AGENDA
IRVINE RANCH WATER DISTRICT
FINANCE AND PERSONNEL COMMITTEE MEETING
MONDAY, JULY 20, 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	_____
	Mike Hoolihan	_____	Tony Mossbarger	_____
	Jenny Roney	_____	Gretchen Ronin	_____
	Paul Weghorst	_____	_____	_____
	_____	_____	_____	_____

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.

6. INFORMATION SERVICES PROJECT STATUS REPORT –MOSSBARGER/ CLARY

   Recommendation: Receive and file.

7. FY 2014-15 OPERATING AND NON-OPERATING FINANCIAL HIGHLIGHTS – BERTSCH/SMITHSON/CLARY

   Recommendation: Receive and file.

ACTION

8. REQUEST TO REVISE TERMS OF JOINT COMMUNITY FACILITIES AGREEMENT FOR THE CENTRAL PARK WEST/IRVINE BUSINESS CENTER DEVELOPMENT – JACOBSON/CLARY

   Recommendation: That the Board approval of an amendment to the 2004 Joint Communities Facilities Agreement increasing the limit for water, recycled water and sewer related infrastructure costs from $2.5 million to $3.0 million, subject to previous requirements that CFD proceeds shall not be applied toward developer connection fees.

9. SETTING CONNECTION FEES AND PROPERTY TAXES FOR FISCAL YEAR 2015-16 – SMITHSON/CLARY

   Recommendation: That the Board approve of the revised connection fees and property taxes as proposed.

TREASURY SECTION

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

    Recommendation: Receive and file.

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.

July 20, 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.

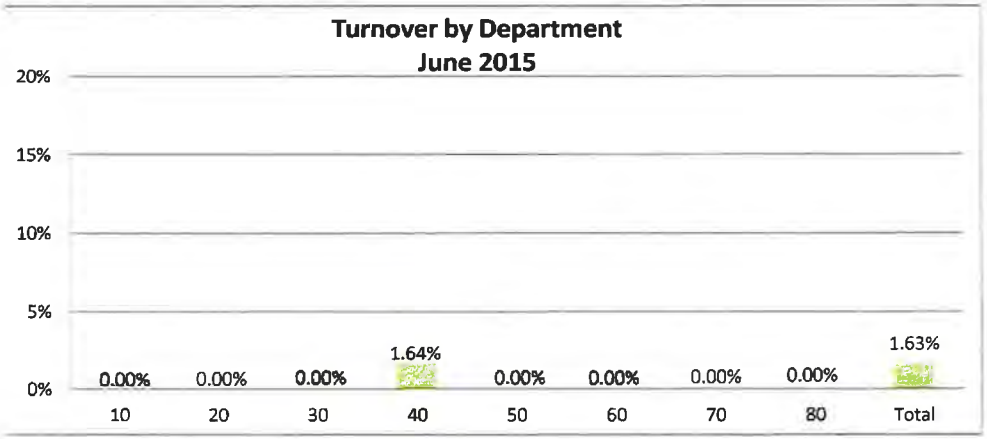
LIST OF EXHIBITS:

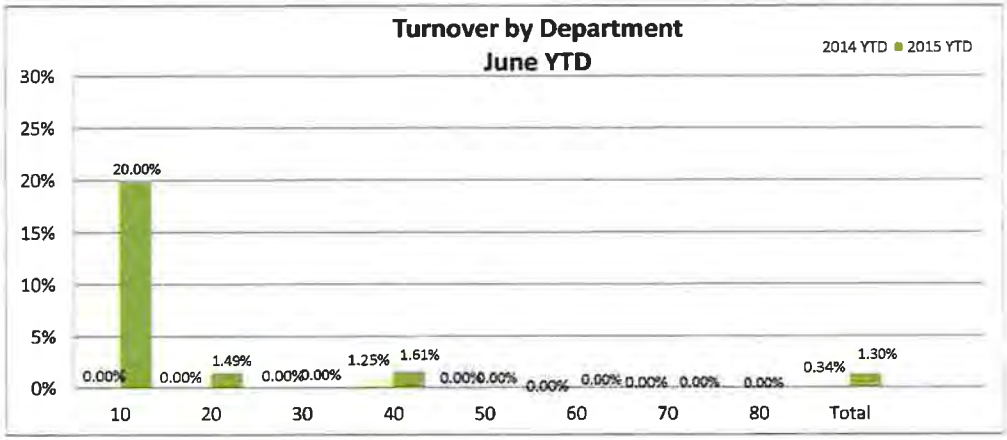
Exhibit "A" - Employee Population/Turnover Status Report

EXHIBIT A

IRVINE RANCH WATER DISTRICT
EMPLOYEE POPULATION STATUS REPORT
JUNE 2015

	@06/01/15	Current Month Activity									@06/30/15			FY 14/15	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	10.0										10.0		1	11.0	10.4	1.2	11.7	0.00%	0.00%	0.00%	20.00%
20P	66.0	1									67.0		4	71.0	66.4	9.5	76.0	0.00%	0.00%	0.00%	3.00%
30P	39.0										39.0		0	39.0	37.0	4.0	41.0	0.00%	0.00%	0.00%	0.00%
40P	61.0		1								60.0	2	3	66.0	62.3	0.8	63.1	0.00%	0.00%	1.64%	3.22%
50P	37.0	1									38.0	3	1	43.0	38.4	0.7	39.2	0.00%	0.00%	0.00%	2.60%
60P	27.0										27.0		0	27.0	23.9	1.7	25.6	0.00%	0.00%	0.00%	0.00%
70P	24.0										24.0		3	27.0	23.9	1.5	25.4	0.00%	0.00%	0.00%	4.17%
80P	43.0	4	3						2		46.0	3	0	52.0	45.1	0.1	45.2	0.00%	0.00%	0.00%	8.97%
Totals	307	6	4	1	0	0	0	0	2	0	310.0	8	12	336.0	307.6	19.6	327.2	0.00%	0.00%	1.63%	0.78%
6/14	297	4	1	0	0	0	0	0	3	1	302	6	7	323.00	306.25	22.04	328.29	0.00%	0.00%	0.34%	1.99%



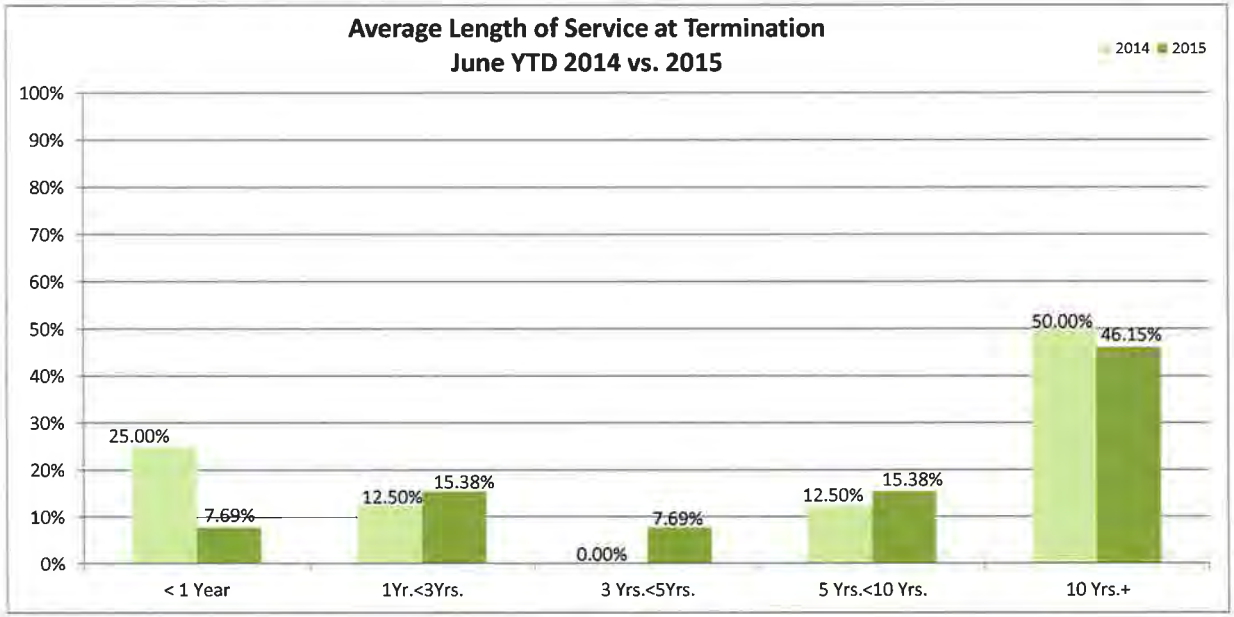


10P-GM, HR, Safety; 20P-Fin., Cust. Serv., IS, Purch.; 30P-Eng.: 40P-Water Ops; 50P-Recycling; 60P-Water Quality; 70P-Water Resources, Policy, Conservation and Public Affairs;80P-Maintenance Ops

IRVINE RANCH WATER DISTRICT
TURNOVER STATUS REPORT
JUNE 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												1	1
30P																		
40P		1			1	1								1	1			
50P				1														1
60P																		
70P				1											1			
80P				1		3										1		3
2015 Total	1	2	1	3	2	4							13	1	2	1	2	6
2014 Data	1	4	1	1	1	1	3	1	5	1	3	2	24					
Percentage of Total Turnover														7.69%	15.38%	7.69%	15.38%	46.15%

2015 Average YTD Length of Service at Termination	6.08 Years
2014 Average YTD Length of Service at Termination	8.85 Years
2013 Average YTD Length of Service at Termination	19.07 Years
2012 Average YTD Length of Service at Termination	17.24 Years
2011 Average YTD Length of Service at Termination	16.69 Years
2010 Average YTD Length of Service at Termination	18.31 Years



IRVINE RANCH WATER DISTRICT
EMPLOYEE POPULATION STATUS REPORT
JUNE 2015

NEW HIRES

Hire	Dept	Employee Name	Position	Comments
06/01/15	840	Robert Chamerlain	Maintenance Mechanic	
06/01/15	550	Rafael Vazquez	Operator I	
06/01/15	820	Darin Nicholson	Electrical Technician	
06/08/15	840	Cody Trementozzi	Maintenance Mechanic	
06/08/15	820	Gus Barreto	Electrical Technician	
06/20/15	220	Isela Cervantes	Customer Service Specialist I	
06/22/15	420	Joey Garcia	Operator II	
06/22/15	820	Michael Borowski	Electrical Technician	

TERMINATIONS

Termination Date	Dept	Employee Name	Position	Reason	Comments
06/03/15	430	Rudy Ocampo	Metering Systems Technician II	Resigned	

RETIREMENTS

Effective Date	Departing Dept	Employee Name	Position	Reason	Comments
06/01/15	820	Bill Bruce	Automation Specialist	Retired	
06/01/15	820	Willie Reyes	Automation Supervisor	Retired	
6/1/2015	840	John Galeczka	Senior Maintenance Mechanic	Retired	

PROMOTIONS

Effective Date	Departing Dept	Employee Name	Departing Position	New Dept	New Position
06/20/15	710	Ives Sosa	Sr. Recycled Water Specialist	710	Recycled Water Project Specialist

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
05/12/14	220	Ozzie Gonzalez	Mailroom Coordinator	710	Water Use Efficiency Specialist

UNFILLED POSITIONS

Dept	Position	Salary Grade	Comments
130	Safety & Security Specialist	26.N	Candidate to start 7-20-15
220	Accounting Clerk	15.N	
250	Applications Analyst	15.E	Being filled by consultants
250	Applications Analyst	15.E	Being filled by consultants
250	Applications Analyst	15.E	Being filled by consultants
425	Water Maintenance Technician I	16.N	Recruiting
425	Metering Systems Technician II	22.N	
430	Assistant Construction Services Manger	26.N	
570	Collection System Manager	16.E	Candidate selected, started pre-employment physical
710	Public Affairs Specialist	29.N	
710	Sr. Water Use Efficiency Specialist	29.N	
710	Sr. Recycled Water Specialist	29.N	
820	Automation Specialist	32.N	
820	Automation Supervisor	34.N	

IRVINE RANCH WATER DISTRICT
EMPLOYEE POPULATION STATUS REPORT
JUNE 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	WC	LTD w/WC	850	000260	4/29/2013		26 Months	W/C Claim Interactive Process underway	
Extended LOA	SDI	WC	805	001640	8/1/2013		22 Months	W/C Claim Interactive Process underway	
Extended LOA	SDI		510	001149	6/27/2014	7/29/2015	11 Months		
FMLA	SDI		300	000986	10/6/2014	5/30/2015	6 Weeks	Intermittent Leave*	
FMLA	WC		550	000860	3/13/2015	7/2/2015	2 Months	W/C Claim	
FMLA	SDI		850	000857	4/23/2015	7/6/2015	1 Month		
FMLA	WC		590	001341	4/30/2015	7/9/2015	1 Month	W/C Claim	
FMLA	WC		430	001401	5/12/2015	8/10/2015	2 Weeks	W/C Claim	
FMLA	SDI		435	001736	5/27/2015	7/27/2015	1 Month		
Type of Leave	**Original Status**	**Final Status**	**Dept. No.**	**Claim #**	**Date Leave Began**	**Anticipated Return Date**	**Expected Length**	**Actual Return Date**	**Comments**
FMLA	PFL	PFL	840	001906	7/14/2014	8/11/2014	4 Weeks	08/04/14	Returned
FMLA	PFL	PFL	300	001550	8/14/2014	8/25/2014	2 Weeks	08/25/14	Returned
FMLA	SDI	SDI	220	001718	8/4/2014	8/31/2014	1 Month	09/03/14	Returned
FMLA	SDI	SDI	220	001587	8/20/2014	9/3/2014	2 Weeks	09/03/14	Returned
FMLA	SDI	SDI	140	000821	8/7/2014	9/22/2014	1 Month	09/22/14	Returned
FMLA	SDI	LTD w/SDI	300	001440	11/11/2013	1/1/2015	9 Months	09/12/14	Retired
FMLA	SDI	SDI	820	001874	9/5/2014	9/22/2014	2 Weeks	09/22/14	Returned
FMLA	PFL	PFL	630	001305	9/13/2014	9/29/2014	2 Weeks	09/29/14	Returned
FMLA	PFL	PFL	810	001114	9/11/2014	10/2/2014	3 Weeks	10/13/14	Returned
FMLA	SDI	SDI	850	000857	9/23/2014	10/13/2014	2 Weeks	10/13/14	Returned
FMLA	SDI	SDI	420	000875	9/10/2014	10/27/2014	2 Months	10/27/14	Returned
FMLA	WC	WC	430	001601	6/27/2014	10/29/2014	4 Months	11/03/14	Returned
FMLA	SDI	SDI	120	001772	10/3/2014	11/3/2014	1 Month	11/03/14	Returned
FMLA	PFL	PFL	450	001438	9/18/2014	11/7/2014	7 Weeks	11/17/14	Returned
FMLA	PFL	PFL	550	001604	10/8/2014	12/1/2014	4 Weeks	11/10/14	Returned
FMLA	SDI	SDI	240	001503	9/21/2014	12/1/2014	10 Weeks	12/01/14	Returned
FMLA	SDI	SDI	590	001336	10/20/2014	12/2/2014	5 Weeks	12/02/14	Returned
FMLA	WC	WC	820	001874	12/9/2014	12/15/2014	1 Week	12/15/14	Returned
FMLA	PFL	PFL	300	001757	11/24/2014	12/9/2014	3 Weeks	12/08/14	Returned
FMLA	SDI	PFL	220	001538	9/11/2014	12/18/2014	14 Weeks	12/18/14	Returned
FMLA	SDI	SDI	630	001622	12/2/2014	12/26/2014	4 Weeks	12/26/14	Returned
FMLA	PFL	PFL	300	001757	12/22/2014	12/29/2014	1 Week	12/29/14	Returned
FMLA	SDI	SDI	820	001572	12/18/2014	2/5/2015	6 Weeks	02/09/15	Returned
FMLA	SDI	SDI	840	001880	1/15/2015	2/5/2015	3 Weeks	02/05/15	Returned
FMLA	SDI	SDI	570	001270	3/14/2015	3/20/2015	1 Week	03/23/15	Returned
FMLA	PFL	PFL	630	001305	1/17/2015	3/23/2015	6 Weeks	03/16/15	Returned
FMLA	SDI	SDI	300	001559	3/18/2015	4/2/2015	2 Weeks	04/02/15	Returned
FMLA	PFL	PFL	210	000671	3/7/2015	5/8/2015	9 Weeks	05/07/15	Returned
FMLA	SDI	SDI	210	000578	3/7/2015	5/6/2015	9 Weeks	05/06/15	Returned
FMLA	PFL	PFL	550	001590	4/9/2015	5/11/2015	4 Weeks	05/11/15	Returned
FMLA	SDI	SDI	110	001515	4/20/2015	4/27/2015	3 Weeks	05/11/15	Returned
FMLA	SDI	SDI	220	001229	5/4/2015	5/18/2015	2 Weeks	05/18/15	Returned
FMLA	SDI	SDI	210	001551	3/31/2015	4/10/2015	2 Weeks	04/10/15	Returned
FMLA	WC	WC	570	001458	3/3/2015	6/3/2015	2 Months	06/03/15	Returned
FMLA	PFL	PFL	840	001906	5/12/2015	6/1/2015	2 Weeks	5/27/15	Returned
FMLA	SDI	SDI	820	001375	5/19/2015	6/30/2015	1 Week	06/29/15	Returned
FMLA	PFL	PFL	820	001114	6/15/2015	6/29/2015	2 Weeks	06/29/15	Returned
FMLA	SDI	SDI	140	00870	6/6/2015	6/30/2015	3 Weeks	06/30/15	Returned

