AGENDA
IRVINE RANCH WATER DISTRICT
FINANCE AND PERSONNEL COMMITTEE MEETING
MONDAY, FEBRUARY 5, 2018

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

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

ALSO PRESENT

Paul Cook	______	Cheryl Clary	______
Rob Jacobson	______	Christopher Smithson	______
Tanja Fournier	______	Eileen Lin	______
Kevin Burton	______	Jennifer Davis	______
Jenny Roney	______	Tony Mossbarger	______
Paul Weghorst	______	______________	______
Allen Shinbashi	______	______________	______

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 REORT – RAMOS/RONEY

   Recommendation: Receive and file.

6. PERFORMANCE RECOGNITION PROGRAM QUARTERLY UPDATE – HALL/RONEY

   Recommendation: Receive and file.

7. EXPENSES AND FEES OF BOARD MEMBERS AND GENERAL MANAGER PAID THROUGH THE SECOND QUARTER, FY 2017-18 – PULLES/CLARY

   Recommendation: Receive and file.

8. SECOND QUARTER FY 2017-18 LEGAL FEES ANALYSIS – TOBAR/CLARY

   Recommendation: Receive and file.

INFORMATION - Continued

9. REAL ESTATE QUARTERLY PERFORMANCE - DECEMBER 2017 – DAVIS/FOURNIER/JACOBSON/CLARY

Recommendation: Receive and file.

10. QUARTERLY RISK MANAGEMENT REPORTING – KANOFF/SHINBASHI/ JACOBSON/CLARY

Recommendation: Receive and file.

ACTION

11. COMMERCIAL REAL ESTATE PROPERTY MANAGEMENT – FOURNIER/JACOBSON/CLARY

Recommendation: That the Board direct staff to provide the required 60-day termination notice to Stonewood Properties Inc., and approve the retention of the selected property management company.

TREASURY SECTION

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

Recommendation: Receive and file.

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

Recommendation: Receive and file.

14. DISCUSSION ITEMS – ALL

a. Updated investment activities/rates

15. Items for discussion at next meeting.

OTHER BUSINESS

16. Directors' Comments

17. CLOSED SESSION

CONFERENCE WITH LEGAL COUNSEL — EXISTING LITIGATION - Pursuant to Government Code Section 54956.9(d)(1):

- *Bejac Corporation v. Abajian Enterprise (Socal Removal) et al*, Case No.: 30-2017-00955508-CL-CL-CJC

- *Lipman v. Montserrat, et al. v. Irvine Ranch Water District,* Case No.: 30-2017-00905356-CU-PO-CJC

- *Eureka Realty Partners, Inc. d/b/a/ Craig Realty Group, Craig Realty Group-MacArthur, LLC, Eureka Food Enterprises, LLC and CJK Investments, LLC v. American Guarantee & Liability Insurance Company, Irvine Ranch Water District,* Case No.: 30-2017-00916076-CU-PO-CJC

- *Williams v. IRWD, Metropolitan Water District,* Case No.: 30-2012-00616648-CU-PL-CXC

- *National Union Fire Ins. Co. of Pittsburgh, PA, et al, v. J-M Manufacturing Co., Inc. and Formosa Plastics Corp., USA,* Case No.: BC444309

CONFERENCE WITH REAL PROPERTY NEGOTIATORS — UNSOLITICTED OFFER SYCAMORE CANYON APARTMENTS - Pursuant to Government Code Section 54956.8:

Property: 8201 E. Blackwillow Circle, Anaheim, California 92808, County of Orange
Agency negotiator: Rob Jacobson
Negotiating parties: Bascom Group
Under negotiation: Price and Terms of Payment

18. 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.

February 5, 2018
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.

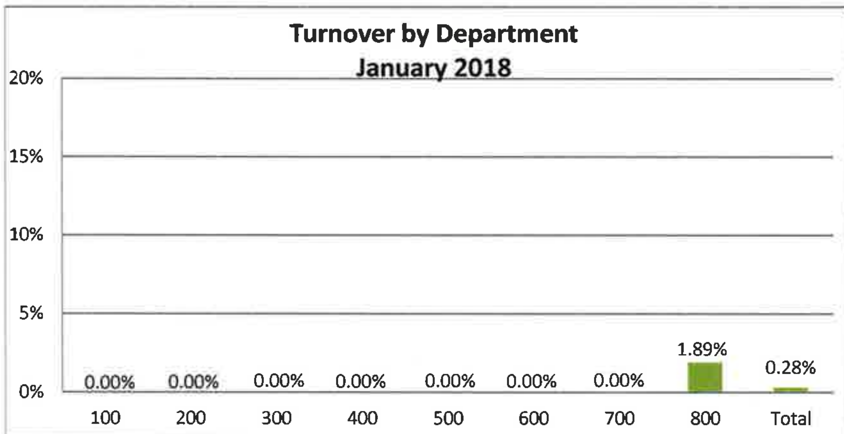
LIST OF EXHIBITS:

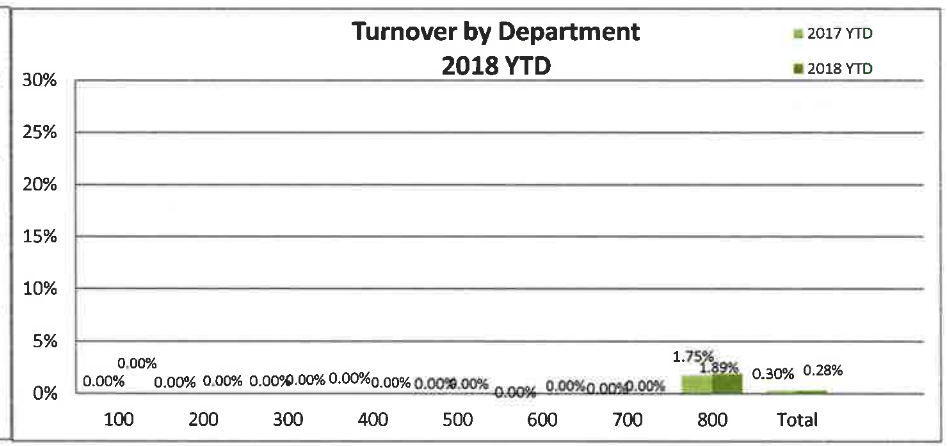
Exhibit "A" - Employee Population/Turnover Status Report

EXHIBIT "A"

IRVINE RANCH WATER DISTRICT
EMPLOYEE POPULATION STATUS REPORT
January 2018

	@01/01/18	Current Month Activity							@01/31/18		FY 17/18	Avg FYTD	Avg FYTD	Avg FYTD	Internal Turnover		External Turnover	
	Positions	New	Terms		Promo Trnsfr		Lateral Trnsfr		Positions	Positions	Budgeted	Filled Budget	Temp Emp	Total Filled	Current	2018	Current	2018
Dept No	Filled	Hires	Vol	Invol	In	Out	In	Out	Filled	Unfilled	Positions*	Positions	FTE	Positions	Period	YTD	Period	YTD
100	15.0								15.0	1	16.0	13.7	0.0	13.7	0.00%	0.00%	0.00%	0.00%
200	78.0	2							80.0	1	81.0	74.3	9.4	83.7	0.00%	0.00%	0.00%	0.00%
300	43.0								43.0	1	44.0	39.9	4.3	44.2	0.00%	0.00%	0.00%	0.00%
400	61.0	2							63.0	6	69.0	63.0	3.7	66.7	0.00%	0.00%	0.00%	0.00%
500	49.0								49.0	6	55.0	41.0	2.4	43.4	0.00%	0.00%	0.00%	0.00%
600	19.0								19.0	1	20.0	19.5	1.3	20.8	0.00%	0.00%	0.00%	0.00%
700	35.0								35.0	2	37.0	32.0	3.1	35.1	0.00%	0.00%	0.00%	0.00%
800	53.0	1	1						53.0	3	56.0	55.0	0.0	55.0	0.00%	0.00%	1.89%	1.89%
Totals	353	5	1	0	0	0	0	0	357.0	21	378.0	338.4	24.2	362.6	0.00%	0.00%	0.28%	0.28%
1/17*	337	4	1	0	1	1	0	0	340	28	368.00	337.33	26.72	364.1	0.30%	0.30%	0.30%	0.30%



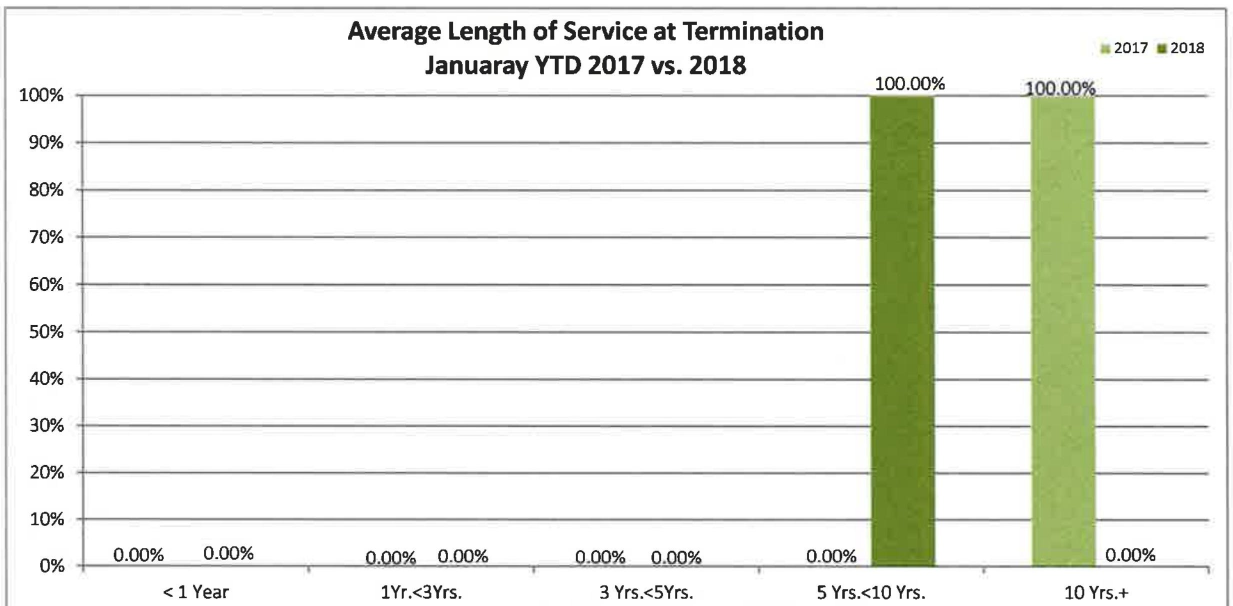


100-GM, HR, Safety; 200-Fin., Cust. Serv., IS, Purch.; 300-Eng.: 400-Water Ops; 500-Recycling; 600-Water Qualty; 700-Water Res., Pol., Conserv. and Public Affairs; 80-Adm. & Maintenance Ops
*Compares prior year with current year

IRVINE RANCH WATER DISTRICT
TURNOVER LONGEVITY RATIO
January 2018

Dept.	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	YTD Turnover Longevity Ratio				
														< 1 Year	1Yr.<3Yrs.	3 Yrs.<5Yrs.	5 Yrs.<10 Yrs.	10 Yrs.+
100													0					
200													0					
300													0					
400													0					
500													0					
600													0					
700													0					
800	1												1				1	
2018 Total	1	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	1	0
2017 Data	1	2	0	2	3	4	4	1	4	2	2	3	28					
Percentage of Total Turnover														0.00%	0.00%	0.00%	100.00%	0.00%

2018 Average YTD Length of Service at Termination	5.00 Years
2017 Average YTD Length of Service at Termination	14.35 Years
2016 Average YTD Length of Service at Termination	12.43 Years
2015 Average YTD Length of Service at Termination	12.27 Years
2014 Average YTD Length of Service at Termination	19.07 Years



IRVINE RANCH WATER DISTRICT
EMPLOYEE POPULATION STATUS REPORT
January 2018

NEW HIRES

Hire	Dept	Employee Name	Position	Comments
01/02/18	425	Jerry Whittaker	Water Maintenance Technician I	
01/03/18	840	Justin Sagert	Maintenance Mechanic	
01/17/18	220	Renee Gonzales	Customer Service Specialist I	
01/22/18	420	Todd Colvin	Operator III	
01/22/18	210	Michael Arana	Payroll Administrator	

TERMINATIONS

Termination Date	Dept	Employee Name	Position	Reason	Comments
01/25/18	820			Vol.	Other employment

RETIREMENTS

Effective Date	Departing Dept	Employee Name	Position	Reason	Comments

PROMOTIONS

Effective Date	Departing Dept	Employee Name	Departing Position	New Dept	New Position
01/13/18	430	Cody Bill	Water Maintenance Technician III	430	Water Maintenance Supervisor
01/27/18	425	Tyler Dillman	Water Maintenance Technician I	420	Operator II
01/13/18	425	Nicholas Pizanie	Water Maintenance Technician III	420	Operator II

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
12/30/17	550	Robert Strunk	Operator II	570	Operator II
12/30/17	550	Rafael Vazquez	Operator II	420	Operator II

IRVINE RANCH WATER DISTRICT
EMPLOYEE POPULATION STATUS REPORT
January 2018

UNFILLED POSITIONS			
Dept	**Position**	**Salary Grade**	**Comments**
110	Legislative Analyst	U13.E	Selected candidate, going through background check
250	Sr. Network Administrator	U15.E	
300	Construction Inspection Manager	U17.E	
420	Operator II	27.N	Interviews conducted waiting for COS's
425	Water Maintenance Technician I	16.N	
425	Water Maintenance Technician III	26.N	
430	Water Maintenance Technician II	22.N	
430	Water Maintenance Technician III	26.N	
430	Water Maintenance Technician III	26.N	
550	Operator II (MWRP)	29.N	Interviews scheduled
550	Operator III (MWRP)	29.N	
550	Operations Supervisor	U35.N	Position closed 1-22
570	Collection Systems Technician II	15.N	Coordinating interview dates
570	Collection Systems Technician II	15.N	
570	Senior Collection Systems Technician	25.N	
600	Scientist	28.N	Underfiling a Sr. Scientist
730	Public Affairs Specialist	29.N	Selected candidate, starts 2-5
750	Water Efficiency Supervisor	11.E	
820	Instrumentation Technician	28.N	
830	Asset Systems Analyst	10.E	
840	Maintenance Mechanic	20.N	

IRVINE RANCH WATER DISTRICT
EMPLOYEE POPULATION STATUS REPORT
January 2018

LEAVE OF ABSENCE					
Type of Leave	**Pay Status**	**Date Leave Began**	**Anticipated Return Date**	**Current Length**	**Comments**
VC/FMLA/CFR/	WC	4/12/2017	1/16/2018	6 Months	
FMLA/CFRA	SDI	6/8/2017	1/10/2018	4 Months	
VC/FMLA/CFR/	WC	8/14/2017	1/19/2018	2 Month	
VC/FMLA/CFR/	WC	12/8/2017	2/9/2018	1 Month	
FMLA/CFRA	SDI	12/25/2017	1/29/2018	5 Weeks	
VC/FMLA/CFR/	WC	1/10/2018	1/18/2018	4 Weeks	
FMLA/CFRA	SDI	1/12/2018	6/12/2018	3 Weeks	
FMLA/CFRA	PFL	1/23/2018	3/6/2018	1 Week	
FMLA/CFRA	PFL	1/23/2018	2/9/2018	1 Week	

Leave	Original Status	Date Leave Began	Anticipated Return Date	Expected Length	Actual Return Date	Comments
FMLA/CFRA	SDI	6/19/2017	7/1/2017	2 Weeks	07/10/17	Returned
FMLA/CFRA	SDI	6/26/2017	7/17/2017	3 Weeks	07/10/17	Returned
VC FMLA/CFR/	WC	3/8/2017	7/19/2017	4 Months	07/19/17	Returned
FMLA/CFRA	Sick/Vac	7/10/2017	7/17/2017	1 Week	07/17/17	Returned
VC/FMLA/CFR/	WC	7/12/2017	7/20/2017	1 Week	07/20/17	Returned
VC/FMLA/CFR/	WC	6/12/2017	8/15/2017	6 Weeks	07/28/17	Returned
FMLA/CFRA	SDI	6/20/2017	8/1/2017	5 Weeks	08/01/17	Returned
FMLA/CFRA	SDI	7/11/2017	7/31/2017	3 Weeks	08/01/17	Returned
FMLA/CFRA	SDI	7/13/2017	7/29/2017	2 Weeks	08/08/17	Returned
FMLA/CFRA	PFL	7/17/2017	8/3/2017	2 Weeks	08/07/17	Returned
FMLA/CFRA	PFL	7/17/2017	8/3/2017	2 Weeks	08/07/17	Returned
FMLA/CFRA	SDI	4/3/2017	8/31/2017	4 Months	08/31/17	Returned
WC	WC	10/14/2016	9/5/2017	10 Months	09/05/17	Returned
'DL/FMLA/CFR.	SDI	5/12/2017	9/5/2017	3 Months	09/05/17	Returned
FMLA/CFRA	SDI	6/12/2017	9/25/2017	6 Weeks	09/05/17	Returned
FMLA/CFRA	PFL	9/7/2017	9/27/2017	3 Weeks	09/27/17	Returned
FMLA/CFRA	PFL	9/16/2017	10/16/2017	2 Weeks	10/10/17	Returned
FMLA/CFRA	SDI	9/11/2017	10/23/2017	2 Weeks	10/27/17	Returned
VC/FMLA/CFR/	WC	3/22/2017	11/7/2017	7 Months	11/06/17	Retired
PDL/Personal	SDI	7/28/2017	11/7/2017	3 Months	11/06/17	Returned
VC/FMLA/CFR/	WC	10/30/2017	11/6/2017	1 Week	11/06/17	Returned
VC/FMLA/CFR/	WC	10/30/2017	11/6/2017	1 Week	11/06/17	Returned
VC/FMLA/CFR/	WC	10/30/2017	11/2/2017	1 Week	11/06/17	Returned
FMLA/CFRA	PFL	10/19/2017	11/27/2017	2 Weeks	11/27/17	Returned
FMLA/CFRA	PFL	11/11/2017	12/5/2017	3 Weeks	11/28/17	Returned
FMLA/CFRA	SDI	8/14/2017	12/6/2017	2 Month	12/06/17	Returned
FMLA/CFRA	SDI	12/5/2017	12/27/2017	3 Weeks	12/18/17	Returned
FMLA/CFRA	SDI	12/1/2017	12/17/2017	2 Weeks	12/18/17	Returned
FMLA/CFRA	PFL	12/16/2017	1/2/2018	2 Weeks	01/02/18	Returned
FMLA/CFRA	Sick	12/29/2017	1/8/2018	1 Week	01/08/18	Returned
FMLA/CFRA	SDI	12/28/2017	1/15/2018	3 Weeks	01/15/18	Returned
CFRA	PFL	1/2/2018	1/15/2018	2 Weeks	01/15/18	Returned

IRVINE RANCH WATER DISTRICT
EMPLOYEE POPULATION STATUS REPORT
January 2018

Month	Dept	Length of Employment	Termination Vol	Termination Invol	Comments
January	820	5 Years, 8 Months	X		Other employment
February					
March					
April					
May					
June					
July					
August					
September					
October					
November					
December					

