

AGENDA  
 IRVINE RANCH WATER DISTRICT  
 FINANCE AND PERSONNEL COMMITTEE MEETING  
 MONDAY, MARCH 3, 2025

This meeting will be held in-person at the District’s headquarters located at 15600 Sand Canyon Avenue, Irvine, California. The meeting will also be broadcasted via Webex for those wanting to observe the meeting virtually.

To observe this meeting virtually, please join online using the link and information below:

Via Web: <https://irwd.webex.com/irwd/j.php?MTID=m8fa17624b53dd16130cd7ac016be68cd>  
 Meeting number (access code): 2483 750 1654  
 Meeting password: JcZnd5Ddt23

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

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

CALL TO ORDER 11:00 a.m.

<u>ATTENDANCE</u>	Committee Chair:	Peer Swan	_____
	Committee Member:	Steve LaMar	_____

<u>ALSO PRESENT</u>	Paul Cook	_____	Neveen Adly	_____
	Wendy Chambers	_____	Kevin Burton	_____
	Paul Weghorst	_____	Christopher Smithson	_____
	Lance Kaneshiro	_____	Tiffany Mitcham	_____
	Eileen Lin	_____	Jennifer Davis	_____
	Stephen Aryan	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____

PUBLIC COMMENT NOTICE

Public comments are limited to three minutes per speaker on each subject. If you wish to address the Committee on any item, you may attend the meeting in person and submit a “speaker slip.” You may also submit a public comment in advance of the meeting by emailing [comments@irwd.com](mailto:comments@irwd.com) before 7:30 a.m. on Monday, March 3, 2025.

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## COMMUNICATIONS

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1. Notes: Adly
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.

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## INFORMATION

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5. EMPLOYEE POPULATION AND RETENTION STATUS REPORT – SRADER / MITCHAM  
Recommendation: Receive and file.
6. MONTHLY INVESTMENT AND DEBT REVIEW – DAVIS / ADLY  
Recommendation: Receive and file.
7. REAL ESTATE QUARTERLY PERFORMANCE – DAVIS / ADLY  
Recommendation: Receive and file.
8. QUARTERLY DEFERRED COMPENSATION PLAN AND FUND REVIEW – DAVIS / ADLY  
Recommendation: Receive and file.
9. RISK MANAGEMENT QUARTERLY REPORT – ARYAN / MITCHAM  
Recommendation: Receive and file.
10. RESIDENTIAL INVESTMENT PROPERTY PERFORMANCE 2024 ANNUAL REPORT – DAVIS / ADLY  
Recommendation: Receive and file.

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**ACTION**

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11. DETAILED REVIEW OF FISCAL YEARS 2025-26 AND 2026-27 OPERATING AND NON-OPERATING BUDGET AND PROPOSED RATES AND CHARGES – SMITHSON / ADLY

Recommendation: That the Committee review and provide feedback on the proposed FY 2025-26 and FY 2026-27 Operating and Non-Operating Budgets and proposed rates and charges for further review at the Board Workshop on March 24, 2025.

12. PROPOSED 2025 INVESTMENT POLICY – DAVIS / ADLY

Recommendation: That the Board approve the proposed 2025 Investment Policy.

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**OTHER BUSINESS**

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13. Closed Session

A. CLOSED SESSION CONFERENCE WITH LEGAL COUNSEL — EXISTING LITIGATION – Pursuant to Government Code Section 54956.9(d)(1):

- *United States, et al., ex rel. John Hendrix, et al. v. J-M Manufacturing Company, Inc., et al., Case No. CV 06-0055-GW*

B. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION – Pursuant to Government Code Section 54956.9(d)(2): significant exposure to litigation. (Four potential cases; the publicly disclosable claims are included in the agenda packet.)

14. Open Session

15. Directors’ Comments

16. Adjourn

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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.

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March 3, 2025  
Prepared by: L. Srader  
Submitted by: T. Mitcham  
Approved by: Paul A. Cook *P.A.C.*

FINANCE AND PERSONNEL COMMITTEE

EMPLOYEE POPULATION AND RETENTION REPORT

SUMMARY:

Each month, staff prepares for the Committee an Employee Population and Retention Report.

BACKGROUND:

This month's report will be utilized to meet the requirements of AB 2561, which became law effective January 1, 2025. AB 2561 requires that public agencies present the status of position vacancies, along with an agency's recruitment and retention efforts, during a public hearing before the agency's governing body at least once per fiscal year. To comply with this requirement, staff plans to present the information contained in this write-up to the IRWD Board during a Public Hearing on March 10, 2025.

FISCAL IMPACTS:

None.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

RECOMMENDATION:

Receive and file.

LIST OF EXHIBITS:

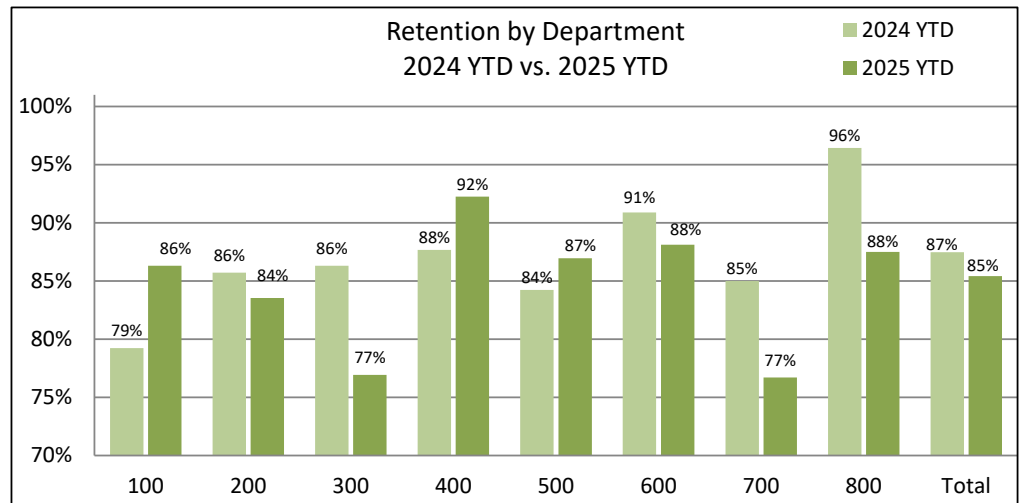
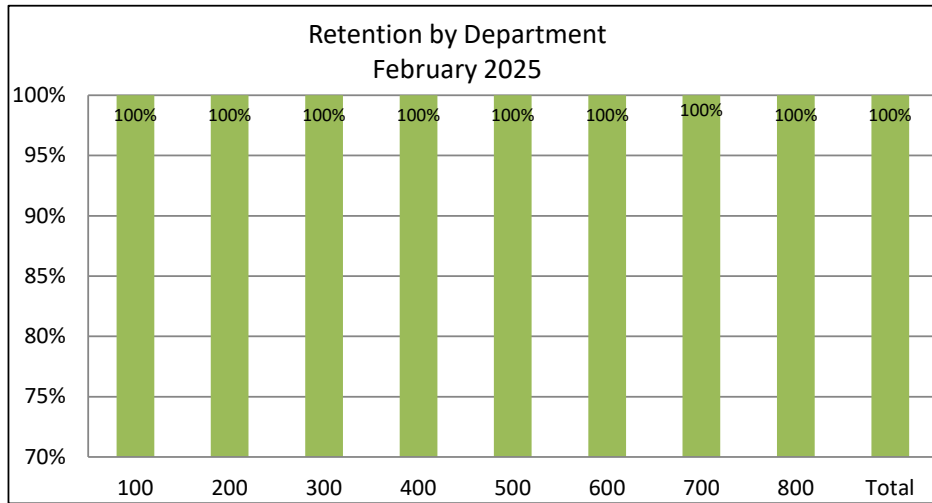
Exhibit "A" – Employee Population & Retention Report

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Exhibit "A"

**IRVINE RANCH WATER DISTRICT  
EMPLOYEE POPULATION AND RETENTION REPORT  
FEBRUARY 2025**

@02/01/25		Current Month Activity							@02/28/25		FY 24/25	Avg FYTD	Avg FYTD	Avg FYTD	Retention	
Dept	Positions Filled	New Hires	Terms		Promo Trnsfr		Lateral Trnsfr		Positions Filled	Positions Unfilled	Budgeted Positions	Filled Budget Positions	Temp Emp FTE	Total Filled Positions	Current Period	2025 YTD
			Vol	Invol	In	Out	In	Out								
100	23	1							24	1	25	22	-	22	100%	86%
200	91	1							92	10	102	86	7	92	100%	84%
300	38	1							39	8	47	43	5	47	100%	77%
400	65								65	6	71	65	-	65	100%	92%
500	58	1							59	7	66	54	2	56	100%	87%
600	35								35	-	35	34	3	37	100%	88%
700	24								24	3	27	25	1	26	100%	77%
800	57								57	6	63	56	-	57	100%	88%
<b>Totals</b>	<b>392</b>	<b>4</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>396</b>	<b>41</b>	<b>436</b>	<b>385</b>	<b>19</b>	<b>404</b>	<b>100%</b>	<b>85%</b>
2/24	383	8	2	-	2	2	-	-	389	35	424	382	18	400	99%	87%



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

**IRVINE RANCH WATER DISTRICT  
EMPLOYEE POPULATION AND RETENTION REPORT  
FEBRUARY 2025**

<b>NEW HIRES</b>				
<b>Date</b>	<b>Dept</b>	<b>Employee Name</b>	<b>Position</b>	<b>Prior Company/Agency</b>
02/03/25	200	Leona Tom	Accountant	SCAN Health Plan
02/03/25	300	Anthony Wimenta	Assistant Engineer	Carollo Engineers
02/18/25	500	Mohamad Nasri	Collection Systems Technician I	NorCal Piple Services
02/24/25	500	Joel Velez	Collection Systems Technician II	City of Manhattan Beach
02/25/25	100	Yuliana Espinoza	Human Resources Technician	City of El Segundo

<b>TERMINATIONS</b>					
<b>Date</b>	<b>Dept</b>	<b>Employee Name</b>	<b>Position</b>	<b>Reason</b>	<b>Comments</b>

<b>RETIREMENTS</b>					
<b>Date</b>	<b>Dept</b>	<b>Employee Name</b>	<b>Position</b>	<b>Reason</b>	<b>Comments</b>

<b>PROMOTIONS</b>					
<b>Effective Date</b>	<b>Departing Dept</b>	<b>Employee Name</b>	<b>Departing Position</b>	<b>New Dept</b>	<b>New Position</b>
02/01/25	300	Christopher Lum	Engineer	300	Senior Engineer
02/01/25	300	Tiffany Foo	Engineer	300	Senior Engineer

<b>TRANSFERS</b>					
<b>Effective Date</b>	<b>Departing Dept</b>	<b>Employee Name</b>	<b>Departing Position</b>	<b>New Dept</b>	<b>New Position</b>

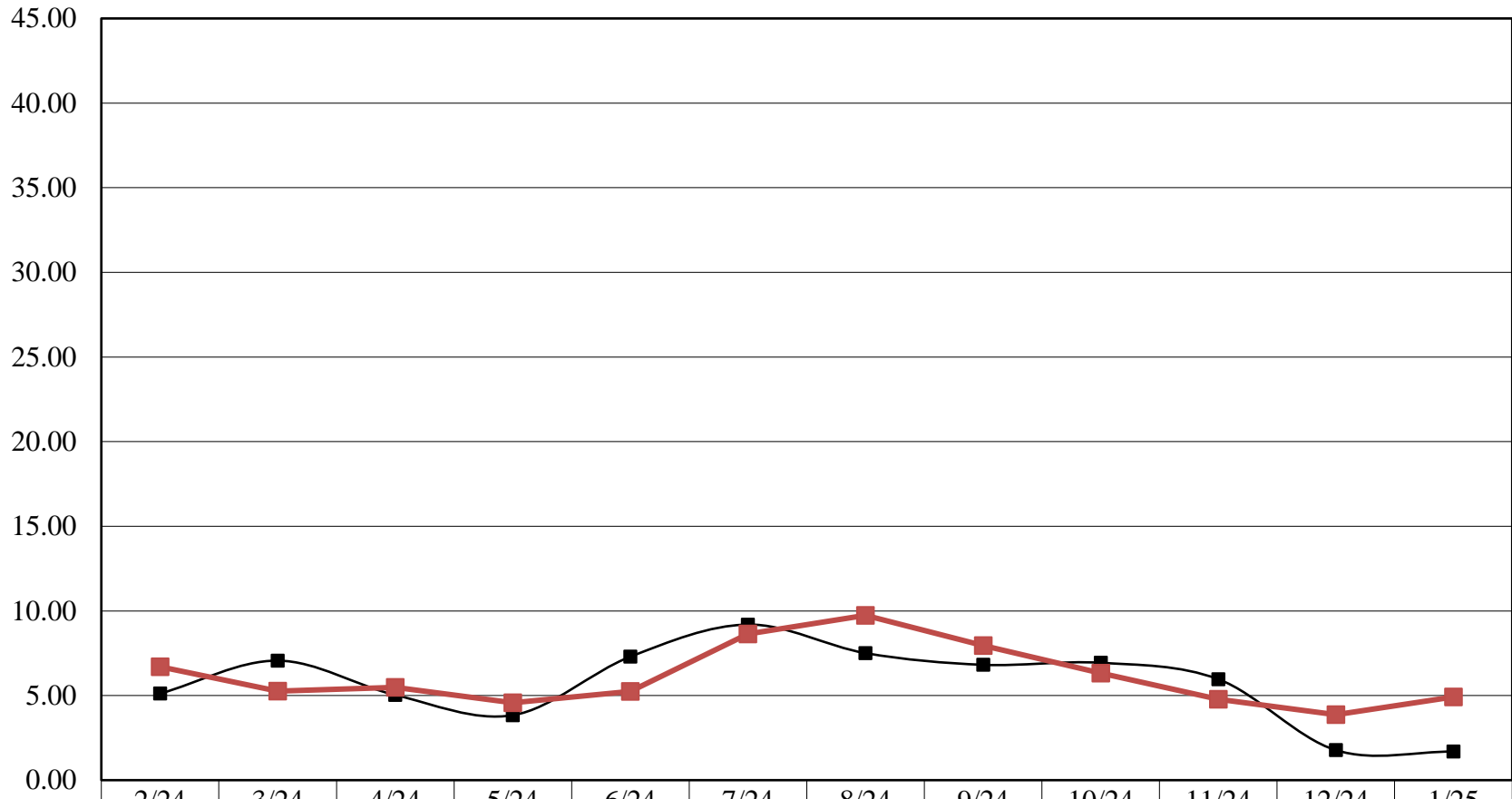
<b>CROSS TRAINING</b>					
<b>Effective Date</b>	<b>Departing Dept</b>	<b>Employee Name</b>	<b>Departing Position</b>	<b>New Dept</b>	<b>New Position</b>
02/15/25	400	Dave Asman Jr.	Water Maintenance Technician II	300	Engineering




**IRVINE RANCH WATER DISTRICT  
EMPLOYEE POPULATION AND RETENTION REPORT  
FEBRUARY 2025**

<b>UNFILLED POSITIONS</b>			
<b>Dept</b>	<b>Position</b>	<b>Salary Grade</b>	<b>Comments</b>
100	Senior Executive Assistant	U29.N	
200	Data Analyst	U10.E	Recruiting
200	Controller	U21.E	Recruiting
200	Purchasing Manager	U18.E	
200	Accounting Supervisor	U14.E	Recruiting
200	Network Administrator	U35.N	Recruiting
200	Applications Analyst	U15.E	Recruiting
200	Database Administrator	U15.E	Recruiting
200	GIS Technician	25.N	
200	Cybersecurity Analyst	U18.E	Recruiting
200	GIS Applications Analyst	U15.E	
300	Engineering Manager	U24.E	Recruiting
300	Senior Engineer	U20.E	Interviewing
300	Senior Engineer	U20.E	Interviewing
300	Engineer	U17.E	Interviewing
300	Engineer	U17.E	Interviewing
300	Senior Construction Inspector	31.N	
300	Senior Engineer	U20.E	Recruiting
300	Safety & Security Specialist	U29.N	Recruiting
400	Water Maintenance Technician I	16.N	Recruiting
400	Water Maintenance Technician I	16.N	Recruiting
400	Operator III	30.N	Interviewing
400	Operator II	27.N	
400	Utility Construction Tech Supervisor	S34.N	Recruiting
400	Metering Systems Technician III	26.N	Interviewing
500	Manager of Biosolids & Energy Recovery	U21.E	
500	Operator III	30.N	Interviewing
500	Wetlands Ecologist	29.N	Start Date Pending
500	SCADA Network Administrator	U35.N	Recruiting
500	Automation Supervisor	S36.N	Interviewing
500	Operator III	30.N	Interviewing
500	Process Engineer	U22.E	
700	Environmental Compliance Analyst	U13.E	Recruiting
700	Water Resources Planner	U13.E	Recruiting
700	Cross Connection Supervisor	S33.N	Recruiting
800	Mechanical Services Manager	U19.E	
800	Asset Systems Supervisor	S36.N	Interviewing
800	Maintenance Mechanic	23.N	Interviewing
800	Senior Vehicle/Equipment Mechanic	28.N	Recruiting
800	Senior Maintenance Mechanic	27.N	Recruiting
800	Electrical & Instrumentation Technician	26.N	Interviewing

**Temporary Employees  
Full Time Equivalency  
District Totals as of January 31, 2024**



	2/24	3/24	4/24	5/24	6/24	7/24	8/24	9/24	10/24	11/24	12/24	1/25
Temp Total	5.12	7.06	5.03	3.84	7.30	9.19	7.50	6.81	6.93	5.97	1.77	1.69
Intern Totals	6.70	5.26	5.48	4.58	5.24	8.64	9.74	7.95	6.32	4.77	3.87	4.91

March 3, 2025  
Prepared by: J. Davis  
Submitted by: N. Adly  
Approved by: Paul A. Cook 

FINANCE AND PERSONNEL COMMITTEE

MONTHLY INVESTMENT AND DEBT REVIEW

SUMMARY:

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

- The Investment Portfolio Summary Report as of February 21, 2025, as outlined in Exhibit "A";
- The U.S. Treasury Yield Curve as of February 21, 2025, as shown in Exhibit "B";
- The Summary of Fixed and Variable Debt as of February 21, 2025, as outlined in Exhibit "C"; and
- The Summary of Variable Rate Debt Rates as of February 21, 2025, as outlined in Exhibit "D".