IRVINE RANCH WATER DISTRICT
EMPLOYEE POPULATION STATUS REPORT
JUNE 2015

Month	Dept	Length of Employment	Termination		Comments
			Vol	Invol	
January	130	7 Years 5 Months	X		Relocating
February	130	13 Years 10 Months	X		Retired
	430	1 Year, 4 Months	X		Relocating
March	210	9 Years, 6 Months	X		Other employment
April	570	10 Years	X		Relocating, other employment
	120	1 Year 11 Months	X		Other employment
	840	3 Years, 1 Month	X		Other employment
May	220	31 Years	X		Retired
	450	11 Months	X		Other employment
June	820	30 Years, 2 Months	X		Retired
	820	28 Years, 9 Months	X		Retired
	840	16 Years, 4 Months	X		Retired
	425	4 Years, 8 Months	X		Resigned
July					
August					
September					
October					
November					
December					

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

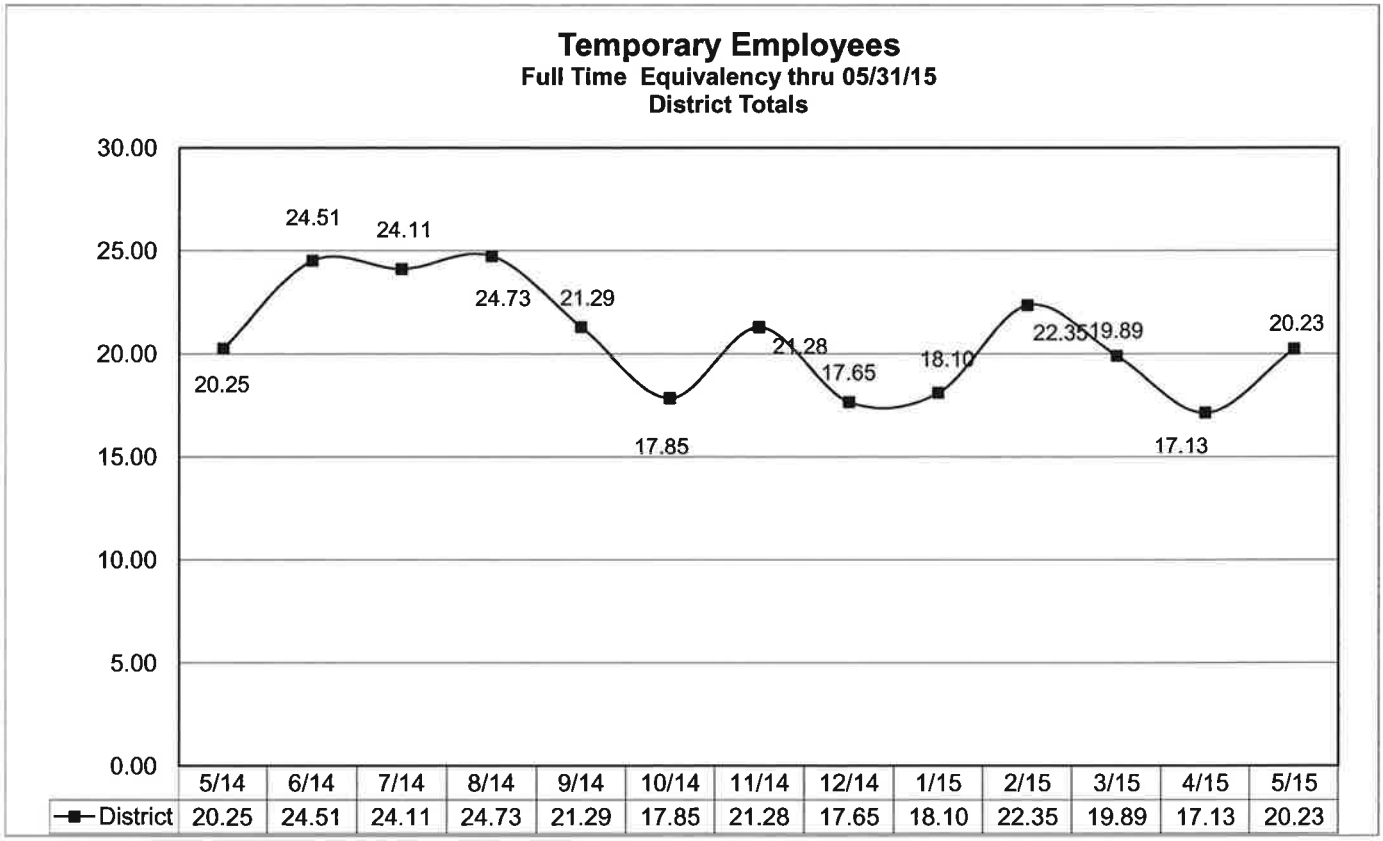
Current Month FTE	Avg FYTD Temp Emp FTE	Active PERS Y/N *	Agency	Dept	Hire Date	Term Date	Classification	Hourly Rate	Est Hours per Month	Est Cost Per Month	Expected Duration (Months)	Actual Worked (Months)	Projected Cost FY' YTD	Actual Cost FY 'YTD
0.85	0.37	Yes		110	1/1/2015		Full Time	20.00	168	3,360.00	12	5	16,800.00	14,110.00
0.82	0.87	Yes		130	1/29/2014		Full Time	21.00	168	3,528.00	12	11	38,808.00	34,870.50
1.67	**1.24**			**10P**										
0.95	0.10	No	X	210	4/28/2015		Full Time	27.50	168		6	1	0.00	5,115.00
0.99	0.89	Yes		220	10/16/2012		Full Time	17.00	168	2,856.00	12	11	31,416.00	29,203.88
0.85	0.78	Yes		220	12/16/2013	6/20/2015	Full Time	32.30	168	5,426.40	12	11	59,690.40	47,952.58
0.93	0.89	Yes		220	2/24/2014		Full Time	32.30	168	5,426.40	12	11	59,690.40	55,234.61
0.93	0.74	Yes		220	4/21/2014		Full Time	32.30	168	5,426.40	12	11	59,690.40	46,020.88
0.96	0.88	Yes		220	4/21/2014		Full Time	32.30	168	5,426.40	12	11	59,690.40	54,731.70
0.90	0.75	Yes		220	4/7/2014		Full Time	32.30	168	5,426.40	12	11	59,690.40	4,909.60
0.90	0.92	Yes		220	3/3/2014		Full Time	20.84	168	3,501.12	11	11	38,512.32	37,439.06
1.00	0.60	Yes		220	10/13/2014		Full Time	36.80	168	6,182.40	8	7.75	47,913.60	6,771.20
0.67	0.06	No	X	220	5/11/2015		Full Time	28.95	168	4,863.60	12	0.75	3,647.70	3,242.40
0.54	0.17	No	X	240	2/2/2015		Part Time	22.41	84	1,882.44	3	4	7,529.76	2,028.11
0.30	0.41	EXC		250	5/6/2013		Part Time	14.00	84	1,176.00	12	11	12,936.00	11,130.00
0.36	0.33	EXC		250	5/19/2014	6/4/2015	Part Time	14.00	84	1,176.00	12	11	12,936.00	8,764.00
10.26	**7.52**			**20P**										
0.90	0.79	Yes		300	7/5/2014		Full Time	32.13	168	5,397.84	12	11	59,376.24	48,580.56
0.90	0.79	Yes		300	5/15/2014		Full Time	19.96	168	3,353.28	12	11	36,886.08	30,219.44
0.18	0.40	EXC		300	6/2/2014		Part Time	14.00	84	1,176.00	12	11	12,936.00	10,745.00
0.31	0.37	EXC		300	6/17/2014		Part Time	14.00	84	1,176.00	12	11	12,936.00	9,926.00
0.32	0.38	EXC		300	6/17/2014	6/18/2015	Part Time	14.00	84	1,176.00	12	11	12,936.00	10,220.00
0.44	0.44	EXC		300	7/7/2014		Part Time	14.00	84	1,176.00	12	11	12,936.00	11,851.00
0.32	0.38	EXC		300	7/21/2014		Part Time	14.00	84	1,176.00	12	10.5	12,348.00	10,181.50
3.37	**3.55**			**30P**										
0.21	0.02	No	X	425	5/26/2015		Full Time	26.40	168	4,435.20	3	0.25	1,108.80	924.00
0.10	0.01	No	X	430	5/28/2015		Full Time	26.40	168	4,435.20	3	0.25	1,108.80	448.80
0.31	**0.03**			**40P**										
0.85	0.51	Yes			11/3/2014		Full Time	25.47	168	4,278.96	7	6	25,673.76	24,998.81
0.40	0.23	EXC			11/3/2014		Part Time	14.00	84	1,176.00	7	6	7,056.00	6,268.50
1.25	**0.75**			**50P**										
0.36	0.10	EXC		630	2/5/2015	5/28/2015	Part Time	14.00	84	1,176.00	3	3.25	3,822.00	2,646.00
0.36	**0.10**			**60P**										
0.93	0.86	Yes		710	5/8/2014		Full Time	24.96	168	4,193.28	12	10.75	45,077.76	41,052.96
0.39	0.62	EXC		710	5/27/2014		Full Time	14.00	84	1,176.00	12	10.25	12,054.00	16,548.00
1.33	**1.48**			**70P**										
1.00	0.96	Yes		850	4/14/2014		Full Time	24.13	168	4,053.84	12	11	44,592.24	45,062.78
0.68	0.06	No	X	850	5/11/2015		Full Time	38.92	168	6,538.56	5	0.75	4,903.92	4,475.80
1.68	**1.02**			**80P**										
20.23	**15.68**													

IRVINE RANCH WATER DISTRICT
SUMMARY OF TEMPORARY AND CONTRACT EMPLOYEES
MAY 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
0.00	**0.00**			**10P**										
0.82	0.23	Yes		210	5/22/2013	9/25/2014	Full Time	29.00	168	4,872.00	4	3	14,616.00	12,673.00
0.18	0.08	No	X	220	5/19/2014	7/8/2014	Full Time	32.30	168	5,426.40	12	0.25	1,356.60	5,103.40
1.00	0.09	Yes		220	4/29/2013	8/2/2014	Full Time	19.00	168	3,192.00	12	1	3,192.00	3,329.75
0.93	0.08	Yes		220	10/7/2013	8/25/2014	Full Time	19.11	168	3,210.48	12	2	6,420.96	3,071.93
0.50	0.04	No	X	220	12/23/2013	8/25/2014	Full Time	32.30	168	5,426.40	12	2	10,852.80	2,777.80
0.59	0.10	No	X	220	7/7/2014	9/1/2014	Full Time	32.30	168	5,426.40	2	2	10,852.80	6,201.60
0.86	0.32	No	X	220	2/24/2014	10/31/2014	Full Time	32.30	168	5,426.40	4	5	27,132.00	20,139.05
0.00	0.19	No	X	220	7/7/2014	10/12/2014	Full Time	32.30	168	5,426.40	3.25	4.25	23,062.20	11,603.78
0.34	0.22	No	X	220	7/7/2014	10/15/2014	Full Time	32.30	168	5,426.40	4	4.25	23,062.20	13,291.45
0.67	0.54	Yes		220	12/3/2012	1/21/2015	Full Time	20.42	168	3,430.56	12	7.25	24,871.56	21,650.31
0.21	0.21	No	X	220	11/17/2014	2/10/2015	Full Time	32.30	168	5,426.40	1	4.5	24,418.80	1,154.73
0.19	0.11	No	X	220	3/2/2015	4/8/2015	Full Time	36.80	168	6,182.40	3	3.25	20,092.80	1,177.60
6.29	**2.21**			**20P**										
0.82	0.45	Yes		300	2/10/2014	12/31/2014	Full Time	17.00	168	2,856.00	7	7	19,992.00	14,688.00
0.82	**0.45**			**30P**										
0.44	0.11	No	X	410	2/10/2014	8/15/2014	Full Time	16.85	168	2,830.80	5	1.25	3,538.50	3,639.60
0.85	0.56	Yes		430	8/6/2014	2/13/2015	Full Time	20.42	168	3,430.56	12	7.5	25,729.20	22,081.68
1.29	**0.67**			**40P**										
0.00	**0.00**			**50P**										
0.62	0.39	Yes		630	11/18/2013	11/22/2014	Full Time	26.41	168	4,436.88	4	5	22,184.40	20,170.64
0.48	0.38	No	X	640	2/3/2014	11/17/2014	Full Time	31.12	168	5,228.16	6	5	26,140.80	22,670.92
0.95	0.71	Yes		630	6/11/2014	3/14/2015	Full Time	26.95	168	4,527.60	12	7.75	35,088.90	36,759.80
0.48	0.16	No	X	630	1/16/2015	3/13/2015	Full Time	26.95	168	4,527.60	3	2.5	11,319.00	8,408.40
2.52	**1.65**			**60P**										
0.21	0.02	Yes		710	6/17/2013	7/5/2014	Full Time	33.65	168	5,653.20	12	0.25	1,413.30	1,211.40
0.21	0.02	Yes		710	12/2/2013	7/6/2014	Full Time	28.84	168	4,845.12	7	0.25	1,211.28	1,038.24
0.43	**0.04**			**70P**										
0.20	0.09	No	X	870	11/10/2014	12/3/2014	Full Time	28.29	168	4,752.72	1	2	9,505.44	4,752.72
0.20	**0.09**			**80P**										
	5.11												1,143,956.52	859,158.44

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 05/31/15
District Totals
30.00
25.00
20.00
15.00
10.00
5.00
0.00
20.25
24.51
24.11
24.73
21.29
17.85
21.28
17.65
18.10
22.35
19.89
17.13
20.23
5/14 6/14 7/14 8/14 9/14 10/14 11/14 12/14 1/15 2/15 3/15 4/15 5/15
District 20.25 24.51 24.11 24.73 21.29 17.85 21.28 17.65 18.10 22.35 19.89 17.13 20.23

July 20, 2015
Prepared by: Tony Mossbarger
Submitted by: Cheryl Clary
Approved by: Paul Cook

FINANCE AND PERSONNEL COMMITTEE

INFORMATION SERVICES PROJECT STATUS REPORT

SUMMARY:

Attached in Exhibit "A" is a list of projects on which Information Services staff is currently working. Also attached in Exhibit "B" is a summary of the costs for Oracle software, hardware, and implementation for the Financial System and Utility Billing System replacement projects.

FISCAL IMPACTS:

The fiscal impacts vary depending on project, and are incorporated in Exhibit "A".