IRVINE RANCH WATER DISTRICT
SUMMARY
AGENCY & DISTRICT TEMPORARY EMPLOYEES
December 2017*
ACTIVE

Current Month FTE	Avg FYTD Temp Emp FTE	PERS Enroll-ment	Agency	Dept	Hire Date	Term Date	Hourly Rate	Est Hours per Month	Est Cost Per Month	Expected Duration (Months)	Actual Worked (Months)	Projected Cost FY' YTD	Actual Cost FY 'YTD
0.00	**0.00**			**100**									
0.92	0.81	Yes		210	6/5/2017		30.00	168	5,040.00	9	6	30,240.00	25,357.50
0.10	0.06	No	X	210	11/30/2017		48.05	168	8,072.40	7.25	1.25	10,090.50	2,810.93
0.63	0.88	No	X	220	3/13/2017	12/18/2017	25.97	168	4,362.96	12	6	26,177.76	23,916.03
0.83	0.87	No	X	220	7/17/2017	1/11/2018	31.00	168	5,208.00	12	5.5	28,644.00	28,481.25
0.85	0.91	No	X	220	7/17/2017		35.22	168	5,916.96	12	5.5	32,543.28	34,255.85
0.70	1.00	No	X	220	5/30/2017	12/26/2017	19.99	168	3,358.32	6	6	20,149.92	21,629.18
0.83	0.42	No	X	220	10/2/2017		31.00	168	5,208.00	9	5.5	28,644.00	13,500.50
0.85	0.96	No	X	240	5/31/2017		26.01	168	4,369.68	12	6	26,218.08	26,166.06
0.73	0.98	No	X	240	6/5/2017		26.01	168	4,369.68	12	6	26,218.08	26,374.14
0.59	0.71	EXC		250	2/13/2017		14.00	168	2,352.00	12	6	14,112.00	10,346.00
0.95	0.76	EXC		250	2/17/2017		14.00	84	1,176.00	12	6	7,056.00	11,088.00
7.98	**8.36**			**200**									
0.92	0.70	Yes		300	6/20/2015		24.23	168	4,070.64	12	6	24,423.84	17,663.67
0.87	0.55	EXC		300	5/23/2016		15.00	84	1,260.00	12	6	7,560.00	8,520.00
0.87	0.66	Yes		300	6/20/2016		15.00	84	1,260.00	12	6	7,560.00	10,365.00
0.58	0.53	EXC		300	5/30/2017		15.00	84	1,260.00	12	6	7,560.00	8,257.50
0.55	0.55	EXC		300	6/26/2017		15.00	84	1,260.00	12	6	7,560.00	8,557.50
0.47	0.56	EXC		300	6/26/2017		15.00	84	1,260.00	12	6	7,560.00	8,737.50
0.91	0.73	Yes		300	7/19/2017		23.60	168	3,964.80	12	6	23,788.80	18,018.60
5.17	**4.28**			**300**									
0.00	0.61	No	X	425	6/6/2017	1/2/2018	30.65	168	5,149.20	6	6	30,895.20	19,478.08
0.89	0.19	No	X	425	11/28/2017		30.82	168	5,177.76	7.25	1.25	6,472.20	6,587.78
0.80	0.17	No	X	425	11/28/2017		30.82	168	5,177.76	7.25	1.25	6,472.20	5,586.13
0.69	0.12	No	X	425	12/7/2017		30.82	168	5,177.76	7	1	5,177.76	3,698.40
0.95	0.88	Yes		430	8/22/2016		29.45	168	4,947.60	12	6	29,685.60	27,071.91
0.81	0.74	No	X	430	8/1/2017		30.82	168	5,177.76	12	5	25,888.80	23,885.50
0.89	0.80	No	X	430	8/8/2017		29.63	168	4,977.84	12	5	24,889.20	25,122.54
0.85	1.00	No	X	430	5/2/2017		26.65	168	4,477.20	12	6	26,863.20	29,221.73
5.87	**4.51**			**400**									
0.64	0.59	Yes		515	6/20/2016		27.02	84	2,269.68	6	6	13,618.08	16,590.28
0.92	0.86	Yes		515	6/27/2016		27.02	84	2,269.68	7	6	13,618.08	24,155.88
0.78	0.94	No	X	515	1/19/2017		34.65	168	5,821.20	7	6	34,927.20	33,801.08
2.34	**2.39**			**500**									
0.40	0.42	EXC		600	6/19/2017		17.00	84	1,428.00	12	6	8,568.00	7,489.35
0.36	0.49	EXC		600	6/26/2017		15.00	84	1,260.00	12	6	7,560.00	7,721.25
0.41	0.35	EXC		600	7/8/2017		17.00	84	1,428.00	12	6	8,568.00	6,222.00
0.23	0.04	No	X	600	11/27/2017		31.50	168	5,292.00	4	1.25	6,615.00	1,275.75
1.40	**1.31**			**600**									
0.45	0.71	Yes		710	12/14/2015	1/23/2018	33.62	168	5,648.16	12	6	33,888.96	24,854.93
0.07	0.01	No	X	710	12/18/2017		37.90	168	6,367.20	12	0.5	3,183.60	473.75
0.00	0.41	Yes		730	8/13/2015		19.80	84	1,663.20	12	6	9,979.20	8,444.70
0.00	0.46	Yes		730	8/13/2015		19.00	84	1,596.00	12	6	9,576.00	9,205.50
0.00	0.34	No	X	730	7/17/2017		19.99	84	1,679.16	12	6	10,074.96	6,971.51
0.60	0.51	EXC		750	7/10/2017		16.00	84	1,344.00	12	6	8,064.00	8,568.00
0.98	0.69	Yes		750	7/18/2017		27.02	168	4,539.36	12	6	27,236.16	19,630.03
2.10	**3.14**			**700**									
0.00	0.00												
0.00	**0.00**			**800**									
24.87	**23.98**												

IRVINE RANCH WATER DISTRICT
SUMMARY
AGENCY & DISTRICT TEMPORARY EMPLOYEES
December 2017*

TERMINATED

Current Month FTE	Avg FYTD Temp Emp FTE	Active PERS Y/N *	Agency	Dept	Hire Date	Term Date	Hourly Rate	Est Hours per Month	Est Cost Per Month	Expected Duration (Months)	Actual Worked (Months)	Projected Cost FYTD	Actual Cost FYTD
0.00	**0.00**			**100**									
0.00	0.00	No	X	210	10/23/2017	10/26/2017	51.26	31	1,589.06	6	2	3,178.12	0.00
0.41	0.51	Yes		220	3/3/2014	10/21/2017	20.84	168	3,501.12	7	4	14,004.48	11,118.14
0.41	0.57	Yes		220	5/11/2015	10/21/2017	28.95	168	4,863.60	7	4	19,454.40	18,064.80
0.00	0.00	No	X	240	6/5/2017	7/28/2017	26.01	168	4,369.68	6	2	8,739.36	0.00
0.00	0.00	EXC		250	9/5/2017	9/27/2017	17.00	84	1,428.00	6	2	2,856.00	0.00
0.00	**0.00**			**200**									
0.00	0.00	No	X	300	5/4/2017	8/31/2017	26.70	168	4,485.60	3	2	8,971.20	0.00
0.00	**0.00**			**300**									
0.23	0.04	No	X	425	6/6/2017	7/7/2017	30.65	168	5,149.20	1	2	10,298.40	1,226.00
0.63	0.11	No	X	430	4/5/2017	7/20/2017	20.00	168	3,360.00	1	2	6,720.00	2,190.00
0.00	0.00	Yes		430	10/26/2015	8/24/2017	19.14	168	3,215.52	1	2	6,431.04	0.00
0.86	**0.14**			**400**									
0.00	**0.00**			**500**									
0.00	0.00	No	X	600	5/1/2017	8/18/2017	35.00	168	5,880.00	3	2	11,760.00	0.00
0.00	0.00	No	X	600	6/27/2017	8/8/2017	31.50	168	5,292.00	1	2	10,584.00	0.00
0.00	**0.00**			**600**									
0.00	0.00	Yes		720	7/5/2016	8/12/2017	20.00	168	3,360.00	12	2	6,720.00	0.00
0.00	**0.00**			**700**									
0.00	0.00	No	X		8/1/2017	11/19/2017	29.45	168	4,947.60	4	5	24,738.00	0.00
0.00	**0.00**			**800**									
	0.14											822,382.66	652,700.21

EXC = Exclude from PERS enrollment

Yes= Temporary employee enrolled in PERS Membership

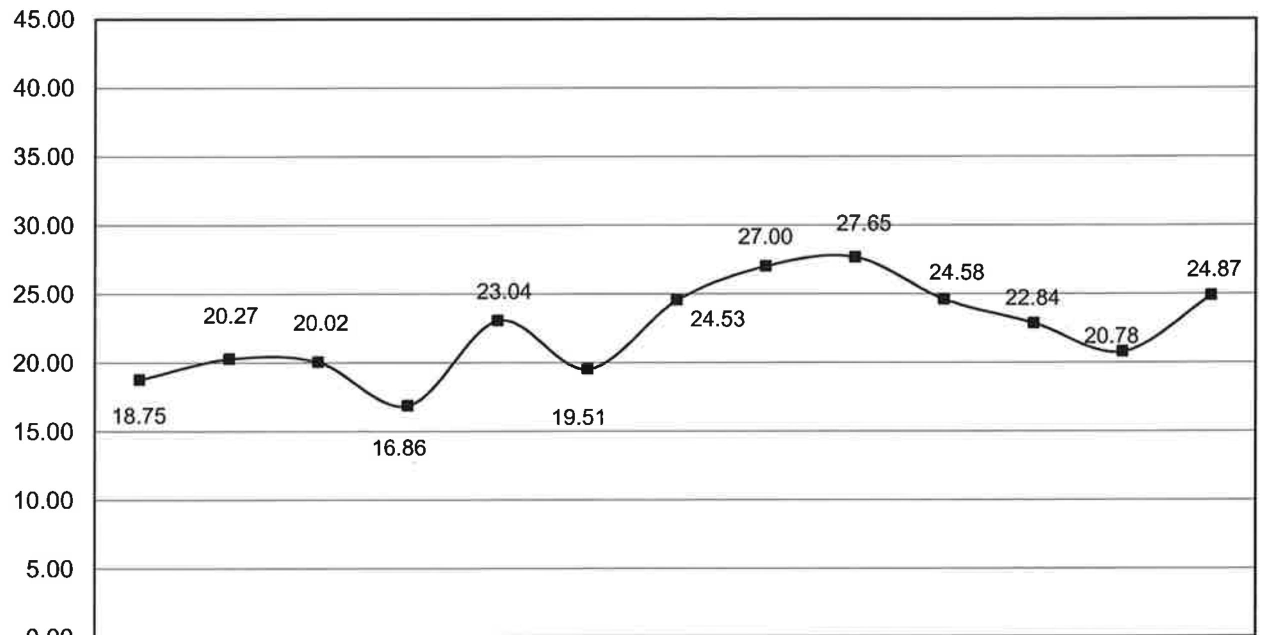
No=Temporary Agency employee

*Data reported 30 days in arrears

Temporary Employees

Full Time Equivalency thru 12/31/17

District Totals



	12/16	1/17	2/17	3/17	4/17	5/17	6/17	7/17	8/17	9/17	10/17	11/17	12/17
District	18.75	20.27	20.02	16.86	23.04	19.51	24.53	27.00	27.65	24.58	22.84	20.78	24.87

February 5, 2018
Prepared by: Andrea Hall
Submitted by: Jenny Roney
Approved by: Paul A. Cook

FINANCE AND PERSONNEL COMMITTEE

PERFORMANCE RECOGNITION PROGRAM QUARTERLY UPDATE

SUMMARY:

Irvine Ranch Water District's Performance Recognition Program recognizes employees who exhibit outstanding performance which depicts initiative, creativity and/or enthusiasm above and beyond the performance requirements of their positions. This memo provides an update of activities within this program through the second quarter of FY 2017-18.

BACKGROUND:

During the second quarter of the FY 2017-18, there were 25 Performance Recognition Awards totaling $9,401.00 and involving 131 IRWD employees. As described in Exhibit "A", the awards include employees in Engineering, Water Resources and Policy, Water Quality, Maintenance Operations, Administration, Recycling Operations, Water Operations, Finance and Administration.

As of December 31, 2017, the Fiscal Year overall Performance Recognition Awards totaled $13,474.00.

Exhibit "A" summarizes the Performance Recognition Awards for the second quarter of FY 2017-18.

FISCAL IMPACTS:

The District's annual budget for FY 2017-18 is $145,000.00 for this program of which $13,474.00 has been distributed for awards to date.

RECOMMENDATION:

Receive and file.

LISTS OF EXHIBITS:

Exhibit "A" – Quarterly Update for Second Quarter of FY 2017-18

EXHIBIT "A"

			PERFORMANCE RECOGNITION PROGRAM			
			QUARTERLY UPDATE			
			Fiscal Year 2017-2018			
			Q2 October - December 2017			
QTR.	DATE	EMPLOYEE	PERFORMANCE RECOGNIZED	AWARD	GROSS AMOUNT	NET AMOUNT
2nd Qtr.	10/6/2017	Dave Asman	Recognized for his efforts identifying an unmarked pipeline during	2 tickets	$17.00	$17.00
			excavation at the Biosolids site.			
	10/10/2017	Quynh Nguyen	Recognized for her efforts to assist with Oracle payroll issues on her	2 tickets	$17.00	$17.00
			regular Friday off.			
	10/10/2017	George Sanchez	Recognized for their efforts responding to assist in dewatering of the	2 tickets 2 Certs	$27.00	$27.00
		Gus Orozco	facililty, electrical room and associated conduits as a result of the flood	2 tickets 2 Certs	$27.00	$27.00
		Steve Tolerico	at the DATS facility on September 21, 2017.	2 tickets 2 Certs	$27.00	$27.00
		Kevin Beane		2 tickets 2 Certs	$27.00	$27.00
		Dave McCarter		2 tickets 2 Certs	$27.00	$27.00
		Braulio Gomez		2 tickets 2 Certs	$27.00	$27.00
		Nicholas Cook		2 tickets 2 Certs	$27.00	$27.00
		Tom Roberts		2 tickets 2 Certs	$27.00	$27.00
		Ken Pfister		2 tickets 2 Certs	$27.00	$27.00
		Dave Crowe		2 tickets 2 Certs	$27.00	$27.00
		Randy Ridenour		2 tickets 2 Certs	$27.00	$27.00
		Tyler Trigg		2 tickets 2 Certs	$27.00	$27.00
		James Reed		2 tickets 2 Certs	$27.00	$27.00
		Jesue Arce		2 tickets 2 Certs	$27.00	$27.00
		Jeremy Spencer		2 tickets 2 Certs	$27.00	$27.00
		Jerry Whittaker		2 tickets 2 Certs	$27.00	$27.00
		Colt Martin		2 tickets 2 Certs	$27.00	$27.00
		Jeff Graff		2 tickets 2 Certs	$27.00	$27.00
		Morgan Jones		2 tickets 2 Certs	$27.00	$27.00
		Ulysses Banda		2 tickets 2 Certs	$27.00	$27.00
		Jose Martinez		2 tickets 2 Certs	$27.00	$27.00
		Terry Schreiner		2 tickets 2 Certs	$27.00	$27.00
		Jack Justice		2 tickets 2 Certs	$27.00	$27.00
		Brian Bystrom		2 tickets 2 Certs	$27.00	$27.00
		Mike Borowski		2 tickets 2 Certs	$27.00	$27.00
		John Kallo		2 tickets 2 Certs	$27.00	$27.00
		Gus Barreto		2 tickets 2 Certs	$27.00	$27.00
		Darin Nicholson		2 tickets 2 Certs	$27.00	$27.00
		Richard Brown		2 tickets 2 Certs	$27.00	$27.00
		Mark Stone		2 tickets 2 Certs	$27.00	$27.00

			PERFORMANCE RECOGNITION PROGRAM			
			QUARTERLY UPDATE			
			Fiscal Year 2017-2018			
			Q2 October - December 2017			
QTR.	**DATE**	**EMPLOYEE**	**PERFORMANCE RECOGNIZED**	**AWARD**	**GROSS AMOUNT**	**NET AMOUNT**
2nd Qtr.	10/17/2017	Anthony Dellerba	Customer Service appreciation month celebration.	1 Cert	$5.00	$5.00
		Karina Pasillas		2 tickets	$17.00	$17.00
		Tiffany Perret		1 Cert	$5.00	$5.00
		Megan Reed		1 Cert	$5.00	$5.00
		Rene Bravo		1 Cert	$5.00	$5.00
		Michael Chaney		1 Cert	$5.00	$5.00
		Tera Rice		1 Cert	$5.00	$5.00
		Jeanne Medina		1 Cert	$5.00	$5.00
		Brandon Steinbeck		1 Cert	$5.00	$5.00
		Johnny Vu		1 Cert	$5.00	$5.00
		Karina Pasillas		1 Cert	$5.00	$5.00
		Craig Irey		1 Cert	$5.00	$5.00
		Sandra Garcia		1 Cert	$10.00	$10.00
		Derrien Cotton		1 Cert	$5.00	$5.00
		Chrissy Teyechea		2 Cert	$10.00	$10.00
	10/20/2017	Mitchell Robinson	Recognized for his efforts assisting an employee carrying heavy items during a Deferred Compensation Meeting.	2 Cert	$10.00	$10.00
	10/25/2017	Mindy Bergen	Recognized for their efforts at preparing and conducting the October 2017 resident tours.	Payroll Check	$250.00	$224.13
		Lars Oldwage		"	$250.00	$226.38
		Julie Bendzick-Sin		"	$250.00	$224.12
		Juan Garcia		"	$250.00	$227.98
		John Fabris		"	$500.00	$471.52
		Jason La		"	$250.00	$224.12
		Dawn Jordan		"	$250.00	$224.12
		Connie Ho		"	$250.00	$227.97
		Robert Denhaan		"	$250.00	$227.98
		Amy McNulty		"	$250.00	$224.12
	10/27/2017	Mark Marcacci	Recognized for his efforts creating a Digital Elevation Model (DEM) and Triangular Irregular Network (TIN) for IRWD's service area and importing the "One-to-One" GIS data to IRWD's Recycled Water Hydraulic Model.	2 tickets 2 Certs ea.	$27.00	$27.00
	10/27/2017	Josephine Shih	Recognized for her efforts and extra time spent working on a weekend to coordinate and complete the Phase 1 GIS SQL Server upgrades and transition.	2 tickets 2 Certs ea.	$27.00	$27.00

			PERFORMANCE RECOGNITION PROGRAM QUARTERLY UPDATE Fiscal Year 2017-2018 Q2 October - December 2017			
QTR.	DATE	EMPLOYEE	PERFORMANCE RECOGNIZED	AWARD	GROSS AMOUNT	NET AMOUNT
2nd Qtr.	10/27/2017	Melody Seesangrit	Recognized for her outstanding customer service and education efforts to	3 Certs	$30.00	$30.00
			assist and follow up with an over-allocation customer.			
	11/2/2017	Joshua Leonard	Recognized for his awareness and response to a sever propane line leak	2 tickets 1 Cert	$27.00	$27.00
			which allowed the Mechanical Department repair the damage before it			
			caused a major safety hazard.			
	11/7/2017	Chris Lum	Recognized for his efforts and collaborative approach to assist the	2 tickets 2 Certs	$27.00	$27.00
			contractor and the design team with process improvements on IRWD's			
			Storage System and ILP N. Conversion Resevoir projects.			
	11/7/2017	Lina Santos	Recognized for her extra efforts working the Customer Service counter	2 tickets	$17.00	$17.00
			alone.			
	11/8/2017	Tera Rice	Recognized for her efforts in training the Customer Service Field	2 tickets	$17.00	$17.00
			Technicians on the District's billing procedures.			
	11/20/2017	Nylinne Nguyen	Recognized for their efforts consistently and willingly assisting with A/P	2 tickets	$17.00	$17.00
		Benjamin Reed	Oracle related matters.	2 tickets	$17.00	$17.00
	11/29/2017	Ray Bennett	Recognized for his efforts attending the American Society of Civil	Payroll Check	$100.00	$61.48
			Engineers Environmental Engineering luncheon in Los Angeles			
			to accept the Peters Canyon Pipeline Project award on behalf of the			
			District.			
	11/29/2017	Jeremy Hankla	Recognized for his efforts taking on additional workload in the	Payroll Check	$500.00	$306.31
			absence of another Mechanical Supervisor who was out on extended			
			leave.			
	12/11/2017	Chau Lam	Recognized for their efforts in the LEEPmbr Retrofit Project which was	Payroll Check	$500.00	$448.95
		Gaspar Garza	highly technical, and required staff to perform work on a critical online	"	$250.00	$228.87
		Colton Martin	treatment process that is responsible for treating approximately one-half	"	$250.00	$226.38
		Thomas Bonkowski	of the flow produced by the Michelson Water Reclamation Plant.	"	$250.00	$159.80
		Alejandro Coria		"	$250.00	$224.13
		Ricky Ruiz		"	$250.00	$209.98

			PERFORMANCE RECOGNITION PROGRAM			
			QUARTERLY UPDATE			
			Fiscal Year 2017-2018			
			Q2 October - December 2017			
QTR.	**DATE**	**EMPLOYEE**	**PERFORMANCE RECOGNIZED**	**AWARD**	**GROSS AMOUNT**	**NET AMOUNT**
2nd Qtr.	12/12/2017	Daniel Vo	Recognized for their work on the Network Equipment Upgrade project	Payroll Check	$250.00	$230.22
		Brian McKinstry	over two weekends (Sand Canyon November 17-19) (OPS December 1-2)	"	$500.00	$440.02
		Frederick Bertsh	and the Sand Canyon Room Power outage on December 2-3.	"	$500.00	$440.02
		Rhett Kuseski		"	$500.00	$487.10
	12/18/2017	Jessica Craig	Recognized for her oustanding efforts on the presentation of the SAC	2 tickets	$17.00	$17.00
			financial report for the fiscal year ended June 30, 2017 at the SAC Board			
			Meeting on 12/14/2017.			
	12/18/2017	Jessee Hesch	Recognized for their efforts and outstanding work reorganizing the work	2 tickets 2 Certs	$27.00	$27.00
		Damien McBride	stations and cubicles for the Field Services and Construction Services	2 tickets 2 Certs	$27.00	$27.00
		Brad Garcia	department.	2 tickets 2 Certs	$27.00	$27.00
		Mark Stone		2 tickets 2 Certs	$27.00	$27.00
		Jay Eggers		2 tickets 2 Certs	$27.00	$27.00
		Richard Brown		2 tickets 2 Certs	$27.00	$27.00
		David Perez		2 tickets 2 Certs	$27.00	$27.00
		Eric Flotho		2 tickets 2 Certs	$27.00	$27.00
		Brian McKinstry		2 tickets 2 Certs	$27.00	$27.00
		Alex Munoz		2 tickets 2 Certs	$27.00	$27.00
		Rhett Kuseski		2 tickets 2 Certs	$27.00	$27.00
		Jonathan Faulds		2 tickets 2 Certs	$27.00	$27.00
	12/18/2017	Owen O'Neill	Recognized for their efforts and outstanding work and contribution in	2 tickets 2 Certs	$27.00	$27.00
		Joe Lam	making the 2017 employee Holiday Breakfast a success.	2 tickets 2 Certs	$27.00	$27.00
		Richard Brown		2 tickets 2 Certs	$27.00	$27.00
		Mark Stone		2 tickets 2 Certs	$27.00	$27.00
		Brad Garcia		2 tickets 2 Certs	$27.00	$27.00
		Damien McBride		2 tickets 2 Certs	$27.00	$27.00
		Jay Eggers		2 tickets 2 Certs	$27.00	$27.00
		Jessee Hesch		2 tickets 2 Certs	$27.00	$27.00
		Josephine Shih		2 tickets 2 Certs	$27.00	$27.00
		Kelly Lew		2 tickets 2 Certs	$27.00	$27.00

