IRVINE RANCH WATER DISTRICT
WATER SERVICE CORPORATION 91-1874346

	2012	2011	DIFF
REVENUE			
OTHER REVENUE	4,700,000	4,210,000	490,000
TOTAL REVENUE	4,700,000	4,210,000	490,000
EXPENSES			
OTHER EXPENSES	4,700,000	4,210,000	490,000
TOTAL EXPENSES	4,700,000	4,210,000	490,000
NET ASSETS OR FUND BALANCES			
REVENUE LESS EXPENSES	0	0	0
TOTAL ASSETS AT END OF YEAR	72,490,000	77,190,000	-4,700,000
TOTAL LIABILITIES AT END OF YEAR	72,490,000	77,190,000	-4,700,000
NET ASSETS/FUND BALANCES AT END OF YEAR	0	0	0

IRVINE RANCH WATER DISTRICT
WATER SERVICE CORPORATION 91-1874346

	2012	2011	DIFF
REVENUE			
GROSS RENTS	4,700,000	4,210,000	490,000
TOTAL INCOME	4,700,000	4,210,000	490,000
EXPENSES AND DISBURSEMENTS			
DEPRECIATION AND DEPLETION	4,700,000	4,210,000	490,000
TOTAL DEDUCTIONS	4,700,000	4,210,000	490,000
EXCESS OF RECEIPTS OVER DISBURSEMENTS	0	0	0
FILING FEE			
FILING FEE	10	10	0
BALANCE DUE	10	10	0
SCHEDULE L			
BEGINNING ASSETS	77,190,000	81,400,000	-4,210,000
BEGINNING LIABILITIES & NET WORTH	77,190,000	81,400,000	-4,210,000
ENDING ASSETS	72,490,000	77,190,000	-4,700,000
ENDING LIABILITIES & NET WORTH	72,490,000	77,190,000	-4,700,000

Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

► The organization may have to use a copy of this return to satisfy state reporting requirements.

OMB No. 1545-0047

2012

Open to Public Inspection

A For the 2012 calendar year, or tax year beginning 7/01 **, 2012, and ending** 6/30 , 2013

B Check if applicable:
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Terminated
- ☐ Amended return
- ☐ Application pending

C
IRVINE RANCH WATER DISTRICT
WATER SERVICE CORPORATION
P.O. BOX 5700
IRVINE, CA 92619-7000

D Employer Identification Number 91-1874346

E Telephone number (949) 453-5300

G Gross receipts $ 4,700,000.

F Name and address of principal officer: SAME AS C ABOVE

H(a) Is this a group return for affiliates? ☐ Yes ☒ No

H(b) Are all affiliates included? ☐ Yes ☐ No
If 'No,' attach a list. (see instructions)

I Tax-exempt status ☐ 501(c)(3) ☒ 501(c) (4) ◄ (insert no.) ☐ 4947(a)(1) or ☐ 527

J Website: ► N/A

H(c) Group exemption number ►

K Form of organization: ☐ Corporation ☐ Trust ☐ Association ☐ Other ►

L Year of Formation:

M State of legal domicile:

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities: THE MISSION OF THE IRVINE RANCH WATER DISTRICT WATER SERVICE CORPORATION IS TO PROVIDE ASSISTANCE FOR WATER SEWER AND OTHER PUBLIC IMPROVEMENTS TO THE IRVINE RANCH WATER DISTRICT, A CALIFORNIA WATER DISTRICT ORGANIZED AND EXISTING UNDER SECTION 34000 OF THE CALIFORNIA WATER CODE.

2 Check this box ► ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets.

3	Number of voting members of the governing body (Part VI, line 1a)	3	6
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	0
5	Total number of individuals employed in calendar year 2012 (Part V, line 2a)	5	0
6	Total number of volunteers (estimate if necessary)	6	0
7 a	Total unrelated business revenue from Part VIII, column (C), line 12	7 a	0.
b	Net unrelated business taxable income from Form 990-T, line 34	7 b	0.

			Prior Year	Current Year
Revenue	8	Contributions and grants (Part VIII, line 1h)		
	9	Program service revenue (Part VIII, line 2g)		
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)		
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	4,210,000.	4,700,000.
	12	Total revenue – add lines 8 through 11 (must equal Part VIII, column (A), line 12)	4,210,000.	4,700,000.
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)		
	14	Benefits paid to or for members (Part IX, column (A), line 4)		
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)		
	16a	Professional fundraising fees (Part IX, column (A), line 11e)		
	b	Total fundraising expenses (Part IX, column (D), line 25) ►		
	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	4,210,000.	4,700,000.
	18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	4,210,000.	4,700,000.
	19	Revenue less expenses. Subtract line 18 from line 12		0.
			Beginning of Current Year	**End of Year**
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	77,190,000.	72,490,000.
	21	Total liabilities (Part X, line 26)	77,190,000.	72,490,000.
	22	Net assets or fund balances. Subtract line 21 from line 20	0.	0.

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

► Signature of officer — Date

► CHERYL CLARY — DIRECTOR OF FINANCE
Type or print name and title.

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
CHARLES Z. FEDAK CPA				P00558851

Firm's name ► CHARLES Z. FEDAK & CO.

Firm's address ► 6081 ORANGE AVE STE 2
CYPRESS, CA 90630-3378

Firm's EIN ► 01-0825482

Phone no. (714) 527-1818

May the IRS discuss this return with the preparer shown above? (see instructions) ☒ Yes ☐ No

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III . . . [X]

1 Briefly describe the organization's mission:

SEE SCHEDULE O

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? . . . [ ] Yes [X] No

If 'Yes,' describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? . . . [ ] Yes [X] No

If 'Yes,' describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4 a (Code:) (Expenses $ including grants of $) (Revenue $)

4 b (Code:) (Expenses $ including grants of $) (Revenue $)

4 c (Code:) (Expenses $ including grants of $) (Revenue $)

4 d Other program services. (Describe in Schedule O.)
(Expenses $ including grants of $) (Revenue $)

4 e Total program service expenses ► 0.

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If 'Yes,' complete Schedule A*	**1**		X
2	Is the organization required to complete *Schedule B, Schedule of Contributors* (see instructions)?	**2**		X
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If 'Yes,' complete Schedule C, Part I*	**3**		X
4	**Section 501(c)(3) organizations** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? *If 'Yes,' complete Schedule C, Part II*	**4**		
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If 'Yes,' complete Schedule C, Part III*	**5**		X
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If 'Yes,' complete Schedule D, Part I*	**6**		X
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? *If 'Yes,' complete Schedule D, Part II*	**7**		X
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If 'Yes,' complete Schedule D, Part III*	**8**		X
9	Did the organization report an amount in Part X, line 21, for escrow or custodial account liability; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management credit repair, or debt negotiation services? *If 'Yes,' complete Schedule D, Part IV*	**9**		X
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? *If 'Yes,' complete Schedule D, Part V*	**10**		X
11	If the organization's answer to any of the following questions is 'Yes', then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.			
a	Did the organization report an amount for land, buildings and equipment in Part X, line 10? *If 'Yes,' complete Schedule D, Part VI*	**11 a**		X
b	Did the organization report an amount for investments – other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If 'Yes,' complete Schedule D, Part VII*	**11 b**		X
c	Did the organization report an amount for investments – program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If 'Yes,' complete Schedule D, Part VIII*	**11 c**		X
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If 'Yes,' complete Schedule D, Part IX*	**11 d**	X	
e	Did the organization report an amount for other liabilities in Part X, line 25? *If 'Yes,' complete Schedule D, Part X*	**11 e**		X
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If 'Yes,' complete Schedule D, Part X*	**11 f**		X
12 a	Did the organization obtain separate, independent audited financial statements for the tax year? *If 'Yes,' complete Schedule D, Parts XI, and XII*	**12a**		X
b	Was the organization included in consolidated, independent audited financial statements for the tax year? *If 'Yes,' and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI and XII is optional*	**12 b**		X
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If 'Yes,' complete Schedule E*	**13**		X
14 a	Did the organization maintain an office, employees, or agents outside of the United States?	**14a**		X
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at $100,000 or more? *If 'Yes,' complete Schedule F, Parts I and IV*	**14b**		X
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or assistance to any organization or entity located outside the United States? *If 'Yes,' complete Schedule F, Parts II and IV*	**15**		X
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or assistance to individuals located outside the United States? *If 'Yes,' complete Schedule F, Parts III and IV*	**16**		X
17	Did the organization report a total of more than $15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If 'Yes,' complete Schedule G, Part I (see instructions)*	**17**		X
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If 'Yes,' complete Schedule G, Part II*	**18**		X
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If 'Yes,' complete Schedule G, Part III*	**19**		X
20 a	Did the organization operate one or more hospital facilities? *If 'Yes,' complete Schedule H*	**20**		X
b	If 'Yes' to line 20a, did the organization attach a copy of its audited financial statements to this return?	**20 b**		