ENVIRONMENTAL COMPLIANCE:

Not Applicable.

RECOMMENDATION:

Receive and file.

LIST OF EXHIBITS:

EXHIBIT "A" – Information Services Project Status Report
EXHIBIT "B" – Oracle Cost Summary

Exhibit A

Information Services Project Status Report for Four Months Ending June 2015

Fiscal Year	Project No.	Project Name	Project Summary	Schedule		Project Budget	Status
14/15	VSDR	IRWD Enterprise – Hardware and Software Upgrades	Replace hardware based on replacement policy. Upgrade software as hardware is replaced.	Start **Completed**	7/14 6/15	$486,000	Hardware and software replacements are 100% complete.
14/15	VSDR	Novell GroupWise Version Upgrade	Upgrade the District's Novell GroupWise e-mail system to the current version.	Start **Completed**	3/15 6/15	$33,500	Novell GroupWise e-mail and File Services have been upgraded to the current version.
12/13	11619/ 21619	Enterprise Asset Management (EAM) System Pre-implementation Activities.	Conduct EAM strategic planning; develop enterprise standards, asset definition, criticality rating, data collection, business process development, and implementation RFP.	Start Completion	5/14 03/16	$957,800	Operations staff is working with a consultant on pre-implementation activities. Based on the current schedule, the target completion date has been revised from December 2015 to March 2016.

SDR – Service Desk Request Number

Exhibit A
Information Services Project Status Report
for Four Months Ending June 2015

Fiscal Year	Project No.	Project Name	Project Summary	Schedule		Project Budget	Status
13/14	11889/ 21889	Oracle Financial Business Intelligence Upgrade	Complete the Upgrade of OBIEE (Oracle Business Intelligence Enterprise Edition).	Start Completion	9/15 1/16	$425,000 (estimate)	An RFP was sent to seven vendors and responses are being reviewed by staff. The targeted start date is September 2015.
13/14	11711/ 21711	Oracle Financials Improvement District (ID) Consolidation	Implement the software changes required to accommodate the consolidation of ID's, implementation of the project management module, and simplification of existing implemented modules in the Oracle Financial applications.	Start Completion	1/15 3/17	$2,500,000 (Estimate)	Conducting a detailed requirements assessment for the Oracle Financials Project Management module. Requirements for the Project Management Module will be combined with the ID Consolidation, and one RFP will be issued. Target date for issuance is August 2015.

SDR – Service Desk Request Number

Exhibit A
Information Services Project Status Report for Four Months Ending June 2015

Fiscal Year	Project No.	Project Name	Project Summary	Schedule		Project Budget	Status
14/15	VSDR	Identity and Password Management Software Upgrade	Replace the existing software used to manage user passwords and identity across all of the Districts applications and systems. Existing software needs to be replaced with software that integrates with Oracle applications and systems.	Start Completion	5/14 8/15	$105,000	Work is in process on the configuration of the software and testing. Based on the updated schedule, the target completion date has been revised from May 2015 to August 2015.
14/15	11619/ 21619	Enterprise Asset Management (EAM) System Implementation	Replace existing work orders and maintenance management systems with EAM system as recommended in the Applications Strategic Plan.	Start Completion	7/16 6/17	$4,853,000 (estimate)	Target start date for implementation has been revised from December 2015 to July 2016 to reflect the current projected implementation schedule.

SDR – Service Desk Request Number

Exhibit A

Information Services Project Status Report for Four Months Ending June 2015

Fiscal Year	Project No.	Project Name	Project Summary	Schedule		Project Budget	Status
14/15	VSDR	Utility Billing Rate Changes	Changes to Customer Care & Billing (CC&B) system required to modify the rate structure for FY 15-16.	Start Completion	4/15 7/15	$14,120	Infosys performed programming and configuration changes to the CC&B system. The changes were implemented prior to the July 1, 2015 effective date.
14/15	VSDR	Utility Billing Data Extract Tool	Develop a software tool that will allow for easy extraction of data from the CC&B system. The extracted data will be used for water efficiency analysis and reporting.	Start Completion	6/15 8/15	$22,420	Staff is working with Infosys to develop a data extraction tool.
14/15	21191	Operational Database for Reporting	Implement an operational database that will store collected data for reporting and analysis.	Start Completion	1/15 6/16	$315,000	Board approved award to Hach for purchase of software and implementation of the Water Information Management System (WIMS). Operations staff and the Hach project manager are developing the implementation schedule.

SDR – Service Desk Request Number

Exhibit A

Information Services Project Status Report for Four Months Ending June 2015

Fiscal Year	Project No.	Project Name	Project Summary	Schedule		Project Budget	Status
14/15	VSDR	Intranet Phase 2	Conduct analysis, design and development of features and functions that will improve the usability of the District's intranet portal.	Start Completion	7/14 8/15	$30,000	Staff is working with the consultant, Vision Internet, to implement an improved intranet portal for Employee use. Based on the current schedule, the target completion date has been revised from June 2015 to August 2015.
14/15	VSDR	Remote Network File Access from Any Device	Provide secure remote network file access from any device (PC, Laptop, Tablet, or Smartphone).	Start Completion	3/15 8/15	$14,000	Staff is working with the consultant, Novacoast, to implement this function. Based on the updated schedule, the target completion date has been revised from June 2015 to August 2015.
15/16	VSDR	IRWD Enterprise – Hardware and Software Upgrades	Replace hardware based on replacement policy. Upgrade software as hardware is replaced.	Start Completion	7/15 6/16	$1,141,400	Approved in FY15/16 General Plant Budget.

SDR – Service Desk Request Number

Exhibit A

Information Services Project Status Report for Four Months Ending June 2015

Fiscal Year	Project No.	Project Name	Project Summary	Schedule		Project Budget	Status
15/16	VSDR	Document Image Management Software (WebDocs) Upgrade	Upgrade the District's document image management software. The upgrade will facilitate the move from the District's legacy IBM AS/400 to a Microsoft Windows Server system.	Start Completion	7/15 6/16	$45,000	Approved in FY15/16 General Plant Budget.
15/16	VSDR	Technology Opportunity Assessment	Hire a consultant to conduct an assessment of the District's Information Technology Infrastructure. Identify potential opportunities for improved utilization and efficiency.	Start Completion	10/15 3/16	$40,000	Approved in FY15/16 Operating Expense Budget.

SDR – Service Desk Request Number

Exhibit B
Oracle Cost Summary
Through June 2015

	Budget	Expended to Date
One Time Expenditures:		
Oracle Financial Implementation (Includes software application licenses and hardware)	$7,264,200	$7,264,200
Oracle Customer Care & Billing Implementation (Includes software application licenses, hardware, and Unlimited License Agreement (ULA) for technology licenses 5/2011 to 5/2014)	$11,565,400	$11,335,926
Total Capital Expenditures	$18,829,600	$18,600,126
Extention to ULA for technology licenses (5/2014 to 11/2017)		$1,373,774
Total One Time Expenditures		$19,973,900
Ongoing Annual Expenses*:		
Annual Oracle Software and Support Maintenace for FY 2014-15. Amount was previously $538,165 but increased due to new anticipated systems (Oracle or interface with Oracle)	$535,000	$874,176
Managed Services contract with Infosys for Oracle Customer Care & Billing (CC&B) for nine months starting 11/2014 through 7/2015. Amount was not budgeted for FY 2014-15		$330,555

* On-call Services for Database Administration, Programming and Analysis, and the additional four full time positions added to Information Services are not included.

July 20, 2015
Prepared by: Tina Bertsch/Christopher Smithson
Submitted by: Cheryl Clary
Approved by: Paul Cook

FINANCE AND PERSONNEL COMMITTEE

FY 2014-15 OPERATING AND NON-OPERATING FINANCIAL HIGHLIGHTS

SUMMARY:

Staff has prepared an analysis of the unaudited operating statements through the third quarter Fiscal Year (FY) 2014-15, as follows:

- Actual to budget comparison of operating expense for the consolidated District, attached as Exhibit "A";
- Actual to budget comparison of revenue and expense for the water and sewer/recycled water systems, attached as Exhibit "B";
- Actual to budget comparison of non-operating revenue and expense for the consolidated District, attached as Exhibit "C";
- Full year forecast to budget comparison of operating expense for FY 2014-15, attached as Exhibit "D"; and
- Full year forecast to budget comparison of non-operating revenue and expense for FY 2014-15, attached as Exhibit "E".

As of the March 31, 2015, overall expenses totaled $88.7 million versus a budget of $96.2 million. Significant variances greater than $0.25 million are discussed below.

Based on system revenues and expenses shown on Exhibit "B", net operating revenues exceed budget by $0.8 million and expenses were below budget by $5.7 million, resulting in a positive net operating position of $6.5 million through March 31, 2015.

As shown on Exhibit "C", actual net non-operating revenues and expenses were $48.5 million versus a budget of $32.9 million or $15.6 million favorable to budget. Significant variances greater than $0.25 million are discussed below.

Staff has also provided a full year forecast for operating expenses and non-operating revenues and expenses in Exhibits "D" and "E", respectively.

BACKGROUND:

Overall Operating Expenses:

Overall operating expenses were under budget by $7.4 million or 7.7%. Exhibit "A" is a summary of actual to budget expenses by major category. Noteworthy variances to budget include:

- Regular labor was under budget by $1.8 million (8.6%). This was primarily due to 16 unfilled positions and eight periodic leave of absences through the end of March 31, 2015. This was partially offset by higher than budgeted contract labor.
- Employee benefits were under budget by $0.9 million (8.8%). This variance is due to the vacancy factor, as described above, which resulted in reduced benefit costs.
- The cost of water was over budget by $0.7 million (2.8%).

Water Purchases Executive Summary

Treated System – Demands from increased sales were met with additional imported water. Cost Impact: expenses are $2.4 million greater than budget.

Untreated System – Sales were on target and costs were reduced with the unbudgeted use of native water. Cost Impact: expenses are $0.9 million less than budget.

Recycled System – Higher than expected sales were met with increased pumping and the use of stored water from recycled reservoirs. Cost Impact: Expenses are $0.8 million less than budget.

A more thorough discussion of the water system follows:

➢ For the treated potable system, sales exceeded budget by 2,804 acre feet. Imported water supplied 2,270 acre feet while groundwater came in 593 acre feet below budget, due to reduced pumping at the Wells 21/22 treatment plant. This resulted in the potable cost of water exceeding budget by $2.4 million.

	Treated					
	Acre Feet			Millions		
	Actual	Budget	Variance	Actual	Budget	Variance
Imported/ Supplemental	10,171	7,901	(2,270)	$11.1	$8.6	($2.5)
Pumped	34,887	35,480	593	10.2	10.3	0.1
Native/ Produced	-	-	-	-	-	-
Total	45,058	43,381	(1,677)	21.3	18.9	(2.4)
Lost and Process Water	(2,204)	(3,331)	(1,127)	-	-	-
Sales/Cost of Sales	*42,854*	*40,050*	*(2,804)*	$21.3	$18.9	($2.4)

➢ For the untreated non-potable system, the budget anticipated using imported water inventoried in FY 2013-14 through the first quarter of FY 2014-15. This supply was exhausted in August and remaining demands of 2,006 acre feet were met with unbudgeted (and less expensive) native water at $212 per acre foot. The recycled system purchases supplemental water at a melded rate equivalent to the all-in cost of imported untreated water at $680 per acre foot.

	Non-Potable (untreated)					
	Acre Feet			Millions		
	Actual	Budget	Variance	Actual	Budget	Variance
Imported/ Supplemental	4,059	7,104	3,045	$2.6	$4.8	$2.2
Pumped	-	-	-	-	-	-
Native/ Produced	2,006	-	(2,006)	0.5	-	(0.5)
Native Trsf to Rcycld	(1,423)	-	1,423	(1.0)	-	1.0
Imported Trsf to Rcycld	(2,644)	(5,244)	(2,600)	(1.9)	(3.7)	(1.8)
Total	1,997	1,860	(137)	0.2	1.1	0.9
Lost Water	(250)	(193)	57	-	-	-
Sales/Cost of Sales	*1,747*	*1,667*	*(80)*	$0.2	$1.1	$0.9

- The Recycled Water system sales exceeded budget by 1,560 acre feet and came in below budget by $0.8 million. Less expensive sources (produced / stored and pumped water) met a much greater portion of the system demand than anticipated. Increased production at LAWRP reduced the amount of supplemental water purchased.

	Recycled					
	Acre Feet			Millions		
	Actual	Budget	Variance	Actual	Budget	Variance
Imported/ Supplemental	4,067	5,244	1,177	$2.9	$3.8	$0.9
Pumped	3,276	2,030	(1,246)	0.7	0.6	(0.1)
Produced/ Storage	***17,180***	15,786	(1,394)	-	-	-
Total	24,523	23,060	(1,463)	3.6	4.4	0.8
Lost and Process Waste	(1,014)	(1,111)	(97)	-	-	-
Sales/Cost of Sales	*23,509*	*21,949*	*(1,560)*	$3.6	$4.4	$0.8

- Electricity was under budget by $1.7 million (14.1%). Several key factors led to the variance:
  - Wells 21 & 22 had reduced production due to lower groundwater levels;
  - The MBR process was not operating at full capacity during the first three quarters;
  - The UV system is still under regulatory review/approval process and not online;
  - Actual unit cost is less than projected. (Actual unit $0.1284 per kWh vs budget at $0.13 per kWh);
  - Reduced production at Irvine Desalter Project (IDP) due to the rehabilitation of well 76; and
  - Electricity for Strand Ranch was under budget due to the recovery (pumping the wells) of water which was delayed until April 2015.

- As shown on Exhibit "A", the Operating Supplies category was under budget by $1.6 million (170.4%). This shift is due to a change in the accounting method for the material burden allocation for all items removed from inventory and this correction encompasses a few years. The applied rate for material burden has exceeded the associated cost for

several years and the difference has been expensed while the inventory account decreased below actual inventory balances. The correction adjusts the inventory to actual and decreases operating supplies expense. This transaction is a one-time adjustment for FY 2012-13, FY 2013-14, and year to date FY 2014-15. Moving forward, this will occur quarterly.

- Repairs & Maintenance – IRWD was under budget by $0.7 million (13.4%). Water operations and recycling operations were $0.4 million and $0.2 million under budget respectively. A number of line items make up the variance which is due to the timing of expenditures. Repair and maintenance cost are driven by need and have been less than anticipated.

- Data Processing expense is over budget by $0.3 million due to Oracle Unlimited License Agreement and Support Approved by the Board in May 2014.

- Personnel Training is under budget by $0.3 million (42.0%). Many line items make up this variance including the two most significant, Employee Recognition and Training HR Sponsored. These items will not correct by year end.

- Other professional fees were under budget by $0.4 million (20.2%). Expenses were under budget due to the timing of expenditures. Several projects were in process, including the cost of service study, that were not billed through the third quarter.

- Conservation is under budget by $0.5 million (66.9%). Expenses were under budget due to the timing of expenditures.

Summary of System Actual to Budget Performance:

Exhibit "B" shows a detailed comparison of actual to budgeted revenue and expenses by system for FY 2014-15. The exhibit also provides a reconciliation of expenses to Exhibit "A" which includes approximately $10.9 million of consolidated expenses for the District, capital and applied G & A expenses (capital/other), that are not funded by user rates.

The budget anticipated using the rate stabilization fund to mitigate the rate increase and it is allocated evenly to each quarter. The application of the rate stabilization will occur at year end if expenses exceed revenues. Operating results through March 31, 2015 did not necessitate use of the fund.

Potable and Untreated Water System:

The net operating variance to budget for the water system was positive by $3.8 million. Total revenues exceeded budget by $2.5 million (5.4%) and total expenses were under budget by $1.3 million (2.8%).

Commodity revenue excluding over allocations was over budget by $0.3 million (potable and untreated). Fixed service revenue was slightly over budget. Over allocation revenue exceeded budget by $2.5 million (89.8%) due to potable sales for over allocation tiers exceeding budget by 1,682 acre feet.