BACKGROUND:

Investment Portfolio:

Due to the timing of the Committee meeting, the final rate of return for February 2025 is not available. Preliminary calculations indicate a rate of return for the fixed income investment portfolio of 4.28%, which was a 0.15% decrease from January's rate of 4.43%. Including real estate investments, the weighted average rate of return for IRWD's investment portfolio annualized for February 2025 was 6.38%, which was a 0.06% decrease from January's rate of 6.44%, due to the re-investment of maturing securities with longer duration and in the Local Agency Investment Fund (LAIF) for liquidity, at slightly lower yields.

Debt Portfolio:

As of February 21, 2025, IRWD's weighted average all-in variable rate for debt was 2.40%, which was a 0.86% increase from January's rate of 1.54%. Including IRWD's weighted average fixed rate bond issues of 3.73% and the 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 3.38%, a 0.31% increase from January's rate of 3.07%. The increase was due to higher average rates for the District's variable rate debt.

FISCAL IMPACTS:

Fiscal impacts are outlined above and included in the exhibits provided.

ENVIRONMENTAL COMPLIANCE:

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

RECOMMENDATION:

Receive and file.

LIST OF EXHIBITS:

Exhibit "A" – Investment Portfolio Summary as of February 21, 2025

Exhibit "B" – Yield Curve as of February 21, 2025

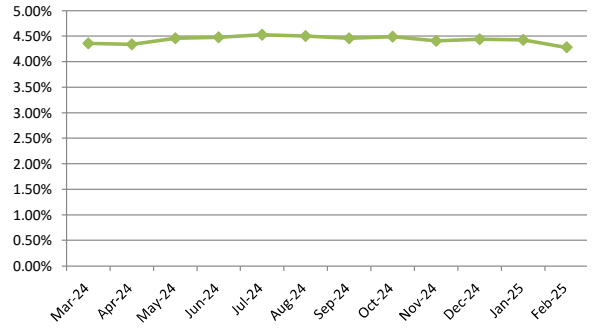
Exhibit "C" – Summary of Fixed and Variable Debt as of February 21, 2025

Exhibit "D" – Summary of Variable Rate Debt Rates as of February 21, 2025

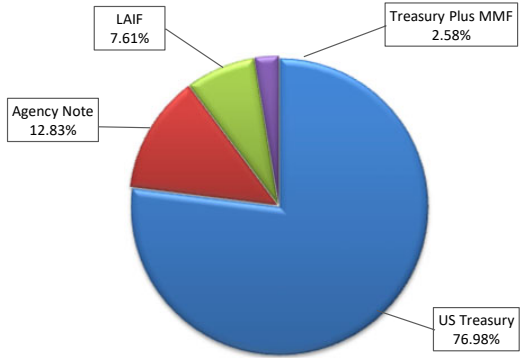
# Exhibit "A"

## Irvine Ranch Water District Investment Portfolio Summary February 2025

**Monthly Fixed Income Yield**



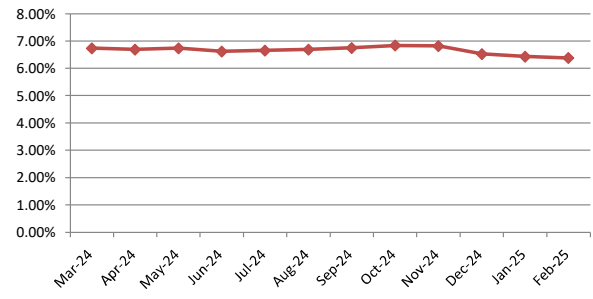
**Portfolio Distribution**



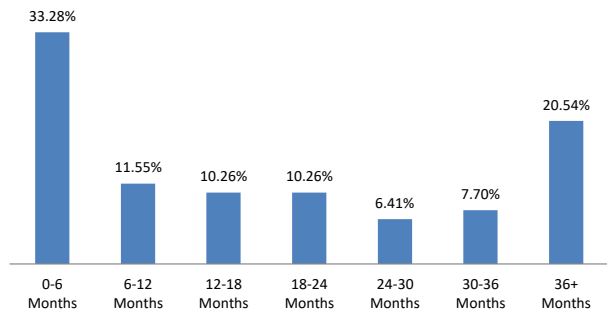
**Investment Summary**

Type	PAR	Book Value	Market Value
US Treasury	300,000,000	296,344,390	296,191,631
Agency Note	50,000,000	49,764,676	49,727,200
LAIF	29,649,834	29,649,834	29,638,626
Treasury Plus MMF	10,064,830	10,064,830	10,064,830
<b>Grand Total</b>	<b>389,714,664</b>	<b>385,823,729</b>	<b>385,622,287</b>

**Weighted Average Return Including Real Estate Portfolio**



**Maturity Distribution**



**Top Issuers**

Issuer	PAR	% Portfolio
US Treasury	300,000,000	76.98%
State of California Tsy.	29,649,834	7.61%
Fed Farm Credit Bank	25,000,000	6.41%
Fed Home Loan Mortgage Corp	15,000,000	3.85%
Wells Fargo / Allspring	10,064,830	2.58%
Fed Home Loan Bank	10,000,000	2.57%
<b>Grand Total</b>	<b>389,714,664</b>	<b>100.00%</b>

IRVINE RANCH WATER DISTRICT  
INVESTMENT SUMMARY REPORT

02/21/25

SETTLMT	Call Schedule	Initial Call	Maturity Date	Rating	INVESTMENT TYPE	INSTITUTION / ISSUER	PAR Amount	COUPON DISCOUNT	YIELD	ORIGINAL COST	CARRY VALUE	MARKET VALUE <sup>(1)</sup> 2/21/2025	UNREALIZED <sup>(2)</sup> GAIN/(LOSS)
11/27/24			02/22/25		LAIF	State of California Tsy.	\$29,649,833.78		4.320%	\$29,649,833.78	\$29,649,833.78	29,638,625.70	(11,208.08)
02/21/25			02/22/25		Treasury Plus MMF	Wells Fargo / Allspring	10,064,829.88		4.220%	10,064,829.88	10,064,829.88	10,064,829.88	0.00
12/30/22	NA	NA	02/28/25	Aaa/AA+/AA+	Treasury - Note	US Treasury	5,000,000	2.750%	4.317%	4,839,453.13	5,000,000.00	4,994,250.00	(5,750.00)
02/07/23	NA	NA	03/14/25	Aaa/AA+/NR	FHLB - Note	Fed Home Loan Bank	5,000,000	4.250%	4.518%	4,973,050.00	4,999,542.62	4,999,300.00	(242.62)
12/30/22	NA	NA	03/15/25	Aaa/AA+/AA+	Treasury - Note	US Treasury	5,000,000	1.750%	4.329%	4,731,250.00	4,995,331.89	4,986,650.00	(8,681.89)
04/12/23	NA	NA	03/31/25	Aaa/AA+/AA+	Treasury - Note	US Treasury	20,000,000	3.875%	4.073%	19,925,781.25	19,996,903.25	19,986,200.00	(10,703.25)
12/22/22	NA	NA	04/01/25	Aaa/AA+/AAA	FHLB - Note	Fed Home Loan Bank	5,000,000	4.200%	4.160%	5,004,550.00	5,000,169.74	4,998,200.00	(1,969.74)
04/18/24	NA	NA	04/15/25	Aaa/AA+/AA+	Treasury - Note	US Treasury	10,000,000	2.625%	5.163%	9,757,617.18	9,969,869.54	9,962,109.40	(7,760.14)
12/08/22	Quarterly	02/12/2023	05/12/25	Aaa/AA+/AAA	FHLMC - Note	Fed Home Loan Mortgage Corp	5,000,000	3.050%	4.427%	4,843,000.00	4,987,241.53	4,980,550.00	(6,691.53)
01/11/23	NA	NA	05/15/25	Aaa/AA+/AA+	Treasury - Note	US Treasury	5,000,000	2.750%	4.148%	4,845,312.50	4,986,430.92	4,978,100.00	(8,330.92)
12/13/22	NA	NA	06/13/25	Aaa/AA+/AAA	FFCB - Note	Fed Farm Credit Bank	5,000,000	4.250%	4.340%	4,989,400.00	4,998,792.55	4,997,800.00	(992.55)
12/13/22	NA	NA	06/13/25	Aaa/AA+/AAA	FFCB - Note	Fed Farm Credit Bank	5,000,000	4.250%	4.352%	4,988,000.00	4,998,633.08	4,997,800.00	(833.08)
08/01/23	NA	NA	07/15/25	Aaa/AA+/AA+	Treasury - Note	US Treasury	10,000,000	3.000%	4.917%	9,646,875.00	9,932,738.10	9,942,300.00	9,561.90
04/24/23	NA	NA	07/24/25	Aaa/AA+/AAA	FFCB - Note	Fed Farm Credit Bank	10,000,000	4.250%	4.253%	10,000,000.00	10,000,000.00	10,000,900.00	900.00
11/15/24	NA	NA	08/31/25	Aaa/AA+/AA+	Treasury - Note	US Treasury	5,000,000	5.000%	4.452%	5,020,703.13	5,013,109.59	5,017,950.00	4,840.41
04/21/23	NA	NA	09/23/25	Aaa/AA+/AAA	FHLMC - Note	Fed Home Loan Mortgage Corp	10,000,000	0.375%	4.127%	9,143,400.00	9,800,835.67	9,758,000.00	(42,835.67)
12/01/22	NA	NA	10/15/25	Aaa/AA+/AA+	Treasury - Note	US Treasury	5,000,000	4.250%	4.298%	4,993,359.38	4,998,556.66	4,998,300.00	(256.66)
12/01/23	NA	NA	11/15/25	Aaa/AA+/AA+	Treasury - Note	US Treasury	10,000,000	2.250%	4.719%	9,543,750.00	9,834,729.02	9,843,000.00	8,270.98
12/01/22	Continuous after	9/12/2023	12/12/25	Aaa/AA+/AAA	FFCB - Note	Fed Farm Credit Bank	5,000,000	4.125%	4.694%	4,920,500.00	4,979,460.70	4,994,650.00	15,189.30
04/18/24	NA	NA	01/15/26	Aaa/AA+/AA+	Treasury - Note	US Treasury	10,000,000	3.875%	5.033%	9,808,593.75	9,903,846.15	9,967,600.00	63,753.85
02/21/24	NA	NA	02/15/26	Aaa/AA+/AA+	Treasury - Note	US Treasury	15,000,000	4.000%	4.553%	14,844,140.63	14,924,542.57	14,959,050.00	34,507.43
04/30/24	NA	NA	03/31/26	Aaa/AA+/AA+	Treasury - Note	US Treasury	5,000,000	4.500%	5.017%	4,953,125.00	4,973,549.11	5,012,900.00	39,350.89
07/06/23	NA	NA	06/15/26	Aaa/AA+/AA+	Treasury - Note	US Treasury	15,000,000	4.125%	4.566%	14,819,531.25	14,920,929.51	14,976,600.00	55,670.49
06/03/24	NA	NA	07/15/26	Aaa/AA+/AA+	Treasury - Note	US Treasury	5,000,000	4.500%	4.843%	4,965,625.00	4,977,691.87	5,017,600.00	39,908.13
09/27/23	NA	NA	09/15/26	Aaa/AA+/AA+	Treasury - Note	US Treasury	10,000,000	4.625%	4.846%	9,939,453.13	9,968,553.61	10,057,800.00	89,246.39
11/03/23	NA	NA	10/15/26	Aaa/AA+/AA+	Treasury - Note	US Treasury	10,000,000	4.625%	4.784%	9,956,640.63	9,976,126.18	10,059,400.00	83,273.82
12/28/23	NA	NA	12/15/26	Aaa/AA+/AA+	Treasury - Note	US Treasury	10,000,000	4.375%	4.020%	10,098,046.88	10,059,208.37	10,021,900.00	(37,308.37)
01/31/24	NA	NA	01/15/27	Aaa/AA+/AA+	Treasury - Note	US Treasury	10,000,000	4.000%	4.171%	9,952,734.38	9,970,021.34	9,953,900.00	(16,121.34)
12/19/24	NA	NA	02/28/27	Aaa/AA+/AA+	Treasury - Note	US Treasury	10,000,000	1.875%	4.303%	9,496,093.75	9,541,388.69	9,532,800.00	(8,588.69)
11/18/24	NA	NA	03/15/27	Aaa/AA+/AA+	Treasury - Note	US Treasury	5,000,000	4.250%	4.289%	4,995,507.81	4,996,054.09	4,999,600.00	3,545.91
02/05/25	NA	NA	06/15/27	Aaa/AA+/AA+	Treasury - Note	US Treasury	5,000,000	4.625%	4.218%	5,044,921.88	5,043,668.25	5,044,921.88	1,253.63
11/08/24	NA	NA	07/15/27	Aaa/AA+/AA+	Treasury - Note	US Treasury	5,000,000	4.375%	4.156%	5,027,343.75	5,024,187.63	5,013,300.00	(10,887.63)
01/09/25	NA	NA	08/31/27	Aaa/AA+/AA+	Treasury - Note	US Treasury	5,000,000	3.125%	4.301%	4,854,687.50	4,862,375.19	4,861,700.00	(675.19)
03/11/24	NA	NA	09/30/27	Aaa/AA+/AA+	Treasury - Note	US Treasury	10,000,000	4.125%	4.195%	9,976,953.13	9,983,256.40	9,967,200.00	(16,056.40)
01/07/25	NA	NA	10/15/27	Aaa/AA+/AA+	Treasury - Note	US Treasury	5,000,000	3.875%	4.311%	4,943,359.38	4,946,328.67	4,949,600.00	3,271.33
05/24/24	NA	NA	01/31/28	Aaa/AA+/AA+	Treasury - Note	US Treasury	10,000,000	3.500%	4.621%	9,623,437.50	9,701,992.85	9,784,400.00	82,407.15
12/19/24	NA	NA	02/15/28	Aaa/AA+/AA+	Treasury - Note	US Treasury	10,000,000	2.750%	4.228%	9,567,187.50	9,594,214.82	9,564,800.00	(29,414.82)
07/18/24	NA	NA	04/30/28	Aaa/AA+/AA+	Treasury - Note	US Treasury	5,000,000	1.250%	4.152%	4,496,484.38	4,578,824.85	4,543,350.00	(35,474.85)
01/07/25	NA	NA	05/31/28	Aaa/AA+/AA+	Treasury - Note	US Treasury	5,000,000	1.250%	4.363%	4,513,671.88	4,534,458.49	4,531,450.00	(3,008.49)
06/27/24	NA	NA	07/31/28	Aaa/AA+/AA+	Treasury - Note	US Treasury	10,000,000	4.125%	4.394%	9,900,000.00	9,916,521.74	9,941,000.00	24,478.26
08/16/24	NA	NA	08/15/28	Aaa/AA+/AA+	Treasury - Note	US Treasury	5,000,000	2.875%	3.854%	4,820,312.50	4,844,558.01	4,764,850.00	(79,708.01)
08/09/24	NA	NA	09/30/28	Aaa/AA+/AA+	Treasury - Note	US Treasury	10,000,000	1.250%	3.863%	9,008,593.75	9,142,266.50	8,966,000.00	(176,266.50)
11/28/23	NA	NA	10/31/28	Aaa/AA+/AA+	Treasury - Note	US Treasury	10,000,000	4.875%	4.464%	10,179,687.50	10,133,841.72	10,185,200.00	51,358.28
12/15/23	NA	NA	11/30/28	Aaa/AA+/AA+	Treasury - Note	US Treasury	15,000,000	4.375%	3.897%	15,319,921.88	15,241,883.54	15,018,750.00	(223,133.54)
12/13/24	NA	NA	12/31/28	Aaa/AA+/AA+	Treasury - Note	US Treasury	10,000,000	3.750%	4.160%	9,848,437.50	9,856,430.65	9,787,100.00	(69,330.65)
SUB-TOTAL							\$389,714,664			\$382,835,157.47	\$385,823,729.31	\$385,622,286.85	(\$201,442.46)
TOTAL INVESTMENTS							\$389,714,664			\$382,835,157.47	\$385,823,729.31	\$385,622,286.85	(\$201,442.46)

IRVINE RANCH WATER DISTRICT  
INVESTMENT SUMMARY REPORT

02/21/25

SETTLMT	Call Schedule	Initial Call	Maturity Date	Rating	INVESTMENT TYPE	INSTITUTION / ISSUER	PAR Amount	COUPON DISCOUNT	YIELD	ORIGINAL COST	CARRY VALUE	MARKET VALUE <sup>(1)</sup> 2/21/2025	UNREALIZED <sup>(2)</sup> GAIN/(LOSS)
					Petty Cash					600.00			
					Ck Balance	Bank of America		ECR	1.42%	1,421,427.39			
					Ck Balance	Wells Fargo		ECR	2.00%	0.00 <sup>(5)</sup>			
										<u>\$384,257,184.86</u>			

<sup>(1)</sup> 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.

<sup>(2)</sup> Gain (loss) calculated against carry value using the trading value provided by Bank of New York/or Brokers'

<sup>(3)</sup> Real estate rate of return is based on most recent quarter end return.

<sup>(4)</sup> Original Cost updated to reflect capital tenant improvements added for Fiscal Year 2023.  
of capital tenant improvements during FY 2023.

<sup>(5)</sup> Cash balance in this account are funds that are pending purchase into the current money market fund.

\*S - Step up

This Investment Summary Report is in conformity with the 2024 Investment Policy and provides sufficient liquidity to meet the next six months estimated expenditures.