Part IV Checklist of Required Schedules *(continued)*

			Yes	No
21	Did the organization report more than $5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? *If 'Yes,' complete Schedule I, Parts I and II*	**21**		X
22	Did the organization report more than $5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? *If 'Yes,' complete Schedule I, Parts I and III*	**22**		X
23	Did the organization answer 'Yes' to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If 'Yes,' complete Schedule J*	**23**	X	
24 a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, and that was issued after December 31, 2002? *If 'Yes,' answer lines 24b through 24d and complete Schedule K. If 'No,'go to line 25*	**24a**		X
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	**24b**		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	**24c**		
d	Did the organization act as an 'on behalf of' issuer for bonds outstanding at any time during the year?	**24d**		
25 a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If 'Yes,' complete Schedule L, Part I*	**25a**		X
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If 'Yes,' complete Schedule L, Part I*	**25b**		X
26	Was a loan to or by a current or former officer, director, trustee, key employee, highest compensated employee, or disqualified person outstanding as of the end of the organization's tax year? *If 'Yes,' complete Schedule L, Part II*	**26**		X
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? *If 'Yes,' complete Schedule L, Part III*	**27**		X
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):			
a	A current or former officer, director, trustee, or key employee? *If 'Yes,' complete Schedule L, Part IV*	**28a**		X
b	A family member of a current or former officer, director, trustee, or key employee? *If 'Yes,' complete Schedule L, Part IV*	**28b**		X
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? *If 'Yes,' complete Schedule L, Part IV*	**28c**		X
29	Did the organization receive more than $25,000 in non-cash contributions? *If 'Yes,' complete Schedule M*	**29**		X
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If 'Yes,' complete Schedule M*	**30**		X
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If 'Yes,' complete Schedule N, Part I*	**31**		X
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If 'Yes,' complete Schedule N, Part II*	**32**		X
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? *If 'Yes,' complete Schedule R, Part I*	**33**		X
34	Was the organization related to any tax-exempt or taxable entity? *If 'Yes,' complete Schedule R, Parts II, III, IV, and V, line 1*	**34**		X
35 a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	**35a**		X
b	If 'Yes' to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If 'Yes,' complete Schedule R, Part V, line 2*	**35b**		
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If 'Yes,' complete Schedule R, Part V, line 2*	**36**		
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If 'Yes,' complete Schedule R, Part VI*	**37**		X
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? **Note.** All Form 990 filers are required to complete Schedule O.	**38**	X	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response to any question in this Part V. . . . . ☐

				Yes	No
1 a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	**1 a** 0			
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	**1 b** 0			
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		**1 c**		
2 a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	**2 a** 0			
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?		**2 b**		
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to *e-file.* (see instructions)				
3 a	Did the organization have unrelated business gross income of $1,000 or more during the year?		**3 a**		X
b	If 'Yes' has it filed a Form 990-T for this year? *If 'No,' provide an explanation in Schedule O*		**3 b**		
4 a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		**4 a**		X
b	If 'Yes,' enter the name of the foreign country: ►				
	See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.				
5 a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		**5 a**		X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		**5 b**		X
c	If 'Yes,' to line 5a or 5b, did the organization file Form 8886-T?		**5 c**		
6 a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?		**6 a**		X
b	If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		**6 b**		
7	**Organizations that may receive deductible contributions under section 170(c).**				
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?		**7 a**		
b	If 'Yes,' did the organization notify the donor of the value of the goods or services provided?		**7 b**		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		**7 c**		
d	If 'Yes,' indicate the number of Forms 8282 filed during the year	**7 d**			
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		**7 e**		
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		**7 f**		
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		**7 g**		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		**7 h**		
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		**8**		
9	**Sponsoring organizations maintaining donor advised funds.**				
a	Did the organization make any taxable distributions under section 4966?		**9 a**		
b	Did the organization make a distribution to a donor, donor advisor, or related person?		**9 b**		
10	**Section 501(c)(7) organizations.** Enter:				
a	Initiation fees and capital contributions included on Part VIII, line 12	**10 a**			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	**10 b**			
11	**Section 501(c)(12) organizations.** Enter:				
a	Gross income from members or shareholders	**11 a**			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	**11 b**			
12 a	**Section 4947(a)(1) non - exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?		**12 a**		
b	If 'Yes,' enter the amount of tax-exempt interest received or accrued during the year	**12 b**			
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**				
a	Is the organization licensed to issue qualified health plans in more than one state?		**13 a**		
	Note. See the instructions for additional information the organization must report on Schedule O.				
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	**13 b**			
c	Enter the amount of reserves on hand	**13 c**			
14 a	Did the organization receive any payments for indoor tanning services during the tax year?		**14 a**		X
b	If 'Yes,' has it filed a Form 720 to report these payments? *If 'No,' provide an explanation in Schedule O*		**14 b**		

Part VI **Governance, Management and Disclosure** *For each 'Yes' response to lines 2 through 7b below, and for a 'No' response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.*

Check if Schedule O contains a response to any question in this Part VI . . . X

Section A. Governing Body and Management

			Yes	No
1 a Enter the number of voting members of the governing body at the end of the tax year. If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.	1 a	6		
b Enter the number of voting members included in line 1a, above, who are independent	1 b			
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee or key employee?	2			X
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3			X
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4			X
5 Did the organization become aware during the year of a significant diversion of the organization's assets?	5			X
6 Did the organization have members or stockholders?	6			X
7 a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7 a			X
b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or other persons other than the governing body?	7 b			X
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:				
a The governing body?	8 a		X	
b Each committee with authority to act on behalf of the governing body?	8 b		X	
9 Is there any officer, director or trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If 'Yes,' provide the names and addresses in Schedule O*	9			X

Section B. Policies *(This Section B requests information about policies not required by the Internal Revenue Code.)*

		Yes	No
10 a Did the organization have local chapters, branches, or affiliates?	10 a		X
b If 'Yes,' did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10 b		
11 a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11 a	X	
b Describe in Schedule O the process, if any, used by the organization to review this Form 990. SEE SCHEDULE O			
12 a Did the organization have a written conflict of interest policy? *If 'No,' go to line 13*	12 a	X	
b Were officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12 b	X	
c Did the organization regularly and consistently monitor and enforce compliance with the policy? *If 'Yes,' describe in Schedule O how this is done* SEE SCHEDULE O	12 c	X	
13 Did the organization have a written whistleblower policy?	13		X
14 Did the organization have a written document retention and destruction policy?	14		X
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?			
a The organization's CEO, Executive Director, or top management official	15 a	X	
b Other officers of key employees of the organization SEE SCHEDULE O	15 b	X	
If 'Yes' to line 15a or 15b, describe the process in Schedule O. (See instructions.)			
16 a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16 a		X
b If 'Yes,' did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	16 b		

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ► NONE

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.