Over Allocation Sales						
	Acre Feet			*Millions*		
Water Source	**Actual**	**Budget**	**Variance**	**Actual**	**Budget**	**Variance**
Potable and Untreated	4,003	2,321	1,682	$5.3	$2.8	$2.5
Recycled	1,308	1,054	254	1.3	1.7	(0.4)
Total	5,311	3,375	1,936	$6.6	$4.5	$2.1

Actual expenses were under budget by $1.3 million (2.8%). This was due primarily to labor and general and administrative (G & A) expenses falling below budget by $1.5 million and material & supplies were below budget by $0.5 million. Labor was under budget due primarily to the 16 vacant positions and the 8 employees on leave. Allocated G & A is a product of direct labor dollars and therefore also under budget.

Sewer/Recycled Water System:

The net operating variance to budget for the sewer/recycled water system was positive by $2.7 million. Total revenues were under by $1.6 million (3.3%) and total expenses were under budget by $4.4 million (12.1%).

Commodity revenue for recycled water sales exceeded budget by $0.5 million (4.7%). The higher commodity sales of 1,560 acre feet were due to a combination of the drier weather conditions and higher growth than anticipated. Fixed service revenue was over budget by $0.2 million (0.7%). Over allocation revenue was under budget by $0.4 million (24.4%). Although sales in the Wasteful tier exceeded budget, these were more than offset by higher Low Volume sales.

Actual expenses were under budget by $4.4 million (12.1%). The cost of water was under budget by $1.6 million; materials and supplies were under budget by $1.4 million; and labor and G & A expenses were under budget by $1.4 million.

The following categories accounted for the cost of recycled water which was under budget by $1.6 million:

	Expenses (millions)
Cost of water	$0.8
Labor and general and administrative (G & A) expense	0.9
Material and Supplies	(0.1)
Total	$1.6

The cost of water was discussed above. Labor and G & A came in a combined $1.4 million under budget. Labor was under budget due primarily to the 16 vacant positions and the 8 employees on leave and allocated G & A is the result of lower direct labor dollars.

Over Allocation Funds:

The over allocation rates include the cost of imported water ($900 per acre foot) to provide funding for additional imported purchases. Additional imported potable water purchases total 2,270 acre feet while potable over allocation sales are 4,003 acre feet through March 31, 2015. In total, over allocation revenue exceeded budget by $2.1 million. An analysis of over allocation revenue and expense is shown on Exhibit "B".

Summary of Non-Operating Actual-to-Budget Expense:

Exhibit "C" provides a detailed comparison of actual to budget for FY 2014-15 and significant variances greater than $0.25 million are discussed below.

The net non-operating variance to budget was positive by $15.6 million. Revenues were over budget by $14.2 million and expenses were under budget by $1.4 million. Key variances greater than $0.25 million are as follows:

	Variance (millions)
Property tax income was above budget due to higher assessed valuations than anticipated and unbudgeted OCSD property tax revenue;	$ 3.2
Actual connection fees exceeded budget due to higher growth and, therefore, higher connection fees than anticipated;	9.1
Investment income was higher than budgeted due to interest received from Installment Sales Agreement;	0.3
Other income was higher than budgeted due to revenue share portion from cell sites, and higher than anticipated income from the Ground Water Recovery Program reimbursement;	1.4
Interest expense was under budget due to lower interest rates on variable rate debt than anticipated; and	1.4
Other variances under $0.25 million	0.2
Total	$15.6

Operating and Non-Operating Forecasts:

Exhibit "D" is a full year forecast of operating expenses for FY 2014-15. Expenses are forecasted to be $130.8 million versus a budget of $130.6 million. The forecast includes additional potable and non-potable demands based on actual results through June 30, 2015. An additional $4.5 million was added to Repairs and Maintenance Other Agencies to fund the cost of additional flows to OCSD from the IBC area for FY 2013-14 and FY 2014-15. In addition, staff forecasts higher data processing costs associated with unbudgeted Oracle license fees (approved by the Board in May 2014) and higher conservation expenses from increased participation in the rebate programs associated with conservation. Several expense items are

forecast below budget. This includes $2.7 million of anticipated lower salaries, a reduction of $2.0 million in electricity and a $1.6 million reduction in operating supplies.

Exhibit "E" is a full year forecast of non-operating revenues and expenses for FY 2014-15. It is anticipated that the District will generate $92.7 million in revenues and $23.3 million in expenses for a net positive position of $69.4 million versus a budget of $45.9 million. The variance includes higher property tax revenues and connections fees and lower interest expense.

FISCAL IMPACTS:

Fiscal impacts are provided in this write-up.

ENVIRONMENTAL COMPLIANCE:

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

RECOMMENDATION:

Receive and file.

LIST OF EXHIBITS:

Exhibit "A" – Consolidated Operating Actual to Budget Expense
Exhibit "B" – Actual to Budget Revenues and Expenses by System
Exhibit "C" – Consolidated Non-Operating Actual To Budget
Exhibit "D" – Consolidated Operating Forecast to Budget FY 2014-15
Exhibit "E" – Consolidated Non-Operating Forecast to Budget FY 2014-15

Exhibit A

IRVINE RANCH WATER DISTRICT

CONSOLIDATED OPERATING ACTUAL TO BUDGET EXPENSE

YEAR TO DATE THROUGH MARCH 31, 2015

(in thousands)

Expense Category	/ Name	Actual Thru 3/31/15	Budget Thru 3/31/15	Variance	%
Salaries & Benefits	Regular Labor	$ 19,225	$ 21,028	$1,803	8.6%
	Overtime Labor	1,081	1,086	5	0.5%
	Contract Labor	1,412	969	(443)	-45.7%
	Employee Benefits	9,240	10,136	896	8.8%
Salaries & Benefits Total		30,958	33,219	2,261	6.8%
Water & Utilities	Water	25,085	24,409	(676)	-2.8%
	Electricity	10,066	11,725	1,659	14.1%
	Fuel	427	550	123	22.4%
	Telecommunication	319	292	(27)	-9.2%
	Other Utilities	120	103	(17)	-16.5%
Water & Utilities Total		36,017	37,079	1,062	2.9%
Materials & Supplies	Chemicals	1,699	1,600	(99)	-6.2%
	Operating Supplies	(644)	915	1,559	170.4%
	Printing	133	178	45	25.3%
	Postage	367	396	29	7.3%
	Permits, Licenses and Fees	560	748	188	25.1%
	Office Supplies	49	63	14	22.2%
	Duplicating Equipment	126	131	5	3.8%
	Equipment Rental	78	89	11	12.4%
Materials & Supplies Total		2,368	4,120	1,752	42.5%
Professional Services	Rep & Maint Other Agencies	8,510	8,570	60	0.7%
	Rep & Maint IRWD	4,601	5,311	710	13.4%
	Insurance	575	732	157	21.4%
	Legal Fees	251	364	113	31.0%
	Engineering Fees	315	457	142	31.1%
	Accounting Fees	39	74	35	47.3%
	Data Processing	1,498	1,219	(279)	-22.9%
	Personnel Training	421	726	305	42.0%
	Personnel Physicals	16	32	16	50.0%
	Other Professional Fees	1,385	1,736	351	20.2%
	Directors' Fees	100	106	6	5.7%
Professional Services Total		17,711	19,327	1,616	8.4%
Other	Mileage Reimbursement	73	88	15	17.0%
	Collection Fees	4	15	11	73.3%
	Election Expense	23	23	0	0.0%
	Safety	54	73	19	26.0%
	Alarm and Patrol Services	74	97	23	23.7%
	Biosolids Disposals	118	302	184	60.9%
	Commuter Program	69	107	38	35.5%
	Computer Backup Storage	37	16	(21)	-131.3%
	Contract Meter Reading	964	954	(10)	-1.0%
	Other	14	16	2	12.5%
	Conservation	240	724	484	66.9%
Other Total		1,670	2,415	745	30.8%
Grand Total		**$ 88,724**	**$ 96,160**	**$ 7,436**	**7.7%**

Exhibit B
IRVINE RANCH WATER DISTRICT
ACTUAL TO BUDGET REVENUES AND EXPENSES
PERIOD ENDED MARCH 31, 2015

(in thousands)

	WATER			SEWER & RECYCLED		
	Actual	Budget	Variance	Actual	Budget	Variance
Revenue:						
Commodity	$26,544	$26,222	$322	$11,306	$10,801	$505
Service	20,603	20,519	84	33,108	32,876	232
Over Allocation Revenues	5,291	2,787	2,504	1,261	1,667	(406)
Rate Stabilization	0	387	(387)	0	1,892	(1,892)
Total Revenues	52,438	49,915	2,523	45,675	47,236	(1,561)
Contribution to Enhancement and Replacement Capital Funds	(2,851)	(2,873)	22	(11,964)	(11,779)	(185)
Net Revenues	49,587	47,042	2,545	33,711	35,457	(1,746)
Expenses:						
Water	27,939	27,192	(747)	12,437	14,035	1,598
Labor	3,380	3,955	575	2,378	2,885	507
Materials and Supplies	5,270	5,746	476	11,219	12,623	1,404
General and Admin Expense	6,253	7,198	945	4,400	5,250	850
General Plant	294	345	51	271	315	44
Marsh/NTS/Conservation	1,969	1,969	0	1,401	1,401	0
Total Expenses	45,105	46,405	1,300	32,106	36,509	4,403
Net Operating Position	**$4,482**	**$637**	**$3,845**	**$1,605**	**($1,052)**	**$2,657**

	WATER/RECYCLED		
	Actual	Budget	Variance
Over Allocation Funds:			
Over Allocation Revenues Funding Cost of Water	$3,182	$1,084	$2,098
Over Allocation Revenues Funding Marsh/NTS/Conservation	3,370	3,370	0
Total Over Allocation Revenue	6,552	4,454	2,098
Marsh/NTS/Conservation Expense	3,370	3,370	0
Net Over Allocation Funds	**$3,182**	**$1,084**	**$2,098**

	WATER/SEWER/RECYCLED		
RECONCILIATION OF EXHIBIT "B" AND EXHIBIT "A"	Actual	Budget	Variance
Total Water Expenses	$43,136	$44,436	$1,300
Total Sewer & Recycled Expenses	30,706	35,108	4,402
Total Equipment Usage	1,852	1,882	30
Total Marsh/NTS/Conservation (included in water expenses above)	3,370	3,370	0
Add'l Marsh/NTS/Conser Budget	0	402	402
Excluding General Plant	(565)	(660)	(95)
Baker Water Treatment Facility	8	0	(8)
G&A Investment	110	191	81
Real Estate Labor Expense	10	55	45
G&A Nonoperating	(1)	68	69
Hydro Electric	2	12	10
Feral Animal Monitoring & Trapping Program	3	0	(3)
G&A Capital	4,109	4,171	62
Applied G&A (capital/other)	5,984	7,125	1,141
Total Consolidated Operating Expense - Sch A	**$88,724**	**$96,160**	**$7,436**

Exhibit C

IRVINE RANCH WATER DISTRICT

NON-OPERATING ACTUAL TO BUDGET REVENUES & EXPENSES

YEAR TO DATE THROUGH MARCH 31, 2015

(in thousands)

Non-operating Revenues:	**Actual Thru 3/31/15**	**Budget Thru 3/31/15**	**Budget Variance**
Property Taxes	$29,725	$27,635	$2,090
Investment Income	1,095	816	279
Connection Fees	21,523	12,461	9,062
Real Estate Income	9,267	9,050	217
Other Income	6,471	3,947	2,524
Total Revenues	68,081	53,909	14,172
Non-operating Expenses:			
Interest Expense	14,279	15,647	1,368
Real Estate Expense	4,636	4,773	137
Other Expenses	623	568	(55)
Total Expenses	19,538	20,988	1,450
Net Revenues & Expenses	$48,543	$32,921	$15,622

Exhibit D

IRVINE RANCH WATER DISTRICT

CONSOLIDATED OPERATING FORECAST TO BUDGET

FULL YEAR FORECAST AS OF MARCH 31, 2015

(in thousands)

Expense Category	Expense Name	Actual Thru 3/31/15	Full Year Forecast	Original Budget	Forecast Variance	%
Salaries & Benefits	Regular Labor	$19,225	$27,330	$29,097	$1,767	6.07%
	Overtime Labor	1,081	1,549	1,449	(100)	-6.93%
	Contract Labor	1,413	1,927	1,282	(645)	-50.30%
	Employee Benefits	9,240	14,772	15,702	930	5.92%
Salaries & Benefits Total		30,958	45,579	47,530	1,951	4.11%
Water & Utilities	Water	25,085	33,718	31,529	(2,189)	-6.94%
	Electricity	10,066	14,041	16,033	1,992	12.42%
	Fuel	427	617	734	117	15.93%
	Telecommunication	319	489	419	(70)	-16.81%
	Other Utilities	120	155	137	(18)	-13.18%
Water & Utilities Total		36,017	49,020	48,852	(169)	-0.35%
Materials & Supplies	Chemicals	1,699	2,284	2,133	(150)	-7.05%
	Operating Supplies	(644)	(387)	1,206	1,593	132.08%
	Printing	133	301	338	36	10.72%
	Postage	367	496	515	19	3.69%
	Permits, Licenses and Fees	560	738	887	149	16.82%
	Office Supplies	49	65	85	20	23.80%
	Duplicating Equipment	126	166	174	8	4.54%
	Equipment Rental	78	92	119	27	22.49%
Materials & Supplies Total		2,369	3,755	5,457	1,701	31.18%
Professional Services	Rep & Maint Other Agencies	8,510	15,965	11,420	(4,546)	-39.81%
	Rep & Maint IRWD	4,601	6,450	6,968	518	7.43%
	Insurance	575	623	985	362	36.74%
	Legal Fees	251	350	485	135	27.77%
	Engineering Fees	315	449	539	90	16.68%
	Accounting Fees	39	56	75	19	25.23%
	Data Processing	1,499	2,224	1,626	(598)	-36.79%
	Personnel Training	421	663	969	306	31.56%
	Personnel Physicals	16	19	43	24	56.05%
	Other Professional Fees	1,385	2,205	2,362	157	6.64%
	Directors' Fees	100	137	142	6	3.87%
Professional Services Total		17,710	29,139	25,611	(3,528)	-13.78%
Other	Mileage Reimbursement	73	104	117	13	10.85%
	Collection Fees	5	7	21	14	67.32%
	Election Expense	23	30	30	0	0.00%
	Safety	54	60	97	37	37.81%
	Alarm and Patrol Services	74	92	130	38	29.23%
	Biosolids Disposals	118	140	402	263	65.27%
	Commuter Program	69	126	142	16	11.34%
	Computer Backup Storage	37	43	21	(22)	-102.86%
	Contract Meter Reading	964	1,289	1,272	(17)	-1.37%
	Other	14	27	22	(5)	-23.15%
	Conservation	240	1,415	942	(473)	-50.24%
Other Total		1,670	3,333	3,195	(138)	-4.30%
Grand Total		**$ 88,724**	**$ 130,826**	**$ 130,644**	**$ (182)**	**-0.14%**

(1) Includes $4.5 million for PERS Employee Portion and $2.1 million PERS in Excess of ARC in forecast amount.