Outstanding Variable Rate Debt	\$202,300,000
Net Outstanding Variable Rate Debt (Less \$60 million fixed-payer swaps)	\$142,300,000
Investment Balance:	\$384,257,185
Investment to Variable Rate Debt Ratio:	270%
Portfolio - Average Number of Days To Maturity	547

	Investment Portfolio	Real Estate <sup>(3)(4)</sup> Portfolio	Weighted Avg. Return
<b>February</b>	<b>4.28%</b>	<b>14.11%</b>	<b>6.38%</b>
<b>January</b>	<b>4.43%</b>	<b>14.11%</b>	<b>6.44%</b>
<b>Change</b>	<b>-0.15%</b>	<b>0.00%</b>	<b>-0.06%</b>

IRVINE RANCH WATER DISTRICT  
SUMMARY OF MATURITIES

02/21/25

DATE	TOTAL	%	LAIF	Agency Notes	Agency Discount Notes	Municipal Bonds	US Treasury	Investment Sweep
2/25	44,714,664	11.47%	\$29,649,834				5,000,000	10,064,830
3/25	30,000,000	7.70%		5,000,000			25,000,000	
4/25	15,000,000	3.85%		5,000,000			10,000,000	
5/25	10,000,000	2.57%		5,000,000			5,000,000	
6/25	10,000,000	2.57%		10,000,000				
7/25	20,000,000	5.13%		10,000,000			10,000,000	
8/25	5,000,000	1.28%					5,000,000	
9/25	10,000,000	2.57%		10,000,000				
10/25	5,000,000	1.28%					5,000,000	
11/25	10,000,000	2.57%					10,000,000	
12/25	5,000,000	1.28%		5,000,000				
1/26	10,000,000	2.57%					10,000,000	
<b>SUB-TOTAL</b>	<b>\$174,714,664</b>	<b>44.83%</b>	<b>\$29,649,834</b>	<b>\$50,000,000</b>			<b>\$85,000,000</b>	<b>\$10,064,830</b>

13 MONTHS - 3+ YEARS								
02/01/2026 - 04/30/2026	\$20,000,000	5.13%					20,000,000	
05/01/2026 - 07/31/2026	\$20,000,000	5.13%					20,000,000	
08/01/2026 - 10/31/2026	\$20,000,000	5.13%					20,000,000	
11/01/2026 - 1/31/2027	\$20,000,000	5.13%					20,000,000	
02/01/2027 - 04/30/2027	\$15,000,000	3.85%					15,000,000	
05/01/2027 - 07/31/2027	\$10,000,000	2.57%					10,000,000	
08/01/2027 - 10/31/2027	\$20,000,000	5.13%					20,000,000	
11/01/2027 - 1/31/2028	\$10,000,000	2.57%					10,000,000	
02/01/2028 - 04/30/2028	\$15,000,000	3.85%					15,000,000	
05/01/2028 - 07/31/2028	\$15,000,000	3.85%					15,000,000	
08/01/2028 - 10/31/2028	\$25,000,000	6.41%					25,000,000	
11/01/2028 +	\$25,000,000	6.41%					25,000,000	
<b>SUB-TOTAL</b>	<b>\$215,000,000</b>	<b>55.17%</b>					<b>\$215,000,000</b>	
<b>TOTALS</b>	<b>\$389,714,664</b>	<b>100.00%</b>	<b>\$29,649,834</b>	<b>\$50,000,000</b>			<b>\$300,000,000</b>	<b>\$10,064,830</b>

% OF PORTFOLIO

7.61%

12.83%

76.98%

2.58%



Irvine Ranch Water District  
Summary of Real Estate - Income Producing Investments  
12/31/2024

	ACQUISITION DATE	PROPERTY TYPE	OWNERSHIP INTEREST	ORIGINAL COST	MARKET VALUE 12/31/2024	ANNUALIZED RATE OF RETURN QUARTER ENDED 12/31/2024
Sycamore Canyon	Dec-92	Apartments	Fee Simple	\$ 45,457,369	\$ 220,000,000	22.42%
Wood Canyon Villas	Jun-91	Apartments	Limited Partner	\$ 6,000,000	\$ 38,420,894	8.61%
ITC (230 Commerce)	Jul-03	Office Building	Fee Simple	\$ 5,568,747	\$ 10,000,000	9.53%
Waterworks Business Pk.	Nov-08	Research & Dev.	Fee Simple	\$ 8,983,395	\$ 13,500,000	7.10%
Sand Canyon Professional Center - Medical Office	Jul-12	Medical Office	Fee Simple	\$ 8,715,929	\$ 12,000,000	7.84%
Sand Canyon Professional Center - General Office <sup>(1)</sup>	Sep-20	Office Building	Fee Simple	\$ 31,404,103	\$ 32,000,000	7.69%
<b>Total - Income Properties</b>				<b>\$ 106,129,543</b>	<b>\$ 325,920,894</b>	<b>14.11%</b>

(1) Original Cost updated to reflect capital tenant improvements added for Fiscal Year 2023.

**IRVINE RANCH WATER DISTRICT INVESTMENT SUMMARY REPORT**  
**INVESTMENT ACTIVITY<sup>(1)</sup>**  
**Feb-25**

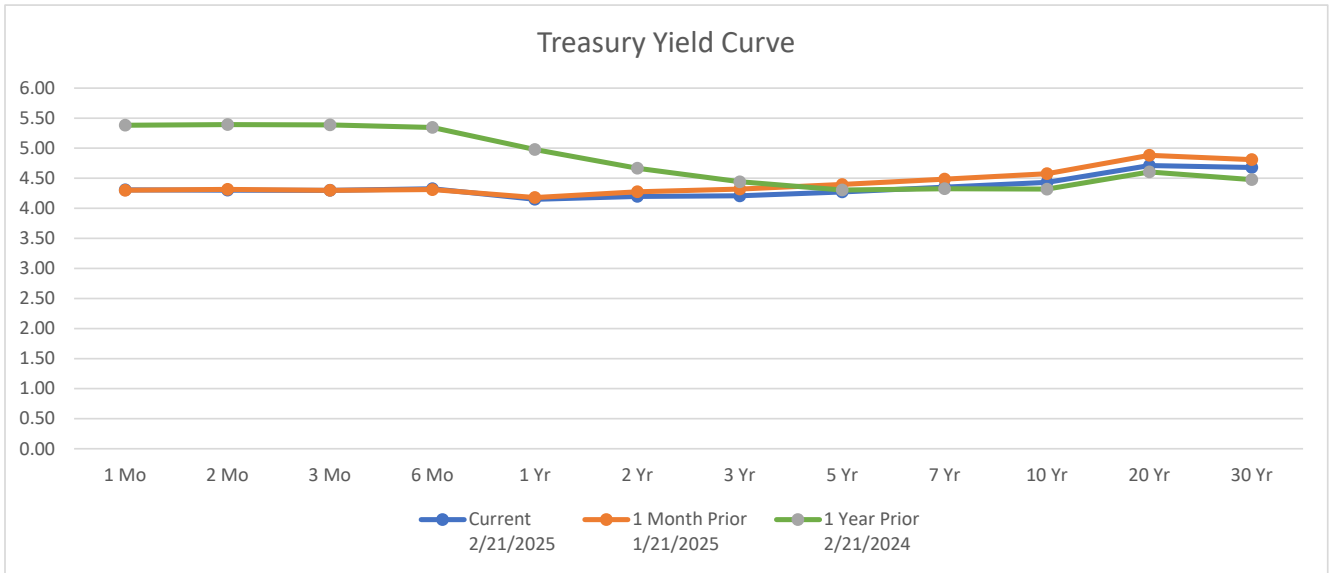
**MATURITIES/SALES/CALLS**

**PURCHASES**

DATE	SECURITY TYPE	PAR	YIELD	Settlement Date	Maturity Date	SECURITY TYPE	PAR	YIELD TO MATURITY
2/14/2025	FFCB - Note	\$5,000,000	4.50%	2/5/2025	6/15/2027	Treasury - Note	\$5,000,000	4.22%
2/28/2025	<i>Treasury - Note</i>	<i>\$5,000,000</i>	<i>4.32%</i>					

(1) Italicized entries indicate securities that are scheduled but not yet matured, sold, called, or purchased. There may be additional investment purchases if there are pending maturities for the month.

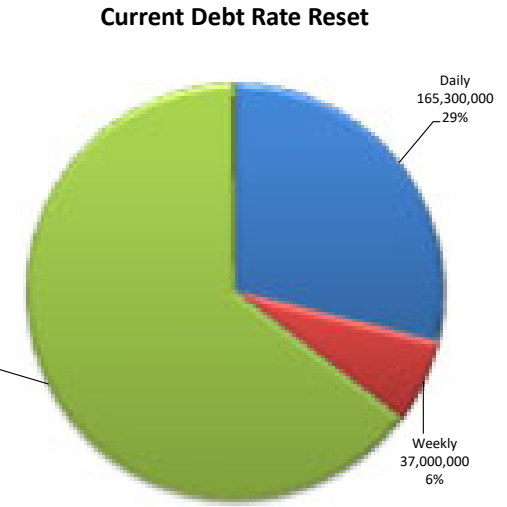
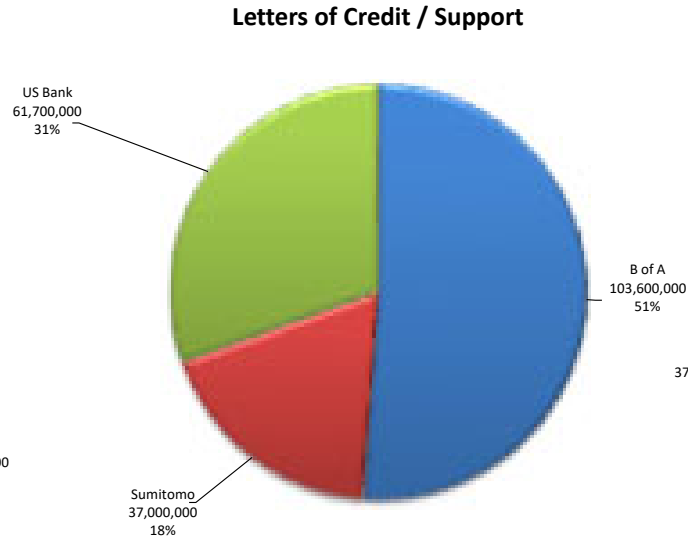
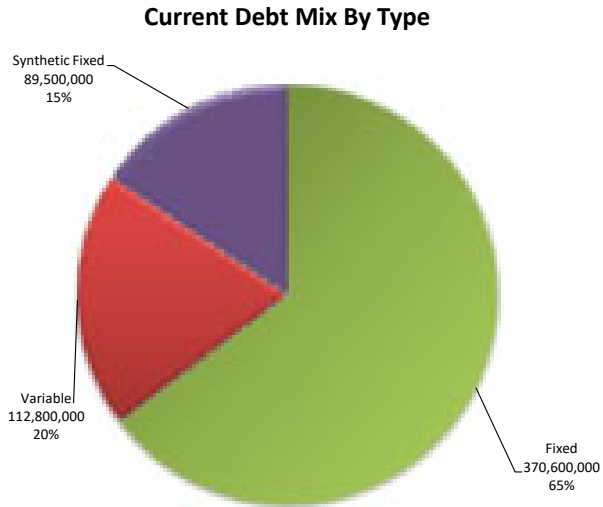
## Exhibit "B"



Tenor	Current 2/21/2025	1 Month Prior 1/21/2025	1 Year Prior 2/21/2024
1 Mo	4.31	4.30	5.38
2 Mo	4.30	4.31	5.39
3 Mo	4.30	4.30	5.39
6 Mo	4.33	4.31	5.34
1 Yr	4.15	4.18	4.98
2 Yr	4.20	4.27	4.67
3 Yr	4.21	4.32	4.44
5 Yr	4.27	4.40	4.30
7 Yr	4.35	4.49	4.33
10 Yr	4.43	4.58	4.32
20 Yr	4.71	4.88	4.60
30 Yr	4.68	4.81	4.48

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Exhibit "C"  
**Irvine Ranch Water District**  
**Summary of Fixed and Variable Rate Debt**  
**February 2025**



**Outstanding Par by Series**

Series	Issue Date	Maturity Date	Remaining Principal	Percent	Letter of Credit/Support	Rmkt Agent	Mode	Reset
Series 1993	05/19/93	04/01/33	\$19,200,000	3.35%	US Bank	BAML	Variable	Daily
Series 2008-A Refunding	04/24/08	07/01/35	\$37,000,000	6.46%	Sumitomo	BAML	Variable	Weekly
Series 2011-A-1 Refunding	04/15/11	10/01/37	\$36,660,000	6.40%	B of A	Goldman	Variable	Daily
Series 2011-A-2 Refunding	04/15/11	10/01/37	\$24,440,000	4.27%	B of A	Goldman	Variable	Daily
Series 2009 - A	06/04/09	10/01/41	\$42,500,000	7.42%	US Bank	US Bank	Variable	Daily
Series 2009 - B	06/04/09	10/01/41	\$42,500,000	7.42%	B of A	Goldman	Variable	Daily
2016 COPS	09/01/16	03/01/46	\$101,490,000	17.72%	N/A	N/A	Fixed	Fixed
2010 Build America Taxable Bond	12/16/10	05/01/40	\$175,000,000	30.55%	N/A	N/A	Fixed	Fixed
Series 2016	10/12/16	02/01/46	\$94,110,000	16.43%	N/A	N/A	Fixed	Fixed
<b>Total</b>			<b>\$572,900,000</b>	<b>100.00%</b>				

**IRVINE RANCH WATER DISTRICT**  
**SUMMARY OF FIXED & VARIABLE RATE DEBT**

February-25

Daily
Weekly

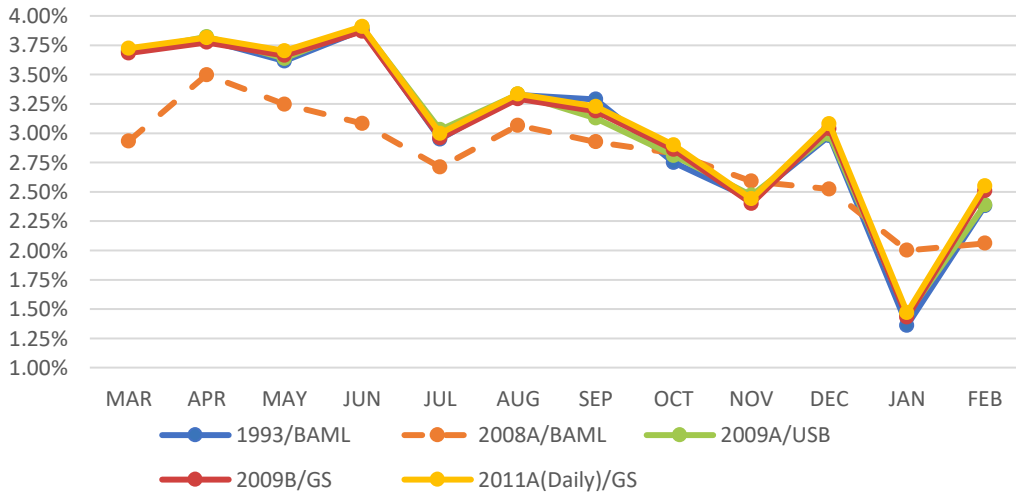
GENERAL BOND INFORMATION							LETTER OF CREDIT INFORMATION									TRUSTEE INFORMATION									
VARIABLE RATE ISSUES	Issue Date	Maturity Date	Principal Payment Date	Payment Date	Original Par Amount	Remaining Principal	Letter of Credit	Reimbursement Agreement Date	L/C Exp. Date	MOODYS	S&P	FITCH	LOC Stated Amount	LOC Fee	Annual LOC Cost	Rmkt Agent	Reset	Rmkt Fees	Annual Cost	Trustee					
SERIES 1993	05/19/93	04/01/33	Apr 1	5th Bus. Day	\$38,300,000	\$19,200,000	US BANK	05/07/15	05/01/25	Aa3/VMIG1	AA-/A-1+	N/R	\$19,458,805	0.3000%	\$58,376	BAML	DAILY	0.10%	\$19,200	BANK OF NY					
SERIES 2008-A Refunding	04/24/08	07/01/35	Jul 1	5th Bus. Day	\$60,215,000	\$37,000,000	SUMITOMO	04/01/11	05/28/25	A1/P-1	A/A-1	A/F1	\$37,547,397	0.3150%	\$118,274	BAML	WED	0.07%	\$25,900	BANK OF NY					
SERIES 2011-A-1 Refunding	04/15/11	10/01/37	Oct 1	1st Bus. Day	\$60,545,000	\$36,660,000	B of A	02/01/24	02/08/27	Aa1/VMIG1	A+/A-1	AAA/F1+	\$37,069,788	0.3200%	\$118,623	Goldman	DAILY	0.07%	\$25,662	BANK OF NY					
SERIES 2011-A-2 Refunding	04/15/11	10/01/37	Oct 1	1st Bus. Day	\$40,370,000	\$24,440,000	B of A	02/01/24	02/08/27	Aa1/VMIG1	A+/A-1	AAA/F1+	\$24,713,192	0.3200%	\$79,082	Goldman	DAILY	0.07%	\$17,108	BANK OF NY					
SERIES 2009 - A	06/04/09	10/01/41	Oct 1	1st Bus. Day	\$75,000,000	\$42,500,000	US BANK	04/01/11	05/01/25	Aa2/VMIG 1	AA-/A-1+	AA/F1+	\$42,975,068	0.3000%	\$128,925	US Bank	DAILY	0.07%	\$29,750	US BANK					
SERIES 2009 - B	06/04/09	10/01/41	Oct 1	1st Bus. Day	\$75,000,000	\$42,500,000	B of A	04/01/11	04/21/25	Aa2/VMIG 1	A/A-1	A1/F1+	\$42,975,068	0.2800%	\$120,330	Goldman	DAILY	0.07%	\$29,750	US BANK					
<b>\$349,430,000</b>						<b>\$202,300,000</b>	<b>SUB-TOTAL VARIABLE RATE DEBT</b>									<b>\$204,739,321</b>			<b>0.3046%</b>		<b>\$623,612</b>		<b>0.07%</b>		<b>\$147,370</b>
																(Wt. Avg)					(Wt. Avg)				
FIXED RATE ISSUES																									
2010 GO Build America Taxable Bonds	12/16/10	05/01/40	May (2025)	May/Nov	\$175,000,000	\$175,000,000	N/A	N/A	N/A	Aa1	AAA	NR	N/A	N/A	N/A	N/A	N/A	N/A	N/A	US BANK					
2016 COPS	09/01/16	03/01/46	Mar 1	Mar/Sept	\$116,745,000	\$101,490,000	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	\$94,110,000	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					
<b>\$395,145,000</b>						<b>\$370,600,000</b>	<b>SUB-TOTAL FIXED RATE DEBT</b>																		
<b>\$744,575,000</b>						<b>\$572,900,000</b>	<b>TOTAL- FIXED &amp; VARIABLE RATE DEBT</b>																		