			PERFORMANCE RECOGNITION PROGRAM QUARTERLY UPDATE Fiscal Year 2017-2018 Q2 October - December 2017			
QTR.	DATE	EMPLOYEE	PERFORMANCE RECOGNIZED	AWARD	GROSS AMOUNT	NET AMOUNT
2nd Qtr.	12/18/2017	Kristine Swan	Recognized for their efforts organizing the 2017 Sand Canyon Holiday	2 tickets 2 Certs	$27.00	$27.00
		Dawn Jordan	Luncheon.	2 tickets 2 Certs	$27.00	$27.00
		Laura Gates		2 tickets 2 Certs	$27.00	$27.00
		Noah Fehser		2 tickets 2 Certs	$27.00	$27.00
		Megan Reed		2 tickets 2 Certs	$27.00	$27.00
		Diane Squyres		2 tickets 2 Certs	$27.00	$27.00
		Richard Brown		2 tickets 2 Certs	$27.00	$27.00
		Mark Stone		2 tickets 2 Certs	$27.00	$27.00
		Brad Garcia		2 tickets 2 Certs	$27.00	$27.00
		Damien McBride		2 tickets 2 Certs	$27.00	$27.00
		Jay Eggers		2 tickets 2 Certs	$27.00	$27.00
		Jessee Hesch		2 tickets 2 Certs	$27.00	$27.00
	12/18/2017	Michele Drzymkowski	Recognized for their efforts organizing the 2017 Operations Holiday	2 tickets 2 Certs	$27.00	$27.00
		Elizabeth Duarte	Luncheon.	2 tickets 2 Certs	$27.00	$27.00
		Tammy Norman		2 tickets 2 Certs	$27.00	$27.00
		Richard Brown		2 tickets 2 Certs	$27.00	$27.00
	12/21/2017	Jeff Schreck	Recognized for their efforts with the turkey preparation at the 2017	2 tickets 2 Certs	$27.00	$27.00
		Todd Sinclair	Employee Holiday Luncheon.	2 tickets 2 Certs	$27.00	$27.00
		Mike Jack		2 tickets 2 Certs	$27.00	$27.00
	12/21/2017	Henry Solis	Recognized for their efforts during the 2017 IBC Flow Monitoring Project	2 tickets 2 Certs	$27.00	$27.00
		Joe Constantino	by coming in to work at 3:30 a.m. to avoid the City of Irvine's strict traffic	2 tickets 2 Certs	$27.00	$27.00
		Dorien McElroy	control requirements while the continous flow monitoring task was	2 tickets 2 Certs	$27.00	$27.00
		Jose Silva	underway.	2 tickets 2 Certs	$27.00	$27.00
		Eddie Leal		2 tickets 2 Certs	$27.00	$27.00
		Allan Rutherford		2 tickets 2 Certs	$27.00	$27.00
		Richard Torres		2 tickets 2 Certs	$27.00	$27.00
		Brandon Joseph		2 tickets 2 Certs	$27.00	$27.00
		Scott Van Deusen		2 tickets 2 Certs	$27.00	$27.00
		Chadd Morabito		2 tickets 2 Certs	$27.00	$27.00
			Second Quarter Total		$9,401.00	$8,516.70
			FISCAL YEAR TO DATE TOTAL		$13,474.00	$11,828.07

February 5, 2018
Prepared by: Margaret Pulles
Submitted by: Cheryl Clary
Approved by: Paul A. Cook

FINANCE AND PERSONNEL COMMITTEE

EXPENSES AND FEES OF BOARD MEMBERS AND GENERAL MANAGER PAID THROUGH THE SECOND QUARTER, FY 2017-18

SUMMARY:

Pursuant to the Policy Regarding Business Expense Reimbursement, Travel, Meeting Compensation and Representation, staff has assembled for Committee review an Expense Summary, as shown in Exhibits "A" and "B" for the District's Board Members and the General Manager through the second quarter of Fiscal Year (FY) 2017-18. Provided below is a summary of expenses paid to date.

	Name	Conference, Travel, and Other District-Related Expenses	Meeting Fees	Total
Board Members:	LaMar	$ 12,052	$ 16,380	$ 28,432
	Matheis	10,422	15,561	25,983
	Reinhart	2,135	14,469	16,604
	Swan	4,057	12,558	16,615
	Withers	806	15,561	16,367
	Sub-Total:	**$ 29,472**	**$ 74,529**	**$ 104,001**
General Manager:	Cook	$ 3,889	N/A	$ 3,889
	Sub-Total:	**$ 3,889**	**N/A**	**$ 3,889**
	TOTAL:	**$ 33,361**	**$ 74,529**	**$ 107,890**
	YTD Budget:	**$ 38,000**	**$ 84,000**	**$ 122,000**
	Variance:	**$ 4,639**	**$ 9,471**	**$ 14,110**

FISCAL IMPACTS:

Meeting fees total $74,529 versus a budget of $84,000 resulting in a positive variance of $9,471 year-to-date. Conference and meeting-related travel expenses total $33,361 versus a budget of $38,000, resulting in a positive variance of $4,639.

The total cost for Board and General Manager conference, travel, and other District-related expenses, including meeting fees, through the second quarter, FY 2017-18, is $107,890, resulting in a positive variance of $14,110 to budget.

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" – Expense Summary, All Members
Exhibit "B" – Expense Summary, By Individual

Exhibit "A"

Irvine Ranch Water District
Conference/Seminar and Monthly Expense Summary
For the Second Quarter, FY 2017-18

All Board Members/General Manager

Name	Registration Fees	Airfare	Lodging	Meals	Taxi/Shuttle/ Auto Rental	Parking Fees	Other	Mileage Reimb # Miles	Mileage Reimb Amount	Total
Board Members:										
Steven LaMar	1,674	6,009	2,525	347	500	441	9	1,020	547	12,052
Mary Aileen Matheis	3,466	3,255	2,956	97	264	193	-	341	191	10,422
Doug Reinhart	1,204	588	209	-	52	20	-	117	62	2,135
Peer Swan	1,240	536	1,213	45	135	150	144	1,111	594	4,057
John Withers	699	-	-	-	-	48	-	107	59	806
General Manager:										
Paul Cook	-	726	913	1,724	106	91	328	-	-	3,889
Total	8,283	11,114	7,816	2,213	1,057	943	481	2,696	1,454	33,361

Exhibit "B"

IRWD

Irvine Ranch Water District
Conference/Seminar and Monthly Expense Summary
For the Second Quarter, FY 2017-18

Steven LaMar

Date Paid	Date Incurred	Description/Location	Registration Fees	Airfare	Lodging	Meals	Taxi/Shuttle/ Auto Rental	Parking Fees	Other	Mileage Reimb # Miles	Mileage Reimb Amount	Total
Monthly Expense Reports												
	July 2017	Monthly Expense Report (no activity this period)										
	August 2017	Monthly Expense Report (no activity this period)										
	September 2017	Monthly Expense Report (no activity this period)										
Paid	October 2017	So. Calif. Water Committee Annual Meeting and Dinner, Anaheim, CA						20.00		25	13.59	33.59
Paid	November 2017	OCWA Luncheon Featuring IRWD Battery Storage, Irvine, CA	40.00							13	7.17	47.17
Paid	December 2017	California Environmental Dialogue, Sacramento, CA		519.96	229.45	13.73		40.00		16	8.77	811.91
	January 2018	Monthly Expense Report (no activity this period)										
	February 2018	Monthly Expense Report (no activity this period)										
	March 2018	Monthly Expense Report (no activity this period)										
	April 2018	Monthly Expense Report (no activity this period)										
	May 2018	Monthly Expense Report (no activity this period)										
	June 2018	Monthly Expense Report (no activity this period)										
Conferences/Seminars and Other Non-local Travel												
Paid	07/26/2017	ACWA Board of Directors' meeting, Sacramento		555.96	412.40	30.74	35.40	40.00		16	8.56	1,083.06
Paid	08/03/2017	ACWA Region 1, Marin Municpal Water Dist. Tour, Oakland, CA	50.00	555.97	279.34	34.10	90.27	38.00		16	8.56	1,056.24
Paid	08/06/2017	NWRA Wester Water Seminar, Santa Fe, NM	625.00	817.17	904.80	171.97	198.05	80.00		16	8.56	2,805.55
Paid	08/17/2017	California Environmental Dialogue Plenary meeting, San Diego, CA			258.09			18.00		172	92.02	368.11
Paid	08/24/2017	ACWA Region 8 Program 2017, Los Angeles, CA	50.00				10.00					60.00
Paid	09/08/2017	ACWA Regions 3 & 4 "How Watersheds are Connected" Sacramento, CA	60.00	503.96		5.08	51.86	20.00		16	8.56	649.46
Paid	09/11/2017	ACWA Nominations Committee meeting, Sacramento, CA		503.96		15.34	15.98	20.00		16	8.56	563.84
Paid	09/14/2017	ACWA Federal Affairs Committee meeting, Sacramento, CA		503.96		10.18	15.97	20.00		16	8.56	558.67
Paid	09/28/2017	ACWA Budget Workshop and Board meeting, Sacramento, CA		503.96	171.64	45.85	27.24	38.00		16	8.56	795.25
Paid	10/06/2017	ACWA Regions 9 and 10 Events, Corona, CA	65.00						8.70	43	22.90	96.60
Paid	10/12/2017	ACWA Regions 6 and 7 Water Forum, Visalia, CA	35.00		98.07					442	236.47	369.54
Paid	10/27/2017	OC Forum Series-Election 2018-Hon. John Chiang, Costa Mesa, CA	50.00							22	11.77	61.77
Paid	11/09/2017	ACWA Predicting the Weather Seminar, Sacramento, CA		503.96			37.29	20.00		16	8.77	570.02
Paid	11/16/2017	ACWA Board of Directors' meeting, Sacramento		519.95	171.64	20.00	17.92	36.00		16	8.77	774.28
Paid	11/20/2017	Legislation meetings with CalEPA and SWRCB, Sacramento, CA		519.95				20.00		16	8.77	548.72
Paid	11/27/2017	ACWA 2017 Fall Conference, Anaheim, CA	699.00					31.00		127	67.95	797.95
Total			$ 1,674.00	$ 6,008.76	$ 2,525.43	$ 346.99	$ 499.98	$ 441.00	$ 8.70	1,020	$ 546.87	$ 12,051.73

*Detail of Description/Location provided on Expense Report

Irvine Ranch Water District
Conference/Seminar and Monthly Expense Summary
For the Second Quarter, FY 2017-18

Mary Aileen Matheis

Date Paid	Date Incurred	Description/Location	Registration Fees	Airfare	Lodging	Meals	Taxi/Shuttle/ Auto Rental	Parking Fees	Other	Mileage Reimb # Miles	Mileage Reimb Amount	Total
Monthly Expense Reports												
	July 2017	Monthly Expense Report (no activity this period)										
	August 2017	Monthly Expense Report (no activity this period)										
Paid	September 2017	*Various business meetings	25.00				8.97			8	13.14	47.11
Paid	October 2017	*Various business meetings	352.00	503.96			24.00	63.00		96	51.21	994.17
	November 2017	Monthly Expense Report (no activity this period)										
	December 2017	Monthly Expense Report (no activity this period)										
	January 2018	Monthly Expense Report (no activity this period)										
	February 2018	Monthly Expense Report (no activity this period)										
	March 2018	Monthly Expense Report (no activity this period)										
	April 2018	Monthly Expense Report (no activity this period)										
	May 2018	Monthly Expense Report (no activity this period)										
	June 2018	Monthly Expense Report (no activity this period)										
Conferences/Seminars and Other Non-local Travel												
Paid	06/13/2017	WEF's Bay-Delta Tour, Sacramento, CA	815.00	555.96	226.86	7.43	8.76					1,614.01
Paid	08/15/2017	Urban Water Institute's Water Conference, San Diego, CA	375.00		740.43	20.73				160	85.60	1,221.76
Paid	08/24/2017	Water Education Foundation Retreat, Sacramento, CA		535.95			39.60	32.00		9	4.82	612.37
Paid	09/26/2017	2017 Colorado River Symposium, Santa Fe, NM	695.00	571.10	345.93	37.44	64.54					1,714.01
Paid	10/26/2017	Water Education Foundation's 40th Anniversary, Sacramento, CA		503.96	196.80	18.67	73.00	34.00		12	6.63	833.06
Paid	11/27/2017	ACWA Fall Conference, Anaheim, CA	699.00		921.92			64.00		56	29.96	1,714.88
Paid	12/12/2017	2017 Colorado River Water Users Assoc., Las Vegas, NV	505.00	583.96	523.83	12.45	45.00					1,670.24
Total			$ 3,466.00	$ 3,254.89	$ 2,955.77	$ 96.72	$ 263.87	$ 193.00	$ -	341	$ 191.36	$ 10,421.61

*Detail of Description/Location provided on Expense Report

Irvine Ranch Water District
Conference/Seminar and Monthly Expense Summary
For the Second Quarter, FY 2017-18

Doug Reinhart

Date Paid	Date Incurred	Description/Location	Registration Fees	Airfare	Lodging	Meals	Taxi/Shuttle/ Auto Rental	Parking Fees	Other	Mileage Reimb # Miles	Mileage Reimb Amount	Total
Monthly Expense Reports												
	July 2017	Monthly Expense Report (no activity this period)										
	August 2017	Monthly Expense Report (no activity this period)										
	September 2017	Monthly Expense Report (no activity this period)										
	October 2017	Monthly Expense Report (no activity this period)										
	November 2017	Monthly Expense Report (no activity this period)										
	December 2017	Monthly Expense Report (no activity this period)										
	January 2018	Monthly Expense Report (no activity this period)										
	February 2018	Monthly Expense Report (no activity this period)										
	March 2018	Monthly Expense Report (no activity this period)										
	April 2018	Monthly Expense Report (no activity this period)										
	May 2018	Monthly Expense Report (no activity this period)										
	June 2018	Monthly Expense Report (no activity this period)										
Conferences/Seminars and Other Non-local Travel												
Paid	10/26/2017	Southern Calif. Water Committee meeting, Anaheim, CA						20.00		31	16.48	36.48
Paid	11/28/2017	ACWA 2017 Fall Conference, Anaheim, CA	699.00							75	39.92	738.92
Paid	12/14/2017	Colorado River Water Users Assoc., Las Vegas, NV	505.00	587.96	208.62		51.80			11	5.78	1,359.16
Total			$ 1,204.00	$ 587.96	$ 208.62	$ -	$ 51.80	$ 20.00	$ -	117	$ 62.18	$ 2,134.56

*Detail of Description/Location provided on Expense Report

IRWD

Irvine Ranch Water District
Conference/Seminar and Monthly Expense Summary
For the Second Quarter, FY 2017-18

Peer Swan

Date Paid	Date Incurred	Description/Location	Registration Fees	Airfare	Lodging	Meals	Taxi/Shuttle/ Auto Rental	Parking Fees	Other	Mileage Reimb # Miles	Mileage Reimb Amount	Total
Monthly Expense Reports *												
Paid	July 2017	*Various Business Meetings				27.68			38.55	284	151.95	218.18
Paid	August 2017	*Various Business Meetings							32.22	242	129.50	161.72
Paid	September 2017	*Various Business Meetings							36.55	184	98.47	135.02
	October 2017	Monthly Expense Report (no activity this period)										
	November 2017	Monthly Expense Report (no activity this period)										
	December 2017	Monthly Expense Report (no activity this period)										
	January 2018	Monthly Expense Report (no activity this period)										
	February 2018	Monthly Expense Report (no activity this period)										
	March 2018	Monthly Expense Report (no activity this period)										
	April 2018	Monthly Expense Report (no activity this period)										
	May 2018	Monthly Expense Report (no activity this period)										
	June 2018	Monthly Expense Report (no activity this period)										
Conferences/Seminars and Other Non-local Travel												
Paid	08/29/2017	Misc. August Local Conferences and Mileage	165.00						9.72	67	35.85	210.57
Paid	08/16/2017	Urban Water Institute's Annual Water Conf., San Diego, CA			493.62	8.61		20.00	10.98	154	82.39	615.60
Paid	08/22/2017	Calif. Assoc. of Sanitation Agencies 62nd Annual Conf., San Diego	550.00		584.30	8.61		70.00	10.98	165	88.28	1,312.17
Paid	09/12/2017	Water Education Foundation Headwaters Tour, Sacramento, CA	525.00	535.95	135.01		134.75	60.00	4.86	15	8.03	1,403.60
Total			$ 1,240.00	$ 535.95	$ 1,212.93	$ 44.90	$ 134.75	$ 150.00	$ 143.86	1,111	$ 594.47	$ 4,056.86

*Detail of Description/Location provided on Expense Report

IRWD

Irvine Ranch Water District
Conference/Seminar and Monthly Expense Summary
For the Second Quarter, FY 2017-18

John Withers

Date Paid	Date Incurred	Description/Location	Registration Fees	Airfare	Lodging	Meals	Taxi/Shuttle/ Auto Rental	Parking Fees	Other	Mileage Reimb # Miles	Mileage Reimb Amount	Total
Monthly Expense Reports												
	July 2017	Monthly Expense Report (no activity this period)										
	August 2017	Monthly Expense Report (no activity this period)										
	September 2017	Monthly Expense Report (no activity this period)										
	October 2017	Monthly Expense Report (no activity this period)										
	November 2017	Monthly Expense Report (no activity this period)										
	December 2017	Monthly Expense Report (no activity this period)										
	January 2018	Monthly Expense Report (no activity this period)										
	February 2018	Monthly Expense Report (no activity this period)										
	March 2018	Monthly Expense Report (no activity this period)										
	April 2018	Monthly Expense Report (no activity this period)										
	May 2018	Monthly Expense Report (no activity this period)										
	June 2018	Monthly Expense Report (no activity this period)										
Conferences/Seminars and Other Non-local Travel												
Paid	11/28/2017	ACWA Fall Conference, Anaheim, CA	699.00					48.00		107	58.64	805.64
Total			$ 699.00	$ -	$ -	$ -	$ -	$ 48.00	$ -	107	$ 58.64	805.64

*Detail of Description/Location provided on Expense Report

Irvine Ranch Water District
Conference/Seminar and Monthly Expense Summary
For the Second Quarter, FY 2017-18

Paul Cook

Date Paid	Date Incurred	Description/Location	Registration Fees	Airfare	Lodging	Meals	Taxi/Shuttle/ Auto Rental	Parking Fees	Other	Mileage Reimb # Miles	Mileage Reimb Amount	Total
Monthly Expense Reports												
Paid	July 2017	Monthly Expense Report # 523676				168.46	63.60					232.06
Paid	August 2017	Monthly Expense Report # 536667				133.68		17.00				150.68
Paid	September 2017	Monthly Expense Report # 549667/# 549668		725.60	913.20	159.58	15.14					1,813.52
	October 2017	Monthly Expense Report (no activity this period)										
Paid	November 2017	Monthly Expense Report # 579670				505.39		58.00				563.39
Paid	December 2017	Monthly Expense Report # 606668				757.23	27.56	16.00	328.35			1,129.14
	January 2018	Monthly Expense Report (no activity this period)										
	February 2018	Monthly Expense Report (no activity this period)										
	March 2018	Monthly Expense Report (no activity this period)										
	April 2018	Monthly Expense Report (no activity this period)										
	May 2018	Monthly Expense Report (no activity this period)										
	June 2018	Monthly Expense Report (no activity this period)										
Conferences/Seminars and Other Non-local Travel												
Total			$ -	$ 725.60	$ 913.20	$ 1,724.34	$ 106.30	$ 91.00	$ 328.35	-	$ -	$ 3,888.79

*Detail of Description/Location provided on Expense Report

February 5, 2018
Prepared: by: J. Tobar
Submitted by: C. Clary
Approved by: Paul Cook

FINANCE AND PERSONNEL COMMITTEE

SECOND QUARTER FY 2017-18 LEGAL FEES ANALYSIS

SUMMARY:

This analysis provides a summary of legal fees incurred by the Irvine Ranch Water District through the second quarter of Fiscal Year (FY) 2017-18.