Exhibit E

IRVINE RANCH WATER DISTRICT

NON-OPERATING FORECAST TO BUDGET REVENUES & EXPENSES

FULL YEAR FORECAST AS OF MARCH 31, 2015

(in thousands)

Non-operating Revenues:	Actual Thru 3/31/15	Full Year Forecast	Original Budget	Budget Variance
Property Taxes	$30,865	$42,200	$38,763	$3,437
Investment Income	1,095	1,650	1,088	562
Connection Fees	21,523	29,200	16,615	12,585
Real Estate Income	9,267	12,400	12,086	314
Other Income	5,331	7,200	5,263	1,937
Total Revenues	68,081	92,650	73,815	18,835
Non-operating Expenses:				
Interest Expense	14,279	13,900	20,972	7,072
Real Estate Expense	4,636	6,200	6,362	162
Other Expenses	623	3,200	623	(2,577)
Total Expenses	19,538	23,300	27,957	4,657
Net Revenues & Expenses	$48,543	$69,350	$45,858	$23,492

July 20, 2015
Prepared by: Rob Jacobson
Submitted by: Cheryl Clary
Approved by: Paul Cook

FINANCE AND PERSONNEL COMMITTEE

REQUEST TO REVISE TERMS OF JOINT COMMUNITY FACILITIES AGREEMENT FOR THE CENTRAL PARK WEST/IRVINE BUSINESS CENTER DEVELOPMENT

SUMMARY:

In September 2004, a Joint Community Facilities Agreement (JCFA) was executed by the Irvine Ranch Water District (District), Santa Ana Unified School District (SAUSD) and developer KFPLB Michelson Jamboree, LLC (Lennar) which allowed for a portion of the proceeds from a Community Facilities District (CFD) financing to be used toward water and sewer infrastructure costs at the Central Park West development in the Irvine Business Center. Based on residual CFD funds currently remaining, Lennar is requesting an increase in the JCFA's limit towards water and sewer facility infrastructure costs from $2.5 million to $3.0 million. Staff recommends that the Board approve the increase, subject to a previous requirement that the CFD proceeds shall not be applied toward developer connection fees.

BACKGROUND:

When completed, the Central Park West project will redevelop the former Parker-Hannifin site of approximately 43 acres located on the northeast corner of Michelson and Jamboree into primarily residential use with some office and retail. Based on the recently updated master plan, the project will include 1,275 dwelling units, 26,700 square feet of commercial uses and about 10 acres will be dedicated for parks, streets, and easements. To date, 672 homes including a 240-unit apartment property have been completed and are occupied. Construction of the remaining phases is expected to begin in early 2016.

In September 2004, a JCFA was executed between IRWD, SAUSD and Lennar which allowed for a portion of the proceeds from a planned CFD financing to be used toward water and sewer infrastructure costs. A copy of the JCFA is attached as Exhibit "A". CFD No. 2004-1 bonds in the amount of $11.8 million were issued in 2005, with JCFA authorization to fund up to $2.5 million of IRWD facilities. To date, $2,548,000 of costs related to IRWD facilities has been expended and additional costs are anticipated during the remaining phases of the project. General obligation bonding authority is not available in the project's Improvement District.

As a result of interest earnings on bond proceeds, $106,000 remains in the IRWD facilities account. Additional funds also remain in the Orange County Fire Authority (OCFA) account from interest earnings, as well as an expected refund of fees from OCFA due to a reduction in the number of residential units and commercial square footage in the revised master plan. According to Lennar, additional funds expected to be available from the OCFA account total approximately $181,000. Lennar's intent is to reallocate unspent OCFA funds to the IRWD facilities account, resulting in an estimated total of $287,000 available for IRWD facilities costs. The total OCFA refund amount could increase if additional unit reductions occur.

infrastructure costs from $2.5 million to $3.0 million. The increase would provide sufficient capacity for funds already spent in excess of $2.5 million, for residual unspent IRWD facilities funds and for unspent OCFA funds remaining and anticipated. Based on the remaining unspent proceeds available and lack of general obligation bonding authority for the subject Improvement District, staff recommends that the Committee approve the increase to the JCFA and recommend Board approval of the same, subject to a previous requirement that CFD proceeds shall not be applied toward developer connection fees.

FISCAL IMPACTS:

Approval of the requested increase will allow for use of remaining CFD No. 2004-1 bond proceeds by the developer for IRWD facilities costs. There is no expected fiscal impact to the District.

ENVIRONMENTAL COMPLIANCE:

Not Applicable.

RECOMMENDATION:

That the Board approval of an amendment to the 2004 Joint Communities Facilities Agreement increasing the limit for water, recycled water and sewer related infrastructure costs from $2.5 million to $3.0 million, subject to previous requirements that CFD proceeds shall not be applied toward developer connection fees.

LIST OF EXHIBITS:

Exhibit "A" – Joint Community Facilities Agreement

JOINT COMMUNITY FACILITIES AGREEMENT

among

SANTA ANA UNIFIED SCHOOL DISTRICT
and
IRVINE RANCH WATER DISTRICT
and
KFPLB MICHELSON JAMBOREE, LLC
a Delaware Limited Liability Company

relating to

COMMUNITY FACILITIES DISTRICT NO. 2004-1
OF SANTA ANA UNIFIED SCHOOL DISTRICT

JOINT COMMUNITY FACILITIES AGREEMENT

THIS JOINT COMMUNITY FACILITIES AGREEMENT (the "Agreement") is entered into effective as of the 28th day of September, 2004, by and among the SANTA ANA UNIFIED SCHOOL DISTRICT, a school district organized and existing under the laws of the State of California (the "School District"), the IRVINE RANCH WATER DISTRICT, a California water district organized and existing under Section 34000 *et seq.* of the California Water Code ("IRWD"), and KFPLB MICHELSON JAMBOREE, LLC, a Delaware limited liability company (the "Company"), and relates to the proposed formation by the School District of Community Facilities District No. 2004-1 of the Santa Ana Unified School District (the "District") for the purpose of financing certain facilities to be owned and operated by IRWD and more particularly described on Exhibit B hereto (the "Water Facilities").

RECITALS:

A. The Company is the master developer of the land described in Exhibit A hereto (the "Property") which is located in the City of Irvine in the County of Orange.

B. The Company as the master developer of the Property intends to obtain, or has obtained, the necessary development approvals to construct up to one thousand three hundred eighty (1,380) residential units and up to one hundred nine thousand seven hundred (109,700) square feet of commercial development on the Property and to provide the required infrastructure for such units and improvements. The required infrastructure includes the Water Facilities.

C. The School District will have primary responsibility for the formation and administration of the District.

D. The Company has requested the Board of the School District (the "Board") to form and establish the District on the Property pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982, Chapter 2.5 (commencing with Section 53311) of Part I of Division 2 of Title 5 of the California Government Code (the "Act").

E. The provision of the Water Facilities is necessitated by the development of the Property and the parties hereto find and determine that the residents residing, and the commercial users operating, within the boundaries of the District will be benefited by the construction and/or acquisition of the Water Facilities and that this Agreement is beneficial to the interests of such residents and users.

F. The parties hereto intend to have the District assist in financing the construction and/or acquisition of the Water Facilities by disbursing to IRWD proceeds of bonds issued by the District up to the amount of $2,500,000 (the "Water Facilities Amount").

G. IRWD is authorized by Section 53313.5 of the Act to assist in the financing of the acquisition and/or construction of the Water Facilities. This Agreement constitutes a joint community facilities agreement, within the meaning of Section 53316.2 of the Act, by and among IRWD, the Company and the School District, pursuant to which the District, when formed, will be authorized to finance the construction and/or acquisition of the Water Facilities in the amount of up to $2,500,000. As authorized by Section 53316.6 of the Act, responsibility

for providing for and operating the Water Facilities is delegated to IRWD to the extent set forth herein.

H. The parties hereto intend to have the District assist in financing the Water Facilities by transferring to IRWD (by means of direct payment to the Company) a portion of the bond proceeds of the District, in accordance with the terms of this Agreement and pursuant to the Act.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth herein, the parties hereto agree as follows:

1. Recitals. Each of the above recitals is incorporated herein and is true and correct.

2. Sale of Bonds and Use of Proceeds. The purpose of this Agreement is to provide a mechanism by which the Company may request the District to issue bonds to provide funds to finance the Water Facilities.

In the event that the District is formed, the Board of the School District acting as the legislative body of the District may, in its sole discretion, finance the design, construction and acquisition of the Water Facilities by issuing bonds (the "Bonds"). To the extent that the District determines, in its sole direction, that Bond proceeds are available to finance the Water Facilities, it shall reserve an amount not to exceed the Water Facilities Amount for such purpose; provided, however, that the School District agrees that, without the prior written consent of the Company, the portion of the Water Facilities Amount to be funded by the District shall not exceed $2,000,000.

The Company and IRWD acknowledge that the timing of the disbursement of the Water Facilities Amount to IRWD shall be in all respects subject to the sole discretion and approval of the School District. In no event will an act, or an omission or failure to act, by the School District or the District with respect to the disbursement or nondisbursement of the Water Facilities Amount subject the District or the School District to pecuniary liability hereunder.

The Bonds shall be issued only if, in its sole discretion, the Board determines that all requirements of state and federal law and all School District policies have been satisfied or have been waived by the School District. In no event shall the Company or IRWD have a right to compel the issuance of the Bonds or the disbursement of Bond proceeds to fund the Water Facilities Amount. Delays in disbursement, failure to disburse or insufficiency of the amount of disbursement of Bond proceeds shall not relieve the Company of its obligations to provide the Water Facilities to IRWD pursuant to the Service Agreement to be entered into between the Company and IRWD (in accordance with IRWD's Rules and Regulations).

3. Disbursements.

(a) Bond proceeds of the District designated for the Water Facilities shall be held by the District in a special fund designated the "Water Facilities Subaccount of the Project Account of the Acquisition and Construction Fund" (the "Water Facilities Account") which shall

be invested by the fiscal agent (the "Fiscal Agent") for the Bonds, as directed by the School District and earn and accumulate its own interest. In the event that the District has deposited Bond proceeds to the Water Facilities Account to fund all or a portion of the Water Facilities Amount, the School District shall notify IRWD and the Company, in writing, as to the amount of Bond proceeds so deposited. All interest earnings on amounts in the Water Facilities Account shall remain in the Water Facilities Account and will be available for disbursement for the Water Facilities as described below.

(b) The Treasurer shall make disbursements from the Water Facilities Account in accordance with the terms of this Agreement and neither the School District nor the District shall be responsible to IRWD for costs incurred by IRWD as a result of withheld or delayed disbursements. The Company agrees to reimburse IRWD for any such costs to the extent the same are not reimbursable under paragraph (e) of this Section.

(c) IRWD and the Company agree that they will request a disbursement of Bond proceeds only for costs related to the Water Facilities that are eligible for financing under the Act. IRWD agrees that prior to requesting disbursement from the District it shall review and approve all costs included in its request and that it will have received written confirmation from the Company that the Company has already paid such costs of Water Facilities from its own funds or will use the disbursement amount to pay costs of the Water Facilities within five banking days of receipt of funds from the District. Any such disbursement of Bond proceeds for costs related to the Water Facilities shall be made directly to the Company. IRWD and the Company agree that in processing disbursements they will comply with all legal requirements for the expenditure of Bond proceeds under the Act and the Internal Revenue Code of 1986 and any amendments thereto.

(d) The Company and IRWD shall submit a request for payment along with adequate supporting documentation to the District which shall be in the form attached hereto as Exhibit C, which shall be signed by an authorized signatory of the Company, and by the Director of Engineering and Planning, or written designee of IRWD, and which shall be for the exact amount to be reimbursed to the Company pursuant to Section 3(c) above, which costs shall in no event exceed the amount remaining on deposit in the Water Facilities Account. Upon receipt of an approved payment request completed in accordance with the terms of this Agreement, the Fiscal Agent shall wire transfer such portion of requested funds (or, in the Fiscal Agent's discretion, issue a check if the transfer is less than $50,000) as are then available for release pursuant to the documents pursuant to which the Bonds are issued to the Company's bank account, as directed by the Company.

(e) Upon presentation of a request therefor to the District, IRWD shall also be entitled to reimbursement from special taxes collected by the District, and not required to pay principal or interest on the Bonds, Bond reserve replenishment or District administrative expenses, for the reasonable administrative costs incurred by IRWD in performing its obligations pursuant to this Agreement (i) in an aggregate amount not to exceed Twenty-Five Thousand Dollars ($25,000) with respect to costs incurred until and including the date of this Agreement and (ii) in an aggregate amount not to exceed Fifteen Thousand Dollars ($15,000) with respect to costs incurred after the date of this Agreement. The Company agrees to reimburse IRWD for

any such costs to the extent the same are not reimbursable under the foregoing provisions of this paragraph (e).

4. Construction and Ownership of Facilities. The Company will complete the design of the Water Facilities described in Exhibit B and the plans and specifications for construction of the Water Facilities and will be responsible for constructing the Water Facilities. The Company covenants and agrees that with respect to the Water Facilities it will comply with all statutory provisions applicable to the design and construction of public works projects. The Water Facilities shall be acquired by IRWD and shall remain the property of IRWD. In addition to the foregoing, the design and construction of the Water Facilities shall be performed in a manner consistent with a Service Agreement to be entered into between IRWD and the Company pursuant to IRWD's Rules and Regulations. In order to receive service from IRWD, the Company must, in addition to providing the Water Facilities, meet all of the other applicable requirements of IRWD's Rules and Regulations.

5. Indemnification. The School District shall assume the defense of, indemnify and save harmless, IRWD, the Company and their officers, employees and agents, and each and every one of them, from and against all actions, damages, claims, losses or expenses of every type and description to which they may be subjected or put, by reason of, or resulting from, any act or omission of the School District with respect to this Agreement; provided, however, that the School District shall not be required to indemnify any person or entity as to damages resulting from negligence or willful misconduct of such person or entity or their agents or employees. The Company shall assume the defense of, indemnify and save harmless, the School District, their officers, employees and agents, and each and every one of them, from and against all actions, damages, claims, losses or expenses of every type and description to which they may be subjected or put, by reason of, or resulting from, any act or omission of IRWD or of the Company with respect to this Agreement, and the design, engineering and construction of the Water Facilities by the Company; provided, however, that the Company shall not be required to indemnify any person or entity as to damages resulting from negligence or willful misconduct of such person or entity or their agents or employees.

6. Allocation of Special Taxes. The Board of Education, as the legislative body of the District, expects to annually levy a special tax as provided for in the formation proceedings of the District. The entire amount of any special tax levied by the District to repay Bonds, or to fund other obligations, shall be allocated to the District.

7. Amendment. This Agreement may be amended at any time but only in writing signed by each party hereto.

8. Entire Agreement. This Agreement contains the entire agreement between the parties with respect to the matters provided for herein and supersedes all prior agreements and negotiations between the parties with respect to the subject matter of this Agreement.

9. Notices. Any notice, payment or instrument required or permitted by this Agreement to be given or delivered to any party shall be deemed to have been received when personally delivered or seventy-two hours following deposit of the same in any United States Post Office in California, registered or certified, postage prepaid, addressed as follows:

School District:	Santa Ana Unified School District 1601 E. Chestnut Avenue Santa Ana, CA 92701-6322 Attn: Assistant Superintendent, Facilities and Government Relations
IRWD:	Irvine Ranch Water District 15600 Sand Canyon Avenue Irvine, CA 92718 Attn: Dave Ferguson
Company:	KFPLB Michelson Jamboree, LLC 511 Lexington Avenue at 48th Street, Suite 2205 New York, NY 10017 Attn: Vijay Raina

Each party may change its address for delivery of notice by delivering written notice of such change of address to the other parties hereto.

10. Exhibits. All exhibits attached hereto are incorporated into this Agreement by reference.

11. Severability. If any part of this Agreement is held to be illegal or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall be given effect to the fullest extent reasonably possible.

12. Governing Law and Venue. This Agreement and any dispute arising hereunder shall be governed by and interpreted in accordance with the laws of the State of California. In the event of any legal action to enforce or interpret this Agreement, the sole and exclusive venue shall be a court of competent jurisdiction located in Orange County, California, and the parties hereto agree to and do hereby submit to the jurisdiction of such court, notwithstanding Code of Civil Procedure Section 394. Furthermore, the parties specifically agree to waive any and all rights to request that an action be transferred for trial to another County.

13. Waiver. Failure by a party to insist upon the strict performance of any of the provisions of this Agreement by the other parties hereto, or the failure by a party to exercise its rights upon the default of another party, shall not constitute a waiver of such party's right to insist and demand strict compliance by such other parties with the terms of this Agreement thereafter.

14. No Third Party Beneficiaries. No person or entity other than the District when and if formed shall be deemed to be a third party beneficiary hereof, and nothing in this Agreement (either express or implied) is intended to confer upon any person or entity, other than IRWD, the School District, the District and the Company (and their respective successors and assigns), any rights, remedies, obligations or liabilities under or by reason of this Agreement.