Remarketing Agents			GO VS COP's		
Goldman	103,600,000	51%	GO:	471,410,000	82%
BAML	56,200,000	28%	COPS:	101,490,000	18%
US Bank	42,500,000	21%	Total	<u>572,900,000</u>	
	<u>202,300,000</u>				

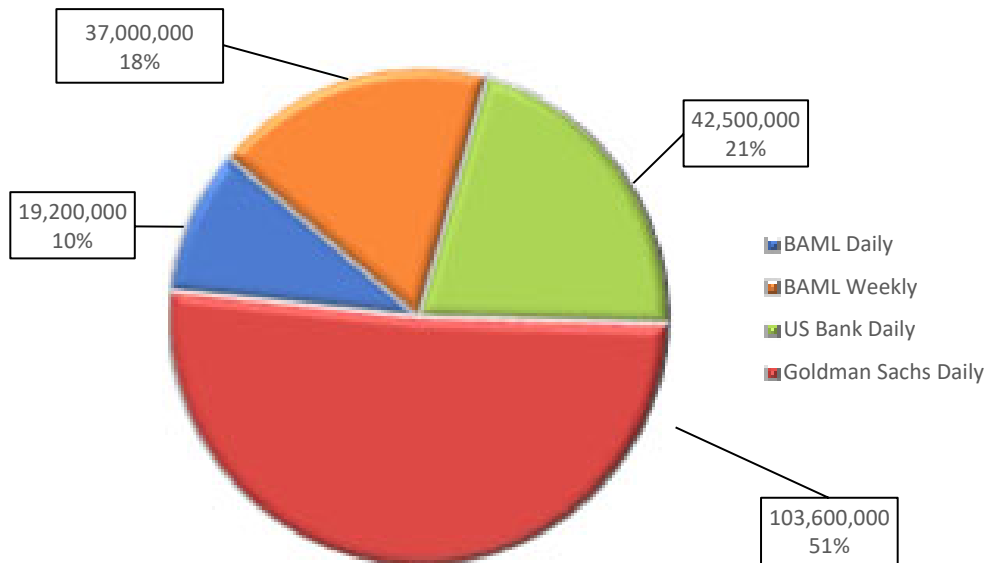
LOC Banks			Breakdown Between Variable & Fixed Rate Mode		
SUMITOMO	37,000,000	18%	Daily Issues	165,300,000	29%
BANK OF AMERICA	103,600,000	51%	Weekly Issues	37,000,000	6%
US BANK	61,700,000	30%	Sub-Total	<u>202,300,000</u>	
	<u>202,300,000</u>		Fixed Rate Issues	\$370,600,000	65%
			Sub-Total - Fixed	<u>370,600,000</u>	
			TOTAL DEBT		
			FIXED & VAR.	<u>572,900,000</u>	100%

# Irvine Ranch Water District Summary of Remarketing Performance February 2025

All-in Variable Rate



Total Outstanding Principal By  
Remarketing Agent



REMARKETING AGENT PERFORMANCE COMPARISON

Feb-25

Daily Variable Rate Comparison			
Date	Goldman Sachs vs US Bank	Goldman Sachs vs Bank of America	US Bank vs Bank of America
2/1/2025	0.15%	-0.20%	-0.35%
2/2/2025	0.15%	-0.20%	-0.35%
2/3/2025	0.10%	0.00%	-0.10%
2/4/2025	0.00%	0.10%	0.10%
2/5/2025	-0.05%	0.05%	0.10%
2/6/2025	0.05%	-0.65%	-0.70%
2/7/2025	0.25%	0.10%	-0.15%
2/8/2025	0.25%	0.10%	-0.15%
2/9/2025	0.25%	0.10%	-0.15%
2/10/2025	0.20%	-0.05%	-0.25%
2/11/2025	-0.05%	-0.30%	-0.25%
2/12/2025	0.15%	0.05%	-0.10%
2/13/2025	0.40%	0.55%	0.15%
2/14/2025	0.25%	0.65%	0.40%
2/15/2025	0.25%	0.65%	0.40%
2/16/2025	0.25%	0.65%	0.40%
2/17/2025	0.25%	0.65%	0.40%
2/18/2025	-0.25%	0.25%	0.50%
2/19/2025	0.00%	0.50%	0.50%
2/20/2025	0.05%	0.20%	0.15%
2/21/2025	0.30%	0.65%	0.35%
<b>Average Spread</b>	<b>0.14%</b>	<b>0.18%</b>	<b>0.04%</b>

<b>Rmkt Agent</b>	GS / US Bank	GS / Bank of America	US Bank / Bank of America
<b>Mode</b>	Daily	Daily	Daily
<b>Bond Issue</b>	2011A & 2009B / 2009A	2011A & 2009B / 1993	2009A / 1993
<b>Par Amount</b>	\$61.1MM & \$42.5MM / \$42.5MM	\$61.1MM & \$42.5MM / \$19.2MM	\$42.5MM / \$19.2MM
<b>LOC Bank</b>	Bank of America / US Bank	Bank of America / US Bank	US Bank / US Bank




SUMMARY OF DEBT RATES  
Feb-25

Rmkt Agent Mode	GOLDMAN DAILY	GOLDMAN DAILY	GOLDMAN DAILY	MERRILL LYNCH DAILY	MERRILL LYNCH WEEKLY	US BANK DAILY
Bond Issue	2009 - B	2011 A-1	2011 A-2	1993	2008-A	2009-A
Par Amount	42,500,000	36,660,000	24,440,000	19,200,000	37,000,000	42,500,000
LOC Bank Reset	BOFA	BOFA	BOFA	US BANK	Sumitomo Wednesday	US BANK
2/1/2025	1.30%	1.30%	1.30%	1.50%	1.32%	1.15%
2/2/2025	1.30%	1.30%	1.30%	1.50%	1.32%	1.15%
2/3/2025	1.00%	1.00%	1.00%	1.00%	1.32%	0.90%
2/4/2025	0.70%	0.70%	0.70%	0.60%	1.32%	0.70%
2/5/2025	0.65%	0.65%	0.65%	0.60%	1.32%	0.70%
2/6/2025	0.75%	0.75%	0.75%	1.40%	1.15%	0.70%
2/7/2025	1.90%	1.90%	1.90%	1.80%	1.15%	1.65%
2/8/2025	1.90%	1.90%	1.90%	1.80%	1.15%	1.65%
2/9/2025	1.90%	1.90%	1.90%	1.80%	1.15%	1.65%
2/10/2025	2.15%	2.15%	2.15%	2.20%	1.15%	1.95%
2/11/2025	2.20%	2.20%	2.20%	2.50%	1.15%	2.25%
2/12/2025	2.85%	2.85%	2.85%	2.80%	1.15%	2.70%
2/13/2025	3.50%	3.50%	3.50%	2.95%	2.37%	3.10%
2/14/2025	3.50%	3.50%	3.50%	2.85%	2.37%	3.25%
2/15/2025	3.50%	3.50%	3.50%	2.85%	2.37%	3.25%
2/16/2025	3.50%	3.50%	3.50%	2.85%	2.37%	3.25%
2/17/2025	3.50%	3.50%	3.50%	2.85%	2.37%	3.25%
2/18/2025	2.95%	2.95%	2.95%	2.70%	2.37%	3.20%
2/19/2025	2.50%	2.50%	2.50%	2.00%	2.37%	2.50%
2/20/2025	1.90%	1.90%	1.90%	1.70%	1.92%	1.85%
2/21/2025	1.90%	1.90%	1.90%	1.25%	1.92%	1.60%
Avg Interest Rates	2.16%	2.16%	2.16%	1.98%	1.67%	2.02%
Rmkt Fee	0.07%	0.07%	0.07%	0.10%	0.07%	0.07%
LOC Fee	0.28%	0.32%	0.32%	0.30%	0.32%	0.30%
<b>All-In Rate</b>	<b>2.51%</b>	<b>2.55%</b>	<b>2.55%</b>	<b>2.38%</b>	<b>2.06%</b>	<b>2.39%</b>
Par Amount		103,600,000			56,200,000	42,500,000

Interest Rate Mode	Percent of Total Variable Rate Debt	Par Outstanding	Weighted All-In Average Rate	Base Rate Average
Daily	81.71%	165,300,000	2.48%	2.10%
Weekly	18.29%	37,000,000	2.06%	1.67%
	100.00%	<b>\$202,300,000</b>	2.40%	2.02%
<b>Fixed</b>				
COPS 2016	27.39%	101,490,000	2.90%	
BABS 2010	47.22%	175,000,000	4.44%	(1)
SERIES 2016	25.39%	94,110,000	3.32%	
	100.00%	<b>\$370,600,000</b>	3.73%	
<b>All-In Debt Rate Including \$60 Million Notional Amount of Swaps</b>				<b>3.38%</b>

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

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March 3, 2025  
Prepared by: J. Davis  
Submitted by: N. Adly  
Approved by: Paul A. Cook 

FINANCE AND PERSONNEL COMMITTEE

REAL ESTATE QUARTERLY PERFORMANCE

SUMMARY:

Staff will provide the Committee with an update on the financial performance of IRWD's real estate investments and other revenue generating properties for the quarter ended December 31, 2024.

BACKGROUND:

For the quarter ended December 31, 2024, the net operating income (NOI) for IRWD's residential and commercial real estate investment properties was approximately \$3.8 million, which represents a 14.11% annualized return. The fiscal year (FY) to date NOI was approximately \$7.8 million. A report summarizing the NOI and returns for IRWD's real estate investment properties, golf course land lease, and cell sites is provided as Exhibit "A". More detailed descriptions of the returns on the District real estate investments, by category, are included below.

Residential Investment Properties:

The NOI for the Sycamore Canyon Apartments for the quarter ended December 31, 2024, was approximately \$2.5 million and \$5.3 million FY to date, which were unfavorable to budget by \$85,404 and \$82,587, respectively. The variances were due to higher than anticipated operating expenses for rent-up and lower rent revenue as a result of vacancies. The District's limited partnership investment in the Wood Canyon Villa property earned a preferred return of 9.00% providing income of \$135,738 for the quarter end and \$271,476 for the FY to date. The net return for Wood Canyon was 8.61% for the quarter end and FY to date.

Commercial Investment Properties:

For the quarter and FY to date December 31, 2024, NOI at the Irvine Market Place (230 Commerce) property was \$132,622 and \$269,756, which was favorable to budget by \$29,592 and \$63,750, respectively. The variances were due to the leasing of two previously vacant suites, as well as lower than budgeted utility expenses. Currently, the property has two suites available, which are being marketed by IRWD's commercial broker, Colliers International. The property is currently 80.7% occupied.

For the quarter and FY to date December 31, 2024, NOI at the Waterworks Way Business Park property was \$159,468 and \$315,098, which was in line with budget. The property is currently 100% occupied.

For the quarter ended December 31, 2024, NOI at the Sand Canyon Professional Center medical office property was \$170,749, which was unfavorable to budget by \$9,911 due to higher than anticipated expenses for landscape and roof maintenance. Fiscal year to date NOI was \$373,968 and favorable to budget by \$12,111 due to common area maintenance (CAM) adjustments related to 2023 expenses eligible for reimbursement from tenants as part of the annual CAM reconciliation. The property is currently 100% occupied.

For the quarter and FY to date December 31, 2024, NOI at the Sand Canyon Professional Center general office property was \$603,759 and \$1,220,553, which was unfavorable to budget by \$12,288 and \$19,778 respectively. The variances were due to higher than anticipated expenses for HVAC and roof repairs. The property is currently 100% occupied.

Strawberry Farms Golf Course and Cell Site Leases:

Land lease income for Strawberry Farms Golf Course for the quarter ended December 31, 2024, was \$260,897. This was a 3.44% increase compared to the same period last year when income was \$252,217. The FY to date income was \$478,593, reflecting a decrease of 16.50% compared to the same period last year. This decrease is attributed to September's payment, which will be accounted for in the third quarter.

For the quarter and FY to date December 31, 2024, the lease revenue from the District's five cell sites was \$59,742 and \$125,174, which was a decrease of \$6,990 and \$24,530 from the same period last year, respectively. The decreases were primarily due to renewal signing bonuses in the previous period.

FISCAL IMPACTS:

Fiscal impacts are discussed above.

ENVIRONMENTAL COMPLIANCE:

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

RECOMMENDATION:

Receive and file.

LIST OF EXHIBITS:

Exhibit "A" – Real Estate Performance Report

# Exhibit "A"

## Irvine Ranch Water District Real Estate Investment Performance Report as of December 31, 2024

INCOME PROPERTIES			FY 2024-25					FY 2024-2025 RATE OF RETURN			3 Year Average Rate of Return	5 Year Average Rate of Return
Property Description	Capital Investment	Investment Inception	Oct-24	Nov-24	Dec-24	FY Q2	FY 2024-25 TOTAL	Annualized Q1	Annualized Q2	Average Fiscal YTD	FY 22/23 - 24/25	FY 20/21 - 24/25
Sycamore Canyon Apartments	\$ 45,457,369	Dec-92	\$ 829,346	\$ 954,239	\$ 764,566	\$ 2,548,151	\$ 5,307,758	24.28%	22.42%	23.35%	21.35%	20.54%
Wood Canyon Villa Apartments	\$ 6,000,000	Jun-91	\$ 45,738	\$ 44,262	\$ 45,738	\$ 135,738	\$ 271,476	8.60%	8.61%	8.61%	8.52%	8.70%
Irvine Market Place Office	\$ 5,568,747	Jul-03	\$ 46,224	\$ 44,582	\$ 41,816	\$ 132,622	\$ 269,756	9.85%	9.53%	9.69%	9.36%	9.71%
Waterworks Way Business Park	\$ 8,983,395	Nov-08	\$ 58,349	\$ 51,818	\$ 49,301	\$ 159,468	\$ 315,098	6.93%	7.10%	7.02%	7.25%	7.00%
Sand Canyon Professional Center - Medical	\$ 8,715,929	Jul-12	\$ 60,735	\$ 51,809	\$ 58,205	\$ 170,749	\$ 373,968	9.33%	7.84%	8.58%	7.78%	8.29%
Sand Canyon Professional Center - General	\$ 31,404,103	Sep-20	\$ 206,941	\$ 197,815	\$ 199,003	\$ 603,759	\$ 1,220,553	7.86%	7.69%	7.77%	4.60%	
	<b>\$ 106,129,543</b>		<b>\$ 1,247,333</b>	<b>\$1,344,525</b>	<b>\$1,158,629</b>	<b>\$3,750,487</b>	<b>\$ 7,758,609</b>	<b>15.08%</b>	<b>14.11%</b>	<b>14.60%</b>	<b>12.73%</b>	<b>15.72%</b>

**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

Irvine Ranch Water District  
 Real Estate Investment Performance Report  
 Strawberry Farms Golf Course & Cell Site  
 as of December 31, 2024

Property Description	2024-25 NET INCOME				
	Oct-24	Nov-24	Dec-24	FY Q2	NET INCOME 2023 - 2024
Strawberry Farms Golf Course <sup>(1)</sup>	\$ 82,622	\$ 90,188	\$ 88,087	\$ 260,897	\$ 478,593
Change From Prior Year Period:				\$ 8,680 3.44%	\$ (94,550) -16.50%
Cellular Sites	\$ 20,338	\$ 30,378	\$ 9,026	\$ 59,742	\$ 125,174
Change From Prior Year Period:				\$ (6,990) -10.47%	\$ (24,530) -16.39%

(1) September's payment will be reflected in third quarter.

March 3, 2025  
 Prepared by: J. Davis  
 Submitted by: N. Adly  
 Approved by: Paul A. Cook *P.A.C.*

FINANCE AND PERSONNEL COMMITTEE

QUARTERLY DEFERRED COMPENSATION PLAN AND FUND REVIEW

SUMMARY:

The following is submitted for the Committee’s review:

- A Summary of the Deferred Compensation Program and Distribution of Assets as of December 31, 2024, as outlined in Exhibit “A”; and
- Mutual Fund Performance Review as of December 31, 2024, as outlined in Exhibit “B”.

BACKGROUND:

IRWD manages the Deferred Compensation Plan, which provides employees the opportunity to save for retirement on a tax-advantaged basis. For the quarter, 89% of IRWD employees participated in the voluntary 457(b) Deferred Compensation Plan.

Overview of the Deferred Compensation Assets:

As of December 31, 2024, IRWD’s Sections 457(b) and 401(a) Plans (collectively, the “Plans”) assets totaled \$101,045,018, which represented a \$119,478 increase from the prior quarter ended September 30, 2024, and a \$7,561,032 increase for the one-year period. The changes in Plan assets over the two periods are summarized as follows:

	<i>One Year Period Ending December 31, 2024</i>	<i>Quarter Ending December 31, 2024</i>
Beginning Balance	\$93,483,987	\$100,925,541
Employee Contributions	3,946,100	984,887
District Contributions	1,721,365	401,996
Transfers to/from other plans	681,989	220,774
Distributions	(11,065,603)	(1,306,988)
Loan Distributions <sup>(1)</sup>	(521,697)	(215,271)
Loan Repayment	330,773	88,807
Net Investment Gain (Loss)	12,468,104	(54,728)
Ending Balance - December 31, 2024	\$101,045,018	\$101,045,018
Change in assets for the period	\$7,561,032	\$119,478

(1) Number of loans outstanding: 74

Review of Investment Funds:

IRWD's Deferred Compensation Policy states that any investment 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 will be a candidate for replacement. The Committee may also place a fund on "Watch Status" if it has failed to meet certain Policy criteria for further evaluation. For the quarter ended December 31, 2024, the Diamond Hill Large Cap fund failed for the first time in the last 12 quarters. Staff will continue to monitor the performance of all funds. The Fund Performance Review as of December 31, 2024, is provided as Exhibit "B".

FISCAL IMPACTS:

As of December 31, 2024, the District's Plan assets totaled \$101,045,018, which represented a \$119,478 increase from the quarter ended September 30, 2024, and a \$7,561,032 increase for the one-year period.