☐ Own website ☐ Another's website ☒ Upon request ☐ Other *(explain in Schedule O)*

19 Describe in Schedule O whether (and if so, how) the organization makes its governing documents, conflict of interest policy, and financial statements available to the public during the tax year. SEE SCHEDULE O

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization:

► CHERYL CLARY 15600 SAND CANYON AVENUE IRVINE CA 92618 (949) 453-5300

Part VII **Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

Check if Schedule O contains a response to any question in this Part VII. . . . . ☐

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1 a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of 'key employee.'
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than $100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than $100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than $10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position: Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
(1) STEVE LAMAR VICE PRESIDENT	1 0							0.	28,440.	17,745.
(2) MARY AILEEN MATHEIS PRESIDENT	1 0							0.	23,937.	8,740.
(3) JOHN B. WITHERS DIRECTOR	1 0							0.	26,781.	19,887.
(4) PEER A. SWAN DIRECTOR	1 0							0.	27,255.	15,830.
(5) DOUGLAS J. REINHART DIRECTOR	1 0							0.	27,255.	13,650.
(6) ROBERT JACOBSON TREASURER	1 0							0.	176,537.	37,698.
(7) LESLIE BONKOWSKI SECRETARY	1 0							0.	111,070.	21,218.
(8)										
(9)										
(10)										
(11)										
(12)										
(13)										
(14)										

Part VII **Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees** *(cont)*

(A) Name and title	(B) Average hours per week (list any hours for related organiza-tions below dotted line)	(C) Position: Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
(15)										
(16)										
(17)										
(18)										
(19)										
(20)										
(21)										
(22)										
(23)										
(24)										
(25)										
1 b Sub-total ►								0.	421,275.	134,768.
c Total from continuation sheets to Part VII, Section A ►								0.	0.	0.
d Total (add lines 1b and 1c) ►								0.	421,275.	134,768.

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 of reportable compensation from the organization ► 0

		Yes	No
3 Did the organization list any **former** officer, director or trustee, key employee, or highest compensated employee on line 1a? *If 'Yes,' complete Schedule J for such individual*	**3**		X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than $150,000? *If 'Yes' complete Schedule J for such individual*	**4**	X	
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? *If 'Yes,' complete Schedule J for such person*	**5**	X	

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than $100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation

2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 in compensation from the organization ► 0

Part VIII Statement of Revenue

Check if Schedule O contains a response to any question in this Part VIII . . . ☐

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
CONTRIBUTIONS, GIFTS, GRANTS AND OTHER SIMILAR AMOUNTS	**1 a** Federated campaigns	**1 a**				
	b Membership dues	**1 b**				
	c Fundraising events	**1 c**				
	d Related organizations	**1 d**				
	e Government grants (contributions)	**1 e**				
	f All other contributions, gifts, grants, and similar amounts not included above	**1 f**				
	g Noncash contributions included in lns 1a-1f: $					
	h Total. Add lines 1a-1f ►					
PROGRAM SERVICE REVENUE		**Business Code**				
	2 a					
	b					
	c					
	d					
	e					
	f All other program service revenue					
	g Total. Add lines 2a-2f ►					
OTHER REVENUE	**3** Investment income (including dividends, interest and other similar amounts) ►					
	4 Income from investment of tax-exempt bond proceeds ►					
	5 Royalties ►					
		(i) Real / (ii) Personal				
	6 a Gross rents	4,700,000. /				
	b Less: rental expenses	/				
	c Rental income or (loss)	4,700,000. /				
	d Net rental income or (loss) ►		4,700,000.	4,700,000.		
		(i) Securities / (ii) Other				
	7 a Gross amount from sales of assets other than inventory	/				
	b Less: cost or other basis and sales expenses	/				
	c Gain or (loss)	/				
	d Net gain or (loss) ►					
	8 a Gross income from fundraising events (not including. $ ______ of contributions reported on line 1c). See Part IV, line 18	**a**				
	b Less: direct expenses	**b**				
	c Net income or (loss) from fundraising events ►					
	9 a Gross income from gaming activities. See Part IV, line 19	**a**				
	b Less: direct expenses	**b**				
	c Net income or (loss) from gaming activities ►					
	10 a Gross sales of inventory, less returns and allowances	**a**				
	b Less: cost of goods sold	**b**				
	c Net income or (loss) from sales of inventory ►					
	Miscellaneous Revenue	**Business Code**				
	11 a					
	b					
	c					
	d All other revenue					
	e Total. Add lines 11a-11d ►					
	12 Total revenue. See instructions ►		4,700,000.	4,700,000.	0.	0.

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response to any question in this Part IX . . . ☐

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21				
2 Grants and other assistance to individuals in the United States. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	0.	0.	0.	0.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0.	0.	0.	0.
7 Other salaries and wages				
8 Pension plan accruals and contributions (include section 401(k) and section 403(b) employer contributions)				
9 Other employee benefits				
10 Payroll taxes				
11 Fees for services (non-employees):				
a Management				
b Legal				
c Accounting				
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amt exceeds 10% of line 25, column (A) amt, list line 11g expenses on Sch O)				
12 Advertising and promotion				
13 Office expenses				
14 Information technology				
15 Royalties				
16 Occupancy				
17 Travel				
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	4,700,000.		4,700,000.	
23 Insurance				
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a				
b				
c				
d				
e All other expenses				
25 **Total functional expenses.** Add lines 1 through 24e	4,700,000.	0.	4,700,000.	0.
26 **Joint costs.** Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here ► ☐ if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

Check if Schedule O contains a response to any question in this Part X . . . ☐

			(A) Beginning of year		(B) End of year
ASSETS	1	Cash — non-interest-bearing		1	
	2	Savings and temporary cash investments		2	
	3	Pledges and grants receivable, net		3	
	4	Accounts receivable, net		4	
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions). Complete Part II of Schedule L		6	
	7	Notes and loans receivable, net		7	
	8	Inventories for sale or use		8	
	9	Prepaid expenses and deferred charges		9	
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D — 10a			
	b	Less: accumulated depreciation — 10b		10c	
	11	Investments — publicly traded securities		11	
	12	Investments — other securities. See Part IV, line 11		12	
	13	Investments — program-related. See Part IV, line 11		13	
	14	Intangible assets		14	
	15	Other assets. See Part IV, line 11	77,190,000.	15	72,490,000.
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)	77,190,000.	16	72,490,000.
LIABILITIES	17	Accounts payable and accrued expenses		17	
	18	Grants payable		18	
	19	Deferred revenue		19	
	20	Tax-exempt bond liabilities	77,190,000.	20	72,490,000.
	21	Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23	Secured mortgages and notes payable to unrelated third parties		23	
	24	Unsecured notes and loans payable to unrelated third parties		24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D		25	
	26	**Total liabilities.** Add lines 17 through 25	77,190,000.	26	72,490,000.
NET ASSETS OR FUND BALANCES		**Organizations that follow SFAS 117 (ASC 958), check here ▶ ☐ and complete lines 27 through 29, and lines 33 and 34.**			
	27	Unrestricted net assets		27	
	28	Temporarily restricted net assets		28	
	29	Permanently restricted net assets		29	
		Organizations that do not follow SFAS 117 (ASC 958), check here ▶ ☐ and complete lines 30 through 34.			
	30	Capital stock or trust principal, or current funds		30	
	31	Paid-in or capital surplus, or land, building, or equipment fund		31	
	32	Retained earnings, endowment, accumulated income, or other funds		32	
	33	Total net assets or fund balances	0.	33	0.
	34	Total liabilities and net assets/fund balances	77,190,000.	34	72,490,000.