15. Singular and Plural; Gender. As used herein, the singular of any word includes the plural, and terms in the masculine gender shall include the feminine.

16. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which shall constitute but one instrument.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and first year written above.

SANTA ANA UNIFIED SCHOOL DISTRICT

By:_____
Its: Assistant Superintendent, Facilities & Government Relations

KFPLB MICHELSON JAMBOREE, LLC,
a Delaware limited liability company

By: KPF Irvine Associates, LLC,
a Delaware limited liability company,
managing member

By: KPF Irvine LLC,
a Delaware limited liability company, managing member

By: KPF Holdings, LTD.,
a Texas limited partnership,
Sole member

By: Grosvenor, L.P.,
a Texas limited liability company, general partner

_____
By: Mahmood J. Khimji,
Authorized signatory

Signatures continue

IRVINE RANCH WATER DISTRICT

By:_____

Its: General Manager

EXHIBIT A

DESCRIPTION OF PROPERTY

Parcel 1, in the City of Irvine, County of Orange, State of California, as shown on a map filed in Book 2, Page 2 of Parcel Maps, in the office of the County Recorder of said county.

EXHIBIT B

DESCRIPTION OF WATER FACILITIES

The following facilities will be constructed by the Company:

Domestic water facilities to be constructed to serve the Property including water lines, valves, tees, meters, fire hydrants, backflow prevention devices, and other water facilities necessary to serve the Property.

Reclaimed water facilities to be constructed to serve the Property including reclaimed water lines, valves, backflow prevention devices, and other reclaimed water facilities necessary to serve the Property.

Sewer facilities to be constructed to serve the Property including sewer lines, manholes, and other sewer facilities necessary to serve the Property.

EXHIBIT C

DISBURSEMENT REQUEST FORM

1. Community Facilities District No. 2004-1 of the Santa Ana Unified School District ("CFD No. 2004-1") is hereby requested to pay from the Water Facilities Account of the Acquisition and Construction Fund established by the Board of Santa Ana Unified School District (the "School District") in connection with its CFD No. 2004-1 Special Tax Bonds (the "Bonds"), to KFPLB Michelson Jamboree, LLC (the "Company"), as Payee, the sum set forth below in payment of project costs described below.

2. The Company certifies that the amount requested has been expended or encumbered for the purposes of constructing and completing Water Facilities, and that the attached supporting documentation is correct and complete. The amount requested is due and payable under, or is encumbered for the purpose of funding, a purchase order, contract or other authorization with respect to the project costs described below and has not formed the basis of a prior request or payment.

3. Description of Water Facilities Costs:

4. Amount requested:$_____.

5. The amount set forth is authorized and payable pursuant to the terms of the Joint Community Facilities Agreement among the School District, the Company and Irvine Ranch Water District ("IRWD") dated as of _____, 2004 (the "Agreement"). Capitalized terms not defined herein shall have the meaning set forth in the Agreement. The Company confirms that the amount set forth constitutes costs of design and construction of the Water Facilities that are eligible for financing under the Act. The Company confirms that the Company has already paid such costs of Water Facilities from its own funds or will use the disbursement amount to pay costs of the Water Facilities within five banking days of receipt of funds from the District and that this disbursement complies with all legal requirements for the expenditure of Bond proceeds under the Act and the Internal Revenue Code of 1986 and any amendments thereto.

6. Total payments to the Company for the Water Facilities from CFD No. 2004-1, including the amount to be paid under paragraph 4 above, will not exceed the maximum amount ($2,500,000) to be disbursed for Water Facilities under the Agreement.

Signatures continued

Executed by an authorized representative of the Company.

By:_____
Name: _____
Title: _____
Date:_____

Request No._____

Agreed to:

IRVINE RANCH WATER DISTRICT

By:_____
Name: _____
Title: _____
Date:_____

July 20, 2015
Prepared by: Christopher Smithson
Submitted by: Cheryl Clary
Approved by: Paul Cook

FINANCE AND PERSONNEL COMMITTEE

SETTING CONNECTION FEES AND PROPERTY TAXES FOR FISCAL YEAR 2015-16

SUMMARY:

Staff recommends changes to the existing connection fees and tax rates based on updated data within the Districts improvement districts (ID). The long term capital funding plan, completed in November 2013, established connection fees and formed new IDs for funding capital requirements and setting tax rates. They were last updated in July 2014. The District's financial model has been updated in July 2015 to include the following factors:

- Adjustments to the capital improvement program;
- Additional unit approvals (awaiting updates); and
- Updated assessed valuations.

The proposed connection fees assume an increase within each of the IDs based on the Engineering News Records (ENR) estimated capital cost increase of 2.25% and are included in the Proposed Connection Fees and Property Tax Rates Summary included as Exhibit "A". Staff recommends that the Board approve the revised connection fees and property taxes as proposed.

BACKGROUND:

A fundamental concept in the District's capital funding plan is that the cost of new capital facilities is shared equally between the connection fees paid by the developer and property taxes paid by property owners when possible. The District uses a comprehensive financial model to incorporate regional capital costs, future development, growth rates, inflation, and other variables in order to determine connection fees. Connection fee increases were modeled for both residential and commercial development and a consolidated tax rate was also identified.

Connection fees were last updated for the IDs in July 2014, with recommended periodic updates based on an updated capital budget and other changing assumptions. The proposed changes, which include increases to the ENR construction cost index, are discussed below.

IDs 112/212 – Great Park Neighborhoods:

There were changes in the capital program primarily as a result of project allocation shifts related to the reduced development in the East Orange area. Staff recommends increasing connection fees to match the estimated increase in capital from ENR. This increases the water and sewer connection fee from $4,800 to $4,908 per unit. Staff recommends maintaining the current consolidated tax rate of $0.7500 per $100 of land assessed value in order to maintain the 50/50 split.

	Connection Fees		Property Tax	
Improvement Districts	**Current**	**Proposed**	**Current**	**Proposed**
112/212 (Great Park)	$4,800	$4,908	$0.0750	$0.0750

IDs 185/285 – Opportunity Study Area, Excluding Portola

Fees established in IDs 185/285 were set based upon the future development being funded entirely from connection fees. In March 2014, General Obligation (GO) bonding authority was voted in for these IDs which provides for a sharing of the capital costs between connection fees and property taxes. Staff recommends increasing connection fees to match the estimated increase in capital from ENR, increasing the water and sewer connection fee from $4,400 to $4,499 per residential unit.

	Connection Fees		Property Tax	
Improvement Districts	**Current**	**Proposed**	**Current**	**Proposed**
185/285 (Opportunity Study)	$4,400	$4,499	$0.0000	$0.0000

IDs 153/253 – Developing IDs

There has been significant change in the development projections in this area. The East Orange development has been reduced with the land being donated as open space. Capital demands have been updated and staff is working with the Irvine Company to update the development projections. A draft of the Irvine Lake Management Plan has been completed and suggests continuing to assume a native water yield of 3,200 acre feet (AF), based on a 10 year average. The connection fees were not increased in this ID in July 2014. At this time, staff recommends increasing connection fees to match the estimated increase in capital from ENR, increasing the water and sewer connection fee from $3,970 to $4,059 per residential unit.

	Connection Fees		Property Tax	
Improvement Districts	**Current**	**Proposed**	**Current**	**Proposed**
153/253 (Undeveloped ID)	$4,030	$4,121	$0.0000	$0.0000

All Other IDs

These areas experienced no significant changes in funding requirements. The recommendation for these ID's is a 2.25% increase to connection fees applied to the capital program, attributable to construction cost increases due to capital inflation. The change results in:

	Connection Fees		Property Tax	
Improvement Districts	**Current**	**Proposed**	**Current**	**Proposed**
113/213 (Tustin)	$6,796	$6,949	$0.0640	$0.0640
188/288 (Portola)	$3,857	$3,944	$0.2254	$0.2254[1]
125/225(Developed)	$5,279	$5,398	$0.028	$0.028
101/201(Developed no GO Authority)[2]	$8,759	$8,956	NA	NA

[1] Maintain current rate because there is no other source of funding for existing debt service.
[2] Identifies the consolidated connection fee for a density between 5.9 to 10.8 dwelling units (DU) per acre.

Staff recommends approval of the connection fees and property taxes as presented in Exhibit "A".

FISCAL IMPACTS:

Minimal impact is expected for the FY2015-16.

ENVIRONMENTAL COMPLIANCE:

Not Applicable

RECOMMENDATION:

That the Board approve of the revised connection fees and property taxes as proposed.

LIST OF EXHIBITS:

Exhibit "A" – Proposed Connection Fees & Property Tax Rates by ID

Exhibit "A"

Proposed Connection Fees and Property Tax Rates
Fiscal Year 2015-16

CONNECTION FEES

	Current			Proposed			Change	
Improvement District	Water	Sewer	Total	Water	Sewer	Total	$	%
101/201	$3,138	$5,621	$8,759	$3,209	$5,747	$8,956	$197	2.25%
112/212	$1,330	$3,470	$4,800	$1,360	$3,548	$4,908	$108	2.25%
113/213	$2,472	$4,324	$6,796	$2,528	$4,421	$6,949	$153	2.25%
125/240	$2,538	$3,484	$6,022	$2,595	$3,563	$6,158	$136	2.25%
125/225	$2,538	$2,741	$5,279	$2,595	$2,803	$5,398	$119	2.25%
153/253	$1,864	$2,166	$4,030	$1,906	$2,215	$4,121	$91	2.25%
153/253 PA 30	$3,482	$3,635	$7,117	$3,560	$3,717	$7,277	$160	2.25%
101/256 OPA	$3,138	$24,868	$28,006	$3,209	$25,427	$28,636	$630	2.25%
185/285	$1,580	$2,820	$4,400	$1,616	$2,883	$4,499	$99	2.25%
188/288	$1,421	$2,436	$3,857	$1,453	$2,491	$3,944	$87	2.25%
101/OPA1 (Ridgeline)	$3,138	$4,263	$7,401	$3,209	$4,359	$7,568	$167	2.25%

PROPERTY TAX RATES (1)

Improvement District	Current	Proposed
112/212	$0.0750	$0.0750
113/213	$0.0640	$0.0640
125/225	$0.0280	$0.0280
153/253 (2)	$0.0000	$0.0000
185/285 (2)	$0.0000	$0.0000
188/288	$0.2254	$0.2254

(1) Based on $100 of land assessed value.
(2) No current or proposed tax rate because debt has not been issued in these IDs.

July 20, 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 June 30, 2015, as outlined in Exhibit "A"
- The U.S. Treasury Yield Curve as of June 30, 2015, as outlined in Exhibit "B"
- The Summary of Fixed and Variable Debt as of June 30, 2015, as outlined in Exhibit "C"
- The Summary of Variable Rate Debt as of June 30, 2015, as outlined in Exhibit "D"
- The Monthly Interest Rate Swap Summary as of June 30, 2015, as outlined in Exhibit "E"

BACKGROUND:

Investment Portfolio:

For June 2015, the rate of return for the investment portolio was 0.57%, which was a 0.03% increase from May's rate of 0.54%. Including real estate investments, the weighted average rate of return for the District's investment portfolio for June 2015 was 3.32%, which was a 0.05% increase from May's rate of 3.27%.

Debt Portfolio:

As of June 30, 2015, the District's weighted average all-in variable rate was 0.42%, which is a 0.04% decrease from May's rate. Including the District's fixed rate Certificates of Participation at 3.82%, the 2010 Build America Bonds at 4.47%, 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 is 3.46% which is a 0.10% increase from May's rate of 3.36%. The increase is primarily due to the change in the negative cash accrual from $609,649 to $665,645 for the District's fixed payer swaps. The District's outstanding debt is $565.1 million as of June 30, 2015.

Interest Rate Swaps:

As of June 30, 2015, the total notional amount of the interest rate swap portfolio was $130 million of fixed payer swaps. Cash accruals in June from all swaps was negative $665,645.

As of June 30, 2015, the District had $8,795,282 of collateral posted with Citigroup, which is a $152,220 decrease from May. Merrill Lynch currently holds $2,210,000 of collateral. The collateral earns the Fed Funds Effective Rate, which is currently 0.13%.

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.

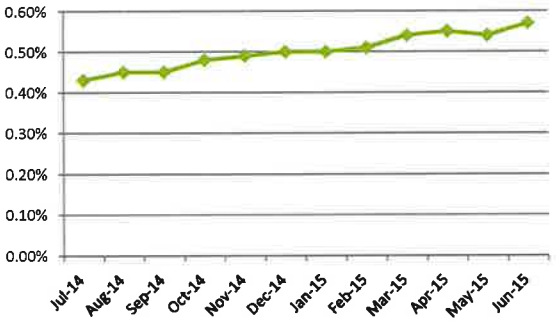
LIST OF EXHIBITS:

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

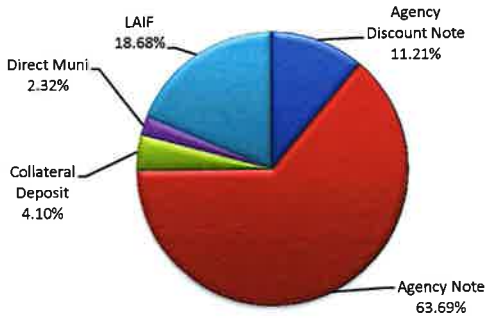
Exhibit "A"

Irvine Ranch Water District
Investment Portfolio Summary
June 2015

Monthly Fixed Income Yield



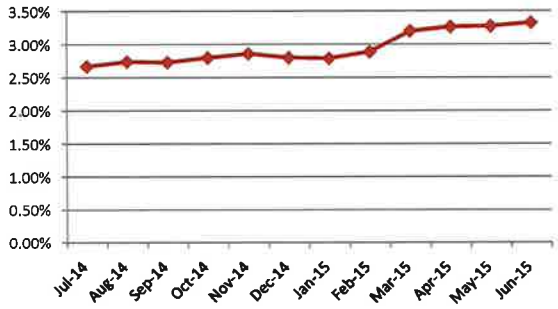
Portfolio Distribution



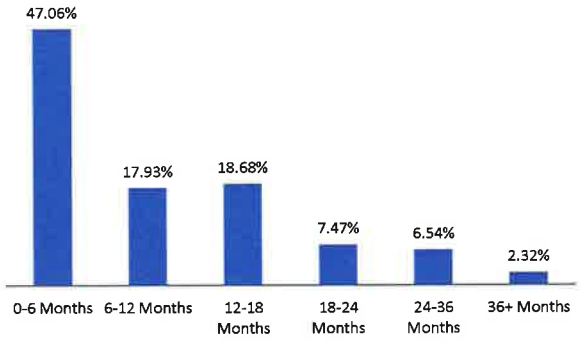
Investment Summary

Type	PAR	Book Value	Market Value
Agency Note	170,500,000	170,782,479	170,815,225
LAIF	50,000,000	50,000,000	50,019,186
Agency Discount Note	30,000,000	29,979,701	29,982,696
Collateral Deposit	11,005,282	11,005,282	11,005,282
Direct Muni	6,215,864	6,215,864	6,215,864
Grand Total	267,721,146	267,983,326	268,038,254

Weighted Average Return Including Real Estate Portfolio



Maturity Distribution



Top Issuers

Issuer	PAR	% Portfolio
Fed Home Loan Mortgage Corp	74,500,000	27.83%
Fed Home Loan Bank	66,000,000	24.65%
State of California Treasury - LAIF	50,000,000	18.68%
Fed Farm Credit Bank	30,000,000	11.20%
Fed Natl Mortgage Assoc	25,000,000	9.34%
Citi-Group Collateral	8,795,282	3.28%
ETWD	6,215,864	2.32%
Fed Ag Mortgage Corp	5,000,000	1.87%
Merrill Lynch Collateral	2,210,000	0.82%