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, 2024

<b>Deferred Compensation IRS Section 457 (Employee Contributions) Money Purchase Pension Plan &amp; Executive Plan - IRS Section 401 (a) (District Contributions)</b>			
	<b>457</b>	<b>401 (a)</b>	<b>GRAND TOTAL</b>
<b>Assets</b>	<b>\$74,656,105</b>	<b>\$26,388,913</b>	<b>\$101,045,018</b>
<i>Change From Prior Quarter</i>	<i>(\$5,292)</i>	<i>\$124,770</i>	<i>\$119,478</i>
<i>Change From Prior Year (12/2023)</i>	<i>\$4,788,027</i>	<i>\$2,773,005</i>	<i>\$7,561,032</i>
<b>Quarterly Contributions</b>	<b>\$984,887</b>	<b>\$401,996</b>	<b>\$1,386,883</b>
<i>*Change From Prior Quarter</i>	<i>(\$57,336)</i>	<i>\$4,008</i>	

\*Decrease in 457 contributions are due to one additional pay period for June 30, 2024, that processed in quarter ended September 30, 2024

	One Year Period Ending December 31, 2024	Quarter Ending December 31, 2024
Beginning Balance	\$93,483,987	\$100,925,541
Employee Contributions	3,946,100	984,887
District Contributions	1,721,365	401,996
Transfers to/from other plans	681,989	220,774
Distributions	(11,065,603)	(1,306,988)
Loan Distributions <sup>(1)</sup>	(521,697)	(215,271)
Loan Repayment	330,773	88,807
Net Investment Gain (Loss)	12,468,104	(54,728)
Ending Balance - December 31, 2024	<u>\$101,045,018</u>	<u>\$101,045,018</u>
Change in assets for the period	\$7,561,032	\$119,478

<sup>(1)</sup> Number of loans outstanding as of 12/31/24 : 74

<b>Employee Participation</b>	
Full-time Employees	392
Employees Participating	349
Percent Participation	89%

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

December 31, 2024

Fund	Assets	Percent of Assets	Change from previous quarter	
<b>PROFILE FUNDS</b>				
AGG	Aggressive Profile Fund	12,774,638	12.6%	-0.1%
MOD	Moderate Profile Fund	6,754,136	6.7%	0.0%
CON	Conservative Profile Fund	5,428,725	5.4%	-0.3%
	<b>Sub Total</b>	<b>24,957,499</b>	<b>24.7%</b>	<b>-0.4%</b>
<b>INTERNATIONAL FUND</b>				
RERGX	American Funds EuroPacific Gr R6	2,243,979	2.2%	-0.2%
VTIAX	Vanguard Total Intl Stock Index Admiral	2,791,267	2.8%	0.1%
	<b>Sub Total</b>	<b>5,035,246</b>	<b>5.0%</b>	<b>-0.2%</b>
<b>SMALL CAP FUNDS</b>				
HRSIX	Hood River Small-Cap Growth Retirement	4,838,119	4.8%	0.2%
MVSSX	Victory Integrity Small Cap Value R6	1,759,373	1.7%	0.0%
VSMAX	Vanguard Small Cap Index	2,233,235	2.2%	-0.1%
	<b>Sub Total</b>	<b>8,830,727</b>	<b>8.7%</b>	<b>0.1%</b>
<b>MEDIUM CAP FUNDS</b>				
JMGMX	JP Morgan MidCap Growth R6	2,516,173	2.5%	0.1%
WFRPX	Wells Fargo Spec Md Cp Val R6	3,628,567	3.6%	-0.1%
VIMAX	Vanguard Mid-Cap Index Fund	1,820,537	1.8%	-0.1%
	<b>Sub Total</b>	<b>7,965,276</b>	<b>7.9%</b>	<b>-0.3%</b>
<b>LARGE CAP FUNDS</b>				
RGAGX	American Funds Growth Fund of Amer R6	8,470,126	8.4%	0.4%
VINIX	Vanguard Institutional Index	12,039,564	11.9%	0.3%
DHLYX	Diamond Hill Large-Cap Fund	2,218,001	2.2%	-0.2%
	<b>Sub Total</b>	<b>22,727,691</b>	<b>22.5%</b>	<b>0.5%</b>
<b>BOND FUND</b>				
MWTSX	Metropolitan West Total Return Bond Plan	3,851,657	3.8%	0.0%
	<b>Sub Total</b>	<b>3,851,657</b>	<b>3.8%</b>	<b>0.0%</b>
<b>STABLE VALUE FUND</b>				
PCSV15	Putnam Stable Value	9,844,222	9.7%	0.3%
	<b>Sub Total</b>	<b>9,844,222</b>	<b>9.7%</b>	<b>0.3%</b>
<b>TARGET DATE FUND</b>				
VTINX	Vanguard Target Retirement Income Inv	1,897,859	1.9%	0.3%
VTWNX	Vanguard Target Retirement 2020 Inv	2,136,273	2.1%	0.0%
VTTVX	Vanguard Target Retirement 2025 Inv	889,507	0.9%	0.0%
VTHRXX	Vanguard Target Retirement 2030 Inv	1,127,507	1.1%	-0.3%
VTTHX	Vanguard Target Retirement 2035 Inv	2,280,843	2.3%	0.0%
VFORX	Vanguard Target Retirement 2040 Inv	1,317,353	1.3%	-0.4%
VTIVX	Vanguard Target Retirement 2045 Inv	1,169,885	1.2%	0.0%
VFIFX	Vanguard Target Retirement 2050 Inv	2,180,473	2.2%	0.4%
VFFVX	Vanguard Target Retirement 2055 Inv	867,133	0.9%	0.2%
VTTSX	Vanguard Target Retirement 2060 Inv	529,645	0.5%	0.1%
VLXVX	Vanguard Target Retirement 2065 Inv	38,586	0.0%	0.0%
	<b>Sub Total</b>	<b>14,435,065</b>	<b>14.3%</b>	<b>0.1%</b>
<b>OTHER</b>				
SDBSCH	Schwab Brokerage	3,397,636	3.4%	3.4%
	<b>Total Assets</b>	<b>\$101,045,018</b>	<b>100%</b>	

**LOAN BALANCE OUTSTANDING**

A - 2

**\$985,099**



# FUND PERFORMANCE REVIEW

## **Irvine Ranch Water District DC Plan #98453-01**

Reporting Period Ending December 31, 2024

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

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**Not intended as an offer or solicitation of securities.**

RO4183634-0125

# FUND PERFORMANCE REVIEW



## IMPORTANT DISCLOSURES:

The Fund Performance Review is compiled at the request of the Plan fiduciary based on the specific criteria specified by the Plan fiduciary. It is designed as a high level analytical tool to aid plan fiduciaries in carrying out their fiduciary responsibilities. Empower Annuity Insurance Company of America and its affiliates (collectively, "Empower") are not providing impartial investment advice in a fiduciary capacity to the plan with respect to the Fund Performance Review. The Plan fiduciaries are solely responsible for the selection and monitoring of the Plan's investment options and for determining the reasonableness of all plan fees and expenses. Empower receives investment management and other fees and revenue from any Empower-affiliated investment options included in the Fund Performance Review. In addition, Empower may receive revenue sharing type payments in relation to the investment options provided on the Fund Performance Review. Please contact your Empower representative for more information. Plan Sponsors may wish to review the enclosed material with their investment adviser, consultant or broker, if necessary, prior to making final investment decisions.

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.*

Empower Financial Services, Inc. registered representatives may also be investment adviser representatives of Empower affiliate, Empower Advisory Group, LLC. Representatives do not offer or provide investment, fiduciary, financial, legal or tax advice or act in a fiduciary capacity for any client unless explicitly described in writing. Any discussion of these matters included or related to this document or other educational information is provided for informational purposes only. Such discussion does not purport to be complete or to cover every situation. Current tax and ERISA law are subject to interpretation and legislative change. The appropriateness of any product may vary depending on the particular set of facts and circumstances. You should consult with and rely on your own financial, legal and tax advisers.

# FUND PERFORMANCE REVIEW: OVERVIEW



- OBJECTIVE:**
- \* To quantify historical fund performance relative to peer group benchmarks.
  - \* To identify funds that have performed below a peer group median 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 based on Morningstar, Inc. fund categories.

- SOURCE:**
- \* Statistics are derived from an independent third-party source: primarily Morningstar® Direct<sup>SM</sup>

- 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.

Although data is gathered from reliable sources, including but not limited to Morningstar, Inc., the completeness or accuracy of the data shown cannot be guaranteed. Where data obtained from Morningstar, ©2024 Morningstar, Inc. All Rights Reserved. The data: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

Required performance information may appear on more than one page. The "Return Analysis" page includes the 1, 5, and 10 Year/Since Inception performance percentages as well as the inception date for each of the funds.

It is important to note that when applicable, performance shown prior to inception date reflects performance achieved by the oldest share class of the same fund as determined by Morningstar. While the newer share class is less expensive than the oldest share class of the same fund, performance was not adjusted upwards to display higher returns.

Investment options available in the plan may be through mutual funds, collective trusts, separately managed accounts, institutional separate accounts, and/or a group variable annuity contract.

# FUND PERFORMANCE REVIEW (FPR): CRITERIA



**OVERALL RATING:** Based on a combination of 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	③, ④, or ⑤	Above
≥ 50.0%	OR	③, ④, or ⑤	Neutral
< 50.0%	AND	①, or ②	Below
< 25.0%			Below

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

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

\*'Pass' and 'Watch' ratings in the long-term rolling analysis are not available for target date funds or Empower 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 Empower 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.

# Performance Summary: Irvine Ranch Water District DC Plan

period ended 12/31/2024

Morningstar Category	Ticker Symbol	Fund Name	Overall Rating					Long-Term Rolling Analysis		
			Composite %'s			Overall Morningstar Rating		Consecutive Quarters Below	# of Quarters Below out of trailing 12	
			Overall	Return	Sharpe					
<b>Intl</b> Foreign Large Growth	RERGX	American Funds Europacific Growth R6	48.9	50.3	47.5	3	Neutral	0	0 out of 12	Pass
<b>Small-Cap</b> Small Growth	HRSIX	Hood River Small-Cap Growth Retirement	98.2	98.3	98.0	5	Above	0	0 out of 12	Pass
	MVSSX	Victory Integrity Small-Cap Value R6	59.1	58.7	59.5	3	Above	0	0 out of 12	Pass
<b>Mid-Cap</b> Mid-Cap Growth	JMGMX	JPMorgan Mid Cap Growth R6	78.3	79.7	77.0	4	Above	0	0 out of 12	Pass
	WFPRX	Allspring Special Mid Cap Value R6	66.1	69.7	62.5	4	Above	0	0 out of 12	Pass
<b>Large-Cap</b> Large Growth	RGAGX	American Funds Growth Fund of Amer R6	45.0	43.0	47.0	3	Neutral	0	0 out of 12	Pass
	DHLYX	Diamond Hill Large Cap Y	34.4	45.3	23.5	2	Below	1	1 out of 12	Pass
<b>Asst All/Other</b> Target-Date Retirement	VTINX	Vanguard Target Retirement Income Fund	43.3	47.7	39.0	4	Neutral	0	0 out of 12	N/A
	VTWNX	Vanguard Target Retirement 2020 Fund	50.8	54.7	47.0	4	Above	0	0 out of 12	N/A
	VTTVX	Vanguard Target Retirement 2025 Fund	70.1	72.7	67.5	4	Above	0	0 out of 12	N/A
	VTHR X	Vanguard Target Retirement 2030 Fund	69.1	69.7	68.5	4	Above	0	0 out of 12	N/A
	VTTX	Vanguard Target Retirement 2035 Fund	61.6	60.7	62.5	4	Above	0	0 out of 12	N/A
	VFORX	Vanguard Target Retirement 2040 Fund	57.8	60.0	55.5	4	Above	0	0 out of 12	N/A
	VTIVX	Vanguard Target Retirement 2045 Fund	60.7	61.3	60.0	4	Above	0	0 out of 12	N/A
	VFIFX	Vanguard Target Retirement 2050 Fund	67.5	66.0	69.0	4	Above	0	0 out of 12	N/A
	VFFVX	Vanguard Target Retirement 2055 Fund	60.2	58.3	62.0	4	Above	0	0 out of 12	N/A
	VTTX	Vanguard Target Retirement 2060 Fund	60.5	57.0	64.0	4	Above	0	0 out of 12	N/A
Target-Date 2065+	VLXVX	Vanguard Target Retirement 2065 Fund	58.5	56.5	60.5	4	Above	0	0 out of 12	N/A
<b>Bond</b> Intermediate Core-Plus Bond	MWTSX	TCW MetWest Total Return Bd Plan	33.6	25.7	41.5	3	Neutral	0	0 out of 12	Pass
<b>Index Funds</b> Foreign Large Blend	VTIAX	Vanguard Total Intl Stock Index Admiral (Idx)	43.3	45.0	41.5	3	N/A	N/A	0 out of 12	Pass
	VSMAX	Vanguard Small Cap Index Admiral Shares (Idx)	76.1	77.7	74.5	4	N/A	N/A	0 out of 12	Pass
	VIMAX	Vanguard Mid Cap Index Admiral (Idx)	47.5	50.0	45.0	3	N/A	N/A	0 out of 12	Pass
	VINIX	Vanguard Institutional Index I (Idx)	81.2	83.3	79.0	5	N/A	N/A	0 out of 12	Pass

Data Source: Morningstar® Direct<sup>SM</sup>  
Please refer to the Appendix page for additional disclosures.

# Return Analysis: Irvine Ranch Water District DC Plan

period ended 12/31/2024

Fund Name	4th Qtr	4th Qtr	Performance vs. Benchmark (Annualized Returns and Return Percentiles %)								Return Since Inception	Incept. Date	
	2024 Return	2024 Percentile	1 Year Return	1 Year Percentile	3 Year Return	3 Year Percentile	5 Year Return	5 Year Percentile	10 Year Return	10 Year Percentile			
<b>Intl</b>	Foreign Large Growth Peer Group	-7.34	50	5.17	50	-2.21	50	3.94	50	5.52	50		
	American Funds Europacific Growth R6	-7.03	60	5.04	46	-1.97	53	3.95	45	5.66	53	7.65	5/1/2009
<b>Small-Cap</b>	Small Growth Peer Group	0.52	50	14.50	50	-0.92	50	7.60	50	8.86	50		
	Hood River Small-Cap Growth Retirement	3.25	79	35.69	99	5.94	98	18.82	99	14.25	98	15.73	3/3/2017
	Small Value Peer Group	-0.39	50	8.97	50	3.48	50	8.48	50	7.45	50		
	Victory Integrity Small-Cap Value R6	-1.75	16	4.90	14	4.53	60	9.13	63	7.39	53	10.84	6/1/2012
<b>Mid-Cap</b>	Mid-Cap Growth Peer Group	2.82	50	14.56	50	-0.04	50	9.19	50	10.14	50		
	JPMorgan Mid Cap Growth R6	4.95	74	14.56	53	1.06	66	11.21	84	11.74	89	13.94	11/1/2011
	Mid-Cap Value Peer Group	-1.92	50	10.95	50	5.09	50	8.86	50	8.00	50		
	Allspring Special Mid Cap Value R6	-3.72	12	12.06	65	5.47	61	9.33	61	9.28	87	10.73	6/28/2013
<b>Large-Cap</b>	Large Growth Peer Group	5.24	50	30.27	50	7.41	50	15.75	50	14.52	50		
	American Funds Growth Fund of Amer R6	4.57	40	28.84	44	7.22	44	15.33	44	14.03	41	15.11	5/1/2009
	Large Value Peer Group	-1.87	50	14.29	50	6.14	50	9.18	50	8.62	50		
	Diamond Hill Large Cap Y	-2.18	38	12.26	34	3.47	12	8.75	43	9.59	81	11.82	12/30/2011
<b>Asst All/Other</b>	Target-Date Retirement Peer Group	-1.90	50	6.89	50	0.91	50	3.72	50	4.10	50		
	Vanguard Target Retirement Income Fund	-1.57	62	6.58	35	0.98	47	3.58	38	4.19	58	4.95	10/27/2003
	Target-Date 2020 Peer Group	-1.90	50	7.74	50	1.26	50	4.65	50	5.34	50		
	Vanguard Target Retirement 2020 Fund	-1.59	62	7.75	45	1.34	44	4.75	50	5.58	70	6.01	6/7/2006
	Target-Date 2025 Peer Group	-1.90	50	8.49	50	1.46	50	5.20	50	5.81	50		
	Vanguard Target Retirement 2025 Fund	-1.64	61	9.44	80	1.92	70	5.66	69	6.32	79	6.66	10/27/2003
	Target-Date 2030 Peer Group	-1.89	50	9.64	50	1.81	50	6.04	50	6.55	50		
	Vanguard Target Retirement 2030 Fund	-1.69	59	10.64	75	2.44	70	6.44	66	6.92	73	6.78	6/7/2006
	Target-Date 2035 Peer Group	-1.85	50	11.17	50	2.46	50	7.12	50	7.28	50		
	Vanguard Target Retirement 2035 Fund	-1.61	64	11.78	68	2.97	65	7.20	55	7.51	62	7.53	10/27/2003
	Target-Date 2040 Peer Group	-1.78	50	12.80	50	3.23	50	7.91	50	7.88	50		
	Vanguard Target Retirement 2040 Fund	-1.50	64	12.88	55	3.51	60	7.97	52	8.08	68	7.52	6/7/2006
	Target-Date 2045 Peer Group	-1.70	50	13.96	50	3.75	50	8.64	50	8.29	50		
	Vanguard Target Retirement 2045 Fund	-1.46	66	13.91	50	4.00	59	8.73	57	8.57	68	8.24	10/27/2003
	Target-Date 2050 Peer Group	-1.60	50	14.26	50	3.93	50	8.81	50	8.44	50		
	Vanguard Target Retirement 2050 Fund	-1.48	59	14.64	61	4.37	69	9.03	61	8.72	68	7.89	6/7/2006
	Target-Date 2055 Peer Group	-1.56	50	14.68	50	4.15	50	8.92	50	8.55	50		
	Vanguard Target Retirement 2055 Fund	-1.49	51	14.64	49	4.37	60	9.02	56	8.70	59	10.10	8/18/2010
	Target-Date 2060 Peer Group	-1.58	50	14.49	50	4.05	50	8.88	50	8.80	50		
	Vanguard Target Retirement 2060 Fund	-1.50	55	14.63	57	4.38	66	9.02	57	8.70	48	9.90	1/19/2012
Target-Date 2065+ Peer Group	-1.49	50	14.75	50	4.04	50	9.08	50	N/A	50			
Vanguard Target Retirement 2065 Fund	-1.53	46	14.62	45	4.39	60	9.01	53	N/A	N/A	9.24	7/12/2017	
<b>Bond</b>	Intermediate Core-Plus Bond Peer Group	-2.93	50	2.20	50	-2.23	50	0.10	50	1.64	50		
	TCW MetWest Total Return Bd Plan	-3.57	13	1.12	16	-2.91	19	-0.24	27	1.42	31	2.45	7/29/2011
<b>Index Funds</b>	Vanguard Total Intl Stock Index Admiral (Idx)	-7.42	65	5.14	64	0.67	41	4.28	43	5.06	51	4.88	11/29/2010
	Vanguard Small Cap Index Admiral Shares (Idx)	1.66	87	14.23	84	3.61	77	9.30	71	9.09	85	9.23	11/13/2000
	Vanguard Mid Cap Index Admiral (Idx)	0.44	69	15.22	74	2.80	31	9.85	49	9.55	70	10.06	11/12/2001
	Vanguard Institutional Index I (Idx)	2.40	68	24.97	79	8.90	78	14.49	80	13.07	92	10.71	7/31/1990