BACKGROUND:

Legal fees through the second quarter of FY 2017-18 supporting the general operations of the District totaled $857,142 compared to a budget of $782,500 resulting in a negative variance of $74,642 or (9.5%). Of the total legal fees attributable to operations, general services was over budget by $103,516 due primarily to the contracting of new General Counsel; litigation was over budget by $62,072 due primarily to work associated with the Orange County Water District lawsuit; personnel issues were over budget by $8,925 due primarily to work associated with employee matters and personnel policy review and revisions. There was a positive variance in special projects. Actual legal fees accounted for 1.15% of actual operating expenses and 0.84% of total expenditures.

Insurance litigation through the second quarter of FY 2017-18, net of insurance reimbursements, totaled $12,775 versus a budget of $50,000. Capitalized legal fees associated with major capital projects through the second quarter of FY 2017-18 totaled $126,855. The Asset Optimization – Lake Forest Development project (Serrano Summit) comprised 94.3% of total capital spending through the second quarter of FY 2017-18.

There were no non-operating legal fees through the second quarter of FY 2017-18.

Exhibit "A" provides a detailed comparison of actual to budgeted legal fees through the second quarter of FY 2017-18. Exhibit "B" provides a three-year comparison of fees incurred by the firms providing services in FY 2015-16 through FY 2017-18, their hourly rates and a general description of the services provided.

FISCAL IMPACTS:

Fiscal impacts are included in the above narrative.

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" – Fiscal Year 2017 - 2018, Legal Fees
Exhibit "B" – Analysis of Legal Fees, Expensed and Capitalized for FY 2016 through FY 2018

Exhibit "A"

Legal Fees
Fiscal Year 2017-2018

Firm	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD Actual Operating Legal Fees	YTD Budget Operating Legal Fees	YTD % Actual vs Budget
Operating Legal Fees:							
General Services (Fixed Fee):							
Alston & Bird LLP	$ -	$ 15,327			$ 15,327		
Bowie, Arneson, Wiles	$ 3,916	$ 3,697			$ 7,613		
Nossaman LLP	$ 391,753	$ 48,823			$ 440,576		
Sub-total	$ 395,669	$ 67,847	$ -	$ -	$ 463,516	$ 360,000	128.8%
Litigation:							
Alston & Bird LLP	$ 72,678	$ 227,874			$ 300,552		
Bowie, Arneson, Wiles	$ 2,176	$ 9,344			$ 11,520		
Sub-total	$ 74,854	$ 237,218	$ -	$ -	$ 312,072	$ 250,000	124.8%
Special Projects:							
Bowie, Arneson, Wiles	$ 129	$ -	$ -	$ -	$ 129	$ 100,000	0.1%
Personnel Issues:							
Bowie, Arneson, Wiles	$ -				$ -		
Burke, Williams & Sorensen, LLP	$ 10,956	$ 15,569			$ 26,525		
EXTTI, Incorporated	$ -				$ -		
Payne & Fears LLP	$ 20,601	$ 13,842			$ 34,443		
Pillsbury Winthrop Shaw Pittman LLP	$ 12,773	$ 7,684			$ 20,457		
Sub-total	$ 44,330	$ 37,095	$ -	$ -	$ 81,425	$ 72,500	112.3%
Legal Fees Total	$ 514,982	$ 342,160	$ -	$ -	$ 857,142	$ 782,500	109.5%
Insurance Litigation:							
Daley & Heft LLP (1)					$ -		
Koeller Nebeker Carlson & Haluck L	$ 2,120	$ 7,989			$ 10,109		
Lewis Brisbois Bisgaard & Smith LLI	$ 1,040	$ 1,626			$ 2,666		
Woodruff, Spradlin & Smart					$ -		
Insurance Litigation Total	$ 3,160	$ 9,615	$ -	$ -	$ 12,775	$ 50,000	25.6%
Major Capital Projects Legal Fees:							
Asset Optimization - Lake Forest Dev	$ 12,432	$ 107,184			$ 119,616		
ILP North Conversion - Pipelines	$ 1,300				$ 1,300		
Plan, Check, Inspection for ID 1120	$ -	$ 4,550			$ 4,550		
Other	$ 1,389				$ 1,389		
Capital Projects Total	$ 15,121	$ 111,734	$ -	$ -	$ 126,855		
tal Operating and Capital Legal Fees	$ 533,263	$ 463,509	$ -	$ -	$ 996,772		

(1) Net of insurance reimbursement

	YTD Actual	YTD Budget
Operating Expense	$ 75,762,572	$ 78,184,887
Operating Legal Fees	$ 869,917	$ 832,500
% of Legal to Operating	1.15%	1.06%
Capital Projects	$ 42,707,790	$ 48,600,503
Capital Legal Fees	$ 126,855	
% of Legal to Capital	0.30%	
Total Operating and Capital Expenditures	$ 118,470,362	$ 126,785,390
Total Operating and Capital Legal Fees	$ 996,772	
% of Legal Fees to Total Operating and Capital Expenditures	0.84%	

Non-operating Legal Fees:	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total
Bond Counsel:	$ -	$ -	$ -	$ -	$ -
Total	$ -	$ -	$ -	$ -	$ -

Exhibit "B"

Analysis of Legal Fees
Second quarter ended December 31, 2015 - 2017

Firm	YTD Actual 2015-2016	YTD Actual 2016-2017	YTD Actual 2017-2018	Hourly Rate	Area of Expertise	Service Provided
Operating Legal Fees:						
Alston & Bird LLP	$ 27,446	$ 189,763	$ 315,879	$ 265 to $ 535	Litigation	Orange County Water District litigation
Bowie, Arneson, Wiles & Giannone	$ 132,834	$ 104,320	$ 19,262	$ 185 to $ 220	IRWD legal counsel	District general counsel/legislative/litigation/special project
Burke, Williams & Sorensen, LLP	$ 195	$ 34,434	$ 26,525	$ 325	Employee relations	Personnel policy review and revision
EXTTI, Incorporated	$ -	$ 25,251	$ -	$ 200 to $ 275	Employee relations	Personnel matters
Nossaman LLP	$ -	$ 37,395	$ 440,576	$ 225 to $ 595	IRWD legal counsel	District general counsel/legislative/litigation/special project
Payne & Fears, LLP	$ 54,360	$ 76,024	$ 34,443	$ 235 to $ 550	Employee relations	General personnel and human resources
Pillsbury Winthrop Shaw Pittman LLP	$ -	$ 5,742	$ 20,457	$ 370 to $ 490	Employee relations	Employee benefits
Legal Fees Total	$ 214,835	$ 472,929	$ 857,142			
Insurance Litigation:						
Daley & Heft LLP (1)	$ -	$ -	$ -	$ 175	Legal Counsel	Legal counsel related to insurance claim issues
Koeller Nebeker Carlson & Haluck LLP (1)	$ 2,961	$ 12,881	$ 10,109	$ 195	Legal Counsel	Legal counsel related to insurance claim issues
Lewis Brisbois Bisgaard & Smith LLP (1)	$ -	$ -	$ 2,666	$ 200	Legal Counsel	Legal counsel related to insurance claim issues
Woodruff, Spradlin & Smart	$ 14,365	$ 37,458	$ -	$ 105 to $ 255	Legal Counsel	Legal counsel related to insurance claim issues
Insurance Litigation Total	$ 17,326	$ 50,339	$ 12,775			

(1) Net of insurance reimbursement

Firm	YTD Actual 2015-2016	YTD Actual 2016-2017	YTD Actual 2017-2018	Hourly Rate	Area of Expertise	Service Provided
Capitalized Legal Fees:						
Bowie, Arneson, Wiles & Giannone	$ 36,326	$ 19,680	$ 2,688	$ 185 to $ 220	IRWD legal counsel	District general counsel/legislative/litigation/special project
Burke, Williams & Sorensen, LLP	$ -	$ -	$ 4,550	$ 325	Employee relations	
Jackson Tidus, a Law Corporation	$ -	$ -	$ 110,459	$ 225 to $ 595	IRWD legal counsel	Counsel in connection with Serrano Summit property sale
Nossaman LLP	$ -	$ -	$ 9,158	$ 420	IRWD legal counsel	Counsel in connection with Serrano Summit property sale
Capitalized Legal Fees Total	$ 36,326	$ 19,680	$ 126,855			
Total Operating and Capital Legal Fees	$ 268,487	$ 542,948	$ 996,772			
Non-operating Legal Fees:						
Bond Counsel:						
Bowie, Arneson, Wiles	$ -	$ 26,668	$ -	$ 185 to $ 220	Bond counsel	Counsel in connection with the issuance of GO bonds and
Hawkins Delafield & Wood LLP	$ -	$ 175,000	$ -	n/a	Bond counsel	Counsel in connection with the extension of the letter of
Orrick, Herrington & Sutcliffe LLP	$ -	$ -	$ -	n/a	Bond counsel	Counsel in connection with the issuance of GO bonds and
Stradling Yocca Carlson & Rauth	$ -	$ -	$ -	n/a	Bond counsel	Index Tender Note remarketing
Non-operating Legal Fees Total	$ -	$ 201,668	$ -			

February 5, 2018
Prepared by: J. Davis / T. Fournier
Submitted by: R. Jacobson / C. Clary
Approved by: Paul A. Cook

FINANCE AND PERSONNEL COMMITTEE

REAL ESTATE QUARTERLY PERFORMANCE – December 2017

SUMMARY:

Staff will provide the Committee with an update on the financial performance of the District's real estate investments and other revenue generating properties for the quarter ended December 31, 2017.

BACKGROUND:

For the quarter ended December 31, 2017, the net operating income (NOI) for the District's residential and commercial real estate investments was $2.5 million, which represents a 13.54% return for the period, and the fiscal year (FY) to date NOI was $5.0 million. Land lease income from the Strawberry Farms Golf Course was $143,065 and $297,927 for the quarter end and FY periods, respectively. Lease revenue from the District's five cell sites was $78,609 and $121,282 for the quarter and FY, respectively. A report detailing the NOI and returns for the District's real estate investment properties, golf course and cell sites is attached as Exhibit "A".

Residential Investment Properties:

For the quarter ended December 31, 2017, the NOI for the Sycamore Canyon Apartments was $1.9 million and $4.0 million year-to-date, which were unfavorable to budget by approximately $82,256 and $123,747, respectively. The quarter-end and FY variances were due to higher than anticipated vacancies, lower than anticipated revenue from termination and month-to-month fees and lower security deposit retention. The District's limited partnership investment in the Wood Canyon Villa property earned a preferred return of 9.00%, providing income of $136,110 for the quarter-end and $272,220 for the FY to date. The net return for Wood Canyon was 8.56% for quarter-end and FY periods.

Commercial Investment Properties:

The NOI for the quarter ended December 31, 2017 at the Irvine Market Place (230 Commerce) property was $82,966, which was unfavorable to budget by $53,667, primarily due to suite 100 not leasing as anticipated, and timing of tenant improvements. For FY to date, NOI at the property was $185,084, which was unfavorable to budget by $100,641, due to a vacant suite and higher than anticipated operating expenses for HVAC repairs, electricity, and maintenance. A new tenant, CDT Inc., moved into the previously vacant suite in December and will begin paying rent this month. The property is currently 100% leased.

For the quarter ended December 31, 2017, the NOI for the Sand Canyon Professional Center medical office property was $192,069 and $379,366 FY to date, which were in line with the budget. The property is currently 100% occupied.

The NOI for the Waterworks Way Business Park property for the quarter ended December 31, 2017 was $116,805 and $236,924 year-to-date, which were unfavorable to budget by $14,536 and $18,970, respectively. The quarter-end and fiscal year variances were primarily due to an unbudgeted rent concession, a lease commission payment, and tenant improvement expenses for an unanticipated lease extension of suites 36/38.

During the quarter, the tenant in Unit 44, Grow Healthy Vending, LLC, stopped making lease payments. On November 8, 2017, the District's property manager served the tenant with a Notice to Pay Rent or Quit. The tenant responded with a Notice of Demurrer, claiming there was an error in the Notice to Pay Rent or Quit, which resulted in the need for the District's legal counsel to go to court on January 19. The Demurrer was rejected by the court and the tenant was ordered to vacate the premises. Staff is working with legal counsel to determine next steps in pursuing collection of the past due lease payments and future obligations under the lease. In the meantime, staff has been in communication with the adjacent tenant (Unit 42) that has indicated they may be interested in taking over the vacant unit, as well as extending their lease which expires in November 2018. Unit 44 is the only unit available for lease, with the next two leases expiring in September 2018 (Unit 46), and November 2018 (Unit 42).

Strawberry Farms Golf Course and Cell Site Leases:

Land lease income for Strawberry Farms Golf Course for the quarter ended December 31, 2017 was $143,065, which was in line with budget. This compares with income of $131,158 for the same period last year, representing a 9.08% increase for the period. The FY year-to-date NOI was $297,927, representing an increase of 5.31% compared to the same period last year. The quarterly and FY to date lease revenue from the District's five cell sites was $78,609 and $121,282, respectively which were favorable to budget by approximately $41,600 and $47,200, respectively. The variances were primarily due to the revenue share amount received earlier than anticipated.

FISCAL IMPACTS:

For the quarter and fiscal period ended December 31, 2017, the District's commercial and residential real estate investments provided NOI of approximately $2.5 million and $5.0 million, respectively. Strawberry Farms Golf Course lease revenue was $143,065 for the quarter and $297,927 for the FY to date. The District cell site revenue was $78,609 for the quarter and the FY to date was $121,282.

ENVIRONMENTAL COMPLIANCE:

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

RECOMMENDATION:

Receive and file.

LIST OF EXHIBITS:

Exhibit "A" – Real Estate Performance Report

Exhibit "A"

Irvine Ranch Water District
Real Estate Investment Performance Report - Investment
as of December 31, 2017

INCOME PROPERTIES			FY 2017-18					FY 2017-18 RATE OF RETURN			3 Year Average Rate of Return	5 Year Average Rate of Return
Property Description	Capital Investment	Investment Inception	Oct-17	Nov-17	Dec-17	FY Q2	FY 2017-18 TOTAL	FY Q1	FY Q2	Average Fiscal YTD	FY 15/16 - 17/18	FY 13/14 - 17/18
Sycamore Canyon Apartments	$43,550,810	Dec-92	$ 639,663	$ 648,592	$ 647,464	$ 1,935,719	$ 3,970,426	18.69%	17.78%	18.23%	18.05%	17.20%
Wood Canyon Villa Apartments	$6,000,000	Jun-91	$ 45,863	$ 44,384	$ 45,863	$ 136,110	$ 272,220	8.56%	8.56%	8.56%	8.56%	8.54%
Irvine Market Place Office	$5,739,845	Jul-03	$ 33,557	$ 45,873	$ 3,536	$ 82,966	$ 185,084	7.12%	5.78%	6.45%	5.85%	6.11%
Waterworks Way Business Park	$8,630,577	Nov-08	$ 41,876	$ 48,730	$ 26,199	$ 116,805	$ 236,924	5.57%	5.41%	5.49%	5.28%	4.94%
Sand Canyon Professional Center	$8,648,594	Jul-12	$ 63,671	$ 63,292	$ 65,106	$ 192,069	$ 379,366	8.66%	8.88%	8.77%	8.61%	8.32%
TOTAL - INCOME PROPERTIES	$72,569,826		$ 824,630	$850,871	$788,168	$2,463,669	$ 5,044,020	14.18%	13.54%	13.86%	13.66%	13.09%

OTHER REAL ESTATE INVESTMNET			FY 2017-2018					PROMISSORY NOTE RATE OF RETURN		
Property Description	Original Cost	Investment Inception	Oct-17	Nov-17	Dec-17	FY Q2	FY 2017-18 TOTAL	FY Q1	FY Q2	Average Fiscal YTD
Serrano Summit - Promissory Note	$81,600,000	Sep-17	$ 272,000	$ 272,000	$ 272,000	$ 816,000	$ 1,088,000	4.00%	4.00%	4.00%
TOTAL - REAL ESTATE INVESTMENTS	$154,169,826				Weighted Average Rate of Return			8.79%	8.49%	8.64%

Notes/Assumptions:

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

Irvine Ranch Water District
Real Estate Investment Performance Report - Investment
Strawberry Farms Golf Course & Cell Site
as of December 31, 2017

	2017-18 NET INCOME				
Property Description	**Oct-17**	**Nov-17**	**Dec-17**	**FY Q2**	**NET INCOME 2017-2018**
Strawberry Farms Golf Course	**$ 52,063**	**$ 44,616**	**$ 46,386**	**$ 143,065**	**$297,927**
TOTALS	**$ 52,063**	**$ 44,616**	**$ 46,386**	**$ 143,065**	**$297,927**
Change From Prior Year Period:				**$ 11,908** **9.08%**	**$15,023** **5.31%**

Cellular Sites	**$ 15,383**	**$ 16,397**	**$ 46,829**	**$ 78,609**	**$121,282**
Change From Prior Year Period:				**$ 3,576** **4.77%**	**$5,926** **5.14%**

1/29/2018
1:18 PM

Irvine Ranch Water District
Real Estate Investment Performance Report - Investment
Cell Site Terms
as of December 31, 2017

Location:	Rattlesnake (Portola) Reservoir 4883 Portola Parkway, Irvine	Central Zone 1 Reservoir 13826 Sand Canyon Avenue, Irvine	Santiago Canyon Head Quarters 7431 Santiago Road, Santiago Canyon
	712223	**712224**	**712221**
Licensee/Lessee	Crown Castle (839428)*	Crown Castle (839459)*	AT&T Wireless
	Site# 321620	Site# 321757	LA3212
Type:	Master Lease	Master Lease	Lease
Date:	1/14/02	11/22/99, #1 1/14/02	11/22/04
Contract Monthly Rent:	Greater of $1,500 + 3% annual escalation or 40% of gross rents (March)	Greater of $1,500 + 3% annual escalation or 40% of gross rents (July)	3% annual escalation(July)
Current Monthly Rent:	$2,269	$2,269	$2,566
Annually	$38,117	$38,117	$30,796
	10276818 10276843	10276843 10276818	(Faux Tree)
Contract Term & notice	15 yrs+; Termination upon 1 yr notice	15 yrs+; Termination upon 1 yr notice	5 yrs + 4 5 yr extensions

*Annual rent estimated to include 40% of revenue share

Location:	Lake Forest Zone II West Reservoir 26001 Dimension, Lake Forest		
	712228	**712227**	**712222**
Licensee/Lessee	T- Mobile*	Sprint PCS	AT&T
	LA02308A	0G03XC113	R086/FoothillCorridor1
Type:	License	License	License
Date:	12/16/96	9/8/97	9/9/98, #1 9/5/01
Contract Monthly Rent:	$1,500 No escalation	$1,500 No escalation	$1,500 3% annual escalation (October)
Current Monthly Rent:	$1,500	$1,500	$2,407
Annually	$18,000	$18,000 (Antennas on Tank)	$28,885
Contract Term & notice	Termination upon 6 months notice	Termination upon 6 months notice	Termination upon 6 months notice

*New monthly of $2,100 will commence in fall 2017

Location:	Lake Forest Zone II East Reservoir 20696 Regency Lane, Lake Forest
	712230
Licensee/Lessee	Verizon
	SCAL North Lake Forest
Type:	License
Date:	10/11/95
Contract Monthly Rent:	$1,500 No escalation
Current Monthly Rent:	$1,500
Annually	$18,000
Contract Term & notice	Termination upon 6 months notice

February 5, 2018
Prepared by: D. Kanoff/A. Shinbashi
Submitted by: R. Jacobson/C. Clary
Approved by: Paul A. Cook

FINANCE AND PERSONNEL COMMITTEE

QUARTERLY RISK MANAGEMENT REPORTING

SUMMARY:

Staff will provide the Committee with a report on the insurance and claim expenses incurred by the District through second quarter Fiscal Year (FY) ending June 30, 2018.

BACKGROUND:

A comparison of the District's actual versus budget insurance expenses for the second quarter of FY 2017-18 and FY 2016-17 is attached as Exhibit "A" and summarized as follows:

- Insurance premiums total $405,312 and are $29,962 over budget;
- Third-party claims administration expenses total $3,851 and are $16,149 under budget;
- Legal expenses total $12,775 and are $37,225 under budget; and
- Claim payments totaled $2,106,869 of which $17,698 are not reimbursable.

For FY 2017-18, reimbursements totaling $246,591 have been received from the District's excess insurance carrier, CSAC-EIA.

Certain prior period claims attached in Exhibit "B", with payments totaling $846,848, were closed in previous years.

FISCAL IMPACTS:

Fiscal impacts are outlined above.

ENVIRONMENTAL COMPLIANCE:

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

RECOMMENDATION:

Receive and file.