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI ☐

1	Total revenue (must equal Part VIII, column (A), line 12)	1	4,700,000.
2	Total expenses (must equal Part IX, column (A), line 25)	2	4,700,000.
3	Revenue less expenses. Subtract line 2 from line 1	3	0.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	0.
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	0.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	0.

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII ☐

			Yes	No
1	Accounting method used to prepare the Form 990: ☐ Cash ☒ Accrual ☐ Other If the organization changed its method of accounting from a prior year or checked 'Other,' explain in Schedule O.			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?	2a		X
	If 'Yes,' check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: ☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis			
b	Were the organization's financial statements audited by an independent accountant?	2b		X
	If 'Yes,' check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: ☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis			
c	If 'Yes' to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	2c		
	If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.			
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a		X
b	If 'Yes,' did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	3b		

SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

► Complete if the organization answered 'Yes,' to Form 990, Part IV, lines 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.
► Attach to Form 990. ► See separate instructions.

OMB No. 1545-0047

2012

Open to Public Inspection

Name of the organization	Employer identification number
IRVINE RANCH WATER DISTRICT WATER SERVICE CORPORATION	91-1874346

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered 'Yes' to Form 990, Part IV, line 6.

	(a) Donor advised funds	**(b)** Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? ☐ Yes ☐ No

Part II Conservation Easements. Complete if the organization answered 'Yes' to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).

☐ Preservation of land for public use (e.g., recreation or education)
☐ Protection of natural habitat
☐ Preservation of open space
☐ Preservation of an historically important land area
☐ Preservation of a certified historic structure

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

		Held at the End of the Tax Year
a Total number of conservation easements	2a	
b Total acreage restricted by conservation easements	2b	
c Number of conservation easements on a certified historic structure included in (a)	2c	
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d	

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ►

4 Number of states where property subject to conservation easement is located ►

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ►

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ►$

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered 'Yes' to Form 990, Part IV, line 8.

1 a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenues included in Form 990, Part VIII, line 1 ►$

(ii) Assets included in Form 990, Part X ►$

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:

a Revenues included in Form 990, Part VIII, line 1 ►$

b Assets included in Form 990, Part X ►$

Part III **Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets** *(continued)*

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

a ☐ Public exhibition
b ☐ Scholarly research
c ☐ Preservation for future generations
d ☐ Loan or exchange programs
e ☐ Other ______

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ **Yes** ☐ **No**

Part IV **Escrow and Custodial Arrangements.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1 a Is the organization an agent, trustee, custodian, or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ **Yes** ☐ **No**

b If 'Yes,' explain the arrangement in Part XIII and complete the following table:

		Amount
c Beginning balance	**1 c**	
d Additions during the year	**1 d**	
e Distributions during the year	**1 e**	
f Ending balance	**1 f**	

2 a Did the organization include an amount on Form 990, Part X, line 21? ☐ **Yes** ☐ **No**

b If 'Yes,' explain the arrangement in Part XIII. Check here if the explantion has been provided in Part XIII. ☐

Part V **Endowment Funds.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 10.

	(a) Current	**(b)** Prior year	**(c)** Two years	**(d)** Three years	**(e)** Four years
1 a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

a Board designated or quasi-endowment ► ______ %

b Permanent endowment ► ______ %

c Temporarily restricted endowment ► ______ %

The percentages in lines 2a, 2b, and 2c should equal 100%.

		Yes	No
3 a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:			
(i) unrelated organizations	**3a(i)**		
(ii) related organizations	**3a(ii)**		
b If 'Yes' to 3a(ii), are the related organizations listed as required on Schedule R?	**3b**		

4 Describe in Part XIII the intended uses of the organization's endowment funds.

Part VI **Land, Buildings, and Equipment.** See Form 990, Part X, line 10.

Description of property	**(a)** Cost or other basis (investment)	**(b)** Cost or other basis (other)	**(c)** Accumulated depreciation	**(d)** Book value
1 a Land				
b Buildings				
c Leasehold improvements				
d Equipment				
e Other				

Total. Add lines 1a through 1e. *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ► 0.

Part VII Investments — Other Securities. See Form 990, Part X, line 12. N/A

(a) Description of security or category (including name of security)	**(b)** Book value	**(c)** Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
(I)		
Total. *(Column (b) must equal Form 990, Part X, column (B) line 12.)* ►		

Part VIII Investments — Program Related. See Form 990, Part X, line 13. N/A

(a) Description of investment type	**(b)** Book value	**(c)** Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Total. *(Column (b) must equal Form 990, Part X, column (B) line 13.)* ►		

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	**(b)** Book value
(1) INTER-COMPANY ACCOUNT RECEIVABLE-IRWD	72,490,000.
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
Total. *(Column (b) must equal Form 990, Part X, column (B), line 15.)* ►	72,490,000.

Part X Other Liabilities. See Form 990, Part X, line 25.

(a) Description of liability	**(b)** Book value
(1) Federal income taxes	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
(11)	
Total. *(Column (b) must equal Form 990, Part X, column (B) line 25.)* ►	

2. FIN 48 (ASC 740) Footnote. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII. ☐

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return N/A

1 Total revenue, gains, and other support per audited financial statements		**1**	
2 Amounts included on line 1 but not on Form 990, Part VIII, line 12:			
a Net unrealized gains on investments	**2a**		
b Donated services and use of facilities	**2b**		
c Recoveries of prior year grants	**2c**		
d Other (Describe in Part XIII.)	**2d**		
e Add lines **2a** through **2d**		**2e**	
3 Subtract line **2e** from line **1**		**3**	
4 Amounts included on Form 990, Part VIII, line 12, but not on line **1**:			
a Investment expenses not included on Form 990, Part VIII, line 7b	**4a**		
b Other (Describe in Part XIII.)	**4b**		
c Add lines **4a** and **4b**		**4c**	
5 Total revenue. Add lines **3** and **4c.** *(This must equal Form 990, Part I, line 12.)*		**5**	

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return N/A

1 Total expenses and losses per audited financial statements		**1**	
2 Amounts included on line 1 but not on Form 990, Part IX, line 25:			
a Donated services and use of facilities	**2a**		
b Prior year adjustments	**2b**		
c Other losses	**2c**		
d Other (Describe in Part XIII.)	**2d**		
e Add lines **2a** through **2d**		**2e**	
3 Subtract line **2e** from line **1**		**3**	
4 Amounts included on Form 990, Part IX, line 25, but not on line **1:**			
a Investment expenses not included on Form 990, Part VIII, line 7b	**4a**		
b Other (Describe in Part XIII.)	**4b**		
c Add lines **4a** and **4b**		**4c**	
5 Total expenses. Add lines **3** and **4c.** *(This must equal Form 990, Part I, line 18.)*		**5**	

Part XIII Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

SCHEDULE J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

► **Complete if the organization answered 'Yes' to Form 990, Part IV, line 23.**
► **Attach to Form 990.** ► **See separate instructions.**

