if the Employer is the Trustee, it is the responsibility of the Employer to determine that it has the authority under applicable law to act as Trustee.*

2. [ ] in a Trust pursuant to a separate written trust agreement entered into between the Employer and the bank or trust company named in the Trustee appointment attached to this Adoption Agreement.

3. [ ] in one or more annuity contracts meeting the requirements of Code § 401(f).

4. [ ] in a custodial account meeting the requirements of Code § 401(f), pursuant to a separate written agreement with the bank, trust company or other qualified entity named in the appointment of Custodian attached to this Adoption Agreement.

E. ELIGIBLE EMPLOYEES. *(Check each box that applies.)*

"Employee" shall mean:

1. [ ] any full-time employee working _____ or more hours per week

2. [ ] any permanent part-time employee working _____ hours per week

3. [ ] any seasonal, temporary or similar part-time employee

4. [ ] any elected or appointed official

5. [ ] any employee in the following class(es) of employees:

_____

_____

_____

6. [**X**] any employee eligible to participate in the Plan pursuant to Schedule **A** attached to this Adoption Agreement

who performs services for and receives any type of Compensation from the Employer (or any agency, department, subdivision or instrumentality of the Employer) for whom services are rendered. Unless Box E.4 is checked, elected or appointed officials will not be treated as Employees and will not be eligible to participate in the Plan, without regard to whether they are treated as common-law employees or independent contractors for other purposes.

Each Employee will be eligible to participate in this Plan in accordance with the provisions of Article IV of the Plan, except the following:

[ ] Employees who have not attained the age of ____ (not to exceed 21).

[ ] Employees who have not completed ____ Years of Service during the Eligibility Computation Period.

[**X**] Employees who do not satisfy the eligibility requirements pursuant to Schedule **A** attached to this Adoption Agreement.

F. SERVICE WITH PREDECESSOR EMPLOYER. *(Check Box 1 OR Box 2 OR Box 3.)*

1. [**X**] This section is N/A because there are no predecessor employers.

2. [ ] Service with any predecessor employers will not be counted for any purposes under the Plan.

3. [ ] Service with (insert name of predecessor employer(s)):

_____

_____

will be counted under the Plan for the following purposes (check each box that applies):

[ ] eligibility.
[ ] vesting.
[ ] allocation of Employer Contributions.

G. HOURS OF SERVICE. *(Check Box 1 OR Box 2 OR Box 3 OR Box 4.)*

Hours of Service shall be determined on the basis of:

1. [**X**] actual hours for which an Employee is paid or entitled to payment.

2. [ ] days worked. An Employee shall be credited with 10 Hours of Service for each day that the Employee would otherwise be credited with one or more Hours of Service.

3. [ ] weeks worked. An Employee shall be credited with 45 Hours of Service for each week that the Employee would otherwise be credited with one or more Hours of Service.

4. [ ] months worked. An Employee shall be credited with 190 Hours of Service for each month that the Employee would otherwise be credited with one or more Hours of Service.

H. YEAR OF SERVICE: ELIGIBILITY AND VESTING. *(Check Box 1 OR Box 2 OR Box 3 OR Box 4.)*

For purposes of eligibility and vesting, Year of Service shall mean a 12-consecutive-month period during which the Employee completes:

1. [ ] at least one Hour of Service.

2. [ ] at least 1,000 Hours of Service.

3. [ ] at least ____ consecutive months of service.

4. [**X**] the definition set forth in Schedule A attached to this Adoption Agreement

I. COMPENSATION DEFINITION. *(Check Box 1 OR Box 2 OR Box 3 OR Box 4 -- Complete Box 5 if applicable.)*

Compensation shall mean:

1. [ ] Code § 3401(a) compensation as defined in Section 2.06 of the Plan.

2. [ ] W-2 compensation as defined in Section 2.06 of the Plan.

3. [ ] Code § 415 compensation as defined in Section 2.06 of the Plan.
4. [X] the definition set forth in Schedule A attached to this Adoption Agreement.

5. Compensation shall exclude: *(Check each box that applies.)*

[ ] overtime.
[ ] bonuses.
[ ] commissions.
[ ] _____.

J. COMPENSATION COMPUTATION PERIOD. *(Check Box 1 OR Box 2.)*

Compensation shall be determined on the basis of the:

1. [ ] Plan Year.

2. [**X**] calendar year.