LIST OF EXHIBITS:

Exhibit "A" – Insurance and Claims Summary
Exhibit "B" – FY 2017-18 Register of Closed General Liability Claims

Exhibit “A”

Irvine Ranch Water District
Insurance and Claims Summary
Period Ending December 31, 2017

Premium	Actual	Budget	Variance	% Variance	FY 16/17
Crime	2,333	4,550	2,217	49%	2,117
General Liability	250,867	214,650	(36,217)	-17%	187,800
Pollution	9,126	9,150	24	0%	9,127
Property	142,986	147,000	4,014	3%	117,184
Total	405,312	375,350	(29,962)		316,228

CATEGORY	Open	Closed	Total	Budget	Variance	FY 16/17
Claim Administration		3,851	3,851	20,000	16,149	3,073
Legal	2,666	10,109	12,775	50,000	37,225	50,339
* Claim Payments	235,606	1,871,263	2,106,869	65,000	(2,041,869)	66,839
CSAC-EIA Reimbursement		(246,591)	(246,591)	0	246,591	
Total	238,272	1,638,632	1,876,905	135,000	(1,741,905)	120,251

* $2,089,171 in claim payments related to the 4100 MacAthur claim to be reimbursed by CSAC

ACTIVITY	FY 2016/17	FY 2017/18
Beginning Open Claims	9	8
New Claims	20	16
Closed Claims	(21)	(20)
Current Open Claims	8	4

Exhibit "B"

Register of Closed General Liability Claims as of December 31, 2017

Closed Claims Fiscal Year 2017-2018

CLAIM TYPE	CLAIMANT	Claim Administration	Legal	Property	CSAC-EIA Reimbursement	Grand Total
4100 MacArthur	Steven Craig	1,759.50	5,370.86	1,852,584.38		1,859,714.74
Single Event	The Irvine Company Llc			5,490.91		5,490.91
	USAA for Marc & Stacey Thomas	731.00		6,092.65		6,823.65
	J. Blount			404.08		404.08
	S. Daneshmand			707.40		707.40
	W. Zhang			496.62		496.62
	B. Beltran			768.29		768.29
	H. Rawls			948.41		948.41
	R. West			500.00		500.00
	B. Zangger			1,020.41		1,020.41
	R. Trinh	76.50				76.50
	J. O'Brien	34.00				34.00
	Apex Energetics			750.00		750.00
	R. Tolliver			1,500.00		1,500.00
Slip and Fall	Lipman v. IRWD		4,738.24			4,738.24
Third Party Administration	George Hills Company, Inc.	1,250.00				1,250.00
Reimbursement	4100 MacArthur (Over $100K)				(246,591.00)	(246,591.00)
Grand Total		3,851.00	10,109.10	1,871,263.15	(246,591.00)	1,638,632.25

Closed Claims From Prior Years

CLAIM TYPE	CLAIMANT	Claim Administration	Legal	Property	Vehicle	Grand Total
4100 MacArthur	AT&T			6,903.75		6,903.75
	Building Restoration	8,653.00		407,839.98	15,426.14	431,919.12
	C. Matheson				12,424.20	12,424.20
	D. Sanner			2,603.00	16,241.94	18,844.94
	Real Estate Dev Assoc LLC			14,332.61		14,332.61
	Steven Craig	43,556.67	36,512.50	249,152.38	28,617.96	357,839.51
Single Event	1100 Scholarship HOA	187.00				187.00
Slip and Fall	Lipman v. IRWD		320.00			320.00
Workplace Injury	Gonzales v. IRWD		4,076.55			4,076.55
Grand Total		52,396.67	40,909.05	680,831.72	72,710.24	846,847.68

February 5, 2018
Prepared by: T. Fournier
Submitted by: R. Jacobson/C. Clary
Approved by: Paul A. Cook

FINANCE AND PERSONNEL COMMITTEE

COMMERCIAL REAL ESTATE PROPERTY MANAGEMENT

SUMMARY:

Recently, staff determined that the District's commercial property manager, Stonewood Properties Inc., is unable to provide the level of service or accounting accuracy expected by the District for its office properties. Staff issued a Request for Proposal (RFP) to five qualified property management providers and is currently reviewing the proposals. Finalist interviews are scheduled for February 1, 2018 and staff will provide a new recommended service provider to the Committee at the meeting.

BACKGROUND:

The District's commercial property manager is responsible for tenant relations, budgeting and financial reporting, property maintenance, and other activities related to IRWD's three for-lease office properties.

In May 2017, the District's previous commercial property management provider, Newport Real Estate Services, sold its property management business to Stonewood Properties Inc. (Stonewood). After several months of service with the new provider, it was determined by staff that Stonewood is unable to provide the level of service or accounting accuracy expected by the District for its office property management. The current property management agreement allows either party to terminate the contract with 60-days written notice.

Based on the determination that Stonewood was not meeting the District's service requirements, staff issued a Request for Proposal (RFP) to five qualified property management providers and received proposals from the following four companies:

- LPC West;
- Optima Asset Management;
- Colliers International; and
- RiverRock Real Estate Group.

Staff is reviewing the proposals and is scheduled to conduct interviews on February 1, 2018. Based on the proposals received, interviews with the firms, and reference checks, staff will recommend termination of the contract with Stonewood and the selection of a new provider at the meeting.

FISCAL IMPACTS:

The fiscal impact is not known at this time. Current annual fees for commercial property management services are approximately $87,900.

ENVIRONMENTAL COMPLIANCE:

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

RECOMMENDATION:

That the Board direct staff to provide the required 60-day termination notice to Stonewood Properties Inc., and approve the retention of the selected property management company.

LIST OF EXHIBITS:

None.

February 5, 2018 SD
Prepared by: J. Davis/T. Fournier
Submitted by: R. Jacobson/C. 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 January 26, 2018, as outlined in Exhibit "A"
- The U.S. Treasury Yield Curve as of January 26, 2018, as outlined in Exhibit "B"
- The Summary of Fixed and Variable Debt as of January 26, 2018, as outlined in Exhibit "C"
- The Summary of Variable Rate Debt Rates as of January 26, 2018, as outlined in Exhibit "D"

BACKGROUND:

Investment Portfolio:

Due to the timing of the Committee meeting, the rate of return for January 2018 is not complete at this time. Preliminary calculations indicate a rate of return for the fixed income investment portfolio of 1.23%, which is a 0.04% increase from December's rate of 1.19%. Including real estate investments, the weighted average rate of return for the District's investment portfolio for January 2018 is estimated to be 3.27%, which is a 0.02% decrease from December's rate of 3.29%.

Debt Portfolio:

As of January 26, 2018, the District's weighted average all-in variable rate was 1.49%, which was a 0.03% decrease from December's rate of 1.52%. Including the District's weighted average fixed rate bond issues of 3.70% and the previous month's negative cash accruals from fixed payer interest rate swaps, which hedge a portion of the District's variable rate debt, the total average debt rate was 3.63%, which was a 0.02% decrease from December's rate of 3.65%.

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.

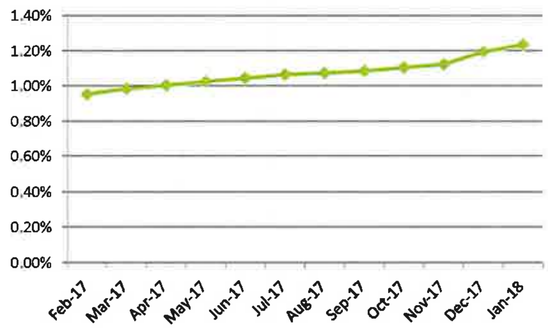
LIST OF EXHIBITS:

Exhibit "A" – Investment Portfolio Summary as of January 26, 2018
Exhibit "B" – Yield Curve as of January 26, 2018
Exhibit "C" – Summary of Fixed and Variable Debt as of January 26, 2018
Exhibit "D" – Summary of Variable Rate Debt Rates as of January 26, 2018

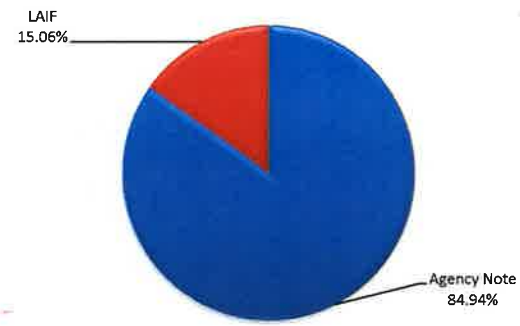
Exhibit "A"

Irvine Ranch Water District
Investment Portfolio Summary
January 2018

Monthly Fixed Income Yield



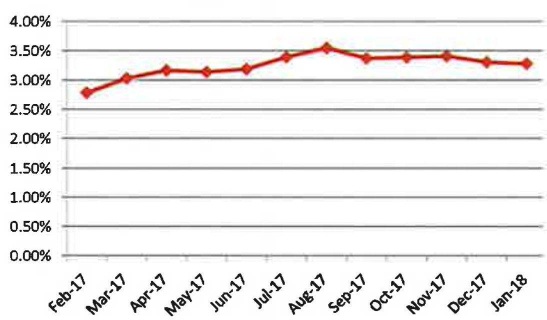
Portfolio Distribution



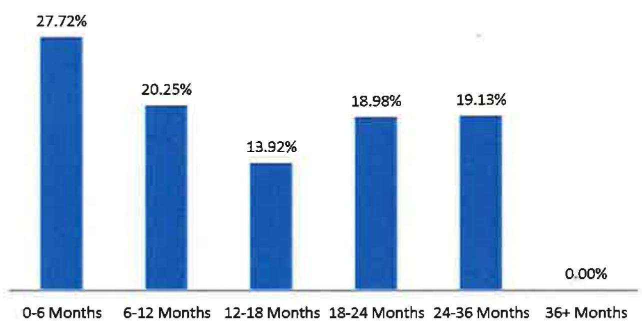
Investment Summary

Type	PAR	Book Value	Market Value
Agency Note	335,550,000	335,632,646	333,304,141
LAIF	59,500,000	59,500,000	59,450,969
Grand Total	395,050,000	395,132,646	392,755,110

Weighted Average Return Including Real Estate Portfolio



Maturity Distribution



Top Issuers

Issuer	PAR	% Portfolio
Fed Home Loan Bank	101,000,000	25.57%
Fed Home Loan Mortgage Corp	89,000,000	22.53%
Fed Natl Mortgage Assoc	80,550,000	20.39%
Fed Farm Credit Bank	65,000,000	16.45%
State of California Treasury - LAIF	59,500,000	15.06%
Grand Total	395,050,000	100%

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IRVINE RANCH WATER DISTRICT
INVESTMENT SUMMARY REPORT

01/26/18

SETTLMT	Call Schedule	Initial Call	Maturity Date	Rating	INVESTMENT TYPE	INSTITUTION / ISSUER	PAR Amount	COUPON DISCOUNT	YIELD	ORIGINAL COST	CARRY VALUE	MARKET VALUE[1] 1/26/2018	UNREALIZED[2] GAIN/(LOSS)
08/23/17			01/27/18		LAIF	State of California Tsy.	$59,500,000		1.200%	$59,500,000.00	$59,500,000.00	59,450,969.08	(49,030.92)
04/22/16	N/A	N/A	01/29/18	Aaa/AA+/AAA	FHLMC - Note	Fed Home Loan Mortgage Corp	4,000,000	0.850%	0.856%	3,999,600.00	4,000,000.00	3,998,520.00	(1,480.00)
03/01/16	Quarterly	05/26/16	02/26/18	NR/AA+/AAA	FHLMC - Note	Fed Home Loan Mortgage Corp	5,000,000	1.050%	1.050%	5,000,000.00	5,000,000.00	4,997,650.00	(2,350.00)
03/23/16	N/A	N/A	03/23/18	Aaa/AA+/AAA	FHLMC - Note	Fed Home Loan Mortgage Corp	5,000,000	1.100%	0.908%	5,019,000.00	5,001,301.37	4,996,600.00	(4,701.37)
04/07/16	N/A	N/A	04/09/18	NA	FHLMC - Note	Fed Home Loan Mortgage Corp	5,000,000	0.750%	0.790%	4,996,000.00	4,999,633.88	4,990,800.00	(8,833.88)
05/16/16	N/A	N/A	05/16/18	Aaa/AA+/NR	FFCB - Note	Fed Farm Credit Bank	5,000,000	0.750%	0.801%	4,995,000.00	4,999,287.67	4,986,550.00	(12,737.67)
05/13/16	N/A	N/A	05/21/18	Aaa/AA+/AAA	FNMA - Note	Fed Natl Mortgage Assoc	5,000,000	0.875%	0.768%	5,010,700.00	5,001,580.35	4,986,900.00	(14,680.35)
05/24/16	N/A	N/A	06/08/18	Aaa/AA+/NR	FHLB - Note	Fed Home Loan Bank	11,000,000	1.250%	0.995%	11,056,540.00	11,009,638.36	10,984,490.00	(25,148.36)
06/29/16	N/A	N/A	06/29/18	Aaa/AA+/AAA	FHLMC - Note	Fed Home Loan Mortgage Corp	10,000,000	1.000%	0.679%	10,016,000.00	10,003,243.84	9,971,000.00	(32,243.84)
09/01/16	N/A	N/A	07/27/18	Aaa/AA+/AAA	FNMA - Note	Fed Natl Mortgage Assoc	5,000,000	0.750%	0.928%	4,983,250.00	4,995,752.16	4,974,250.00	(21,502.16)
12/21/16	N/A	N/A	08/15/18	Aaa/AA+/AAA	FHLMC - Note	Fed Home Loan Mortgage Corp	5,000,000	1.000%	1.245%	4,980,000.00	4,993,521.59	4,978,700.00	(14,821.59)
09/01/16	One Time	02/28/17	08/28/18	Aaa/AA+/NR	FHLB - Note	Fed Home Loan Bank	5,000,000	1.000%	1.000%	5,000,000.00	5,000,000.00	4,976,600.00	(23,400.00)
09/01/16	NA	NA	09/14/18	Aaa/AA+/NR	FHLB - Note	Fed Home Loan Bank	5,000,000	1.125%	0.916%	5,021,000.00	5,006,359.35	4,978,850.00	(27,509.35)
12/28/16	NA	NA	09/14/18	Aaa/AA+/NR	FHLB - Note	Fed Home Loan Bank	5,000,000	1.125%	1.225%	4,991,500.00	4,996,940.00	4,978,850.00	(18,090.00)
10/12/16	N/A	N/A	09/27/18	Aaa/AA+/NR	FHLB - Note	Fed Home Loan Bank	10,000,000	0.900%	0.952%	9,990,000.00	9,996,391.61	9,945,700.00	(50,691.61)
10/12/16	N/A	N/A	09/28/18	Aaa/AA+/AAA	FFCB - Note	Fed Farm Credit Bank	5,000,000	0.880%	0.942%	4,994,000.00	4,997,829.61	4,970,600.00	(27,229.61)
09/01/16	NA	NA	10/01/18	Aaa/AA+/NR	FFCB - Note	Fed Farm Credit Bank	5,000,000	1.030%	0.925%	5,010,750.00	5,003,423.03	4,975,750.00	(27,673.03)
10/12/16	N/A	N/A	10/12/18	Aaa/NR/NR	FFCB - Note	Fed Farm Credit Bank	10,000,000	1.000%	1.041%	9,992,000.00	9,997,008.22	9,944,000.00	(53,008.22)
10/12/16	N/A	N/A	11/27/18	Aaa/AA+/AAA	FNMA - Note	Fed Natl Mortgage Assoc	10,000,000	1.625%	0.956%	10,140,360.00	10,057,699.54	9,984,200.00	(73,499.54)
12/21/16	N/A	N/A	12/05/18	Aaa/AA+/AAA	FFCB - Note	Fed Farm Credit Bank	5,000,000	1.100%	1.319%	4,978,900.00	5,034,593.29	4,970,850.00	(63,743.29)
09/01/16	NA	NA	12/14/18	Aaa/AA+/NR	FHLB - Note	Fed Home Loan Bank	5,000,000	1.750%	0.941%	5,091,300.00	5,018,306.05	4,994,550.00	(23,756.05)
12/27/16	NA	NA	12/14/18	Aaa/AA+/NR	FHLB - Note	Fed Home Loan Bank	5,000,000	1.750%	1.320%	5,041,536.20	4,990,927.59	4,994,550.00	3,622.41
09/01/16	One Time	07/30/18	01/30/19	Aaa/AA+/AAA	FHLMC - Note	Fed Home Loan Mortgage Corp	5,000,000	0.950%	1.009%	4,993,000.00	4,997,115.78	4,950,950.00	(46,165.78)
10/26/16	One Time	07/30/18	01/30/19	Aaa/AA+/AAA	FHLMC - Note	Fed Home Loan Mortgage Corp	5,000,000	0.950%	1.035%	4,990,500.00	4,995,756.05	4,950,950.00	(44,806.05)
10/26/16	One Time	07/30/18	01/30/19	Aaa/AA+/AAA	FHLMC - Note	Fed Home Loan Mortgage Corp	5,000,000	0.950%	1.040%	4,990,000.00	4,995,532.69	4,950,950.00	(44,582.69)
10/12/16	Continuous after	02/12/18	02/12/19	Aaa/AA+/NR	FHLB - Note	Fed Home Loan Bank	10,000,000	1.050%	1.093%	9,990,000.00	9,995,357.56	9,904,000.00	(91,357.56)
09/01/16	NA	NA	03/08/19	Aaa/AA+/AAA	FHLB - Note	Fed Home Loan Bank	5,000,000	1.500%	0.964%	5,066,500.00	5,028,976.03	4,979,450.00	(49,526.03)
10/12/16	N/A	N/A	03/29/19	Aaa/AA+/AAA	FHLMC - Note	Fed Home Loan Mortgage Corp	5,000,000	1.050%	1.050%	4,999,950.00	4,999,975.45	4,952,050.00	(47,925.45)
10/12/16	N/A	N/A	04/15/19	Aaa/AA+/AAA	FHLMC - Note	Fed Home Loan Mortgage Corp	10,000,000	1.125%	0.992%	10,032,800.00	10,016,417.92	9,908,500.00	(107,917.92)
10/31/16	N/A	N/A	04/26/19	Aaa/AA+/AAA	FHLMC - Note	Fed Home Loan Mortgage Corp	5,000,000	1.050%	1.060%	4,998,750.00	4,999,379.82	4,947,850.00	(51,529.82)
09/01/16	One Time	08/28/17	05/28/19	Aaa/AA+/NR	FHLB - Note	Fed Home Loan Bank	5,000,000	1.030%	1.048%	4,997,550.00	4,998,820.37	4,944,950.00	(53,870.37)
09/01/16	NA	NA	06/14/19	Aaa/AA+/NR	FHLB - Note	Fed Home Loan Bank	5,000,000	1.625%	0.987%	5,087,400.00	5,042,839.76	4,980,100.00	(62,739.76)
10/12/16	NA	NA	06/14/19	Aaa/AA+/NR	FHLB - Note	Fed Home Loan Bank	5,000,000	1.625%	1.103%	5,068,515.88	5,036,401.26	4,980,100.00	(56,301.26)
10/12/16	NA	NA	07/19/19	Aaa/AA+/AAA	FHLMC - Note	Fed Home Loan Mortgage Corp	5,000,000	0.875%	1.098%	4,969,652.90	4,983,384.21	4,921,800.00	(61,584.21)
09/01/16	NA	NA	07/26/19	Aaa/AA+/AAA	FNMA - Note	Fed Natl Mortgage Assoc	5,000,000	1.150%	1.180%	4,995,700.00	4,997,805.29	4,942,700.00	(55,105.29)
09/01/16	One Time	08/28/17	08/28/19	Aaa/AA+/AAA	FNMA - Note	Fed Natl Mortgage Assoc	5,000,000	1.150%	1.160%	4,998,500.00	4,999,212.19	4,938,650.00	(60,562.19)
09/01/16	NA	NA	08/28/19	Aaa/AA+/AAA	FNMA - Note	Fed Natl Mortgage Assoc	5,000,000	1.125%	1.132%	4,999,000.00	4,999,474.79	4,932,900.00	(66,574.79)