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

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](http://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<sup>SM</sup>

Please refer to the Appendix page for additional disclosures



# Sharpe Ratio and Expense Analysis: Irvine Ranch Water District DC Plan

period ended 12/31/2024

	Fund Name	Sharpe Ratios and Percentiles %				Standard Deviation		Expense	Expense	Manager	Fund Size
		3 Yr Ratio	3 Yr %	5 Yr Ratio	5 Yr %	3 Yr	5 Yr	Ratio	Percentile %	Tenure (yrs)	\$MM
<b>Intl</b>	Foreign Large Growth Peer Group	-0.26	50	0.16	50	19.21	18.86	0.94	50		
	American Funds Europacific Growth R6	-0.26	49	0.16	46	17.86	18.75	0.47	5	24	126,753
<b>Small-Cap</b>	Small Growth Peer Group	-0.12	50	0.32	50	22.97	23.94	1.09	50		
	Hood River Small-Cap Growth Retirement	0.19	98	0.69	98	25.75	26.26	0.99	39	22	3,997
	Small Value Peer Group	0.07	50	0.35	50	22.36	25.08	1.09	50		
	Victory Integrity Small-Cap Value R6	0.12	59	0.37	60	22.10	26.91	0.96	37	21	1,179
<b>Mid-Cap</b>	Mid-Cap Growth Peer Group	-0.09	50	0.39	50	22.03	22.55	0.99	50		
	JPMorgan Mid Cap Growth R6	-0.05	65	0.48	89	21.13	21.56	0.65	7	9	11,833
	Mid-Cap Value Peer Group	0.14	50	0.38	50	18.99	21.58	0.95	50		
	Allspring Special Mid Cap Value R6	0.15	60	0.41	65	17.41	20.86	0.70	15	16	13,437
<b>Large-Cap</b>	Large Growth Peer Group	0.25	50	0.68	50	20.84	20.70	0.85	50		
	American Funds Growth Fund of Amer R6	0.24	44	0.69	50	20.07	20.06	0.30	5	23	301,791
	Large Value Peer Group	0.19	50	0.43	50	16.35	18.57	0.84	50		
	Diamond Hill Large Cap Y	0.04	13	0.39	34	17.87	19.81	0.55	14	10	8,625
<b>Asst All/Other</b>	Target-Date Retirement Peer Group	-0.31	50	0.17	50	9.47	8.55	0.57	50		
	Vanguard Target Retirement Income Fund	-0.33	40	0.16	38	8.85	8.06	0.08	3	12	34,981
	Target-Date 2020 Peer Group	-0.24	50	0.24	50	10.54	10.23	0.53	50		
	Vanguard Target Retirement 2020 Fund	-0.23	47	0.25	47	10.27	10.23	0.08	4	12	35,963
	Target-Date 2025 Peer Group	-0.20	50	0.28	50	11.42	11.50	0.60	50		
	Vanguard Target Retirement 2025 Fund	-0.14	75	0.30	60	11.82	11.89	0.08	3	12	75,332
	Target-Date 2030 Peer Group	-0.13	50	0.32	50	12.79	13.02	0.60	50		
	Vanguard Target Retirement 2030 Fund	-0.08	73	0.34	64	12.87	13.09	0.08	3	12	96,773
	Target-Date 2035 Peer Group	-0.06	50	0.37	50	13.96	14.46	0.60	50		
	Vanguard Target Retirement 2035 Fund	-0.03	66	0.38	59	13.65	14.12	0.08	3	12	102,334
	Target-Date 2040 Peer Group	0.01	50	0.40	50	14.96	15.74	0.64	50		
	Vanguard Target Retirement 2040 Fund	0.02	57	0.41	54	14.42	15.15	0.08	3	12	91,597
	Target-Date 2045 Peer Group	0.05	50	0.43	50	15.76	16.55	0.63	50		
	Vanguard Target Retirement 2045 Fund	0.06	54	0.44	66	15.22	16.20	0.08	3	12	89,840
	Target-Date 2050 Peer Group	0.06	50	0.43	50	16.00	16.88	0.65	50		
	Vanguard Target Retirement 2050 Fund	0.08	67	0.45	71	15.63	16.44	0.08	3	12	76,732
	Target-Date 2055 Peer Group	0.07	50	0.44	50	16.23	17.02	0.65	50		
	Vanguard Target Retirement 2055 Fund	0.08	58	0.45	66	15.64	16.45	0.08	3	12	52,019
	Target-Date 2060 Peer Group	0.06	50	0.44	50	16.15	17.01	0.64	50		
Vanguard Target Retirement 2060 Fund	0.08	63	0.45	65	15.63	16.43	0.08	3	12	29,894	
Target-Date 2065+ Peer Group	0.07	50	0.44	50	16.34	17.16	0.60	50			
Vanguard Target Retirement 2065 Fund	0.08	59	0.45	62	15.61	16.44	0.08	4	8	9,200	
<b>Bond</b>	Intermediate Core-Plus Bond Peer Group	-0.78	50	-0.32	50	8.09	7.09	0.68	50		
	TCW MetWest Total Return Bd Plan	-0.78	48	-0.36	35	8.87	7.24	0.37	8	20	36,530
<b>Index Funds</b>	Vanguard Total Intl Stock Index Admiral (Idx)	-0.13	40	0.18	43	16.88	17.88	0.12	6	16	431,861
	Vanguard Small Cap Index Admiral Shares (Idx)	0.08	77	0.39	72	21.96	23.39	0.05	3	9	155,269
	Vanguard Mid Cap Index Admiral (Idx)	0.02	27	0.43	63	19.85	21.07	0.05	4	2	176,867
	Vanguard Institutional Index I (Idx)	0.34	77	0.70	81	17.40	18.21	0.04	3	7	314,898

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<sup>SM</sup>

Please refer to the Appendix page for additional disclosures

# Annual Returns and Statistics: Irvine Ranch Water District DC Plan

period ended 12/31/2024

Fund Name	Calendar Year Returns					Modern Portfolio Theory Statistics ( 3 year)			Portfolio Construction			
	2024	2023	2022	2021	2020	Alpha	Beta	R2	Turnover Ratio	Number of Holdings	% in top 10 holdings	
<b>Intl</b>	Foreign Large Growth Peer Group	5.17	15.87	-24.20	9.00	22.18						
	American Funds Europacific Growth R6	5.04	16.05	-22.72	2.84	25.27	0.60	1.02	96	30	334	23%
<b>Small-Cap</b>	Small Growth Peer Group	14.50	16.53	-27.84	9.39	38.06						
	Hood River Small-Cap Growth Retirement	35.69	21.60	-27.93	23.88	60.81	5.94	1.09	94	98	100	25%
	Small Value Peer Group	8.97	15.20	-11.36	30.16	3.99						
	Victory Integrity Small-Cap Value R6	4.90	17.80	-7.58	33.76	1.33	0.01	0.92	98	62	131	12%
<b>Mid-Cap</b>	Mid-Cap Growth Peer Group	14.56	20.74	-28.28	12.46	38.54						
	JPMorgan Mid Cap Growth R6	14.56	23.35	-26.96	10.99	48.51	-3.03	0.94	99	55	115	20%
	Mid-Cap Value Peer Group	10.95	12.16	-7.62	28.52	3.78						
	Allspring Special Mid Cap Value R6	12.06	9.62	-4.50	28.80	3.36	1.26	0.86	97	19	68	29%
<b>Large-Cap</b>	Large Growth Peer Group	30.27	39.69	-31.15	22.16	36.35						
	American Funds Growth Fund of Amer R6	28.84	37.65	-30.49	19.69	38.28	-0.87	0.92	96	25	317	33%
	Large Value Peer Group	14.29	11.02	-5.30	25.81	3.03						
	Diamond Hill Large Cap Y	12.26	13.78	-13.27	25.89	9.07	-2.02	1.04	97	22	49	33%
<b>Asst All/Other</b>	Target-Date Retirement Peer Group	6.89	10.51	-12.73	6.37	9.96						
	Vanguard Target Retirement Income Fund	6.58	10.74	-12.74	5.25	10.02	0.53	1.06	99	4	7	99%
	Target-Date 2020 Peer Group	7.74	11.73	-14.13	9.05	11.71						
	Vanguard Target Retirement 2020 Fund	7.75	12.51	-14.15	8.17	12.04	-0.58	1.01	99	4	7	99%
	Target-Date 2025 Peer Group	8.49	12.83	-15.11	10.22	12.78						
	Vanguard Target Retirement 2025 Fund	9.44	14.55	-15.55	9.80	13.30	-0.08	0.90	99	7	7	99%
	Target-Date 2030 Peer Group	9.64	14.47	-15.99	11.70	13.48						
	Vanguard Target Retirement 2030 Fund	10.64	16.03	-16.27	11.38	14.10	0.69	0.98	99	7	6	99%
	Target-Date 2035 Peer Group	11.17	16.37	-16.68	14.09	14.13						
	Vanguard Target Retirement 2035 Fund	11.78	17.14	-16.62	12.96	14.79	1.41	1.04	99	4	6	99%
	Target-Date 2040 Peer Group	12.80	18.10	-17.35	15.97	15.13						
	Vanguard Target Retirement 2040 Fund	12.88	18.34	-16.98	14.56	15.47	-1.24	1.02	99	2	6	99%
	Target-Date 2045 Peer Group	13.96	19.39	-17.92	17.12	15.31						
	Vanguard Target Retirement 2045 Fund	13.91	19.48	-17.36	16.16	16.30	-1.38	0.92	99	1	6	99%
	Target-Date 2050 Peer Group	14.26	19.83	-18.15	17.33	15.87						
	Vanguard Target Retirement 2050 Fund	14.64	20.17	-17.46	16.41	16.39	-1.02	0.95	99	1	6	99%
	Target-Date 2055 Peer Group	14.68	20.21	-18.27	17.82	15.59						
	Vanguard Target Retirement 2055 Fund	14.64	20.16	-17.46	16.44	16.32	-1.02	0.95	99	1	6	99%
	Target-Date 2060 Peer Group	14.49	19.97	-18.19	17.65	16.15						
	Vanguard Target Retirement 2060 Fund	14.63	20.18	-17.46	16.44	16.32	-1.02	0.95	99	1	6	99%
	Target-Date 2065+ Peer Group	14.75	20.40	-18.32	17.38	16.47						
	Vanguard Target Retirement 2065 Fund	14.62	20.15	-17.39	16.46	16.17	-1.00	0.95	99	0	6	99%
<b>Bond</b>	Intermediate Core-Plus Bond Peer Group	2.20	6.34	-14.00	-0.91	8.60						
	TCW MetWest Total Return Bd Plan	1.12	6.07	-14.69	-1.11	9.17	0.41	1.13	100	450	1576	38%
<b>Index Funds</b>	Vanguard Total Intl Stock Index Admiral (Idx)	5.14	15.52	-16.01	8.62	11.28	0.01	1.03	98	3	8634	9%
	Vanguard Small Cap Index Admiral Shares (Idx)	14.23	18.20	-17.61	17.73	19.11	1.02	0.96	99	12	1383	4%
	Vanguard Mid Cap Index Admiral (Idx)	15.22	15.98	-18.71	24.51	18.24	-1.00	0.98	100	13	315	9%
	Vanguard Institutional Index I (Idx)	24.97	26.24	-18.14	28.67	18.39	-0.04	1.00	100	3	506	35%

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## Annual Returns and Statistics: Irvine Ranch Water District DC Plan

*period ended 12/31/2024*

Fund Name	Calendar Year Returns					Modern Portfolio Theory Statistics ( 3 year)			Portfolio Construction		
	2024	2023	2022	2021	2020	Alpha	Beta	R2	Turnover Ratio	Number of Holdings	% in top 10 holdings

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<sup>SM</sup>

Please refer to the Appendix page for additional disclosures

# Index Performance

period ending 12/31/2024

	Index	Total Return 1 Year	Total Return Annlzd 3 Year	Total Return Annlzd 5 Year	Total Return Annlzd 10 Year	Annual Return 2024	Annual Return 2023	Annual Return 2022	Annual Return 2021	Annual Return 2020
<b>International</b>	MSCI EMF ID	5.05	-4.43	-0.71	1.18	5.05	7.04	-22.37	-4.59	15.84
	MSCI Eafe Ndrtr_D	3.82	1.65	4.73	5.20	3.82	18.24	-14.45	11.26	7.82
	MSCI World Ndrtr_D	18.67	6.34	11.17	9.95	18.67	23.79	-18.14	21.82	15.90
<b>Small-Cap</b>	Russell 2000 Growth	15.15	0.21	6.86	8.09	15.15	18.66	-26.36	2.83	34.63
	Russell 2000	11.54	1.24	7.40	7.82	11.54	16.93	-20.44	14.82	19.96
	Russell 2000 Value	8.05	1.94	7.29	7.14	8.05	14.65	-14.48	28.27	4.63
<b>Mid-Cap</b>	Russell Midcap Growth	22.10	4.04	11.47	11.54	22.10	25.87	-26.72	12.73	35.59
	Standard & Poor's Midcap 400	13.93	4.87	10.34	9.68	13.93	16.44	-13.06	24.76	13.66
	Russell Midcap Value	13.07	3.88	8.59	8.10	13.07	12.71	-12.03	28.34	4.96
<b>Large-Cap</b>	Russell 1000 Growth	33.36	10.47	18.96	16.78	33.36	42.68	-29.14	27.60	38.49
	Standard & Poor's 500 TR	25.02	8.94	14.53	13.10	25.02	26.29	-18.11	28.71	18.40
	Russell 1000 Value	14.37	5.63	8.68	8.49	14.37	11.46	-7.54	25.16	2.80
<b>Bond</b>	Bloomberg US Agg Bond TR USD	1.25	-2.41	-0.33	1.35	1.25	5.53	-13.01	-1.54	7.51
	Bloomberg US Credit TR USD	2.03	-2.20	0.23	2.29	2.03	8.18	-15.26	-1.08	9.35
	Bloomberg US MBS TR USD	1.20	-2.13	-0.74	0.91	1.20	5.05	-11.81	-1.04	3.87
	Bloomberg US Government TR USD	0.62	-2.80	-0.63	0.85	0.62	4.09	-12.32	-2.28	7.94
	Bloomberg US Govt 1-3 Yr TR USD	4.04	1.44	1.37	1.39	4.04	4.32	-3.81	-0.60	3.14

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 Ndrtr_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 Ndrtr_D	Includes all 23 MSCI developed market countries. Ndrtr_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<sup>SM</sup>

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



Securities underwritten by Empower Financial Services, Inc., Member FINRA/SIPC, an affiliate of Empower Funds, Inc.; Empower Trust Company, LLC; and registered investment adviser Empower Capital Management, LLC (ECM) marketed under the Empower Investments brand. ECM is the investment adviser to Empower Funds.

*Carefully consider the investment option's objectives, risks, fees and expenses. Contact Empower for a prospectus, summary prospectus for SEC-registered products or disclosure document for unregistered products, if available, containing this information. Read each carefully before investing.*

**About investment risk:**

Stock values fluctuate in response to the activities of the general market, individual companies and economic conditions. Alternative investments generally invest in non-traditional asset categories or use non-conventional strategies and may have more risk than traditional investments. Asset allocation and balanced investment options and models are subject to the risks of their underlying investments. Commodity and real asset investments may be affected by natural disasters and political and economic developments. Foreign securities involve risks, such as currency fluctuations, economic changes and political developments. These risks may be heightened in emerging markets, which may also experience liquidity risk. Infrastructure funds invest in a limited number of companies and are subject to issuer, political, regulatory, market and economic risks, especially in foreign or emerging markets. Natural resources funds invest in a limited number of companies subject to industry, political, economic, commodity prices and regulation risks, especially in foreign or emerging markets. Real estate securities and trusts involve risks, including declining property values, changes in zoning laws or losses from casualty. Real estate securities that invest in foreign real estate involve additional risks, including currency fluctuations and political developments. Under certain market conditions, socially responsible funds may underperform funds that do not utilize a socially responsible investment style. Securities of small and mid-size companies may be more volatile than those of larger, more established companies. Specialty funds invest in a limited number of companies and may be more volatile than a more diversified fund.

Bond prices generally fall when interest rates rise (and vice versa) and are subject to risks, including changes in credit quality, market valuations, inflation, liquidity and default. High-yield bonds have a greater risk of default. The interest from Treasury inflation-protected securities (TIPS) is adjusted periodically according to the Consumer Price Index. The return from TIPS may understate the actual rate of inflation due to changes in the bond's underlying price. U.S. Treasury securities, where listed, are guaranteed as to the timely payment of principal and interest if held to maturity. The fund itself is neither issued nor guaranteed by the U.S. government. Cash-alternative funds are not federally guaranteed and are subject to interest rate, inflation and credit risks.