K. FIRST YEAR COMPENSATION. *(Check Box 1 OR Box 2.)*

For purposes of determining the Compensation on the basis of which Employer Contributions will be allocated for a Participant's first year of participation, the Participant's Compensation shall be his Compensation for the period commencing:

1. [**X**] as of the first day of the Plan Year or calendar year (whichever was selected under Section J above).

2. [ ] as of the first day the Employee became a Participant.

L. ENTRY DATE. *(Check Box 1 OR Box 2 OR Box 3 OR Box 4 OR Box 5.)*

Entry Date shall mean:

1. [ ] the first day of each Plan Year and the first day of the seventh month of each Plan Year.

2. [ ] the first day of each Plan Year.

3. [ ] the first day of each month.

4. [**X**] the first day of each payroll period.

5. [ ] _____

_____.

M. EMPLOYER CONTRIBUTIONS. *(Check each box that applies; use Box 2 if there are variations in contribution rates for different classes of employees or if After-tax Contributions are matched.)*

The Employer shall contribute:

1. [ ] ___% of Compensation of Participants for the Plan Year.

2. [**X**] a percentage of Compensation pursuant to Schedule A attached to this Adoption Agreement.

3. [ ] a contribution matching the Participant's contribution to the Employer's § 457(b) plan, as follows (*specify rate of match and time of allocation, e.g., payroll by payroll, monthly, last day of Plan Year*):

_____

4. [ ] a contribution for each Participant equal to the value of the unpaid vacation and/or unpaid sick leave that is accrued by a Participant and which pursuant to the laws, ordinances, or policies of the Employer or agreements entered into with the Employer would otherwise be forfeited by the Participant.

N. ALLOCATION OF EMPLOYER CONTRIBUTIONS. *(Check each box that applies.)*

1. [ ] A Participant must be employed on the last day of the Plan Year to receive an allocation of Employer Contributions for the Plan Year.

2. [**X**] Allocations of Employer Contributions will be made to Accounts of Participants who terminate employment before the last day of the Plan Year due to *(Check each box that applies)*:
   - [**X**] death.
   - [**X**] disability.
   - [**X**] retirement on or after Early Retirement Age.
   - [**X**] retirement on or after Normal Retirement Age.
   - [**X**] other Severance of Employment.
   - [ ] other Severance of Employment, provided that the Participant is credited with a Year of Service for the Plan Year. For this purpose, a Participant shall be credited with one Year of Service for the Plan Year if the Participant completes at least _____ Hour(s) of Service during the Plan Year.

O. CODE § 414(h). *(Check Box 1 OR Box 2.)*

1. [ ] This Plan is a Code § 414(h) pick-up plan. Each Employee must contribute ___% of Compensation to the Plan, which the Employer agrees to pick-up within the meaning of Code § 414(h). *Note: the Employer is responsible for ensuring that proper pick-up elections are made. Please refer to IRS Revenue Ruling 2006-43, or its successor, for more guidance.*

2. [**X**] This Plan does not contain a Code § 414(h) feature.

P. AFTER-TAX CONTRIBUTIONS. *(Check Box 1 OR Box 2.)*

1. [ ] Participant After-tax Contributions SHALL BE allowed.

2. [**X**] Participant After-tax Contributions SHALL NOT BE allowed.

Q. FORFEITURES. *(Check Box 1 OR Box 2 OR Box 3 OR Box 4 OR Box 5.)*

Forfeitures will be:

1. [ ] reallocated to Participants in the same manner as the Employer Contribution is allocated.

2. [ ] used first to offset Plan expenses and then reallocated to Participants in the same manner as the Employer Contribution is allocated.

3. [ ] used first to offset Plan expenses, then to reduce the Employer's Employer Contribution and then reallocated to Participants in the same manner as the Employer Contribution is allocated.

4. [ ] used first to reduce the Employer's Employer Contribution, then to offset Plan expenses.

5. [**X**] N/A because all contributions are 100% vested immediately.

R. RETIREMENT AGES AND DISABILITY DEFINITION.

1. Normal Retirement Age shall mean *(Check Box a OR Box b OR Box c OR Box d)*:

   (a) [ ] age 65.

   (b) [**X**] age 50. For Plans where substantially all of the Plan's Participants are qualified public safety employees, Normal Retirement Age may be age 50.

   (c) [ ] the later of age ____, or the Participant's age upon completion of ____ Years of Service.