IRVINE RANCH WATER DISTRICT
INVESTMENT SUMMARY REPORT

01/26/18

SETTLMT	Call Schedule	Initial Call	Maturity Date	Rating	INVESTMENT TYPE	INSTITUTION / ISSUER	PAR Amount	COUPON DISCOUNT	YIELD	ORIGINAL COST	CARRY VALUE	MARKET VALUE(1) 1/26/2018	UNREALIZED(2) GAIN/(LOSS)
09/28/16	Quarterly	03/09/17	09/09/19	Aaa/AA+/AAA	FNMA - Note	Fed Natl Mortgage Assoc	5,000,000	1.125%	1.142%	4,997,500.00	4,998,637.63	4,929,200.00	(69,437.63)
09/28/16	Continuous after	12/27/16	09/27/19	Aaa/AA+/NR	FHLB - Note	Fed Home Loan Bank	5,000,000	1.250%	1.189%	5,001,500.00	5,000,826.78	4,936,500.00	(64,326.78)
10/12/16	Continuous after	10/03/17	10/03/19	Aaa/AA+/NR	FHLB - Note	Fed Home Loan Bank	10,000,000	1.125%	1.160%	9,989,780.00	9,994,080.68	9,855,700.00	(138,380.68)
10/12/16	Continuous after	10/11/17	10/11/19	Aaa/AA+/NR	FFCB - Note	Fed Farm Credit Bank	10,000,000	1.120%	1.205%	9,975,000.00	9,985,443.33	9,847,800.00	(137,643.33)
11/08/16	Quarterly	05/08/17	11/08/19	Aaa/AA+/NR	FNMA - Note	Fed Natl Mortgage Assoc	5,000,000	1.250%	1.245%	5,000,750.00	5,000,441.78	4,924,850.00	(75,591.78)
11/28/16	NA	NA	11/15/19	Aaa/AA+/NR	FHLB - Note	Fed Home Loan Bank	5,000,000	1.375%	1.440%	4,990,550.00	4,994,305.55	4,949,850.00	(44,455.55)
11/28/16	Quarterly	05/25/17	11/25/19	Aaa/AA+/NR	FNMA - Note	Fed Natl Mortgage Assoc	5,000,000	1.400%	1.503%	4,985,000.00	4,990,906.59	4,940,850.00	(50,056.59)
12/12/16	NA	NA	12/12/19	Aaa/AA+/NR	FFCB - Note	Fed Farm Credit Bank	5,000,000	1.450%	1.440%	5,001,450.00	5,000,898.63	4,951,750.00	(49,148.63)
12/21/16	NA	NA	12/19/19	Aaa/AA+/NR	FFCB - Note	Fed Farm Credit Bank	5,000,000	1.500%	1.621%	4,982,350.00	4,988,922.32	4,952,300.00	(36,622.32)
12/20/17	NA	NA	01/17/20	Aaa/AA+/AAA	FHLMC - Note	Fed Home Loan Mortgage Corp	5,000,000	1.500%	1.932%	4,956,250.00	4,958,039.25	4,952,700.00	(5,339.25)
10/16/17	NA	NA	02/28/20	Aaa/AA+/AAA	FNMA - Note	Fed Natl Mortgage Assoc	5,000,000	1.500%	1.612%	4,987,025.00	4,988,645.00	4,948,100.00	(40,545.00)
12/20/17	NA	NA	03/13/20	Aaa/AA+/NR	FHLB - Note	Fed Home Loan Bank	5,000,000	4.125%	1.940%	5,237,200.00	5,228,166.58	5,230,600.00	2,433.42
10/03/17	NA	NA	04/20/20	Aaa/AA+/AAA	FHLMC - Note	Fed Home Loan Mortgage Corp	5,000,000	1.375%	1.630%	4,968,350.00	4,972,467.90	4,929,350.00	(43,117.90)
11/21/17	Continuous after	02/20/18	05/20/20	Aaa/AA+/AAA	FFCB - Note	Fed Farm Credit Bank	5,000,000	1.830%	1.930%	4,987,500.00	4,970,412.57	4,976,250.00	5,837.43
11/10/17	NA	NA	06/22/20	Aaa/AA+/AAA	FNMA - Note	Fed Natl Mortgage Assoc	5,000,000	1.500%	1.750%	4,968,000.00	4,988,638.86	4,940,700.00	(47,938.86)
12/20/17	Quarterly	11/10/16	08/10/20	Aaa/AA+/AAA	FHLMC - Note	Fed Home Loan Mortgage Corp	5,000,000	1.450%	2.052%	4,923,000.00	4,925,476.14	4,910,800.00	(14,676.14)
12/12/17	One Time	09/28/18	09/28/20	Aaa/AA+/AAA	FNMA - Note	Fed Natl Mortgage Assoc	5,000,000	2.000%	2.000%	5,000,000.00	5,000,000.00	4,990,750.00	(9,250.00)
10/31/17	One Time	10/30/18	10/30/20	Aaa/NR/AAA	FNMA - Note	Fed Natl Mortgage Assoc	5,550,000	1.850%	1.850%	5,550,000.00	5,550,000.00	5,507,931.00	(42,069.00)
12/13/17	Continuous after	08/23/17	11/23/20	Aaa/AA+/AAA	FFCB - Note	Fed Farm Credit Bank	5,000,000	1.770%	2.060%	4,958,750.00	4,959,938.43	4,946,900.00	(13,038.43)
12/13/17	Quarterly	05/24/18	11/24/20	Aaa/AA+/AAA	FNMA - Note	Fed Natl Mortgage Assoc	5,000,000	1.900%	2.023%	4,982,500.00	4,983,003.71	4,973,950.00	(9,053.71)
11/30/17	NA	NA	11/24/20	Aaa/AA+/AAA	FFCB - Note	Fed Farm Credit Bank	5,000,000	1.850%	1.964%	4,983,550.00	4,984,500.78	4,968,350.00	(16,150.78)
12/20/17	NA	NA	12/28/20	Aaa/AA+/AAA	FNMA - Note	Fed Natl Mortgage Assoc	5,000,000	1.875%	2.023%	4,978,400.00	4,979,006.52	4,973,100.00	(5,906.52)
TOTAL INVESTMENTS							$395,050,000			$395,389,659.98	$395,132,645.73	$392,755,110.08	
					Petty Cash					3,400.00			
					Ck Balance	Bank of America				(1,648,170.42)			
										$393,744,889.56			

(1) LAIF market value is as of the most recent quarter-end as reported by LAIF.
Security market values are determined using Bank of New York ("Trading Prices"), Bloomberg and/or broker dealer pricing.
(2) Gain (loss) calculated against carry value using the trading value provided by Bank of New York/or Brokers
(3) Real estate rate of return is based on most recent quarter end return

Outstanding Variable Rate Debt	$284,200,000
Net Outstanding Variable Rate Debt (Less $130 million fixed-payer swaps)	$154,200,000
Investment Balance:	$393,744,890
Investment to Variable Rate Debt Ratio:	255%
Portfolio - Average Number of Days To Maturity(4)	404

	Investment Portfolio	**Real Estate(3) Portfolio**	**Weighted Avg. Return**
January	**1.23%**	**8.49%**	**3.27%**
December	**1.19%**	**8.49%**	**3.29%**
Change	**0.04%**		**-0.02%**

This Investment Summary Report is in conformity with the 2018 Investment Policy and provides sufficient liquidity to meet the next six months estimated expenditures.
*S - Step up

IRVINE RANCH WATER DISTRICT
SUMMARY OF MATURITIES

01/26/18

DATE	TOTAL	%	LAIF	Agency Notes	Agency Discount Notes	Collateral Deposit	US Treasury
01/18	$63,500,000	16.07%	$59,500,000	4,000,000			
02/18	5,000,000	1.27%		5,000,000			
03/18	5,000,000	1.27%		5,000,000			
04/18	5,000,000	1.27%		5,000,000		-	
05/18	10,000,000	2.53%		10,000,000			
06/18	21,000,000	5.32%		21,000,000			
07/18	5,000,000	1.27%		5,000,000			
08/18	10,000,000	2.53%		10,000,000			
09/18	25,000,000	6.33%		25,000,000			
10/18	15,000,000	3.80%		15,000,000			
11/18	10,000,000	2.53%		10,000,000			
12/18	15,000,000	3.80%		15,000,000			
SUB-TOTAL	$189,500,000	47.97%	$59,500,000	$130,000,000			
13 Months - 3 YEARS							
1/01/19 - 2/28/2019	25,000,000	6.33%		25,000,000			
3/01/19 - 5/31/2019	30,000,000	7.59%		30,000,000			
6/01/19 - 8/31/2019	30,000,000	7.59%		30,000,000			
9/01/2019 - 11/30/19	45,000,000	11.39%		45,000,000			
12/01/19 - 2/28/2020	20,000,000	5.06%		20,000,000			
3/01/2020 - 5/31/2020	15,000,000	3.80%		15,000,000			
6/01/2020 - 8/31/2020	10,000,000	2.53%		10,000,000			
9/01/2020 -12/31/2020	30,550,000	7.73%		30,550,000			
1/01/2021 -2/28/2021	-						
	-						
TOTALS	$395,050,000	100.00%	$59,500,000	$335,550,000			
% OF PORTFOLIO			15.06%	84.94%			

Irvine Ranch Water District
Summary of Real Estate - Income Producing Investments
12/31/2017

	ACQUISITION DATE	PROPERTY TYPE	OWNERSHIP INTEREST	ORIGINAL COST	ESTIMATED MARKET VALUE 12/31/2017	ANNUALIZED RATE OF RETURN QUARTER ENDED 12/31/2017
Sycamore Canyon	Dec-92	Apartments	Fee Simple	$ 43,550,810	$ 147,507,750	17.78%
Wood Canyon Villas	Jun-91	Apartments	Limited Partner	$ 6,000,000	$ 28,934,076	8.56%
ITC (230 Commerce)	Jul-03	Office Building	Fee Simple	$ 5,739,845	$ 9,571,680	5.78%
Waterworks Business Pk.	Nov-08	Research & Dev.	Fee Simple	$ 8,630,577	$ 7,803,000	5.41%
Sand Canyon Professional Center	Jul-12	Medical Office	Fee Simple	$ 8,648,594	$ 10,820,160	8.88%
Total - Income Properties				$ 72,569,826	$ 204,636,666	13.54%
OTHER REAL ESTATE DESCRIPTION						
Serrano Summit - Promissory Note	Sep-17	NA	NA	$ 81,600,000	$ 81,600,000	4.00%
Total - Income Producing Real Estate Investments				$ 154,169,826	$ 286,236,666	8.49%

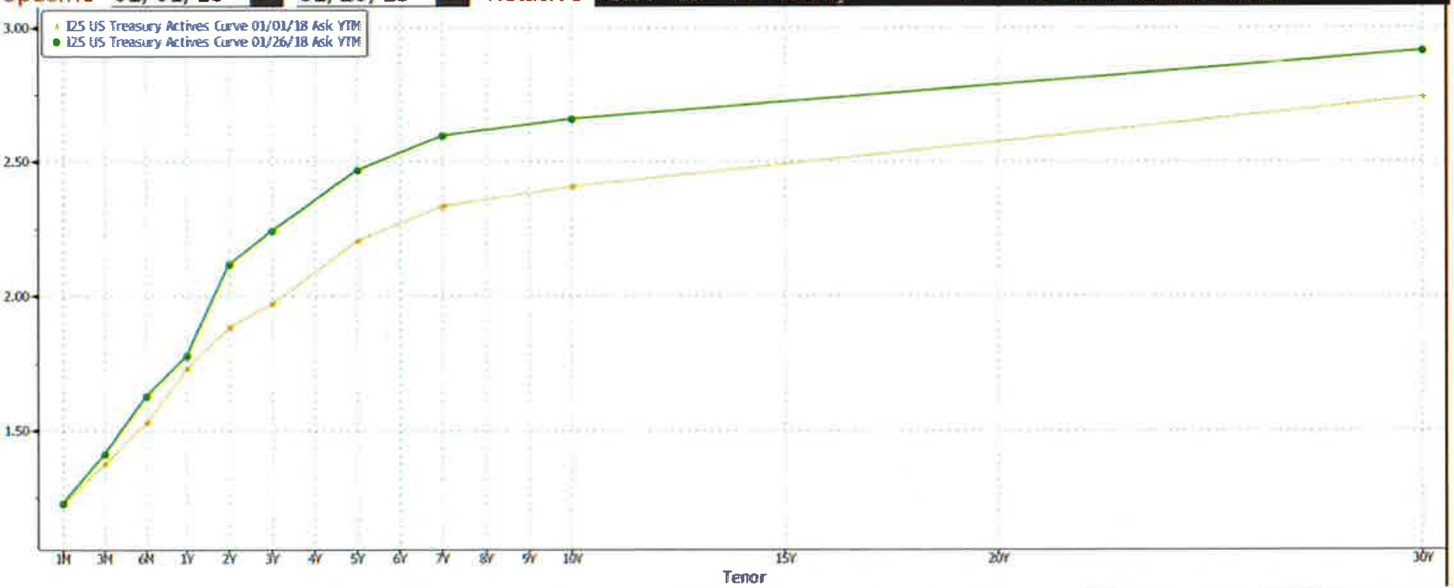
Exhibit "B"

Running as C15. Run GC for more features.

US Treasury Actives Curve | Actives | 98) Table | Settings | Graph Curves

X-Axis Tenor | Y-Axis Ask YTM | Currency None | PCS | Lower Chart History Table

Specific 01/01/18 | 01/26/18 | Relative | Last 1D 1W Modify « Curves & Relative Value



All Tenors | Key Tenors

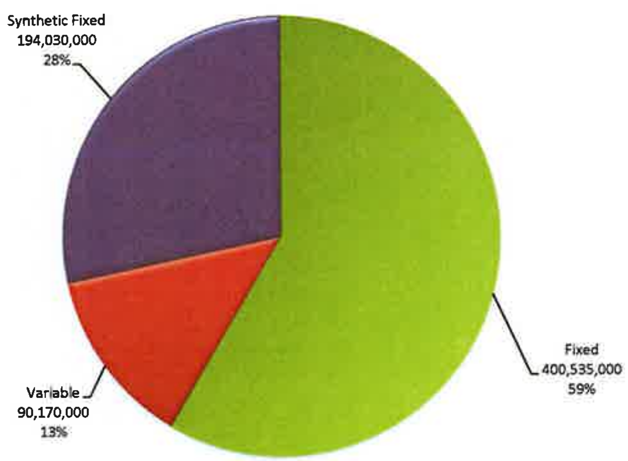
Curve Id	3M	1Y	2Y	3Y	5Y	10Y	30Y
11) I25 01/26/18	1.412	1.776	2.116	2.241	2.470	2.660	2.911
12) I25 01/01/18	1.376	1.732	1.883	1.971	2.206	2.405	2.740
13) I25 (01/26/18-01	3.6	4.4	23.3	27.0	26.4	25.5	17.2

SN 736334 PST GMT-8:00 H367-4935-0 28-Jan-2018 09:57:50

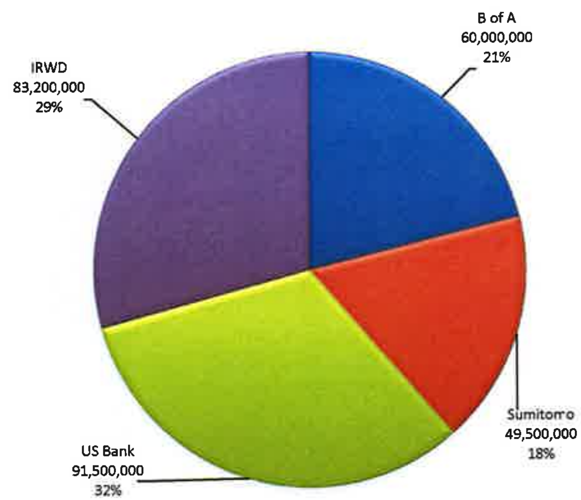
Exhibit "C"

Irvine Ranch Water District
Summary of Fixed and Variable Rate Debt
January 2018

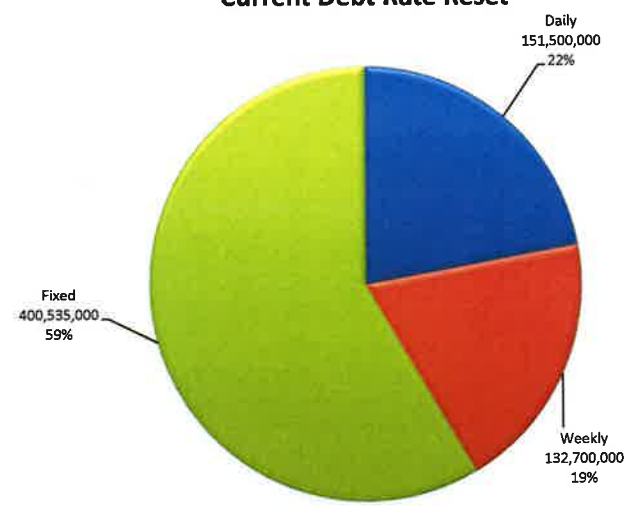
Current Debt Mix By Type



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	$31,500,000	4.60%	US Bank	BAML	Variable	Daily
Series 2008-A Refunding	04/24/08	07/01/35	$49,500,000	7.23%	Sumitomo	BAML	Variable	Weekly
Series 2011-A-1 Refunding	04/15/11	10/01/37	$49,920,000	7.29%	IRWD	Goldman	Variable	Weekly
Series 2011-A-2 Refunding	04/15/11	10/01/37	$33,280,000	4.86%	IRWD	Morgan	Variable	Weekly
Series 2009 - A	06/04/09	10/01/41	$60,000,000	8.76%	US Bank	US Bank	Variable	Daily
Series 2009 - B	06/04/09	10/01/41	$60,000,000	8.76%	B of A	Goldman	Variable	Daily
2010 Refunding Cops	02/23/10	03/01/20	$5,390,000	0.79%	N/A	N/A	Fixed	Fixed
2016 COPS	09/01/16	03/01/46	$116,745,000	17.05%	N/A	N/A	Fixed	Fixed
2010 Build America Taxable Bond	12/16/10	05/01/40	$175,000,000	25.56%	N/A	N/A	Fixed	Fixed
Series 2016	10/12/16	02/01/46	$103,400,000	15.10%	N/A	N/A	Fixed	Fixed
Total			$684,735,000	100.00%				

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IRVINE RANCH WATER DISTRICT

SUMMARY OF FIXED & VARIABLE RATE DEBT

January-18

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	$31,500,000	US BANK	05/07/15	11/07/18	Aa3/VMIG1	AA-/A-1+	N/R	$31,924,603	0.3300%	$105,351	BAML	DAILY	0.10%	$31,500	BANK OF NY
SERIES 2008-A Refunding	04/24/08	07/01/35	JUL 1	5th Bus. Day	$60,215,000	$49,500,000	SUMITOMO	04/01/11	07/21/21	A1/P-1	A/A-1	A/F1	$50,232,329	0.3150%	$158,232	BAML	WED	0.07%	$34,650	BANK OF NY
SERIES 2011-A-1 Refunding	04/15/11	10/01/37	Oct 1	1st Bus. Day	$60,545,000	$49,920,000	N/A	N/A	N/A	Aa1/VMIG1	A-1+	AAA/F1+	N/A	N/A	N/A	Goldman	WED	0.13%	$62,400	BANK OF NY
SERIES 2011-A-2 Refunding	04/15/11	10/01/37	Oct 1	1st Bus. Day	$40,370,000	$33,280,000	N/A	N/A	N/A	Aa1/VMIG1	A-1+	AAA/F1+	N/A	N/A	N/A	Morgan S.	WED	0.13%	$41,600	BANK OF NY
SERIES 2009 - A	06/04/09	10/01/41	Oct 1	1st Bus. Day	$75,000,000	$60,000,000	US BANK	04/01/11	12/22/20	Aa2/VMIG 1	AA-/A-1+	AA/F1+	$60,670,685	0.4100%	$248,750	US Bank	DAILY	0.07%	$42,000	US BANK
SERIES 2009 - B	06/04/09	10/01/41	Oct 1	1st Bus. Day	$75,000,000	$60,000,000	B of A	04/01/11	07/15/19	A1/VMIG 1	A/A-1	A1/F1+	$60,670,685	0.4000%	$242,683	Goldman	DAILY	0.10%	$60,000	US BANK
					$349,430,000	$284,200,000	SUB-TOTAL VARIABLE RATE DEBT						$203,498,301	0.3711% (Wt. Avg)	$755,016			0.10% (Wt. Avg)	$272,150	
FIXED RATE ISSUES																				
2010 REFUNDING COPS	02/23/10	03/01/20	Mar -1	MAR/SEPT	$85,145,000	$5,390,000	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
2016 COPS	09/01/16	03/01/46	Mar - 1	MAR/SEPT	$116,745,000	$116,745,000	N/A	N/A	N/A	NR	AAA	AAA	N/A	N/A	N/A	N/A	N/A	N/A	N/A	US BANK
SERIES 2016	10/12/16	02/01/46	Feb - 1	FEB/AUG	$103,400,000	$103,400,000	N/A	N/A	N/A	NR	AAA	AAA	N/A	N/A	N/A	N/A	N/A	N/A	N/A	BANK OF NY
					$480,290,000	$400,535,000	SUB-TOTAL FIXED RATE DEBT													
					$829,720,000	$684,735,000	TOTAL- FIXED & VARIABLE RATE DEBT													

Remarketing Agents

Goldman	109,920,000	39%
Morgan Stanley	33,280,000	12%
BAML	81,000,000	29%
US Bank	60,000,000	21%
	284,200,000	

GO VS COP's

GO:	562,600,000	82%
COPS:	122,135,000	18%
Total	684,735,000	

LOC Banks

SUMITOMO	49,500,000
BANK OF AMERICA	60,000,000
US BANK	91,500,000
	201,000,000

Breakdown Between Variable & Fixed Rate Mode

Daily Issues	151,500,000	22%
Weekly Issues	49,500,000	7%
ITN Issues	83,200,000	12%
Sub-Total	284,200,000	
Fixed Rate Issues	$400,535,000	58%
Sub-Total - Fixed	400,535,000	
TOTAL DEBT FIXED & VAR.	684,735,000	100%

vrdsum.xlsx
1/26/2018

Exhibit "D"