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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Empower Annuity Insurance Company of America (EAICA) Empower is affiliated with Great-West Lifeco Inc. (Lifeco) who sold Putnam Investments, LLC to Franklin Resources, Inc. (Franklin). As a result of the transaction, EAICA's affiliate owns approximately 6% of Franklin as of January 1st, 2024. As a part of the transaction, Lifeco entered into arrangements with Franklin under which Lifeco has committed to allocate assets over a period of time to be managed by Franklin's investment managers and has agreed to support the availability of Franklin and its affiliates' products and services on enterprise platforms. If certain Franklin revenue thresholds are achieved under those arrangements, Lifeco will receive contingent transaction consideration and other financial benefits. Franklin also includes Alcentra, Benefit Street Partners, Brandywine Global, Clarion Partners, ClearBridge Investments, Franklin Templeton Investments, K2 Lexington Partners, Martin Currie, Putnam Investments, Royce Investment Partners and Western Asset Management as of January 1st, 2024.

### **About Overall Morningstar Rating<sup>1</sup>**

For each fund with at least a three-year history, Morningstar calculates a Morningstar Rating<sup>TM</sup> 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 value added by the manager through sector or security selection. A negative alpha would indicate that active management had produced less-than-market returns.

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

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

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

**Bloomberg US Aggregate Bond Index** Composed of the Bloomberg 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.

**Bloomberg 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.

**Bloomberg 1-3 Credit Index** The index measures the performance of non-securitized component of the U.S Aggregate Index with maturities of 1-3 years, including Treasuries, government-related issues and corporates. It is a subset of the U.S. Aggregate Index.

**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-backed, bank loans and junk bonds.

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

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# APPENDIX - GLOSSARY (CONT.)



**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.

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**Equity-Income** (Objective) Funds that are expected to pursue current income by investing in 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.

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# APPENDIX - GLOSSARY (CONT.)



**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 Ndr\_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. Ndr\_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, Ndr\_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 Ndr\_D** Includes all 23 MSCI developed market countries. Ndr\_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, Ndr\_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 (R<sup>2</sup>)** 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.

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# APPENDIX - GLOSSARY (CONT.)



**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.

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March 3, 2025  
Prepared by: S. Aryan  
Submitted by: T. Mitcham  
Approved by: Paul A. Cook *PAC*

FINANCE AND PERSONNEL COMMITTEE

RISK MANAGEMENT QUARTERLY REPORT

SUMMARY:

Staff will provide the Committee with a report on the insurance and claim expenses incurred by IRWD through the second quarter of the Fiscal Year (FY) ending December 31, 2024.

BACKGROUND:

A comparison of IRWD's actual versus budget insurance expenses for the second quarter of FY 2024-25 and FY 2023-24 is provided as Exhibit "A" and summarized as follows:

- Insurance premiums total \$1,854,640 and are \$71,390 over budget;
- Third-party claim administration expenses total \$4,238 and are \$10,762 under budget;
- Legal expenses total \$13,651; and
- Claim payments for this quarter total \$563,691, which is partially offset by a \$461,597 insurance reimbursement, resulting in a total over budget amount of approximately \$52,000.

The register of closed general liability claims is provided as Exhibit "B".

FISCAL IMPACTS:

Fiscal impacts are outlined above.

ENVIRONMENTAL COMPLIANCE:

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

RECOMMENDATION:

Receive and file.

LIST OF EXHIBITS:

- Exhibit "A" – IRWD Insurance and Claims Summary  
Exhibit "B" – Register of Closed General Liability Claims (FY 2024-25)

Note: This page is intentionally left blank.

Exhibit "A"

Irvine Ranch Water District Insurance and Claims Summary - Period Ending December 31, 2024

PREMIUM	Actual FY 24/25	Budget FY 24/25	Variance	% Variance	Prior Actual FY 23/24
* Crime	\$12,391	\$6,750	(\$5,641)	-84%	\$5,894
General Liability	\$1,146,849	\$1,050,000	(\$96,849)	-9%	\$890,861
** Pollution	\$157,889	\$121,500	(\$36,389)	-30%	\$91,961
Property	\$516,322	\$562,500	\$46,178	8%	\$362,987
Cyber	\$21,189	\$42,500	\$21,311	50%	\$29,295
<b>Total</b>	<b>\$1,854,640</b>	<b>\$1,783,250</b>	<b>(\$71,390)</b>	<b>-4%</b>	<b>\$1,380,998</b>

\* Crime policy premium was fully expensed in Q2 (\$12,391)

\*\* Regular pollution policy fully expensed in Q1 (\$27,439)

CATEGORY	Open FY 24/25	Closed FY 24/25	Total FY 24/25	Budget FY 24/25	Variance	Prior Actual FY 23/24
*** Claim Payments - Property	\$561,598	\$2,093	\$563,691	\$50,000	(\$513,691)	\$8,052
Claim Admin	\$2,981	\$1,257	\$4,238	\$15,000	\$10,762	\$1,575
<b>TotalFY 24/25</b>	<b>\$564,579</b>	<b>\$3,350</b>	<b>\$567,929</b>	<b>\$65,000</b>	<b>(\$502,929)</b>	<b>\$9,627</b>

\*\*\* Insurance reimbursement received (\$461,597.50)

CATEGORY	Open FY 24/25	Closed FY 24/25	Total FY 24/25	Prior Actual FY 23/24
Legal	\$6,356	\$7,296	\$13,651	\$13,161
<b>TotalFY 24/25</b>	<b>\$6,356</b>	<b>\$7,296</b>	<b>\$13,651</b>	<b>\$13,161</b>

CLAIMS PAYMENT ACTIVITY	FY 2023/24	FY 2024/25
Beginning Open Claims	1	6
New Claims	17	10
Closed Claims	(12)	(11)
Current Open Claims	6	5


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Exhibit "B"

<b>Register of Closed General Liability Claims (FY 2024-2025) as of December 31, 2024</b>					
<b>Claim Type</b>	<b>Claimant</b>	<b>Legal</b>	<b>Claim Payments - Property</b>	<b>Claim Admin</b>	<b>Grand Total</b>
<b>Single Event</b>	Brad Rosborough		\$580		\$580
	Dennis & Carla Hastings	\$6,851			\$6,851
	Greg Vacca		\$1,003		\$1,003
	Kyle Riddles		\$135		\$135
	Michael Brown vs. PEI Engineering				
	Denenberg Tuffley (Market of Insurers)	\$356			\$356
	Daniel Patrick Jenkins		\$273		\$273
	Hamid Fallah Rastegar		\$102		\$102
	Lake Newport, LLC			\$947	\$947
	HEXA Packaging and Supply			\$310	\$310
Jen Du	\$89				\$89
<b>Grand Total</b>		<b>\$7,296</b>	<b>\$2,093</b>	<b>1,257</b>	<b>\$10,646</b>

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March 3, 2025  
Prepared by: J. Davis  
Submitted by: N. Adly  
Approved by: Paul A. Cook 

FINANCE AND PERSONNEL COMMITTEE

RESIDENTIAL INVESTMENT PROPERTY PERFORMANCE  
2024 ANNUAL REPORT

SUMMARY:

IRWD's apartment property consultant, Real Impact Consulting, LLC, will present the annual performance report for the Sycamore Canyon and Wood Canyon Villa apartment properties for the calendar year ended December 31, 2024. The report will include property management and capital improvement plans for fiscal year 2025 and an update on the Orange County apartment market.

BACKGROUND:

Staff completed the analysis of the 2024 financial statements (calendar year) and 2025 operating and capital budgets for the Sycamore Canyon (fiscal year) and Wood Canyon Villa (calendar year) apartment properties, as submitted by IRWD's apartment property manager Western National Properties. At the meeting, Ms. Yunmi Martin of Real Impact Consulting, LLC will present the following:

- A report of the 2024 financial performance for the District's residential investment properties including an overview of completed capital projects;
- A review of budget highlights and planned capital projects for 2025, which include roof replacements, deck and balcony repairs / replacements, unit interior upgrades (kitchen lighting, cabinet hardware, baseboards, etc.); and
- An updated forecast of Orange County apartment market activity for 2025, including new apartment construction projects, rental rate and occupancy projections, and perspectives on the 2025 apartment leasing market from industry economists.

FISCAL IMPACTS:

For calendar year 2024, the net operating income (NOI) from the Sycamore Canyon Apartments property was \$10.8 million. The District's preferred return income from the Wood Canyon Villa property was \$540,000. For fiscal year 2025, the NOI from the Sycamore Canyon Apartments property is projected to be \$10.9 million and the preferred return income from the Wood Canyon Villa property is projected to be \$540,000.

ENVIRONMENTAL COMPLIANCE:

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

RECOMMENDATION:

Receive and file.


LIST OF EXHIBITS:

None

March 3, 2025

Prepared by: C. Smithson

Submitted by: N. Adly

Approved by: Paul A. Cook 

## FINANCE AND PERSONNEL COMMITTEE

### DETAILED REVIEW OF FISCAL YEARS 2025-26 AND 2026-27 OPERATING AND NON-OPERATING BUDGET AND PROPOSED RATES AND CHARGES

#### SUMMARY:

IRWD is developing the Operating and Non-Operating Budgets for the Fiscal Year (FY) 2025-26 and FY 2026-27. The proposed FY 2025-26 net Operating Budget is \$242.4 million, representing an increase of \$7.9 million (3.4%) over the prior year. The proposed FY 2026-27 net Operating Budget is \$256.6 million, representing an increase of \$13.8 million (5.7%) over FY 2025-26. The net Non-Operating proposed budget for FY 2025-26 is \$108.3 million, representing an increase of \$16.9 million (18.5%) over the prior year. The Non-Operating proposed budget for FY 2026-27 is \$111.7 million representing an increase of \$3.4 million (3.1%) over FY 2025-26.

Proposed rate increases will be necessary to provide for cost-of-service equity. The proposed rates are based on the 2025 Cost of Service study. The methodology used to set rates in FY 2025-26 and FY 2026-27 is consistent with the methodology included in previous rate studies.

The proposed Operating Budget for FY 2025-26 and FY 2026-27 is included as Exhibit “A”. A draft PowerPoint that identifies operational assumptions, drivers, proposed rates, and next steps is included as Exhibit “B”.

#### BACKGROUND:

##### Operating Budget Development Process:

The proposed Operating Budgets, provided as Exhibit “A”, are organized into eight major functional areas, plus separate sections for proposed general plant purchases and labor changes:

- Assumptions;
- Consolidated Operating Budget;
- Net Income by System;
- Non-operating Net Income;
- Current and Proposed Residential Rates;
- Budgeted Revenue Summary by System;
- Budgeted Cost of Water by System;
- Individual tabs with Major Goals, Proposed Organization Chart and Expense Budget by Department;
- General Plant; and
- Summary of Labor and Proposed Changes.

Revenues and Expenses are provided for the following Systems:

- Potable;
- Sewer;
- Recycled; and
- Conservation and NTS.

The goal of IRWD’s budgeting process is to appropriately fund the resources required in order to provide excellent service to its customers safely and as cost-efficiently as possible. IRWD continues to aggressively pursue reductions in expenses to offset uncontrollable expenses such as pass-through rate increases from outside agencies on which the District depends, such as for the purchase of water and energy. Key budget assumptions are listed at the beginning of the draft Budget Book. The proposed budgets reflect the full cost of operating the Baker Water Treatment Plant in the individual budget line items with the reimbursement to IRWD for 76% of the operating expenses by the Baker Plant partners.

The proposed changes over last year’s budget are driven primarily by the following:

(in millions)	Variance	
	FY 2024-25 vs. 2025-26	FY 2025-26 vs. 2026-27
<b>Primary Drivers</b>		
Increase in regular labor:		
- COLA	\$1.2	\$3.9
- Promotions/upgrades/merit		
- Proposed additions		
Increase in Overtime Labor	0.8	0.1
Increase in employee benefits:		
- PERS and health insurance	3.3	2.1
Increase/(decrease) in cost of water:		
- Pass-through rate increases anticipated	(0.2)	3.5
Increase/(decrease) in electricity		
- Pass-through rate increases anticipated	(4.6)	1.3
Chemicals		
- Pass-through rate increases anticipated	1.9	0.4
Increase in IRWD repairs and maintenance	1.2	0.6
Increase in repairs and maint. – OC San & Others	0.8	0.1
Increase in insurance	1.6	1.0
Increase in data processing	1.2	(0.3)
Other net changes less than \$0.5 million	1.4	1.4
<i>Total proposed budget increases:</i>	<i>\$8.5</i>	<i>\$14.0</i>

Non-Operating Budget Process:

Net non-operating income for the FY 2025-26 budget is \$108.3 million, which is an increase of \$16.9 million from the previous FY 2024-25 budget. The increase is due to investment income from higher investment earnings as well as higher property taxes. Also influencing the increase in the net position is a reduction in interest expense.

Net non-operating income for the FY 2026-27 budget is \$111.7 million. The increase from the FY 2025-26 budget is driven primarily by higher expected property taxes, partially offset by less anticipated investment income due to lower cash balances.

IRWD Rate-Setting Process:

Rate increases are proposed to allow for cost-of-service equity. The methodology used to develop rates in FY 2025-26 and FY 2026-27 is consistent with the methodology included in the 2026 rate study. For a typical IRWD residential customer, the calculated rates would increase by \$5.69 per month (8.4%) for FY 2025-26 and \$3.60 per month (4.9%) for FY 2026-27. Exhibit "A" (page A-7) shows the impact of the rates for a typical residential customer compared to the current billing rates.

For FY 2025-26, staff recommends an increase of \$0.08 per hundred cubic feet (ccf) for low volume and \$0.07 per ccf for the base rate. The budget assumes an increase of \$23 per AF (3.3%) to the Replenishment Assessment from OCWD, which is the sole source of water for the low-volume tier and provides for a significant portion of the water used in the base rate. The monthly service charges include an increase to the replacement contribution that averages 11% per year for each system. The monthly water fixed service charge is proposed to increase \$1.70 per month from \$13.20 to \$14.90. Staff recommends a \$3.10 increase in the monthly sewer service charge. Based upon an average residential usage of 12 ccf per month, the recommended change will result in an expected rate increase to the average residential customer of \$5.69 (8.4%) from \$67.40 to \$73.09 per month.

For FY 2026-27, staff recommends an increase of \$0.11 per ccf for low volume and \$0.20 per ccf for the base rate. The budget assumes a \$34 per AF (4.7%) increase in the groundwater Replenishment Assessment from OCWD which, as mentioned above, is the sole source of water for the low volume tier and provides for a significant portion of the water used in the base rate. There is a \$0.65 increase recommended for the monthly water fixed service charge and a \$1.00 increase to the monthly sewer service charge. Based upon an average residential usage of 12 ccf per month, the recommended change will result in an expected rate increase to the average residential customer of \$3.60 (4.9%), from \$73.09 to \$76.69 per month.

The proposed rates are detailed in the Key Assumptions and Summary Section of Exhibit “A”. At this meeting, IRWD’s departmental directors will answer any questions related to their detailed budgets. Staff recommends the Committee review and provide comments on the updated proposed Operating and Non-Operating Budget and rates. Staff will present the operating and non-operating budget, proposed rates and Prop 218 notices to the Board at its meeting on March 24, 2025.

FISCAL IMPACTS:

The fiscal impacts associated with the proposed operating and non-operating budgets for FY 2025-26 and FY 2026-27 are as described 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:

That the Committee review and provide feedback on the proposed FY 2025-26 and FY 2026-27 Operating and Non-Operating Budgets and proposed rates and charges for further review at the Board Workshop on March 24, 2025.

LIST OF EXHIBITS:

Exhibit “A” – Proposed Operating Budgets for FY 2025-26 and FY 2026-27  
Exhibit “B” – Draft PowerPoint - FY 2025-26 & 2026-27 Operating Budget

**Exhibit “A”**

***IRVINE RANCH WATER DISTRICT  
OPERATING BUDGET  
FISCAL YEAR 2025-26 and 2026-27***



**Irvine Ranch  
Water District**

***“PROPOSED”***

***March 3, 2025***

***Finance and Personnel Committee***

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# BUDGET

## *Key Assumptions Fiscal Years 2025-26 and 2026-27*

The goal of the District’s budgeting process remains to fund the resources required to provide services to the District’s customers as cost-efficiently as possible. The District aggressively pursues reductions in expenses to offset uncontrollable expenses such as pass-through rate increases from outside agencies on which the District depends for the purchase of water, electricity and the treatment of sewage. The District is in the process of developing rates based on the proposed Operating Budgets. Proposed rate increases will be necessary to provide cost of service equity.

This document is a summary of the major assumptions driving the development of the operating and non-operating budgets for FY 2025-26 and 2026-27.

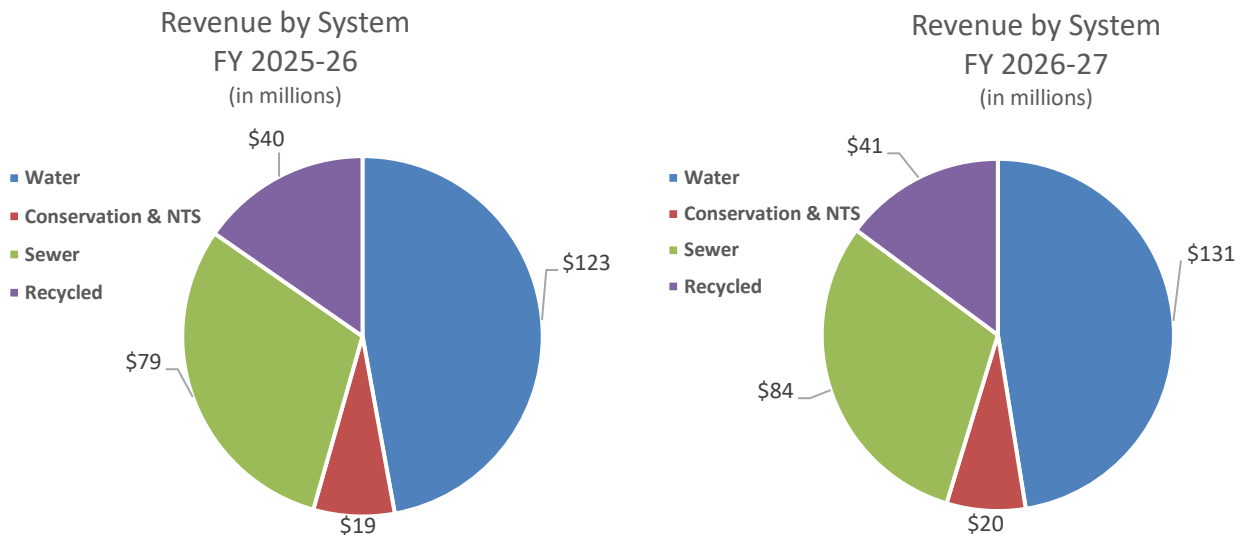
### I. OPERATING REVENUES

#### *Growth Estimates:*

Residential development growth includes both apartments and single-family homes for FY 2025-26 and 2026-27. The unit estimate is based on current projections received from major developers throughout the service area and have been adjusted to recognize changes from economic shifts. Estimates identify approximately 2,200 mixed units coming online in each year for FY 2025-26 and 2026-27. As a result, the growth factor is estimated at 2.0% for FY 2025-26 and 2026-27.