OMB No. 1545-0047

2012

Open to Public Inspection

Name of the organization: IRVINE RANCH WATER DISTRICT

Employer identification number: 91-1874346

Part I Questions Regarding Compensation

		Line	Yes	No
1 a	Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items. ☐ First-class or charter travel ☐ Housing allowance or residence for personal use ☐ Travel for companions ☐ Payments for business use of personal residence ☐ Tax indemnification and gross-up payments ☐ Health or social club dues or initiation fees ☐ Discretionary spending account ☐ Personal services (e.g., maid, chauffeur, chef)			
b	If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If 'No,' complete Part III to explain	1 b		
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	2		
3	Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III. ☐ Compensation committee ☐ Written employment contract ☐ Independent compensation consultant ☐ Compensation survey or study ☐ Form 990 of other organizations ☐ Approval by the board or compensation committee			
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization:			
a	Receive a severance payment or change-of-control payment?	4 a		X
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4 b		X
c	Participate in, or receive payment from, an equity-based compensation arrangement?	4 c		X
	If 'Yes' to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.			
	Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.			
5	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:			
a	The organization?	5 a		X
b	Any related organization?	5 b		X
	If 'Yes' to line 5a or 5b, describe in Part III.			
6	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:			
a	The organization?	6 a		X
b	Any related organization?	6 b		X
	If 'Yes' to line 6a or 6b, describe in Part III.			
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If 'Yes,' describe in Part III	7		X
8	Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If 'Yes,' describe in Part III	8		X
9	If 'Yes' to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?	9		

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

Note. The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable columns (D) and (E) amounts for that individual.

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation (i) Base compensation	(ii) Bonus and incentive compensation	(iii) Other reportable compensation	(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns(B)(i)-(D)	(F) Compensation reported as deferred in prior Form 990
1 STEVE LAMAR	(i)	0.	0.	0.	0.	0.	0.	0.
VICE PRESIDENT	(ii)	28,440.	0.	0.	17,745.	0.	46,185.	0.
2 MARY AILEEN MATHEIS	(i)	0.	0.	0.	0.	0.	0.	0.
PRESIDENT	(ii)	23,937.	0.	0.	8,740.	0.	32,677.	0.
3 JOHN B. WITHERS	(i)	0.	0.	0.	0.	0.	0.	0.
DIRECTOR	(ii)	26,781.	0.	0.	19,887.	0.	46,668.	0.
4 PEER A. SWAN	(i)	0.	0.	0.	0.	0.	0.	0.
DIRECTOR	(ii)	27,255.	0.	0.	15,830.	0.	43,085.	0.
5 DOUGLAS J. REINHART	(i)	0.	0.	0.	0.	0.	0.	0.
DIRECTOR	(ii)	27,255.	0.	0.	13,650.	0.	40,905.	0.
6 ROBERT JACOBSON	(i)	0.	0.	0.	0.	0.	0.	0.
TREASURER	(ii)	176,537.	0.	0.	37,698.	0.	214,235.	0.
7 LESLIE BONKOWSKI	(i)	0.	0.	0.	0.	0.	0.	0.
SECRETARY	(ii)	111,070.	0.	0.	21,218.	0.	132,288.	0.
8	(i)							
	(ii)							
9	(i)							
	(ii)							
10	(i)							
	(ii)							
11	(i)							
	(ii)							
12	(i)							
	(ii)							
13	(i)							
	(ii)							
14	(i)							
	(ii)							
15	(i)							
	(ii)							
16	(i)							
	(ii)							

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, for Part II. Also complete this part for any additional information.

SCHEDULE L
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions With Interested Persons

► **Complete if the organization answered 'Yes' on Form 990, Part IV, line 25a, 25b, 26, 27, 28a, 28b, 28c, or Form 990-EZ, Part V, line 38a or 40b.**
► **Attach to Form 990 or Form 990-EZ.** ► **See separate instructions.**

OMB No. 1545-0047

2012

Open to Public Inspection

Name of the organization IRVINE RANCH WATER DISTRICT WATER SERVICE CORPORATION

Employer identification number 91-1874346

Part I Excess Benefit Transactions (section 501(c)(3) and section 501(c)(4) organizations only).

Complete if the organization answered 'Yes' on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b.

1	**(a)** Name of disqualified person	**(b)** Relationship between disqualified person and organization	**(c)** Description of transaction	**(d)** Corrected? Yes	No
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					

2 Enter the amount of tax incurred by the organization managers or disqualified persons during the year under section 4958 . . . ► $

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization . . . ► $

Part II Loans to and/or From Interested Persons.

Complete if the organization answered 'Yes' on Form 990-EZ, Page V, line 38a or Form 990, Part IV, line 26; or if the organization reported an amount on Form 990, Part X, line 5, 6, or 22.

	(a) Name of interested person	**(b)** Relationship with organization	**(c)** Purpose of loan	**(d)** Loan to or from the organization? To	From	**(e)** Original principal amount	**(f)** Balance due	**(g)** In default? Yes	No	**(h)** Approved by board or committee? Yes	No	**(i)** Written agreement? Yes	No
(1)													
(2)													
(3)													
(4)													
(5)													
(6)													
(7)													
(8)													
(9)													
(10)													
Total . . . ► $													

Part III Grants or Assistance Benefiting Interested Persons.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 27.

	(a) Name of interested person	**(b)** Relationship between interested person and the organization	**(c)** Amount of assistance	**(d)** Type of Assistance	**(e)** Purpose of assistance
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					
(7)					
(8)					
(9)					
(10)					

Part IV Business Transactions Involving Interested Persons.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues? Yes	No
(1) ROBERT JACOBSON	TREASURER		SEE ATTACHED STMT. NO.		X
(2)					
(3)					
(4)					
(5)					
(6)					
(7)					
(8)					
(9)					
(10)					

Part V Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule L (see instructions).

SCHEDULE O (Form 990 or 990-EZ) Department of the Treasury Internal Revenue Service	Supplemental Information to Form 990 or 990-EZ Complete to provide information for responses to specific questions on Form 990 or 990-EZ or to provide any additional information. ► Attach to Form 990 or 990-EZ.	OMB No. 1545-0047 2012 Open to Public Inspection

Name of the organization	Employer identification number
IRVINE RANCH WATER DISTRICT WATER SERVICE CORPORATION	91-1874346

FORM 990, PART III, LINE 1 - ORGANIZATION MISSION

THE MISSION OF THE IRVINE RANCH WATER DISTRICT WATER SERVICE CORPORATION IS TO PROVIDE ASSISTANCE FOR WATER SEWER AND OTHER PUBLIC IMPROVEMENTS TO THE IRVINE RANCH WATER DISTRICT, A CALIFORNIA WATER DISTRICT ORGANIZED AND EXISTING UNDER SECTION 34000 OF THE CALIFORNIA WATER CODE.

FORM 990, PART VI, LINE 11B - FORM 990 REVIEW PROCESS

A COPY OF THE ORGANIZATIONS FORM 990 TAX RETURN IS DISTRIBUTED TO THE GOVERNING BOARD OF DIRECTORS FOR APPROVAL PRIOR TO ITS FILING. THIS FORMAL APPROVAL IS DOCUMENTED IN THE MINUTES OF THE BOARD OF DIRECTORS MEETING AND IS A REQUIRED PROCEDURE.

FORM 990, PART VI, LINE 12C - EXPLANATION OF MONITORING AND ENFORCEMENT OF CONFLICTS

THE ORGANIZATION HAS A FORMAL CONFLICT OF INTEREST OF POLICY. THE FIVE DISTRICT BOARD OF DIRECTORS ARE REQUIRED TO BE THE FIVE MEMBERS OF THE CORPORATION'S BOARD OF DIRECTORS. ALL MEMBERS OF THE BOARD OF DIRECTORS OF THE ORGANIZATION ARE REQUIRED TO SIGN THIS CONFLICT OF INTEREST POLICY ON AN ANNUAL BASIS. THE ORGANIZATION MONITORS THIS CONFLICT OF INTEREST POLICY BY ENFORCING ITS IMPLEMENTATION AS POLICY TO MEMBERS OF THE BOARD OF DIRECTORS.