IRVINE RANCH WATER DISTRICT
INVESTMENT SUMMARY REPORT

06/30/15

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] 6/30/2015	UNREALIZED[2] GAIN/(LOSS)
05/11/15			07/01/15		LAIF	State of California Tsy	$50,000,000			0.300%		$50,000,000.00	$50,000,000.00	50,019,186.40	19,186.40
08/13/14	N/A	N/A	07/29/15	Aaa/AA+/NR	FHLB - Note	Fed Home Loan Bank	15,000,000	0.125%		0.182%		14,991,750.00	14,999,340.00	15,000,300.00	960.00
03/04/14	N/A	N/A	08/28/15	Aaa/AA+/NR	FHLMC - Note	Fed Home Loan Mortgage Corp	2,000,000	0.500%		0.225%		2,008,140.00	2,000,871.07	2,000,900.00	28.93
03/04/14	N/A	N/A	08/28/15	Aaa/AA+/NR	FHLB - Note	Fed Home Loan Bank	8,000,000	0.375%		0.225%		8,017,720.00	8,001,896.24	8,003,440.00	1,543.76
05/28/14	N/A	N/A	09/10/15	Aaa/AA+/AAA	FHLMC - Note	Fed Home Loan Mortgage Corp	5,000,000	1.750%		0.165%		5,101,550.00	5,015,340.53	5,015,300.00	(40.53)
04/23/15	N/A	N/A	09/24/15	NR	FHLMC - Discount Note	Fed Home Loan Mortgage Corp Discount Note	10,000,000	0.081%		0.082%		9,996,556.00	9,998,099.09	9,998,600.00	500.91
05/26/15	N/A	N/A	10/14/15	NR	FHLB - Discount Note	Fed Home Loan Bank Discount Note	5,000,000	0.085%		0.086%		4,998,335.42	4,998,760.42	4,998,550.00	(210.42)
11/19/14	N/A	N/A	11/18/15	Aaa/NA/NR	FHLB - Note	Fed Home Loan Bank	5,000,000	0.125%		0.193%		4,996,635.00	4,998,705.77	4,999,250.00	544.23
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	5,000,768.66	5,000,900.00	131.34
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	5,002,322.65	4,998,900.00	(3,422.65)
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	5,003,155.06	5,003,550.00	394.94
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	4,999,436.99	5,002,500.00	3,063.01
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%		4,995,646.00	4,995,666.83	4,995,646.00	(20.83)
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	9,987,175.00	9,989,900.00	2,725.00
03/14/14	Continuous	06/10/14	03/10/16	Aaa/AA+/AAA	FFCB - Note	Fed Farm Credit Bank	5,000,000	0.350%		0.413%	0.874%	4,993,750.00	4,997,824.97	4,998,200.00	375.03
04/29/14	Continuous after	07/25/14	04/25/16	Aaa/AA+/AAA	FFCB - Note	Fed Farm Credit Bank	5,000,000	0.390%		0.448%	0.878%	4,994,250.00	4,997,323.40	4,998,150.00	826.60
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	2,999,617.20	2,999,310.00	(307.20)
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	4,997,598.27	4,993,000.00	(4,598.27)
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	5,099,078.15	5,097,000.00	(2,078.15)
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	4,999,256.54	4,998,050.00	(1,206.54)
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	4,997,581.50	5,000,650.00	3,068.50
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	4,994,513.31	4,998,750.00	4,236.69
04/29/14	Continuous after	07/29/14	07/29/16	Aaa/AA+/AAA	FFCB - Note	Fed Farm Credit Bank	5,000,000	0.550%		0.550%	0.550%	5,000,000.00	5,000,000.00	5,000,250.00	250.00
02/11/14	Continuous after	08/11/14	08/11/16	Aaa/AA+/AAA	FFCB - Note	Fed Farm Credit Bank	5,000,000	0.570%		0.590%	0.590%	4,997,500.00	4,998,884.32	5,000,200.00	1,315.68
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	10,175,717.61	10,177,200.00	1,482.39
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	5,025,047.33	5,028,600.00	3,552.67
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	5,000,850.00	850.00
12/19/13	Quarterly	06/19/14	12/19/16	Aaa/AA+/AAA	FHLMC - Note	Fed Home Loan Mortgage Corp	5,000,000	0.750%		0.750%	0.750%	5,000,000.00	5,000,000.00	5,005,200.00	5,200.00
12/20/13	Quarterly	06/19/14	12/19/16	Aaa/AA+/AAA	FHLMC - Note	Fed Home Loan Mortgage Corp	5,000,000	0.750%		0.755%	0.755%	4,999,250.00	4,999,632.19	5,005,200.00	5,567.81
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	4,991,171.41	4,995,200.00	4,028.59
04/25/14	Continuous after	04/24/15	04/24/17	Aaa/AA+/NR	FFCB - Note	Fed Farm Credit Bank	5,000,000	0.900%		0.976%	1.142%	4,988,750.00	4,993,126.71	5,000,450.00	7,323.29
10/28/14	Quarterly	01/28/15	04/28/17	Aaa/AA+/AAA	FHLMC - Note	Fed Home Loan Mortgage Corp	10,000,000	0.820%		0.820%	0.820%	10,000,000.00	10,000,000.00	9,990,800.00	(9,200.00)
03/30/15	Quarterly	06/30/15	06/30/17	Aaa/AA+/NR	FHLMC - Note	Fed Home Loan Mortgage Corp	7,500,000	0.875%		0.875%	0.875%	7,500,000.00	7,500,000.00	7,508,775.00	8,775.00
10/24/14	Continuous after	09/18/13	09/18/17	Aaa/AA+/NR	FFCB - Note	Fed Farm Credit Bank	5,000,000	0.980%		1.033%	1.033%	4,992,500.00	4,994,268.87	4,990,350.00	(3,918.87)
10/30/14	Quarterly	01/30/15	10/30/17	NA/AA+/NR	FHLMC - Note	Fed Home Loan Mortgage Corp	5,000,000	1.100%		1.100%	1.100%	5,000,000.00	5,000,000.00	5,004,000.00	4,000.00
05/30/15	N/A	N/A	04/30/36	NR	Direct Muni	ETWD	6,215,864	4.570%		4.570%	4.570%	6,215,863.76	6,215,863.76	6,215,863.76	
SUB-TOTAL							$256,715,864					$257,081,805.05	$256,978,043.84	$257,032,971.16	$54,927.32
RESTRICTED CASH (Swap Collateral Deposits)[5]															
06/01/15					Collateral Deposit	Citi-Group	$8,795,282			0.080%		$8,795,282.48	$8,795,282.48	8,795,282.48	
05/29/15					Collateral Deposit	Merrill Lynch	$2,210,000			0.080%		$2,210,000.00	$2,210,000.00	2,210,000.00	
SUB-TOTAL							$11,005,282					$11,005,282.48	$11,005,282.48	$11,005,282.48	
TOTAL INVESTMENTS							$267,721,146					$268,087,087.53	$267,983,326.32	$268,038,253.64	
					Petty Cash							3,400.00			
				June	Ck Balance	Bank of America						379,576.44			
												$268,470,063.97			

[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	$328,800,000
Net Outstanding Variable Rate Debt (Less $130 million fixed-payer swaps)	$198,800,000
Investment Balance:	$268,470,064
Investment to Variable Rate Debt Ratio:	135%
Portfolio - Average Number of Days To Maturity[4]	266

	Investment Portfolio	Real Estate[3] Portfolio	Weighted Avg. Return
June	0.57%	13.31%	3.32%
May	0.54%	13.20%	3.27%
Change	0.03%		

IRVINE RANCH WATER DISTRICT
SUMMARY OF MATURITIES

06/30/15

DATE	TOTAL	%	LAIF	Agency Notes	Agency Discount Notes	Collateral Deposit	Direct Muni
06/15	$50,000,000	18.68%	$50,000,000				
07/15	15,000,000	5.60%		15,000,000			
08/15	10,000,000	3.74%		10,000,000			
09/15	15,000,000	5.60%		5,000,000	10,000,000		
10/15	5,000,000	1.87%			5,000,000		
11/15	16,005,282	5.98%		5,000,000		$11,005,282	
12/15	15,000,000	5.60%		15,000,000			
01/16	10,000,000	3.74%		5,000,000	5,000,000		
02/16	10,000,000	3.74%			10,000,000		
03/16	5,000,000	1.87%		5,000,000			
04/16	5,000,000	1.87%		5,000,000			
05/16	13,000,000	4.86%		13,000,000			
SUB-TOTAL	$169,005,282	63.13%	$50,000,000	$78,000,000	$30,000,000	$11,005,282	
13 Months - 3 YEARS							
06/01/16 - 9/30/2016	35,000,000	13.07%		35,000,000			
10/01/16 - 12/31/2016	20,000,000	7.47%		20,000,000			
1/1/2017 - 3/31/2017	5,000,000	1.87%		5,000,000			
04/01/17-06/30/17	22,500,000	8.40%		22,500,000			
07/01/17 - 9/30/2017	5,000,000	1.87%		5,000,000			
10/30/17 - 12/31/2017	5,000,000	1.87%		5,000,000			
	-						
04/30/2036	6,215,864	2.32%					6,215,864
TOTALS	$267,721,146	100.00%	$50,000,000	$170,500,000	$30,000,000	$11,005,282	$6,215,864
% OF PORTFOLIO			18.68%	63.69%	11.21%	4.10%	2.32%

Irvine Ranch Water District
Summary of Real Estate
6/30/2015

	ACQUISITION DATE	PROPERTY TYPE	OWNERSHIP INTEREST	ORIGINAL COST	RATE OF RETURN QUARTER ENDED Jun-15
Sycamore Canyon	Dec-92	Apartments	Fee Simple	$ 43,550,810	17.77%
Wood Canyon Villas	Jun-91	Apartments	Limited Partner	$ 6,000,000	8.56%
ITC (230 Commerce)	Jul-03	Office Building	Fee Simple	$ 5,739,845	4.03%
Waterworks Business Pk.	Nov-08	Research & Dev.	Fee Simple	$ 8,630,577	5.31%
Sand Canyon Professional Center	Jul-12	Medical Office	Fee Simple	$ 8,648,594	8.33%
				$ 72,569,826	13.31%

IRVINE RANCH WATER DISTRICT INVESTMENT SUMMARY REPORT
INVESTMENT ACTIVITY
June 2015

MATURITIES/SALES/CALLS

DATE	SECURITY TYPE	PAR	YIELD
6/9/2015	FNMA - Note	$5,000,000	0.73%
6/9/2015	FHMLC - Discount Note	$10,000,000	0.15%
6/15/2015	FHLMC - Note	$5,000,000	0.76%
6/15/2015	FHLB - Note	$5,000,000	0.95%

PURCHASES

Settlement Date	Maturity Date	SECURITY TYPE	PAR	YIELD TO MATURITY
6/4/2015	6/20/2016	FHLB - Note	$5,000,000	0.36%
6/9/2015	8/25/2016	FHLMC- Note	$10,000,000	0.47%
6/15/2015	10/13/2016	FAMCA - Note	$5,000,000	0.58%
6/15/2015	3/30/2017	FHLB - Note	$5,000,000	0.73%
6/30/2015	1/25/2016	FHLB - Discount Note	$5,000,000	0.15%

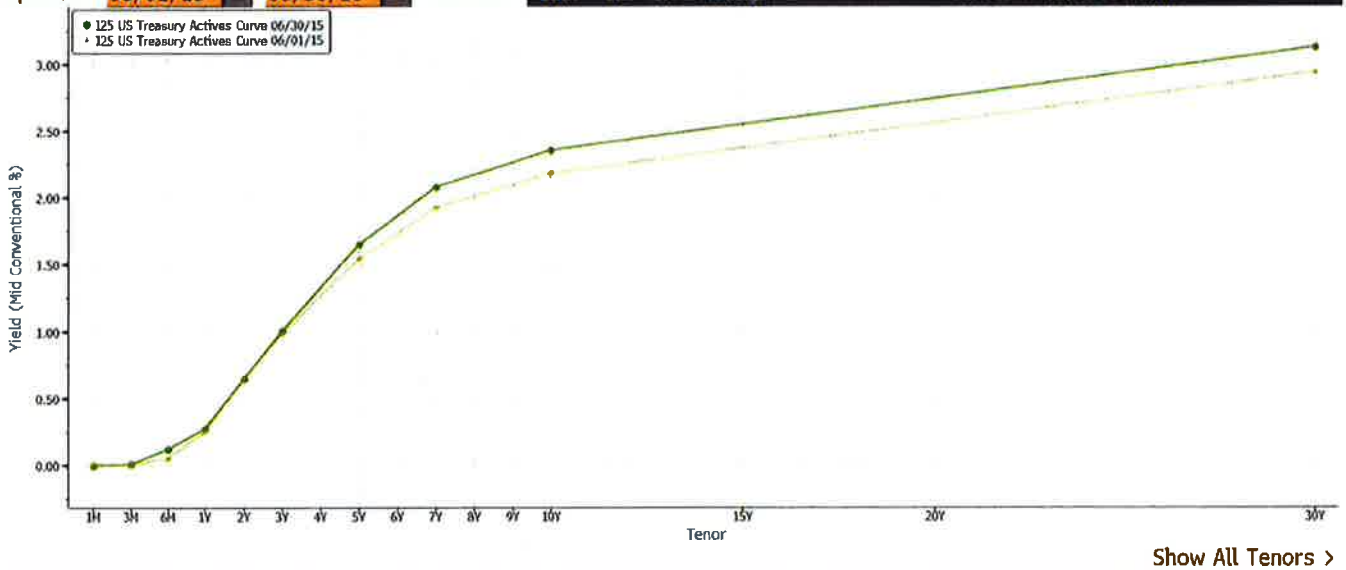
Exhibit "B"

<HELP> for explanation.

US Treasury Actives Curve | 97) Actions | 98) Table | Graph Curves

X-axis Tenor | Y-axis Yield | PCS BGN | Lower Chart History Table

Specific 06/01/15 | 06/30/15 | Relative | Last 1D 1W Modify | « Curves & Relative Value



Show All Tenors >

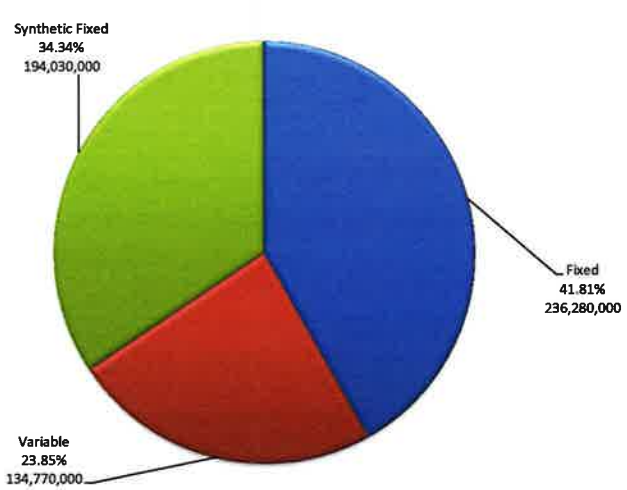
Curve ID	3M	1Y	2Y	3Y	5Y	7Y	10Y	30Y
I25 06/30/	0.008	0.267	0.645	1.005	1.649	2.080	2.354	3.124
I25 06/01/	0.003	0.247	0.647	0.980	1.546	1.927	2.180	2.934
I25 (06/30	0.5	2.0	-0.2	2.6	10.2	15.4	17.4	19.0

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 736334 PDT GMT-7:00 G946-5569-0 08-Jul-2015 11:08:16

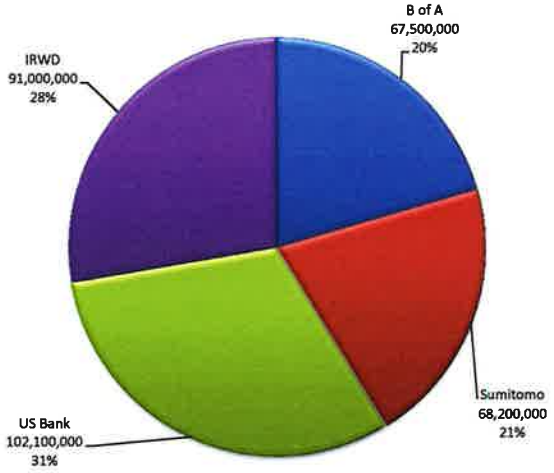
Exhibit "C"