IRVINE RANCH WATER DISTRICT
SUMMARY OF DEBT RATES
Jan-18

Rmkt Agent	GOLDMAN	GOLDMAN	MORGAN STANLEY	MERRILL LYNCH	MERRILL LYNCH	US BANK
Mode	DAILY	WEEKLY	WEEKLY	DAILY	WEEKLY	DAILY
Bond Issue	2009 - B	2011 A-1	2011 A-2	1993	2008-A	2009-A
Par Amount	60,000,000	49,920,000	33,280,000	31,500,000	49,500,000	60,000,000
Bank	BOFA	(SIFMA+7)	(SIFMA+7)	US BANK	Sumitomo	US BANK
Reset		Wednesday	Wednesday		Wednesday	
1/1/2018	1.75%	1.78%	1.78%	1.75%	1.60%	1.60%
1/2/2018	1.22%	1.78%	1.78%	1.20%	1.60%	1.48%
1/3/2018	1.10%	1.78%	1.78%	1.25%	1.60%	1.25%
1/4/2018	1.10%	1.54%	1.54%	1.05%	1.29%	1.15%
1/5/2018	1.05%	1.54%	1.54%	1.05%	1.29%	1.10%
1/6/2018	1.05%	1.54%	1.54%	1.05%	1.29%	1.10%
1/7/2018	1.05%	1.54%	1.54%	1.05%	1.29%	1.10%
1/8/2018	1.07%	1.54%	1.54%	1.02%	1.29%	1.05%
1/9/2018	1.02%	1.54%	1.54%	1.02%	1.29%	1.05%
1/10/2018	1.02%	1.54%	1.54%	1.02%	1.29%	1.05%
1/11/2018	1.04%	1.38%	1.38%	0.98%	1.21%	1.04%
1/12/2018	1.04%	1.38%	1.38%	0.93%	1.21%	1.03%
1/13/2018	1.04%	1.38%	1.38%	0.93%	1.21%	1.03%
1/14/2018	1.04%	1.38%	1.38%	0.93%	1.21%	1.03%
1/15/2018	1.04%	1.38%	1.38%	0.93%	1.21%	1.03%
1/16/2018	0.88%	1.38%	1.38%	0.88%	1.21%	1.01%
1/17/2018	0.86%	1.38%	1.38%	0.83%	1.21%	0.95%
1/18/2018	0.78%	1.30%	1.30%	0.78%	1.11%	0.83%
1/19/2018	0.74%	1.30%	1.30%	0.75%	1.11%	0.78%
1/20/2018	0.74%	1.30%	1.30%	0.75%	1.11%	0.78%
1/21/2018	0.74%	1.30%	1.30%	0.75%	1.11%	0.78%
1/22/2018	0.72%	1.30%	1.30%	0.78%	1.11%	0.75%
1/23/2018	0.71%	1.30%	1.30%	0.71%	1.11%	0.74%
1/24/2018	0.72%	1.30%	1.30%	0.74%	1.11%	0.73%
1/25/2018	0.74%	1.23%	1.23%	0.71%	1.04%	0.73%
1/26/2018	0.72%	1.23%	1.23%	0.74%	1.04%	0.73%
1/27/2018	0.72%	1.23%	1.23%	0.74%	1.04%	0.73%
1/28/2018	0.72%	1.23%	1.23%	0.74%	1.04%	0.73%
1/29/2018		1.23%	1.23%		1.04%	
1/30/2018		1.23%	1.23%		1.04%	
1/31/2018		1.23%	1.23%		1.04%	
Avg Interest Rates	0.94%	1.41%	1.41%	0.93%	1.20%	0.98%
Rmkt Fee	0.10%	0.13%	0.13%	0.10%	0.07%	0.07%
LOC Fee	0.40%			0.33%	0.32%	0.41%
All-In Rate	**1.44%**	**1.54%**	**1.54%**	**1.36%**	**1.59%**	**1.46%**
Par Amount	109,920,000		33,280,000	81,000,000		60,000,000

Interest Rate Mode	Percent of Total Variable Rate Debt		Par Outstanding	Weighted All-In Average Rate		Base Rate Average
Daily	53.31%		151,500,000	1.43%		0.95%
Weekly	46.69%		132,700,000	1.56%		1.34%
	100.00%	$	**284,200,000**	1.49%		1.13%
Fixed						
COPS 2010	1.35%		5,390,000	3.82%		
COPS 2016	29.15%		116,745,000	2.90%		
BABS 2010	43.69%		175,000,000	4.46%	(1)	
SERIES 2016	25.82%		103,400,000	3.32%		
	100.00%	$	**400,535,000**	3.70%		
All-In Debt Rate Including $130 Million Notional Amount of Swaps						**3.63%**

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

February 5, 2018 SP
Prepared by: J. Davis/T. Fournier
Submitted by: R. Jacobson/C. Clary
Approved by: Paul Cook

FINANCE AND PERSONNEL COMMITTEE

QUARTERLY DEFERRED COMPENSATION PLAN AND FUND REVIEW

SUMMARY:

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

- A Summary of the Deferred Compensation Program and Distribution of Assets as of December 31, 2017, as outlined in Exhibit "A".
- Mutual Fund Performance Review as of December 31, 2017, as outlined in Exhibit "B".

BACKGROUND:

Overview of the Deferred Compensation Assets:

As of December 31, 2017, the District's Section 457(b) and 401(a) Plans (collectively, the "Plans") assets totaled $57,504,429 which represented a $2,606,858 increase from the quarter ending September 30, 2017 and an $9,849,862 increase for the one-year period ending December 31, 2017. The changes in Plan assets over these two periods are summarized as follows:

	For the One-Year Period Ending December 31, 2017	*For the Quarter Ending December 31, 2017*
Beginning Balance	$47,654,567	$54,897,571
Employee Contributions	2,365,785	535,941
District Contributions	916,448	215,744
Transfers to/from other plans	1,048,795	126,840
Distributions	(1,321,384)	(375,514)
Loan Distributions[(1)]	(459,669)	(102,172)
Loan Repayments	174,838	50,773
Net Investment Gain (Loss)	7,125,049	2,155,245
Ending Balance – December 31, 2017	$57,504,429	$57,504,429
Change in assets for the period	$9,849,862	$2,606,858

(1) Number of loans outstanding: 59

Review of Investment Options:

The District's deferred compensation policy states that any investment option performing "Below Benchmark" for four consecutive quarters or seven out of the trailing 12 quarters, has "Failed" the Long-Term Rolling Analysis (LTRA) and the investment option is to be replaced. The Hotchkis and Wiley Mid-Cap Value Fund has performed below the benchmark for four consecutive quarters and therefore should be replaced. The District's deferred compensation consultant, The Hyas Group, is performing a search for a replacement fund in the Mid-Cap Value asset class and staff will provide a recommendation at the March Committee meeting. For the quarter ending December 31, 2017, the Harbor International Institutional Fund failed the LTRA for the second consecutive quarter. Staff will continue to monitor the fund's performance. The Great-West Financial Fund Performance Review as of December 31, 2017 is attached as Exhibit "B".

FISCAL IMPACTS:

As of December 31, 2017, the District's Plan assets totaled $57,504,429, which represented a $2,606,858 increase from the quarter ending September 30, 2017 and a $9,849,862 increase for the one-year period ending December 31, 2017.

ENVIRONMENTAL COMPLIANCE:

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

RECOMMENDATION:

Receive and file.

LIST OF EXHIBITS:

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

EXHIBIT "A"
IRVINE RANCH WATER DISTRICT
SUMMARY OF DEFERRED COMPENSATION PROGRAM
December 31, 2017

Deferred Compensation IRS Section 457 (Employee Contributions)

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

	457	401 (a)	GRAND TOTAL
Assets	**$44,140,219**	**$13,364,210**	**$57,504,429**
Change From Prior Quarter	$1,955,710	$651,148	$2,606,858
Change From Prior Year (12/2016)	$7,486,029	$2,363,833	$9,849,862
Quarterly Contributions	**$535,941**	**$215,744**	**$751,685**
Change From Prior Quarter**	*($64,327)*	($38,694)	

**Reduction in contributions is due to one additional pay period in the quarter ended September 30, 2017

	For the One Year Period Ending December 31, 2017	For the Quarter Ending December 31, 2017
Beginning Balance	$47,654,567	$54,897,571
Employee Contributions	2,365,785	535,941
District Contributions	916,448	215,744
Transfers to/from other plans	1,048,795	126,840
Distributions	(1,321,384)	(375,514)
Loan Distributions[1]	(459,669)	(102,172)
Loan Repayment	174,838	50,773
Net Investment Gain (Loss)	7,125,049	2,155,245
Ending Balance - December 31, 2017	$57,504,429	$57,504,429
Change in assets for the period	$9,849,862	$2,606,858

[1] Number of loans outstanding as of 12/31/17 : 59

Employee Participation	
Full-time Permanent Employees	353
Permanent Employees Participating	340
Percent Participation	96%

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

December 31, 2017

	Fund	Assets	Percent of Assets	Change from previous quarter
	PROFILE FUNDS			
AGG	Aggressive Profile Fund	6,451,785	11.2%	0.3%
MOD	Moderate Profile Fund	5,975,880	10.4%	0.1%
CON	Conservative Profile Fund	4,221,004	7.3%	1.1%
	Sub Total	**16,648,669**	**28.9%**	**1.5%**
	INTERNATIONAL FUND			
HAINX	Harbor International Instl	1,899,854	3.3%	-0.3%
VTIAX	Vanguard Total Intl Stock Index Admiral	1,102,749	1.9%	0.0%
	Sub Total	**3,002,604**	**5.2%**	**-0.3%**
	SMALL CAP FUNDS			
BSFIX	Baron Small-Cap Growth Fund	2,514,023	4.4%	-0.3%
VSVIX	Victory Integrity Small Cap	1,543,144	2.7%	-0.1%
VSMAX	Vanguard Small Cap Index	1,289,084	2.2%	0.0%
	Sub Total	**5,346,252**	**9.3%**	**-0.4%**
	MEDIUM CAP FUNDS			
MGOSX	Munder Mid-Cap Core Growth Fund	1,894,479	3.3%	0.0%
HWMIX	Hotchkis & Wiley Mid-Cap Value Fund	2,395,723	4.2%	0.0%
VIMAX	Vanguard Mid-Cap Index Fund	1,625,155	2.8%	0.1%
	Sub Total	**5,915,357**	**10.3%**	**0.1%**
	LARGE CAP FUNDS			
RGAFX	American Growth Fund R4	4,783,080	8.3%	-0.3%
VINIX	Vanguard Institutional Index	5,964,150	10.4%	0.1%
DHLYX	Diamond Hill Large-Cap Fund	2,537,159	4.4%	0.0%
	Sub Total	**13,284,388**	**23.1%**	**-0.2%**
	BOND FUND			
MWTIX	Metropolitan West Total Return Bond	2,604,305	4.5%	-0.1%
	Sub Total	**2,604,305**	**4.5%**	**-0.1%**
	STABLE VALUE FUND			
	Putnam Stable Value	7,739,267	13.5%	-0.7%
	Sub Total	**7,739,267**	**13.5%**	**-0.7%**
	OTHER			
	Ameritrade Brokerage	2,963,588	5.2%	0.0%
	Total Assets	**$57,504,429**	**100%**	
	LOAN BALANCE OUTSTANDING	**$731,592**		

GREAT-WEST
FINANCIAL™

FUND PERFORMANCE REVIEW

Irvine Ranch Water District - 98453-01

Reporting Period Ending December 31, 2017

AM185511

FUND PERFORMANCE REVIEW

IMPORTANT DISCLOSURES:

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

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

FUND PERFORMANCE REVIEW: OVERVIEW

GREAT-WEST FINANCIAL™

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

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

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

SCOPE:
* The Fund Performance Review is designed as a high level analytical tool to aide plan sponsors in carrying out their fiduciary responsibilities; it is not intended as investment advice.

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

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

FUND PERFORMANCE REVIEW (FPR): CRITERIA

GREAT-WEST FINANCIAL

OVERALL RATING: Based on performance, risk-adjusted performance and the Overall Morningstar Rating.

Return Composite: Determined by taking the equal-weighted average of the 3-, 5- and 10-year category return percentiles.

Sharpe Composite: Calculated by averaging the 3- and 5-year category sharpe percentiles.

Overall Composite: The equally-weighted average of the Return Composite and Sharpe Composite.

Overall Morningstar Rating™: Represents a measure of an investment's risk-adjusted return, relative to similar investments.

The Overall Composite is the sole determinate for the Overall Rating for funds that do not have an Overall Morningstar Category Rating.

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

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

<table>
<tr><th>Consecutive number of Quarters Receiving a Below Rating</th><th></th><th>Total number of Quarters Below out of trailing 12 quarters</th><th>Long-Term Rolling Analysis *</th></tr>
<tr><td>< 4 Quarters</td><td>AND</td><td>< 7 Quarters</td><td>Pass</td></tr>
<tr><td>≥ 4 Quarters</td><td>OR</td><td>≥ 7 Quarters</td><td>Fail</td></tr>
<tr><td colspan="4">OR</td></tr>
<tr><td>Overall Rating: < 25.0%</td><td></td><td></td><td>Fail</td></tr>
</table>

*'Pass' and 'Fail' ratings in the long-term rolling analysis are not available for target date funds or Great-West SecureFoundation funds. Morningstar's category classification system has not evolved to address differences in target-date glidepaths. The current system separates funds only by target retirement date and does not consider the level of equity in the glidepath (i.e. how aggressive or conservative the glidepath is versus peers). Plans should consider how their demographics align with their chosen target date glidepath rather than attempt to "time the market" by changing glidepaths based on peer performance rankings. All target-date funds will receive an 'N/A' rating in the FPR. The Great-West SecureFoundation funds will also receive an 'N/A' rating in the FPR. These funds are unique in that they also require the purchase of a Guaranteed Lifetime Withdrawal Benefit (Guarantee) either as a fixed deferred annuity contract, a certificate to a group fixed deferred annuity contract, or a rider to a variable annuity contract. The Guarantee provides guaranteed retirement income for the life of a designated person(s), provided certain conditions are met. Plan Sponsors that seek this feature should take a long-term, holistic view with these funds as this benefit does not show up in peer group performance rankings as measured and scored through the FPR process.

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

Performance Summary: Irvine Ranch Water District

period ended 12/31/2017

	Morningstar Category	Ticker Symbol	Fund Name	Overall Rating: Composite %'s Overall	Composite %'s Return	Composite %'s Sharpe	Mstar Rating		Long-Term Rolling Analysis: Consecutive Quarters Below	# of Quarters Below out of trailing 12	
Intl	Foreign Large Blend	HAINX	Harbor International Institutional	18.0	28.0	8.0	2	Below	2	2 out of 12	Fail
Small-Cap	Small Growth	BSFIX	Baron Small Cap Instl	55.1	41.7	68.5	3	Above	0	0 out of 12	Pass
	Small Value	VSVIX	Victory Integrity Small-Cap Value Y	68.9	77.3	60.5	4	Above	0	0 out of 12	Pass
Mid-Cap	Mid-Cap Growth	MGOSX	Victory Munder Mid-Cap Core Growth R6	46.7	42.3	51.0	3	Neutral	0	0 out of 12	Pass
	Mid-Cap Value	HWMIX	Hotchkis & Wiley Mid-Cap Value I	23.8	42.7	5.0	2	Below	4	6 out of 12	Fail
Large-Cap	Large Growth	RGAFX	American Funds Growth Fund of Amer R5	77.8	66.7	89.0	4	Above	0	0 out of 12	Pass
	Large Value	DHLYX	Diamond Hill Large Cap Y	86.5	94.0	79.0	5	Above	0	0 out of 12	Pass
Bond	Intermediate-Term Bond	MWTIX	Metropolitan West Total Return Bd I	66.0	69.0	63.0	4	Above	0	0 out of 12	Pass
Index Funds	Foreign Large Blend	VTIAX	Vanguard Total Intl Stock Index Admiral (Idx)	59.3	58.7	60.0	3	N/A	N/A	0 out of 12	Pass
	Small Blend	VSMAX	Vanguard Small Cap Index Adm (Idx)	80.3	74.7	86.0	4	N/A	N/A	0 out of 12	Pass
	Mid-Cap Blend	VIMAX	Vanguard Mid Cap Index Admiral (Idx)	71.4	66.3	76.5	3	N/A	N/A	0 out of 12	Pass
	Large Blend	VINIX	Vanguard Institutional Index I (Idx)	88.6	85.7	91.5	4	N/A	N/A	0 out of 12	Pass

Data Source: Morningstar® Direct℠

Please refer to the Appendix page for additional disclosures.

Return Analysis: Irvine Ranch Water District

period ended 12/31/2017

	Fund Name	4th Qtr 2017 Return	4th Qtr 2017 Percentile	Performance vs. Benchmark (Annualized Returns and Return Percentiles %) 1 Year Return	1 Year Percentile	3 Year Return	3 Year Percentile	5 Year Return	5 Year Percentile	10 Year Return	10 Year Percentile	Incept. Date
Intl	Foreign Large Blend Peer Group	3.90	50	25.36	50	7.72	50	7.29	50	1.74	50	
	Harbor International Institutional	2.18	6	22.90	14	5.82	12	5.23	8	2.12	64	12/29/1987
Small-Cap	Small Growth Peer Group	4.89	50	21.99	50	10.09	50	14.13	50	8.72	50	
	Baron Small Cap Instl	5.25	58	27.45	81	10.10	50	13.45	35	8.19	40	5/29/2009
	Small Value Peer Group	3.33	50	8.95	50	8.95	50	13.00	50	8.50	50	
	Victory Integrity Small-Cap Value Y	5.60	91	12.35	79	9.27	55	14.57	85	10.13	92	7/7/2005
Mid-Cap	Mid-Cap Growth Peer Group	5.77	50	24.57	50	9.72	50	13.76	50	7.82	50	
	Victory Munder Mid-Cap Core Growth R6	6.07	59	24.73	51	8.73	35	13.71	49	7.52	43	6/1/2012
	Mid-Cap Value Peer Group	5.07	50	12.84	50	8.44	50	13.66	50	7.95	50	
	Hotchkis & Wiley Mid-Cap Value I	4.58	27	7.78	7	4.49	7	12.78	30	10.10	91	1/2/1997
Large-Cap	Large Growth Peer Group	6.49	50	28.78	50	11.51	50	15.70	50	8.44	50	
	American Funds Growth Fund of Amer R5	6.98	65	26.44	34	13.26	77	16.40	67	8.64	56	5/15/2002
	Large Value Peer Group	5.68	50	16.18	50	8.67	50	13.35	50	6.90	50	
	Diamond Hill Large Cap Y	5.75	52	20.42	92	11.10	95	15.79	96	8.47	91	12/30/2011
Bond	Intermediate-Term Bond Peer Group	0.33	50	3.76	50	2.24	50	2.07	50	4.15	50	
	Metropolitan West Total Return Bd I	0.38	60	3.43	37	2.05	37	2.51	74	5.59	96	3/31/2000
Index Funds	Vanguard Total Intl Stock Index Admiral (Idx)	4.88	82	27.55	75	8.53	75	7.12	44	1.92	57	11/29/2010
	Vanguard Small Cap Index Adm (Idx)	5.10	85	16.24	88	9.84	64	14.44	76	9.68	84	11/13/2000
	Vanguard Mid Cap Index Admiral (Idx)	5.64	50	19.25	87	9.38	55	15.01	85	8.92	59	11/12/2001
	Vanguard Institutional Index I (Idx)	6.63	67	21.79	70	11.38	88	15.76	87	8.50	82	7/31/1990

Investment options available in the plan may be through mutual funds, collective trusts, separately managed accounts and/or a group fixed and variable annuity contract. *Current performance may be lower or higher than performance data shown. Performance data quoted represents past performance and is not a guarantee or prediction of future results. The investment return and principal value of an investment will fluctuate so that, when redeemed shares/units may be worth more or less than their original cost.* For performance data current to the most recent month-end, please visit www.empower-retirement.com/participant. Total return performance shown above represents that of the underlying fund and does not include a deduction for any applicable annuity contract of administrative fees/expenses. Performance numbers shown above would be less after applicable fee/expenses are deducted.