FORM 990, PART VI, LINE 15B - COMPENSATION REVIEW & APPROVAL PROCESS - OFFICERS & KEY EMPLOYEES

DURING THE YEAR ENDED JUNE 30, 2010, THE CORPORATION REFUNDED 2008 CERTIFICATES OF PARTICIPATION. THE CORPORATION THEN ISSUED NEW 2010 CERTIFICATES OF PARTICIPATION TO REPLACE THE OLD ISSUANCE. DURING THE YEAR ENDED JUNE 30,2013 THE CORPORATION'S ONLY TRANSACTIONS WERE RELATED TO THE DEBT SERVICE PAYMENTS ON THE NEW ISSUANCE OF THE 2010 DEBT. THE FIVE DISTRICT BOARD OF DIRECTORS ARE REQUIRED TO BE THE FIVE MEMBERS OF THE CORPORATION'S BOARD OF DIRECTORS. IN ADDITION, THE ORGANIZATION DID NOT HAVE ANY EMPLOYEES APPLICABLE TO THE YEAR ENDED JUNE 30,2013 AND ALL PRECEEDING YEARS AS WELL.

Name of the organization: IRVINE RANCH WATER DISTRICT WATER SERVICE CORPORATION

Employer identification number 91-1874346

FORM 990, PART VI, LINE 19 - OTHER ORGANIZATION DOCUMENTS PUBLICLY AVAILABLE

COPIES OF THE GOVERNING DOCUMENTS, POLICIES AND PROCEDURES AND THE ANNUAL FEDERAL AND STATE EXEMPT TAX RETURNS ARE AVAILABLE TO ALL MEMBERS OF THE ORGANIZATION AS WELL AS TO THE GENERAL BUBLIC UPON A REQUEST MADE TO THE TREASURER OF THE ORGANIZATION.

Form **8868** (Rev January 2013)

Department of the Treasury Internal Revenue Service

Application for Extension of Time To File an Exempt Organization Return

► **File a separate application for each return.**

OMB No. 1545-1709

- If you are filing for an **Automatic 3-Month Extension, complete only Part I** and check this box ► [X]
- If you are filing for an **Additional (Not Automatic) 3-Month Extension, complete only Part II** (on page 2 of this form).

Do not complete Part II unless you have already been granted an automatic 3-month extention on a previously filed Form 8868.

Electronic filing *(e-file).* You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time. You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit *www.irs.gov/efile* and click on *e-file for Charities & Nonprofits.*

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension – check this box and complete Part I only ► [ ]

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Enter filer's identifying number, see instructions

Type or print	Name of exempt organization or other filer, see instructions. IRVINE RANCH WATER DISTRICT WATER SERVICE CORPORATION	Employer identification number (EIN) or 91-1874346
File by the due date for filing your return. See instructions.	Number, street, and room or suite number. If a P.O. box, see instructions. P.O. BOX 5700	Social security number (SSN)
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. IRVINE, CA 92619-7000	

Enter the Return code for the return that this application is for (file a separate application for each return) 01

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (section 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

- The books are in the care of ► CHERYL CLARY

Telephone No. ► (949) 453-5300 FAX No. ►

- If the organization does not have an office or place of business in the United States, check this box ► [ ]
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) ____. If this is for the whole group, check this box ► [ ]. If it is for part of the group, check this box ► [ ] and attach a list with the names and EINs of all members the extension is for.

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until 2/15, 20 14, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

► [ ] calendar year 20 ____ or

► [X] tax year beginning 7/01, 20 12, and ending 6/30, 20 13.

2 If the tax year entered in line 1 is for less than 12 months, check reason: [ ] Initial return [ ] Final return [ ] Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions	**3a**	$ 0.
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit	**3b**	$ 0.
c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions	**3c**	$ 0.

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

STATEMENT NO. 1
FORM 990
SCHEDULE L
PART IV D
INDIVIDUAL'S COMPENSATION BY RELATED ORGANIZATIONS

EMPLOYEE NAME: ROBERT JACOBSON

RELATED ORGANIZATION: IRVINE RANCH WATER DISTRICT
FEIN: 95-2232918
RELATIONSHIP EXPLANATION: ROBERT JACOBSON IS PAID DIRECTLY BY THE IRVINE RANCH WATER DISTRICT FOR ALL SERVICES RENDERED. ALLOCATION OF THE TIME SPENT APPLICABLE TO THE IRVINE RANCH WATER DISTRICT WATER SERVICE CORPORATION BY THIS BOARD MEMEBER IS ONE HOUR PER WEEK.

COMPENSATION PAID: $176,537
DEFERRED COMPENSATION: $ 37,698

COMPENSATION AGREEMENT: EACH BOARD MEMBER IS PAID DIRECTLY BY THE IRVINE RANCH WATER DISTRICT FOR ALL SERVICES RENDERED. ALLOCATION OF THE TIME SPENT APPLICABLE TO THE IRVINE RANCH WATER DISTRICT WATER SERVICE CORPORATION BY ALL BOARD MEMBERS IS ONE HOUR PER WEEK.

EMPLOYEE NAME: LESLIE BONKOWSKI

RELATED ORGANIZATION: IRVINE RANCH WATER DISTRICT
FEIN: 95-2232918
RELATIONSHIP EXPLANATION: LESLIE BONKOWSKI IS PAID DIRECTLY BY THE IRVINE RANCH WATER DISTRICT FOR ALL SERVICES RENDERED. ALLOCATION OF THE TIME SPENT APPLICABLE TO THE IRVINE RANCH WATER DISTRICT WATER SERVICE CORPORATION BY THIS BOARD MEMEBER IS ONE HOUR PER WEEK.

COMPENSATION PAID: $111,070
DEFERRED COMPENSATION: $ 21,218

COMPENSATION AGREEMENT: EACH BOARD MEMBER IS PAID DIRECTLY BY THE IRVINE RANCH WATER DISTRICT FOR ALL SERVICES RENDERED. ALLOCATION OF THE TIME SPENT APPLICABLE TO THE IRVINE RANCH WATER DISTRICT WATER SERVICE CORPORATION BY ALL BOARD MEMBERS IS ONE HOUR PER WEEK.

EMPLOYEE NAME: STEVE LAMAR

RELATED ORGANIZATION: IRVINE RANCH WATER DISTRICT
FEIN: 95-2232918
RELATIONSHIP EXPLANATION: STEVE LAMAR IS PAID DIRECTLY BY THE IRVINE RANCH WATER DISTRICT FOR ALL SERVICES RENDERED. ALLOCATION OF THE TIME SPENT APPLICABLE TO THE IRVINE RANCH WATER DISTRICT WATER SERVICE CORPORATION BY THIS BOARD MEMEBER IS ONE HOUR PER WEEK.

COMPENSATION PAID: $ 28,440
DEFERRED COMPENSATION: $ 17,745

COMPENSATION AGREEMENT: EACH BOARD MEMBER IS PAID DIRECTLY BY THE IRVINE RANCH WATER DISTRICT FOR ALL SERVICES RENDERED. ALLOCATION OF THE TIME SPENT APPLICABLE TO THE IRVINE RANCH WATER DISTRICT WATER SERVICE CORPORATION BY ALL BOARD MEMBERS IS ONE HOUR PER WEEK.