   (d) [ ] the ages set forth in Schedule ____ attached to this Adoption Agreement.

2. Early Retirement Age shall mean *(Check Box a OR Box b)*:

   (a) [**X**] Not applicable.

(b) [ ] the later of age ____, or the Participant's age upon completion of ____ Years of Service.

3. Disability shall mean *(Check Box a OR Box b OR Box c OR Box d)*:

(a) [ ] the inability to engage in any substantial gainful activity by reason of a medically determinable physical or mental impairment which can be expected to result in death or to be of long-continued and indefinite duration, within the meaning of Code § 72(m)(3).

(b) [**X**] an illness or injury of a potentially permanent nature, expected to last for a continuous period of not less than 12 months, certified by a physician selected by or satisfactory to the Employer which prevents the Employee from engaging in any occupation for wage or profit for which the Employee is reasonably fitted by training, education or experience, as specified in the Adoption Agreement.

(c) [ ] an illness or injury of a potentially permanent nature, expected to last for a continuous period of not less than 12 months, certified by a physician selected by or satisfactory to the Employer which prevents the Employee from engaging in his or her occupation.

(d) [ ] Other: _____
_____
_____

S. VESTING SCHEDULE. *(Check Box 1 OR Box 2 OR Box 3 OR Box 4.)*

The vested interest of each Participant in his or her Employer Contribution Account shall be determined on the basis of the following schedule:

1. [**X**] 100% vesting immediately.

2. [ ] 100% vesting after ____ Years of Service.

3. [ ] 20% after two Years of Service.
40% after three Years of Service.
60% after four Years of Service.
80% after five Years of Service.
100% after six Years of Service.

4. [ ] ____% after ____ Years of Service.
____% after ____ Years of Service.
____% after ____ Years of Service.
____% after ____ Years of Service.
____% after ____ Years of Service.
____% after ____ Years of Service.
____% after ____ Years of Service.
____% after ____ Years of Service.
____% after ____ Years of Service.
____% after ____ Years of Service.

T. VESTING COMPUTATION PERIOD. *(Check Box 1 OR Box 2.)*

A Participant's Years of Service for purposes of vesting shall be computed by reference to:

1. [ ] the Plan Year.

2. [**X**] the 12-consecutive month period beginning on the Employee's Employment Commencement Date and each anniversary thereof.

U. ROLLOVERS. *(Check each box that applies.)*

1. [**X**] Rollovers from eligible Code § 457(b) plans SHALL BE allowed.

2. [**X**] Rollovers from plans qualified under Code §§ 401(a), 403(a) and 403(b) SHALL BE allowed.

3. [**X**] Rollovers from Individual Retirement Accounts and Annuities described in Code §§ 408(a) and (b) SHALL BE allowed.

V. TRANSFERS. *(Check Box 1 OR Box 2.)*

1. [**X**] Transfers from plans qualified under Code § 401(a) SHALL BE allowed.

2. [ ] Transfers from plans qualified under Code § 401(a) SHALL NOT BE allowed.

W. PARTICIPANT LOANS. *(Check Box 1 OR Box 2.)*

1. [ ] The Administrator MAY direct the Trustee to make Participant loans in accordance with Article XIII of the Plan.

2. [**X**] The Administrator MAY NOT direct the Trustee to make Participant loans in accordance with Article XIII of the Plan.

X. QUALIFIED DOMESTIC RELATIONS ORDERS. *(Check Box 1 OR Box 2.)*

1. [**X**] The Plan SHALL accept qualified domestic relations orders as provided in Section 15.02 of the Plan.

2. [ ] The Plan shall NOT accept qualified domestic relations orders as provided in Section 15.02 of the Plan.

Y. PAYMENT OPTIONS. *(Check each box that applies.)*

The following forms of payment will be allowed under the Plan to the extent consistent with the limitations of Code § 401(a)(9) and proposed or final Treasury regulations thereunder.

[X] A single lump-sum payment;

[X] Installment payments for a period of years;

[X] Partial lump-sum payment of a designated amount, with the balance payable in installment payments for a period of years;

[ ] Annuity payments (payable on a monthly, quarterly, or annual basis) for the lifetime of the Participant or for the lifetimes of the Participant and Beneficiary;

[X] Such other forms of installment payments as may be approved by the Employer.