Data Source: Morningstar® Direct℠

Please refer to the Appendix page for additional disclosures

Sharpe Ratio and Expense Analysis: Irvine Ranch Water District

period ended 12/31/2017

	Fund Name	Sharpe Ratios and Percentiles %				Standard Deviation		Expense Ratio	Expense Percentile %	Manager Tenure (yrs)	Fund Size $MM
		3 Yr Ratio	3 Yr %	5 Yr Ratio	5 Yr %	3 Yr	5 Yr				
Intl	Foreign Large Blend Peer Group	0.67	50	0.66	50	11.29	11.17	1.00	50		
	Harbor International Institutional	0.49	9	0.47	7	12.26	11.76	0.72	77	9	31,637
Small-Cap	Small Growth Peer Group	0.75	50	1.02	50	13.79	13.70	1.16	50		
	Baron Small Cap Instl	0.82	69	1.10	68	12.17	11.97	1.06	63	20	4,300
	Small Value Peer Group	0.65	50	0.94	50	14.03	13.49	1.19	50		
	Victory Integrity Small-Cap Value Y	0.65	49	1.01	72	14.67	14.26	1.15	54	14	2,719
Mid-Cap	Mid-Cap Growth Peer Group	0.81	50	1.15	50	11.62	11.36	1.09	50		
	Victory Munder Mid-Cap Core Growth R6	0.76	39	1.21	63	11.25	10.92	0.85	80	17	4,014
	Mid-Cap Value Peer Group	0.71	50	1.18	50	11.23	10.96	1.05	50		
	Hotchkis & Wiley Mid-Cap Value I	0.31	5	0.84	5	17.26	15.35	1.03	52	21	1,971
Large-Cap	Large Growth Peer Group	1.00	50	1.39	50	11.35	10.75	0.97	50		
	American Funds Growth Fund of Amer R5	1.19	90	1.55	88	10.60	10.00	0.38	96	24	183,803
	Large Value Peer Group	0.79	50	1.27	50	10.60	10.07	0.91	50		
	Diamond Hill Large Cap Y	0.94	80	1.40	78	11.51	10.77	0.58	89	15	6,010
Bond	Intermediate-Term Bond Peer Group	0.67	50	0.63	50	2.77	2.89	0.68	50		
	Metropolitan West Total Return Bd I	0.65	47	0.84	79	2.47	2.66	0.44	84	21	80,608
Index Funds	Vanguard Total Intl Stock Index Admiral (Idx)	0.75	74	0.65	46	11.26	11.11	0.11	96	9	331,182
	Vanguard Small Cap Index Adm (Idx)	0.79	79	1.15	93	12.22	12.17	0.06	98	2	84,635
	Vanguard Mid Cap Index Admiral (Idx)	0.86	64	1.38	89	10.58	10.41	0.06	97	20	94,733
	Vanguard Institutional Index I (Idx)	1.08	89	1.57	94	10.07	9.49	0.04	98	17	232,158

A Percentile Ranking of 100% represents the highest performance whereas 0% represents the lowest.
Expense refers to the Prospectus Net Expense Ratio

Data Source: Morningstar® Direct℠
Please refer to the Appendix page for additional disclosures

Annual Returns and Statistics: Irvine Ranch Water District

period ended 12/31/2017

		Calendar Year Returns					Modern Portfolio Theory Statistics (3 year)			Portfolio Construction		
	Fund Name	**2017**	**2016**	**2015**	**2014**	**2013**	**Alpha**	**Beta**	**R2**	**Turnover Ratio**	**Number of Holdings**	**% in top 10 holdings**
Intl	Foreign Large Blend Peer Group	25.36	1.12	-1.38	-5.32	20.40						
	Harbor International Institutional	22.90	0.25	-3.82	-6.81	16.84	-1.70	0.98	92	13	80	32%
Small-Cap	Small Growth Peer Group	21.99	10.75	-2.00	3.33	41.19						
	Baron Small Cap Instl	27.45	10.26	-5.01	1.95	38.10	1.07	0.83	91	29	78	30%
	Small Value Peer Group	8.95	26.22	-6.42	4.23	35.80						
	Victory Integrity Small-Cap Value Y	12.35	24.38	-6.65	7.33	41.02	-0.31	1.01	96	58	138	13%
Mid-Cap	Mid-Cap Growth Peer Group	24.57	5.76	-0.09	7.69	35.45						
	Victory Munder Mid-Cap Core Growth R6	24.73	7.58	-4.20	10.40	33.93	-0.65	0.95	93	55	80	22%
	Mid-Cap Value Peer Group	12.83	17.79	-4.76	10.26	35.03						
	Hotchkis & Wiley Mid-Cap Value I	7.78	21.00	-12.53	12.18	42.55	-4.26	1.14	88	37	60	38%
Large-Cap	Large Growth Peer Group	28.78	2.81	4.86	10.56	34.73						
	American Funds Growth Fund of Amer R5	26.44	8.75	5.65	9.61	34.20	0.50	0.94	92	25	399	27%
	Large Value Peer Group	16.18	14.52	-3.55	10.90	31.83						
	Diamond Hill Large Cap Y	20.42	14.74	-0.74	10.89	36.87	-0.87	1.09	94	23	51	34%
Bond	Intermediate-Term Bond Peer Group	3.76	2.97	0.07	5.57	-1.69						
	Metropolitan West Total Return Bd I	3.43	2.46	0.29	5.99	0.50	0.04	0.87	98	313	1858	36%
Index Funds	Vanguard Total Intl Stock Index Admiral (Idx)	27.55	4.67	-4.26	-4.17	15.14	1.13	0.93	98	3	6204	8%
	Vanguard Small Cap Index Adm (Idx)	16.24	18.30	-3.64	7.50	37.81	0.85	0.92	99	14	1424	3%
	Vanguard Mid Cap Index Admiral (Idx)	19.25	11.22	-1.34	13.76	35.15	-0.83	0.99	99	15	341	7%
	Vanguard Institutional Index I (Idx)	21.79	11.93	1.37	13.65	32.35	-0.02	1.00	100	5	508	20%

A Percentile Ranking of 100% represents the highest performance whereas 0% represents the lowest.

The Fund Performance Review is a proprietary high level analytical tool that is used to evaluate fund performance and is not intended as an offer or solicitation of securities, or as investment advice. Investment options available in the plan may be through mutual funds and/or a group fixed and variable annuity contract. *Current performance may be lower or higher than performance data shown. Performance data quoted represents past performance and is not a guarantee or prediction of future results. The investment return and principal value of an investment will fluctuate so that, when redeemed, shares/units may be worth more or less than their original cost.* Total return performance shown above represents that of the underlying fund and does not include a deduction for any applicable annuity contract of administrative fees/expenses. Performance numbers shown above would be less after applicable fee/expenses are deducted.

Data Source: Morningstar® Direct℠

Please refer to the Appendix page for additional disclosures

Index Performance

period ending 12/31/2017

	Index	Total Return 1 Year	Total Return Annlzd 3 Year	Total Return Annlzd 5 Year	Total Return Annlzd 10 Year	Annual Return 2017	Annual Return 2016	Annual Return 2015	Annual Return 2014	Annual Return 2013
International	MSCI EMF ID	34.35	6.60	1.88	-0.72	34.35	8.58	-16.96	-4.63	-4.98
	MSCI Eafe Ndtr_D	25.03	7.80	7.90	1.94	25.03	1.00	-0.81	-4.90	22.78
	MSCI World Ndtr_D	22.40	9.26	11.64	5.03	22.40	7.51	-0.87	4.94	26.68
Small-Cap	Russell 2000 Growth	22.17	10.28	15.21	9.19	22.17	11.32	-1.38	5.60	43.30
	Russell 2000	14.65	9.96	14.12	8.71	14.65	21.31	-4.41	4.89	38.82
	Russell 2000 Value	7.84	9.55	13.01	8.17	7.84	31.74	-7.47	4.22	34.52
Mid-Cap	Russell Midcap Growth	25.27	10.30	15.30	9.10	25.27	7.33	-0.20	11.90	35.74
	Standard & Poor's Midcap 400	16.24	11.14	15.01	9.97	16.24	20.74	-2.18	9.77	33.50
	Russell Midcap Value	13.34	9.00	14.68	9.10	13.34	20.00	-4.78	14.75	33.46
Large-Cap	Russell 1000 Growth	30.21	13.79	17.33	10.00	30.21	7.08	5.67	13.05	33.48
	Standard & Poor's 500 TR	21.83	11.41	15.79	8.50	21.83	11.96	1.38	13.69	32.39
	Russell 1000 Value	13.66	8.65	14.04	7.10	13.66	17.34	-3.83	13.45	32.53
Bond	BBgBarc US Aggregate Bond	3.54	2.24	2.10	4.01	3.54	2.65	0.55	5.97	-2.02
	BBgBarc US Capital Credit	6.18	3.63	3.24	5.42	6.18	5.63	-0.77	7.53	-2.01
	BBgBarc US Mortgage-Backed	2.47	1.88	2.04	3.84	2.47	1.67	1.51	6.08	-1.41
	BBgBarc US Government Bond	2.30	1.40	1.28	3.23	2.30	1.05	0.86	4.92	-2.60
	BBgBarc US 1-3 Year Government	0.45	0.63	0.58	1.53	0.45	0.87	0.57	0.64	0.37

MSCI EMF ID	A capitalization-weighted index of stocks from 26 emerging markets that only includes issues that may be traded by foreign investors. The reported returns reflect equities priced in US dollars and do not include the effects of reinvested dividends.
MSCI EAFE Ndtr_D	Widely accepted as a benchmark for international stock performance, the EAFE Index is an aggregate of 21 individual country indexes that collectively represent many of the major markets of the world.
MSCI World Ndtr_D	Includes all 23 MSCI developed market countries. Ndtr_D indexes are calculated daily and take into account actual dividends reinvested daily before withholding taxes, but exclude special tax credits declared by companies.
Russell 2000 Growth	Market-weighted total return index that measures the performance of companies within the Russell 2000 Index having higher price-to-book ratios and higher forecasted growth values.
Russell 2000	Consists of the smallest 2000 companies in the Russell 3000 Index, representing approximately 7% of the Russell 3000 total market capitalization.
Russell 2000 Value	Market-weighted total return index that measures the performance of companies within the Russell 2000 Index having lower price-to-book ratios and lower forecasted growth values.
Russell Mid Cap Growth	Market-weighted total return index that measures the performance of companies within the Russell Midcap Index having higher price-to-book ratios and higher forecasted growth values.
Standard & Poor's Midcap 400	Includes approximately 10% of the capitalization of U.S. equity securities. These are comprised of stocks in the middle capitalization range.
Russell Mid Cap Value	Market-weighted total return index that measures the performance of companies within the Russell Midcap Index having lower price-to-book ratios and lower forecasted growth values.
Russell 1000 Growth	Market-weighted total return index that measures the performance of companies within the Russell 1000 Index having higher price-to-book ratios and higher forecasted growth values.
Standard & Poor's 500	A market capitalization-weighted index of 500 widely held stocks often used as a proxy for the stock market. It measures the movement of the largest issues. Standard and Poor's chooses the member companies for the 500 based on market size, liquidity and industry group representation.
Russell 1000 Value	Market-weighted total return index that measures the performance of companies within the Russell 1000 Index having lower price-to-book ratios and lower forecasted growth values.
BBgBarc US Aggregate Bond	Composed of the Bloomberg Barclays Govt/Credit Index, the Mortgage-Backed Securities Index, and the Asset-Backed Securities Index.
BBgBarc US Capital Credit	Listed for corporate bond-general and high-quality funds. This index tracks the returns of all publicly issued, fixed-rate, nonconvertible, dollar-denominated, SEC-registered, investment-grade corporate debt.
BBgBarc US Mortgage-Backed	Includes 15- and 30-year fixed-rate securities backed by mortgage pools of the Government National Mortgage Association (GNMA).
BBgBarc US Government Bond	Listed for government-bond general and Treasury funds because it tracks the returns of U.S. Treasuries, agency bonds, and one- to three-year U.S. government obligations. This index is effective for tracking portfolios holding non-mortgage government securities.
BBgBarc US 1-3 Year Governme	Comprised of both the Treasury Bond index (all public obligations of the U.S. Treasury, excluding flower bonds and foreign-targeted issues) and the Agency Bond Index (all publicly issued debt of U.S. Government agencies and quasi-federal corporations and corporate-debt guaranteed by the U.S. Government).

A benchmark index is not actively managed, does not have a defined investment objective and does not incur fees or expenses. Therefore, performance of a fund will generally be less than its benchmark index. You cannot invest directly in a benchmark index.

Data Source: Morningstar® Direct℠
S&P 500® Index is a registered trademark of Standard & Poor's Financial Services LLC ("Standard & Poor's), and is an unmanaged index considered indicative of the domestic Large-Cap equity market.
S&P 400® Index is a registered trademark of Standard & Poor's Financial Services LLC ("Standard & Poor's), and is an unmanaged index considered indicative of the domestic Mid-Cap equity market.
Please refer to the Appendix page for additional disclosures

Core securities, when offered, are offered through GWFS Equities, Inc. and/or other broker-dealers. GWFS Equities, Inc., Member FINRA/SIPC, is a wholly owned subsidiary of Great-West Life & Annuity Insurance Company (GWL&A).

Prior to selecting investment options for your plan, plan sponsors should consider the investment objectives, risks, fees and expenses carefully. For this and other important information, you may obtain prospectuses for mutual funds, any applicable annuity contract and the annuity's underlying funds and/or additional disclosure documents for investment options exempt from SEC registration from your registered representative. Read these materials carefully before making a selection.

About investment risk:
Equity securities of small-sized and medium-sized companies may be more volatile than securities of larger, more established companies. Foreign investments involve special risks, including currency fluctuations and political developments. Equity securities of companies located in emerging markets involve greater risks than investing in more established markets, including currency fluctuations, political developments and share illiquidity. Real estate securities involve greater risks than other non-diversified investments, including, but not limited to: declining property values, varying economic conditions, changes in zoning laws, or losses from casualty. Real estate securities that invest in foreign real estate involve additional risk, including currency fluctuations and political developments. Specialty funds invest in a limited number of companies and are generally non-diversified. As a result, changes in market value of a single issuer could cause greater volatility than with a more diversified fund. Commodities may have greater volatility than traditional securities. The value of commodities may be affected by changes in overall market movements, changes in interest rates or sectors affecting a particular industry or commodity, and international economic, political and regulatory developments. Alternative investments generally invest in non-traditional asset categories or strategies. As a result, such investments are subject to unique risks and may be more speculative than traditional investments. These investments may also have direct or indirect exposure to derivatives, which may be more volatile and less liquid than traditional securities. As a result, the option could suffer losses on its derivative positions.

Asset allocation funds are subject to the risks of the underlying investments, which can be a mix of stocks/stock funds, bonds/bond funds and other types of investments. Depending on the types of investments in this fund, an investor may face the following risks. Stock values fluctuate in response to the activities of the general market, individual companies and economic conditions. Bond values fluctuate in response to the financial condition of individual issuers, general market and economic conditions, and changes in interest rates. In general, when interest rates rise, bond values fall and investors may lose principal value. Compared to higher-rated securities, high yield bond investment options are subject to greater risk, including the risk of default.

The date in a target date fund's name is the approximate date when investors plan to start withdrawing their money (generally assumed at age 65). The principal value of the fund(s) is not guaranteed at any time, including at the time of the target date and/or withdrawal.

It is possible to lose money by investing in a money market fund. Although the fund seeks to preserve the value of your investment at $1 per share, it cannot guarantee it will do so. An investment in the fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The fund's sponsor has no legal obligation to provide financial support to the fund, and you should not expect that the sponsor will provide financial support to the fund at any time.

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Shares of the series of Great-West Funds, Inc. are not available to the general public but are offered only to insurance company separate accounts for certain variable annuity contracts and variable life policies, to individual retirement account (IRA) custodians or trustees, to plan sponsors of qualified retirement plans and to college savings programs.The principal underwriter of Great-West Funds, Inc. is its affiliate, GWFS Equities, Inc. Great-West Capital Management, LLC (GWCM) is the investment adviser. The Great-West Lifetime Funds , Great-West SecureFoundation Lifetime Funds, Great-West SecureFoundation Balanced Fund, and the Great-West Profile Funds may invest in funds advised by GWCM, funds that are sub-advised by affiliated and unaffiliated sub-advisers retained by GWCM or funds that are advised by affiliated and unaffiliated investment advisers of GWCM or in a fixed-interest contract issued and guaranteed by GWL&A.Certain Great-West funds are managed by sub-advisers who manage other mutual funds having similar names and investment objectives. While their investment management may be similar to, or modeled after, those other mutual funds, the Great-West funds are not directly related to any other mutual funds. Consequently, the investment performance and other features of other mutual funds and any similarly named Great-West Fund may differ substantially.

About Overall Morningstar Rating™

For each fund with at least a three-year history, Morningstar calculates a Morningstar Rating™ based on a Morningstar Risk-Adjusted Return (including the effects of sales charges, loads and redemption fees), placing more emphasis on downward variations and rewarding consistent performance. The top 10% of funds receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars and the bottom 10% receive 1 star. (Each share class is counted as a fraction of one fund within this scale and rated separately, which may cause slight variations in the distribution percentages.) The overall Morningstar Rating for a fund is derived from a weighted average of the performance figures associated with its three-, five- and ten-year (if applicable) Morningstar Rating metrics. Please note, for any funds with a newer share class, the rating information is based on extended performance, which is derived from the historical performance of the older class shares, not adjusted for fees. Past performance is no guarantee of future results.

About Morningstar Rankings

Peer groups are created using Morningstar's category classification system. Peer groups are the combination of all share classes of all mutual funds in Morningstar's Open End Fund database (in a given asset class), all collective investment trusts in Morningstar's Separate Accounts/CITs database (in the same asset class), and all funds in Morningstar's Insurance and Pension Funds database (in the same asset class). As an example, the Large Blend peer group is created as a combination of all share classes of all mutual funds in Morningstar's US Fund Large Blend category, all collective investment trusts in Morningstar's US SA Large Blend category, and all funds in Morningstar's US Insurance Large Blend category. Please note, for any funds with a newer share class, the ranking information is based on extended performance, which is derived from the historical performance of the older class shares, not adjusted for fees.

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APPENDIX - GLOSSARY

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

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

Aggressive Growth (Objective) Funds that seek high growth of capital. Investments may include smaller companies, companies in newly-emerging industries or in

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

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

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

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

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

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

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

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

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

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

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

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

APPENDIX - GLOSSARY (CONT.)

GREAT-WEST FINANCIAL

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

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

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

Duration A measure of the sensitivity of the price of a fixed-income security to a change in interest rates. Duration is expressed as a number of years. Duration is a measure of interest rate risk. The larger the duration number, the greater the interest rate risk or reward for bond prices.

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

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

Expense Ratio The percentage of fund assets paid for operating expenses and management fees, including 12b-1 fees, administrative fees, and all other asset-based costs incurred by the fund, except brokerage costs. Fund expenses are reflected in the fund's NAV. Sales charges are not included in the expense ratio.

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

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

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

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

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

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

Information Ratio Is an alternative to the Sharpe Ratio for measuring the risk-adjusted performance of a portfolio. It is calculated by subtracting the benchmark (usually an index) from the return of the portfolio as a whole, then dividing by the tracking error (standard deviation of the difference between portfolio returns and the returns of the index). The higher the Information Ratio, the better the more consistent a manager is.

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

APPENDIX - GLOSSARY (CONT.)

GREAT-WEST FINANCIAL

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

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

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

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

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

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

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

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

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

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

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

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

Russell 1000 Consists of the 1000 largest companies within the Russell 3000 index. Also known as the Market-Oriented Index, because it represents the group of stocks from which most active money managers choose. The returns published for the index are total returns, which include reinvestment of dividends.
Russell 1000 Growth Market-capitalization weighted index of those firms in the Russell 1000 with higher price-to-book ratios and higher forecasted growth values. The Russell 1000 includes the largest 1000 firms in the Russell 3000, which represents approximately 98% of the investable US equity market.
Russell 1000 Value Market-capitalization weighted index of those firms in the Russell 1000 with lower price-to-book ratios and lower forecasted growth values. The Russell 1000 includes the largest 1000 firms in the Russell 3000, which represents approximately 98% of the investable US equity market.
Russell 2000 Consists of the smallest 2000 companies in the Russell 3000 Index, representing approximately 7% of the Russell 3000 total market capitalization. The returns published for the index are total returns, which include reinvestment of dividends.
Russell 2000 Growth Market-weighted total return index that measures the performance of companies within the Russell 2000 Index having higher price-to-book ratios and higher forecasted growth values. The Russell 2000 Index includes the 2000 firms from the Russell 3000 Index with the smallest market capitalizations. The Russell 3000 Index represents 98% of the of the investable US equity market.
Russell 2000 Value Market-weighted total return index that measures the performance of companies within the Russell 2000 Index having lower price-to-book ratios and lower forecasted growth values. The Russell 2000 Index includes the 2000 firms from the Russell 3000 Index with the smallest market capitalizations. The Russell 3000 Index represents 98% of the of the investable US equity market.
Share Classes Shares of the same fund that offer different shareholder rights and obligations, such as different fee and load charges. Common share classes are A (front-end load), B (deferred fees), C (no sales charge and a relatively high annual 12b-1 fee, such as 1.00%). Multi-class funds hold the same investment portfolio for all classes, and differ only in their surrounding fee structure.
Sharpe Ratio measures the risk-adjusted performance of a portfolio. It is calculated by subtracting the risk-free rate of return (i.e., the return on treasury bills) from the return of the portfolio as a whole, then dividing by the standard deviation of the returns. The higher the Sharpe Ratio, the better the risk-adjusted performance of the portfolio.
Sortino Ratio is similar to the Sharpe Ratio, except that it uses downside deviation for the denominator instead of standard deviation. This alternative to the Sharpe Ratio provides a risk-adjusted measure of a security or fund's performance without penalizing it for upward price movements.
Standard Deviation A statistical measurement of dispersion about an average, which, for a mutual fund, depicts how widely the returns varied over a certain period of time. Investors use the standard deviation of historical performance to try to predict the range of returns that are most likely for a given fund. When a fund has a high standard deviation, the predicted range of performance is wide, implying greater volatility.
Tax-deferred earnings You don't have to pay taxes on any earnings in your defined contribution plan until you withdraw your money. The money in a defined contribution plan can grow faster than with other types of savings plans, because the earnings you accumulate, if any, are also tax-deferred.
Turnover Ratio A measure of the percentage of holdings that have been "turned over" -- replaced with other holdings -- within a portfolio during the course of a year.
Variable funds Investments that fluctuate with market conditions. Unlike guaranteed investments, such as bonds or CDs, variable funds don't guarantee a specific rate of return. They do offer potential for higher earnings in return for higher degree of market risk.
World Stock Category An international fund having more than 10% of stocks invested in the US. Also known as global funds. Foreign Investments involve special risks, including currency fluctuations and political developments.