EMPLOYEE NAME: MARY AILEEN MATHEIS

RELATED ORGANIZATION: IRVINE RANCH WATER DISTRICT
FEIN: 95-2232918
RELATIONSHIP EXPLANATION: MARY AILEEN MATHEIS IS PAID DIRECTLY BY THE IRVINE RANCH WATER DISTRICT FOR ALL SERVICES RENDERED.
ALLOCATION OF THE TIME SPENT APPLICABLE TO THE IRVINE RANCH WATER DISTRICT WATER SERVICE CORPORATION BY THIS BOARD MEMEBER IS ONE HOUR PER WEEK.

COMPENSATION PAID: $ 23,937
DEFERRED COMPENSATION: $ 8,740

COMPENSATION AGREEMENT: EACH BOARD MEMBER IS PAID DIRECTLY BY THE IRVINE RANCH WATER DISTRICT FOR ALL SERVICES RENDERED. ALLOCATION OF THE TIME SPENT APPLICABLE TO THE IRVINE RANCH WATER DISTRICT WATER SERVICE CORPORATION BY ALL BOARD MEMBERS IS ONE HOUR PER WEEK.

EMPLOYEE NAME: JOHN B. WITHERS

RELATED ORGANIZATION: IRVINE RANCH WATER DISTRICT
FEIN: 95-2232918
RELATIONSHIP EXPLANATION: JOHN B. WITHERS IS PAID DIRECTLY BY THE IRVINE RANCH WATER DISTRICT FOR ALL SERVICES RENDERED. ALLOCATION OF THE TIME SPENT APPLICABLE TO THE IRVINE RANCH WATER DISTRICT WATER SERVICE CORPORATION BY THIS BOARD MEMEBER IS ONE HOUR PER WEEK.

COMPENSATION PAID: $ 26,781
DEFERRED COMPENSATION: $ 19,887

COMPENSATION AGREEMENT: EACH BOARD MEMBER IS PAID DIRECTLY BY THE IRVINE RANCH WATER DISTRICT FOR ALL SERVICES RENDERED. ALLOCATION OF THE TIME SPENT APPLICABLE TO THE IRVINE RANCH WATER DISTRICT WATER SERVICE CORPORATION BY ALL BOARD MEMBERS IS ONE HOUR PER WEEK.

EMPLOYEE NAME: PEER A. SWAN

RELATED ORGANIZATION: IRVINE RANCH WATER DISTRICT
FEIN: 95-2232918
RELATIONSHIP EXPLANATION: PEER A. SWAN IS PAID DIRECTLY BY THE IRVINE RANCH WATER DISTRICT FOR ALL SERVICES RENDERED. ALLOCATION OF THE TIME SPENT APPLICABLE TO THE IRVINE RANCH WATER DISTRICT WATER SERVICE CORPORATION BY THIS BOARD MEMEBER IS ONE HOUR PER WEEK.

COMPENSATION PAID: $ 27,255
DEFERRED COMPENSATION: $ 15,830

COMPENSATION AGREEMENT: EACH BOARD MEMBER IS PAID DIRECTLY BY THE IRVINE RANCH WATER DISTRICT FOR ALL SERVICES RENDERED. ALLOCATION OF THE TIME SPENT APPLICABLE TO THE IRVINE RANCH WATER DISTRICT WATER SERVICE CORPORATION BY ALL BOARD MEMBERS IS ONE HOUR PER WEEK.

EMPLOYEE NAME: DOUGLAS J. REINHART

RELATED ORGANIZATION: IRVINE RANCH WATER DISTRICT
FEIN: 95-2232918
RELATIONSHIP EXPLANATION: DOUGLAS J. REINHART IS PAID DIRECTLY BY THE IRVINE RANCH WATER DISTRICT FOR ALL SERVICES RENDERED.
ALLOCATION OF THE TIME SPENT APPLICABLE TO THE IRVINE RANCH WATER DISTRICT WATER SERVICE CORPORATION BY THIS BOARD MEMEBER IS ONE HOUR PER WEEK.

COMPENSATION PAID: $ 27,255
DEFERRED COMPENSATION: $ 13,650

COMPENSATION AGREEMENT: EACH BOARD MEMBER IS PAID DIRECTLY BY THE IRVINE RANCH WATER DISTRICT FOR ALL SERVICES RENDERED. ALLOCATION OF THE TIME SPENT APPLICABLE TO THE IRVINE RANCH WATER DISTRICT WATER SERVICE CORPORATION BY ALL BOARD MEMBERS IS ONE HOUR PER WEEK.

TAXABLE YEAR **2012**

California Exempt Organization Annual Information Return

FORM **199**

Calendar Year 2012 or fiscal year beginning month 07 day 01 year 2012, and ending month 06 day 30 year 2013

Corporation/Organization Name	California corporation number
IRVINE RANCH WATER DISTRICT WATER SERVICE CORPORATION	1906048
Address (suite, room, or PMB no.)	FEIN
P.O. BOX 5700	91-1874346

City	State	ZIP Code
IRVINE	CA	92619-7000

A First Return ☐ Yes ☒ No

B Amended Return ● ☐ Yes ☒ No

C IRC Section 4947(a)(1) trust ☐ Yes ☒ No

D Final Return ● ☐ Dissolved ● ☐ Surrendered (Withdrawn) ● ☐ Merged/Reorganized Enter date: ●

E Check accounting method: 1 ☐ Cash 2 ☒ Accrual 3 ☐ Other

F Federal return filed? 1 ● ☐ 990T 2 ● ☐ 990 (PF) 3 ● ☐ Sch H (990)

G Is this a group filing for the subordinates/affiliates? ● ☐ Yes ☒ No
If 'Yes,' attach a roster. See instructions

H Is this organization in a group exemption? ☐ Yes ☒ No
If 'Yes,' What's the parent's name?

I Did the organization have any changes in its activities, governing instrument, articles of incorporation, or bylaws that have not been reported to the Franchise Tax Board? ● ☐ Yes ☒ No
If 'Yes,' explain, and attach copies of revised documents.

J If exempt under R&TC Section 23701d, has the organization during the year: (1) participated in any political campaign, or (2) attempted to influence legislation or any ballot measure, or (3) made an election under R&TC Section 23704.5 (relating to lobbying by public charities)? ● ☐ Yes ☐ No
If 'Yes,' complete and attach form FTB 3509. N/A

K Is the organization exempt under R&TC Section 23701g? ● ☐ Yes ☒ No
If 'Yes,' enter gross receipts from nonmember sources $

L If organization is exempt under R&TC Section 23701d and is exclusively religious, educational, or charitable, and is supported primarily (50% or more) by public contributions, check box. No filing fee is required. ● ☐

M Is the organization a Limited Liability Company? ● ☐ Yes ☒ No

N Did the organization file Form 100 or Form 109 to report taxable income? ● ☐ Yes ☒ No

O Is the organization under audit by the IRS or has the IRS audited in a prior year? ● ☐ Yes ☒ No

CACA1112L 10/11/12

Part I Complete Part I unless not required to file this form. See General Instructions B and C.