Z. "SNAP-OFF" PROVISIONS FOR PLANS IN EFFECT BEFORE JANUARY 1, 2002.

For Plans that were in effect for Plan Years beginning before January 1, 2002, the following rules shall apply:

1. Compensation.

For Plan Years beginning before January 1, 1998, Compensation is defined as in Section I of the Adoption Agreement, except that Compensation does not include amounts that are not includible in the gross income of the Employee pursuant to Code §§ 125, 132(f), 402(a)(8), 402(h), or 403(b).

2. Allocation of Employer Contributions.

The provisions regarding the Allocation of Employer Contributions, including the definition of Compensation used for such allocation, that were set forth in the prior adoption agreement shall apply to Plan Years before January 1, 2002.

3. Special Rule for Employers Maintaining or That Have Maintained a Defined Benefit Plan.

If a Participant is or has ever been a participant in a defined benefit plan maintained by the Employer, then for limitation years beginning before January 1, 2000, the limitation of Code § 415(e) shall be satisfied by *(Check one)*:

[ ] adjusting the defined contribution fraction.
[ ] adjusting the defined benefit fraction.
[ ] other: _____
_____

This Adoption Agreement to the sample Basic Plan Document attached hereto is duly executed on behalf of the Employer by the undersigned authorized signors.

The Employer further understands and acknowledges that:

- The sample Basic Plan Document including this Adoption Agreement is a sample provided as a courtesy to the Employer and has not been approved by the Internal Revenue Service. Obtaining such approval, if desired by the Employer is solely the responsibility of the Employer.
- Great-West Retirement Services is not a party to the Plan and shall not be responsible for any tax or legal aspects of the Plan. the Employer assumes responsibility for these matters.
- Employer has counseled to the extent necessary, with its own legal and tax advisors.
- Great-West Retirement Services will send courtesy amendments for changes in applicable law to Employers adopting this sample Basic Plan Document until a restated sample Basic Plan Document is made available. We will cease providing amendments to prior versions of the sample Basic Plan Document and only those Employers adopting the restated sample Basic Plan Document will receive sample amendments.

EMPLOYER'S AUTHORIZED SIGNORS:

By: _____ Date_____ By: _____ Date_____
Robert Jacobson
Treasurer

Tanja Fournier
Assistant Treasurer

By: _____ Date_____
Cheryl Clarey
Assistant Treasurer

TRUSTEE

A. Effective _____, the following is hereby appointed as Trustee for and accepts the Trust created by the Employer's § 401(a) Money Purchase Pension Plan or by a separate trust agreement to be entered into between the Employer and the person(s) or entity named in item 2 below or as otherwise created by Article VIII of the Plan.

1. **Complete this Section A. 1. only if Box D. 1. was checked.**
   [ ] The Employer which the undersigned represents is authorized and qualified to serve in such capacity under applicable local law or
   [**X**] The following named employees:

   Robert Jacobson, Tanja Fournier, Cheryl Clary

2. **Complete this Section A. 2. only if Box D. 2. was checked.**
   [ ] The following named bank or trust company:

   _____

B. NAME(S) OF EMPLOYEE(S) AUTHORIZED TO ISSUE INSTRUCTIONS TO TRUSTEE:

Robert Jacobson, Tanja Fournier, Cheryl Clary

This Trustee appointment is duly signed on behalf of the Employer and the Trustee.

EMPLOYER:

By:_____
Robert Jacobson
Treasurer

Date _____

TRUSTEE:

By:_____
Tanja Fournier
Assistant Treasurer

Date_____

TRUSTEE:

By:_____
Robert Jacobson
Treasurer

Date _____

TRUSTEE:

By:_____
Cheryl Clary
Assistant Treasurer

Date_____

SCHEDULE A

1) **Eligibility: Any permanent full-time employee working 1 or more hours per week and has one (1) year of service.**

2) **Compensation: Compensation shall mean base salary, excluding all other forms of compensation, including but not limited to, overtime, bonuses, sick pay, vacation pay, disability pay, rideshare reimbursements, health and wellness benefits and reimbursements, water audit pay, auto or educational reimbursements, health safety or suggestion awards.**

3) **Employer Matching Contributions: An amount equal to the amount deferred by the Participant to the Irvine Ranch Water District 457 Deferred Compensation Plan, but not to exceed 3.0% of the Participant's Compensation as defined in item 2 above.**

4) **Direct Contribution: An amount equal to 1% of the employee's base salary for Managers, Supervisors, and Confidential employees who have completed two years of regular, full-time service with the District.**