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

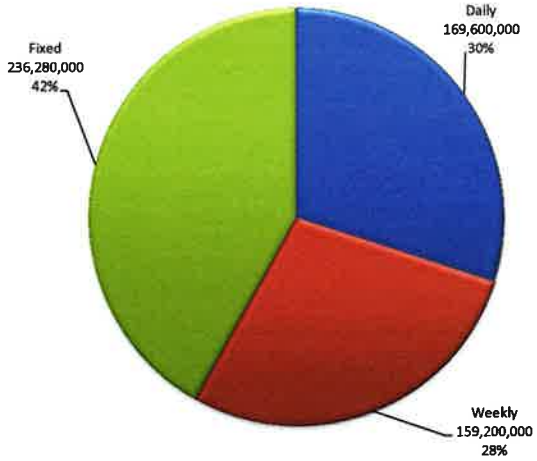
Current Debt Mix By Type



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	6.12%	US Bank	BAML	Variable	Daily
Series 1995	12/13/95	01/01/21	$14,200,000	2.51%	Sumitomo	CG	Variable	Weekly
Series 2008-A Refunding	04/24/08	07/01/35	$54,000,000	9.56%	Sumitomo	BAML	Variable	Weekly
Series 2011-A-1 Refunding	04/15/11	10/01/37	$54,600,000	9.66%	IRWD	Goldman	Variable	Weekly
Series 2011-A-2 Refunding	04/15/11	10/01/37	$36,400,000	6.44%	IRWD	Morgan	Variable	Weekly
Series 2009 - A	06/04/09	10/01/41	$67,500,000	11.95%	US Bank	US Bank	Variable	Daily
Series 2009 - B	06/04/09	10/01/41	$67,500,000	11.95%	B of A	Goldman	Variable	Daily
2010 Refunding Cops	02/23/10	03/01/32	$61,280,000	10.84%	N/A	N/A	Fixed	Fixed
2010 Build America Taxable Bond	12/16/10	05/01/40	$175,000,000	30.97%	N/A	N/A	Fixed	Fixed
Total			$565,080,000	100%				

IRVINE RANCH WATER DISTRICT

SUMMARY OF FIXED & VARIABLE RATE DEBT

June-15

ITN

Daily

Weekly

GENERAL BOND INFORMATION							LETTER OF CREDIT INFORMATION									TRUSTEE INFORMATION				
VARIABLE RATE ISSUES	Issue Date	Maturity Date	Principal Payment Date	Payment Date	Original Par Amount	Remaining Principal	Letter of Credit	Reimbursment Agreement Date	L/C Exp. Date	MOODYS	S&P	FITCH	LOC Stated Amount	LOC Fee	Annual LOC Cost	Rmkt Agent	Reset	Rmkt Fees	Annual Cost	Trustee
SERIES 1993	05/19/93	04/01/33	APR 1 (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	0.14%	$46,710	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	$54,000,000	SUMITOMO	04/01/11	07/14/17	Aa2 (*)	N/R	N/R	$54,798,904	0.3800%	$208,236	BAML	WED	0.10%	$54,000	BANK OF NY
SERIES 2011-A-1 Refunding	04/15/11	10/01/37	Oct 1	1st Bus. Day	$60,545,000	$54,600,000	N/A	N/A	N/A	Aa1/VMIG1	A-1+	AAA/F1+	N/A	N/A	N/A	Goldman	WED	0.13%	$68,250	BANK OF NY
SERIES 2011-A-2 Refunding	04/15/11	10/01/37	Oct 1	1st Bus. Day	$40,370,000	$36,400,000	N/A	N/A	N/A	Aa1/VMIG1	A-1+	AAA/F1+	N/A	N/A	N/A	Morgan S.	WED	0.13%	$45,500	BANK OF NY
SERIES 2009 - A	06/04/09	10/01/41	Oct 1	1st Bus. Day	$75,000,000	$67,500,000	US BANK	04/01/11	07/15/16	Aa1/VMIG 1	AA+/A-1+	AA-/F1+	$68,254,521	0.3500%	$238,891	US Bank	DAILY	0.07%	$47,250	US BANK
SERIES 2009 - B	06/04/09	10/01/41	Oct 1	1st Bus. Day	$75,000,000	$67,500,000	B of A	04/01/11	07/15/16	Aa3/VMIG 1	A+/A-1	A+/F1+	$68,254,521	0.3500%	$238,891	Goldman	DAILY	0.12%	$81,000	US BANK
					$389,430,000	$328,800,000	SUB-TOTAL VARIABLE RATE DEBT						$240,784,416 (Wt. Avg)	0.3557%	$856,495			0.11% (Wt. Avg)	$353,360	
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	$565,080,000	TOTAL- FIXED & VARIABLE RATE DEBT													

Remarketing Agents		
CG	14,200,000	4%
Goldman	122,100,000	37%
Morgan Stanley	36,400,000	11%
BAML	88,600,000	27%
US Bank	67,500,000	21%
	328,800,000	

GO VS COP's		
GO:	503,800,000	89%
COPS:	61,280,000	11%
Total	565,080,000	

LOC Banks	
SUMITOMO	68,200,000
BANK OF AMERICA	67,500,000
US BANK	102,100,000
	237,800,000

Breakdown Between Variable & Fixed Rate Mode		
Daily Issues	169,600,000	30%
Weekly Issues	68,200,000	12%
ITN Issues	91,000,000	16%
Sub-Total	328,800,000	
Fixed Rate Issues	$236,280,000	42%
Sub-Total - Fixed	236,280,000	
TOTAL DEBT FIXED & VAR.	565,080,000	100%

vrdsum.xlsx
7/14/2015

Exhibit "D"

IRVINE RANCH WATER DISTRICT
SUMMARY OF DEBT RATES
Jun-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	67,500,000	54,600,000	36,400,000	34,600,000	54,000,000	14,200,000	67,500,000
Bank	BOFA	(SIFMA+3)	(SIFMA+3)	US BANK	Sumitomo	Sumitomo	US BANK
Reset		Wednesday	Wednesday		Wednesday	Wednesday	
6/1/2015	0.06%	0.13%	0.13%	0.04%	0.08%	0.09%	0.05%
6/2/2015	0.04%	0.13%	0.13%	0.03%	0.08%	0.09%	0.04%
6/3/2015	0.03%	0.13%	0.13%	0.02%	0.08%	0.09%	0.03%
6/4/2015	0.02%	0.10%	0.10%	0.02%	0.06%	0.06%	0.03%
6/5/2015	0.02%	0.10%	0.10%	0.02%	0.06%	0.06%	0.03%
6/6/2015	0.02%	0.10%	0.10%	0.02%	0.06%	0.06%	0.03%
6/7/2015	0.02%	0.10%	0.10%	0.02%	0.06%	0.06%	0.03%
6/8/2015	0.02%	0.10%	0.10%	0.03%	0.06%	0.06%	0.03%
6/9/2015	0.02%	0.10%	0.10%	0.01%	0.06%	0.06%	0.03%
6/10/2015	0.02%	0.10%	0.10%	0.02%	0.06%	0.06%	0.03%
6/11/2015	0.03%	0.10%	0.10%	0.03%	0.07%	0.06%	0.03%
6/12/2015	0.04%	0.10%	0.10%	0.04%	0.07%	0.06%	0.03%
6/13/2015	0.04%	0.10%	0.10%	0.04%	0.07%	0.06%	0.03%
6/14/2015	0.04%	0.10%	0.10%	0.04%	0.07%	0.06%	0.03%
6/15/2015	0.03%	0.10%	0.10%	0.04%	0.07%	0.06%	0.03%
6/16/2015	0.03%	0.10%	0.10%	0.01%	0.07%	0.06%	0.03%
6/17/2015	0.03%	0.10%	0.10%	0.01%	0.07%	0.06%	0.03%
6/18/2015	0.02%	0.11%	0.11%	0.01%	0.07%	0.06%	0.03%
6/19/2015	0.02%	0.11%	0.11%	0.01%	0.07%	0.06%	0.03%
6/20/2015	0.02%	0.11%	0.11%	0.01%	0.07%	0.06%	0.03%
6/21/2015	0.02%	0.11%	0.11%	0.01%	0.07%	0.06%	0.03%
6/22/2015	0.02%	0.11%	0.11%	0.01%	0.07%	0.06%	0.03%
6/23/2015	0.01%	0.11%	0.11%	0.01%	0.07%	0.06%	0.03%
6/24/2015	0.01%	0.11%	0.11%	0.01%	0.07%	0.06%	0.02%
6/25/2015	0.02%	0.10%	0.10%	0.01%	0.06%	0.05%	0.02%
6/26/2015	0.01%	0.10%	0.10%	0.01%	0.06%	0.05%	0.02%
6/27/2015	0.01%	0.10%	0.10%	0.01%	0.06%	0.05%	0.02%
6/28/2015	0.01%	0.10%	0.10%	0.01%	0.06%	0.05%	0.02%
6/29/2015	0.01%	0.10%	0.10%	0.01%	0.06%	0.05%	0.02%
6/30/2015	0.01%	0.10%	0.10%	0.01%	0.06%	0.05%	0.02%
Avg Interest Rates	0.02%	0.11%	0.11%	0.02%	0.07%	0.06%	0.03%
Rmkt Fee	0.12%	0.13%	0.13%	0.14%	0.10%	0.08%	0.07%
LOC Fee	0.35%			0.33%	0.38%	0.38%	0.35%
All-In Rate	**0.49%**	**0.23%**	**0.23%**	**0.48%**	**0.55%**	**0.52%**	**0.45%**
Par Amount		122,100,000	36,400,000		88,600,000	14,200,000	67,500,000

Interest Rate Mode	Percent of Total Variable Rate Debt		Par Outstanding	Weighted All-In Average Rate		Base Rate Average
Daily	51.58%		169,600,000	0.47%		0.02%
Weekly	48.42%		159,200,000	0.36%		0.09%
	100.00%	$	**328,800,000**	0.42%		0.06%
Fixed Rate COPS	25.94%		61,280,000	3.82%		
Fixed Rate BABS	74.06%		175,000,000	4.47%	(1)	
	100.00%	$	**236,280,000**	4.30%		
All-In Debt Rate Including $130 Million Notional Amount of Swaps						**3.46%**

(1) Rate adjusted up from 4.35% as a result of sequestration reducing BAB's subsidy by 7.3%

6/30/2015

Exhibit "E"

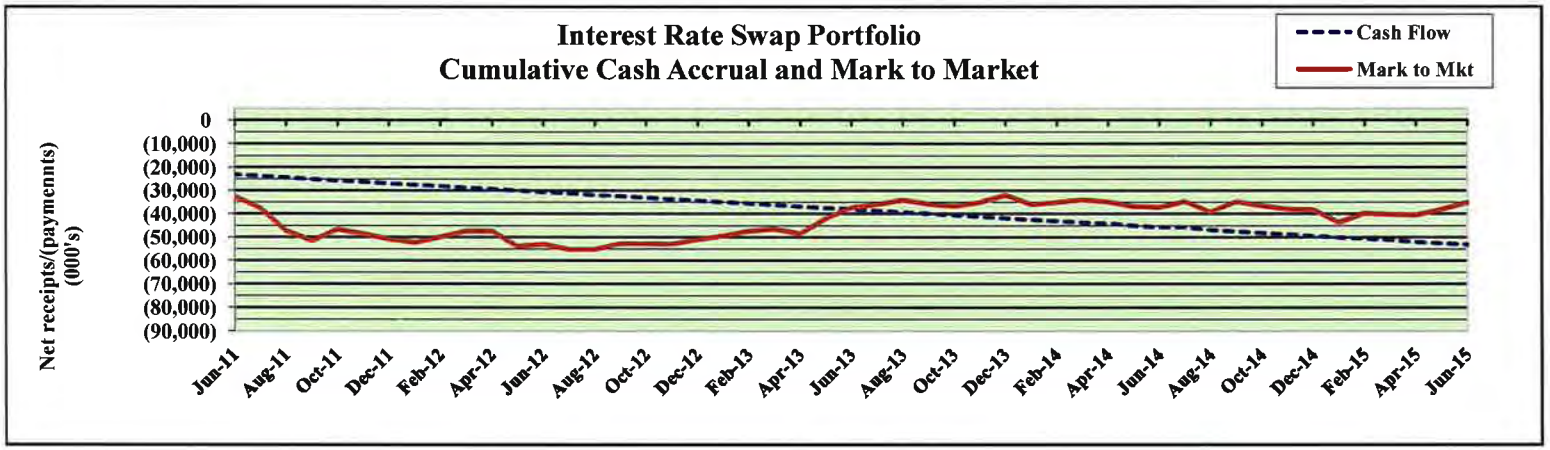
IRVINE RANCH WATER DISTRICT
INTEREST RATE SWAP MONTHLY SUMMARY REPORT - DETAIL
June 30, 2015

LIBOR Avg %	Prior Mo.	Current Mo.	12-Mo Avg
	0.18%	0.19%	0.17%

Current Fiscal Year Active Swaps								Cash Flow			(Since 6/06)	Mark to Market	
Effective Date	Maturity Date	Years to Maturity	Counter Party	Notional Amt	Type	Base Index	Fixed Rate	Prior Month	Current Month	Fiscal YTD	Cumulative Cash Flow	Current Mark to Market	Notional Difference
Fixed Payer Swaps - By Effective Date													
6/4/2006	6/4/2019	3.9	ML	$ 20,000,000	FXP	LIBOR	6.200%	(93,631)	(106,887)	$ (1,206,417)	$ (8,654,967)	$ 16,294,544	$ (3,705,456)
6/4/2006	6/4/2019	3.9	CG	20,000,000	FXP	LIBOR	6.200%	(93,631)	(106,887)	(1,206,417)	(8,654,967)	16,289,025	(3,710,975)
6/17/2006	6/17/2019	4.0	CG	30,000,000	FXP	LIBOR	6.140%	(139,026)	(158,679)	(1,797,732)	(12,837,903)	24,464,333	(5,535,667)
3/10/2007	3/10/2029	13.7	ML	30,000,000	FXP	LIBOR	5.687%	(128,466)	(146,596)	(1,655,860)	(11,509,808)	18,872,000	(11,128,000)
3/10/2007	3/10/2029	13.7	CG	30,000,000	FXP	LIBOR	5.687%	(128,466)	(146,596)	(1,655,860)	(11,509,808)	18,819,812	(11,180,188)
Totals/Weighted Avgs		8.5		$ 130,000,000			5.949%	$ (583,220)	$ (665,645)	$ (7,522,286)	$ (53,167,454)	$ 94,739,714	$ (35,260,286)
Total Current Year Active Swaps				$ 130,000,000				$ (583,220)	$ (665,645)	$ (7,522,286)	$ (53,167,454)	$ 94,739,714	$ (35,260,286)

Current Fiscal Year Terminated Swaps							Cash Flow				Mark to Market	
Effective Date	Maturity Date	Counter Party	Notional Amt	Type	Base Index	Fixed Rate	Prior Month	Current Month	Fiscal YTD	Cumulative Cash Flow	Current Mark to Market	Notional Difference
Total Current Year Terminated Swaps			$ -				$ -	$ -	$ -	$ -	$ -	$ -

Current Fiscal Year - Total Swaps		Cash Flow				Mark to Market	
		Prior Month	Current Month	Fiscal YTD	Cumulative Cash Flow	Current Mark to Market	Notional Difference
Total Current Year Active & Terminated Swaps	$ 130,000,000	$ (583,220)	$ (665,645)	$ (7,522,286)	$ (53,167,454)	$ 94,739,714	$ (35,260,286)



Cash Flow Comparison Synthetic Fixed vs. Fixed Rate Debt	
	Cash Flow to Date
Synthetic Fixed =	$70,507,613
Fixed Rate =	$78,986,857

Assumptions:
- Fixed rate debt issued at 5.10% in Jun-06, and 4.93% in Mar-07 (estimated TE rates - Bloomberg)
- 'Synthetic' includes swap cash flow + all-in cost of to date

7/13/2015
9:41 AM