Receipts and Revenues	1	Gross sales or receipts from other sources. From Side 2, Part II, line 8		1	4,700,000.
	2	Gross dues and assessments from members and affiliates		2	
	3	Gross contributions, gifts, grants, and similar amounts received		3	
	4	Total gross receipts for filing requirement test. Add line 1 through line 3. **This line must be completed.** If the result is less than $50,000, see General Instruction B		4	4,700,000.
	5	Cost of goods sold	5		
	6	Cost or other basis, and sales expenses of assets sold	6		
	7	Total costs. Add line 5 and line 6		7	
	8	Total gross income. Subtract line 7 from line 4		8	4,700,000.
Expenses	9	Total expenses and disbursements. From Side 2, Part II, line 18		9	4,700,000.
	10	Excess of receipts over expenses and disbursements. Subtract line 9 from line 8		10	
Filing Fee	11	Filing fee $10 or $25. See General Instruction F		11	10.
	12	Total payments		12	
	13	Penalties and Interest. See General Instruction J		13	
	14	Use tax. See General Instruction K		14	
	15	**Balance due.** Add line 11, line 13, and line 14. Then subtract line 12 from the result		15	10.

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer ▶ Title: DIRECTOR OF FINANCE Date: ● Telephone: (949) 453-5300

Paid Preparer's Use Only

Preparer's signature ▶ Date: Check if self-employed ▶ ☐ ● PTIN: P00558851

Firm's name (or yours, if self-employed) and address ▶ CHARLES Z. FEDAK & CO.
6081 ORANGE AVE STE 2
CYPRESS, CA 90630-3378

● FEIN: 01-0825482
● Telephone: (714) 527-1818

May the FTB discuss this return with the preparer shown above? See instructions ● ☒ Yes ☐ No

Part II Organizations with gross receipts of more than $50,000 and private foundations regardless of amount of gross receipts — complete Part II or furnish substitute information.

Receipts from Other Sources	1	Gross sales or receipts from all business activities. See instructions	1	
	2	Interest	2	
	3	Dividends	3	
	4	Gross rents	4	4,700,000.
	5	Gross royalties	5	
	6	Gross amount received from sale of assets (See instructions)	6	
	7	Other income. Attach schedule	7	
	8	**Total** gross sales or receipts from other sources. Add line 1 through line 7. Enter here and on Side 1, Part I, line 1	8	4,700,000.
Expenses and Disbursements	9	Contributions, gifts, grants, and similar amounts paid. Attach schedule	9	
	10	Disbursements to or for members	10	
	11	Compensation of officers, directors, and trustees. Attach schedule SEE STATEMENT 1	11	0.
	12	Other salaries and wages	12	
	13	Interest	13	
	14	Taxes	14	
	15	Rents	15	
	16	Depreciation and depletion (See instructions)	16	4,700,000.
	17	Other Expenses and Disbursements. Attach schedule	17	
	18	**Total** expenses and disbursements. Add line 9 through line 17. Enter here and on Side 1, Part I, line 9	18	4,700,000.

Schedule L Balance Sheets

	Beginning of taxable year (a)	(b)	End of taxable year (c)	(d)
Assets				
1 Cash				
2 Net accounts receivable				
3 Net notes receivable				
4 Inventories				
5 Federal and state government obligations				
6 Investments in other bonds				
7 Investments in stock				
8 Mortgage loans				
9 Other investments Attach schedule				
10 a Depreciable assets				
b Less accumulated depreciation				
11 Land				
12 Other assets. Attach schedule STM 2		77,190,000.		72,490,000.
13 Total assets		77,190,000.		72,490,000.
Liabilities and net worth				
14 Accounts payable				
15 Contributions, gifts, or grants payable				
16 Bonds and notes payable		77,190,000.		72,490,000.
17 Mortgages payable				
18 Other liabilities. Attach schedule				
19 Capital stock or principle fund				
20 Paid-in or capital surplus. Attach reconciliation				
21 Retained earnings or income fund				
22 Total liabilities and net worth		77,190,000.		72,490,000.

Schedule M-1 Reconciliation of income per books with income per return

Do not complete this schedule if the amount on Schedule L, line 13, column (d), is less than $50,000

1 Net income per books		7 Income recorded on books this year not included in this return. Attach sch	
2 Federal income tax			
3 Excess of capital losses over capital gains		8 Deductions in this return not charged against book income this year. Attach schedule	
4 Income not recorded on books this year. Attach schedule		9 Total. Add line 7 and line 8	
5 Expenses recorded on books this year not deducted in this return. Attach schedule		10 Net income per return. Subtract line 9 from line 6	
6 Total. Add line 1 through line 5			

Form at bottom of page.

IF PAID ELECTRONICALLY: DO NOT FILE THIS FORM

WHERE TO FILE: Using black or blue ink, make check or money order payable to the 'Franchise Tax Board.' Write the corporation number or FEIN and '2012 FTB 3539' on the check or money order. Detach form below. Enclose, but **do not** staple, payment with form and mail to:

FRANCHISE TAX BOARD
PO BOX 942857
SACRAMENTO CA 94257-0531

Make all checks or money orders payable in U.S. dollars and drawn against a U.S. financial institution.

WHEN TO FILE: **Calendar year corporations – File and Pay by March 15, 2013**
Fiscal year filers – See instructions
Employees' trust and IRA – File and Pay by April 15, 2013
Calendar year exempt organizations – File and Pay by May 15, 2013

When the due date falls on a weekend or holiday, the deadline to file and pay without penalty is extended to the next business day.

ONLINE SERVICES: Corporations can make payments online with Web Pay for Businesses. After a one-time online registration, corporations can make an immediate payment or schedule payments up to a year in advance. Go to **ftb.ca.gov** for more information.

DETACH HERE IF NO PAYMENT IS DUE OR PAID ELECTRONICALLY, DO NOT MAIL THIS FORM DETACH HERE

CAUTION: You may be required to pay electronically, see instructions.

TAXABLE YEAR **2012**

Payment for Automatic Extension for Corps and Exempt Orgs

CALIFORNIA FORM **3539 (CORP)**

1906048 IRVI 91-1874346 12 FORM 3
TYB 07-01-12 TYE 06-30-13
IRVINE RANCH WATER DISTRICT WATER SERVICE CORPORATION
CHERYL CLARY
PO BOX 5700
IRVINE CA 92619-7000

(949) 453-5300

TOTAL PAYMENT AMT 10.

STATEMENT 1
FORM 199, PART II, LINE 11
COMPENSATION OF OFFICERS, DIRECTORS, TRUSTEES AND KEY EMPLOYEES

CURRENT OFFICERS:

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED	COMPEN-SATION	CONTRI-BUTION TO EBP & DC	EXPENSE ACCOUNT/ OTHER
STEVE LAMAR 15600 SAND CANYON AVENUE IRVINE, CA 92618	VICE PRESIDENT 1.00	$ 0.	$ 0.	$ 0.
MARY AILEEN MATHEIS 15600 SAND CANYON AVENUE IRVINE, CA 92618	PRESIDENT 1.00	0.	0.	0.
JOHN B. WITHERS 15600 SAND CANYON AVENUE IRVINE, CA 92618	DIRECTOR 1.00	0.	0.	0.
PEER A. SWAN 15600 SND CANYON AVENUE, CA 92618	DIRECTOR 1.00	0.	0.	0.
DOUGLAS J. REINHART 15600 SAND CANYON AVENUE IRVINE, CA 92618	DIRECTOR 1.00	0.	0.	0.
ROBERT JACOBSON 18600 SAND CANYON AVENUE IRVINE, CA 92618	TREASURER 1.00	0.	0.	0.
LESLIE BONKOWSKI 15600 SAND CANYON AVENUE IRVINE, CA 92618	SECRETARY 1.00	0.	0.	0.
	TOTAL	$ 0.	$ 0.	$ 0.

STATEMENT 2
FORM 199, SCHEDULE L, LINE 12
OTHER ASSETS

INTER-COMPANY ACCOUNT RECEIVABLE-IRWD	72,490,000.
TOTAL	$ 72,490,000.