Development projections for the commercial/industrial sector identify 8 acres of development occurring in FY 2025-26 and 2026-27. Revenue assumptions used to estimate sewer revenue are consistent with the assumptions included for potable water.

*FY 2025-26 and 2026-27 Estimate for Operating Revenue, by System (in millions):*





# BUDGET

## Key Assumptions Fiscal Years 2025-26 and 2026-27

Total Residential, Landscape, Commercial, and Industrial revenue constitute over 85% of the total operating revenues for both water and sewer.

### II. OPERATING EXPENSES

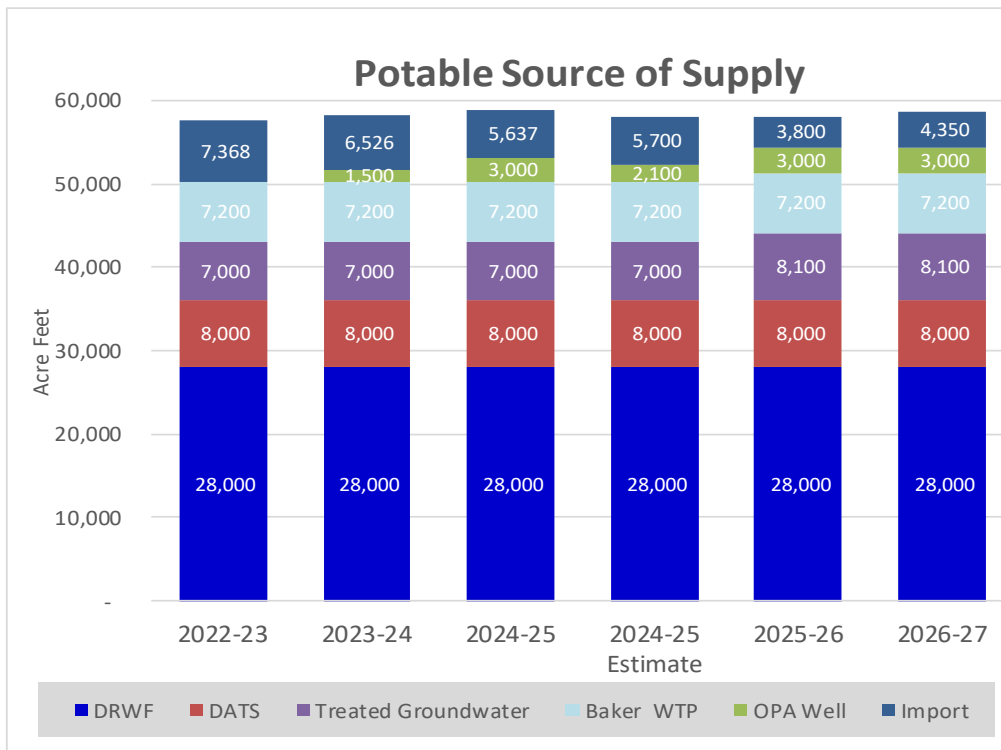
Notable expected changes in operating expenses are addressed below by system and function:

#### A. Water

The District remains committed to promoting water conservation among its customers. To support this effort, it will continue implementing a budgeted allocation system. Customers have responded positively to these conservation initiatives.

The FY 2025-26 and 2026-27 budget anticipates no significant change in use from FY 2024-25. The assumption is normal rainfall. The District is budgeting treated potable sales for FY 2025-26 and 2026-27 of 53,404 acre feet (AF) and 53,936 AF, respectively, compared to a budget of 54,551 AF and a forecast of 53,481 AF in FY 2024-25. With exempt wells at full production and the addition of the Orange Park Acres Well #1, the demand for imported supply will be reduced.

The water sources, before process loss and shrinkage, used to meet potable sales are:



The cost for source of supply is one of the District's largest uncontrollable expenses. Groundwater provides over 48,000 acre feet and the District generates nearly 26,000 acre feet of recycled water



# BUDGET

## *Key Assumptions Fiscal Years 2025-26 and 2026-27*

with the remaining demand coming from imported supply or native water (rainfall and related runoff), as available. The table below identifies the various budgeted sources and associated costs.

Source Cost per Acre Foot (AF)	Budget		
	FY 2024-25	FY 2025-26	FY 2026-27
<b>Orange County Water District (OCWD) Replenishment Assessment (RA)</b>			
<b>Groundwater</b>	\$665	\$711	\$747
<b>Metropolitan Water District (MWD)/MWD OC</b>			
<b>Imported Potable</b>	\$1,308	\$1,548	\$1,703
<b>Imported Nonpotable</b>	\$972	\$906	\$972
<b>Native Water</b>	\$368	\$379	\$390

- RA will increase by 3.5% to \$711 from an actual cost of \$688 in FY 2024-25 and 5.0% in FY 2026-27 to \$747. The District’s basin production percentage (BPP) is 85% for both fiscal years. The District expects to maximize production.
- Electricity costs have been well below budget and there is a concern that billing received is understated. Based on this, the electricity budget was reduced in FY 2025-26. Electricity rates are expected to increase by 8% in both fiscal years.
- MWD is expected to increase its treated and untreated rates on January 1, 2026, and again on January 1, 2027.
- Native water costs will increase annually by 3% based on the Irvine Lake Yield agreement.
- Staff assume no substantial change to the costs associated with the IRWD Reservoir Management Systems.

**B. Sewer and Biosolids**

Costs associated with operating the MWRP Biosolids and Energy Recovery Facility are included in FY 2025-26 and 2026-27. The FY 2025-26 and 2026-27 budget assumes no solids handling expense for OC SAN.

**C. Salaries and Benefits**

Each year, staff prepares a labor budget based upon the total positions in the organization chart, expected merit and cost of living increases, and promotional allowances.

- Salary assumes an increase for merit and projected promotions.



# BUDGET

## *Key Assumptions Fiscal Years 2025-26 and 2026-27*

- There are sixteen new positions budgeted in FY 2025-26 and seven in FY 2026-27.
- One position was eliminated in FY 2025-26.
- In July of each year, COLA, merit and promotional factor are applied to salaries - Assumed at 3.5% and 2.5%, respectively.
- Assumes a 7.5% vacancy factor.

The following table reflects salaries and wages included in each budget.

<b>Regular Salaries and Wages (thousands)</b>	
FY 2024-25	\$52,058
FY 2025-26	\$53,268
FY 2026-27	\$57,209

The following table identifies the current and proposed contribution of the District toward employee benefits. The PERS contribution is based on the Board approved policy based on the 2020 draft Cost of Service Study. The required contribution is designated by PERS. The total contribution is reduced by a proportionate share of a three-year average of Pension Trust Fund investment earnings. The proportionate share is based on PERS's unfunded pension ratio. The PERS Contribution will be used to repay the Replacement Fund borrowing which funded the Pension Benefits Trust and will be repaid over a period of twenty years. The District has also funded a Section 115 Trust for Other Post Employment Benefits (OPEB) with an additional \$10 million borrowing from the replacement fund. Repayment of the loan will begin in FY 2025-26 when the unfunded accrued pension liability is expected to decrease.

<b>Additional Contributions Provided by the District</b>			
	FY <b>2024-25</b>	FY <b>2025-26</b>	FY <b>2026-27</b>
Required PERS Normal Cost	8.8%	8.7%	8.7%
PERS in Excess of ARC/UAL*	19.3%	16.9%	16.9%
Replacement		.8%	.8%
Combined Total	28.1%	26.4%	26.4%
District Direct 401A Match	1.0%	1.0%	1.0%
401A Matching Contribution of 3%	2.8%	2.5%	2.5%
*ARC = Annual Required Contributions			
*UAL = Unfunded Actuarial Accrued Liability			

### III. USE OF OVER-ALLOCATION REVENUE

Over-allocation revenue is generated by customers in the inefficient and wasteful tiers. This revenue offsets the following expenses:

- The cost associated with additional imported water purchases;



# BUDGET

## *Key Assumptions* *Fiscal Years 2025-26 and 2026-27*

- Customers who receive the \$2.00 low volume capacity rebate on the fixed service charge;
- Budgeted conservation expenses including operational expenses (customer service, fleet management, etc.);
- Urban runoff (NTS) and San Joaquin Marsh maintenance expenses;
- Capital projects that support conservation or maintain NTS facilities; and
- Water banking expenses.

### **IV. NON-OPERATING REVENUES AND EXPENSES**

The District's non-operating revenues are related to income generated from sources other than user rates, which include property taxes, investment income, connection fees, and real estate. A portion of the non-operating revenues pay the debt service for debt issued by the District. Property taxes and connection fees help pay for new infrastructure. Some of the non-operating revenues contribute to the replacement fund, which is used to pay for the inevitable replacement of existing infrastructure. The District sets the replacement fund monies aside in advance to avoid significant potential future rate impacts. The non-operating revenues and expenses exclude non-cash items, fair value changes, and Pension Benefit Trust.

#### **A. Revenues**

Primary assumptions for FY 2025-26 and 2026-27 for each of the revenue categories are as follows:

- Property taxes – 4.0% and 4.0% growth, respectively, in projected assessed values.
- Investment income – 3.75% and 3.37% average interest rate and an average cash balance of \$328.2 million and \$300.0 million, respectively.
- Connection fees – Based on current projections received from major developers.
- Real estate income – 3.0% and 3.0% growth on commercial and residential income, respectively.
- Other income – includes lease revenue and other miscellaneous revenue.

#### **B. Expenses**

Primary assumptions for FY 2025-26 and 2026-27 are as follows:

- Interest expense – 3.7% average fixed debt rate for each fiscal year. 2.75% and 2.38% average variable debt rate, respectively; and
- Real estate expense – 3.0% and 3.0% growth, respectively, excluding depreciation as real estate is based on fair market value.

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**Irvine Ranch Water District**  
**Consolidated Operating Budget Variances**  
**Proposed Budget for FY 2025-26**

(in thousands)

Expense Name	Actual		Forecast	Budget		Budget Variances	
				Approved	Proposed	Increase (Decrease)	
	FY 2023-24	(6 months) FY 2024-25	FY 2024-25	FY 2024-25	FY 2025-26	FY 2024-25 vs FY 2025-26	% Variance
<b>Salaries &amp; Benefits</b>							
Regular Labor	\$ 45,666	\$ 23,710	\$ 48,558	\$ 52,058	\$ 53,268	\$ 1,210	2.3%
Overtime Labor	3,742	2,048	3,998	3,698	4,537	839	22.7%
Contract Labor	1,233	633	1,528	1,528	920	(608)	(39.8%)
Employee Benefits	25,037	13,328	31,549	28,549	31,893	3,344	11.7%
<b>Salaries &amp; Benefits Total</b>	<b>\$ 75,678</b>	<b>\$ 39,719</b>	<b>\$ 85,633</b>	<b>\$ 85,833</b>	<b>\$ 90,618</b>	<b>\$ 4,785</b>	<b>5.6%</b>
<b>Water &amp; Utilities</b>							
Water	49,116	31,466	59,452	56,452	56,263	(189)	(0.3%)
Electricity	23,345	10,903	23,323	30,823	26,237	(4,586)	(14.9%)
Fuel	1,260	419	1,488	1,488	1,261	(227)	(15.3%)
Telecommunication	1,000	447	943	943	947	5	0.5%
Other Utilities	408	92	335	335	442	107	31.8%
<b>Water &amp; Utilities Total</b>	<b>\$ 75,129</b>	<b>\$ 43,327</b>	<b>\$ 85,540</b>	<b>\$ 90,040</b>	<b>\$ 85,150</b>	<b>\$ (4,890)</b>	<b>(5.4%)</b>
<b>Materials &amp; Supplies</b>							
Chemicals	8,394	4,630	8,579	8,579	10,430	1,851	21.6%
Operating Supplies	4,223	2,170	2,682	3,282	3,360	78	2.4%
Printing	389	142	424	424	391	(33)	(7.7%)
Postage	523	251	531	531	511	(19)	(3.7%)
Permits, Licenses and Fees	2,289	1,973	3,301	2,301	2,751	450	19.5%
Office Supplies	81	41	109	109	99	(11)	(9.8%)
Duplicating Equipment	48	58	128	128	128	(0)	(0.3%)
Equipment Rental	97	34	92	92	65	(27)	(29.7%)
<b>Materials &amp; Supplies Total</b>	<b>\$ 16,045</b>	<b>\$ 9,297</b>	<b>\$ 15,847</b>	<b>\$ 15,447</b>	<b>\$ 17,734</b>	<b>\$ 2,288</b>	<b>14.8%</b>
<b>Professional Services</b>							
Rep & Maint OCSAN & Others	8,906	4,485	7,900	5,400	6,162	761	14.1%
Rep & Maint IRWD	15,425	7,575	16,937	16,937	18,159	1,222	7.2%
Insurance	2,955	990	2,698	3,698	5,251	1,554	42.0%
Legal Fees	2,400	520	1,660	2,660	2,774	114	4.3%
Engineering Fees	919	551	1,090	1,090	1,264	174	15.9%
Accounting Fees	96	64	127	127	105	(22)	(17.3%)
Data Processing	4,480	2,423	4,476	4,476	5,629	1,153	25.8%
Personnel Training	1,424	641	1,881	1,881	2,175	294	15.6%
Personnel Physicals	28	16	49	49	48	(1)	(2.9%)
Other Professional Fees	6,010	2,966	7,185	7,185	7,262	77	1.1%
Directors' Fees	155	83	200	200	219	19	9.5%
<b>Professional Services Total</b>	<b>\$ 42,796</b>	<b>\$ 20,315</b>	<b>\$ 44,203</b>	<b>\$ 43,703</b>	<b>\$ 49,046</b>	<b>\$ 5,343</b>	<b>12.2%</b>
<b>Other</b>							
Election Expense	60	85	170	170	175	5	2.9%
Safety	86	36	98	98	135	37	37.6%
Alarm and Patrol Services	921	627	1,139	1,139	1,108	(32)	(2.8%)
Biosolids Disposals	1,053	801	1,091	1,091	1,336	245	22.5%
Contract Meter Reading	1,512	813	1,660	1,660	1,765	105	6.3%
Over-Allocation	767	331	1,044	1,044	1,543	498	47.7%
All Other	575	244	564	564	666	102	18.1%
<b>Other Total</b>	<b>\$ 4,974</b>	<b>\$ 2,938</b>	<b>\$ 5,767</b>	<b>\$ 5,767</b>	<b>\$ 6,728</b>	<b>\$ 960</b>	<b>16.7%</b>
<b>Total</b>	<b>\$ 214,622</b>	<b>\$ 115,596</b>	<b>\$ 236,989</b>	<b>\$ 240,789</b>	<b>\$ 249,276</b>	<b>\$ 8,487</b>	<b>3.5%</b>
Less: Reimbursements from Partners	(8,380)	(3,634)	(6,729)	(6,324)	(6,887)	(563)	8.9%
<b>Grand Total</b>	<b>\$ 206,242</b>	<b>\$ 111,962</b>	<b>\$ 230,260</b>	<b>\$ 234,465</b>	<b>\$ 242,389</b>	<b>\$ 7,924</b>	<b>3.4%</b>

**Irvine Ranch Water District**  
**Consolidated Operating Budget Variances**  
**Proposed Budget for FY 2026-27**

(in thousands)

Expense Name	Forecast		Budget		Budget Variances	
			Proposed	Proposed	Increase (Decrease)	
	FY 2024-25	FY 2025-26	FY 2026-27	FY 2025-26 vs FY 2026-27	% Variance	
<b>Salaries &amp; Benefits</b>						
Regular Labor	\$ 48,558	\$ 53,268	\$ 57,209	\$ 3,941	7.4%	
Overtime Labor	3,998	4,537	4,658	121	2.7%	
Contract Labor	1,528	920	819	(101)	(11.0%)	
Employee Benefits	31,549	31,893	33,963	2,070	6.5%	
<b>Salaries &amp; Benefits Total</b>	<b>\$ 85,633</b>	<b>\$ 90,618</b>	<b>\$ 96,649</b>	<b>\$ 6,031</b>	<b>6.7%</b>	
<b>Water &amp; Utilities</b>						
Water	59,452	56,263	59,751	3,488	6.2%	
Electricity	23,323	26,237	27,522	1,284	4.9%	
Fuel	1,488	1,261	1,322	61	4.9%	
Telecommunication	943	947	959	12	1.3%	
Other Utilities	335	442	450	8	1.7%	
<b>Water &amp; Utilities Total</b>	<b>\$ 85,540</b>	<b>\$ 85,150</b>	<b>\$ 90,004</b>	<b>\$ 4,853</b>	<b>5.7%</b>	
<b>Materials &amp; Supplies</b>						
Chemicals	8,579	10,430	10,788	357	3.4%	
Operating Supplies	2,682	3,360	3,532	172	5.1%	
Printing	424	391	435	45	11.4%	
Postage	531	511	547	35	6.9%	
Permits, Licenses and Fees	3,301	2,751	2,877	126	4.6%	
Office Supplies	109	99	103	4	4.3%	
Duplicating Equipment	128	128	128	0	0.1%	
Equipment Rental	92	65	67	2	3.6%	
<b>Materials &amp; Supplies Total</b>	<b>\$ 15,847</b>	<b>\$ 17,734</b>	<b>\$ 18,476</b>	<b>\$ 742</b>	<b>4.2%</b>	
<b>Professional Services</b>						
Rep & Maint OCSAN & Others	7,900	6,162	6,216	55	0.9%	
Rep & Maint IRWD	16,937	18,159	18,798	639	3.5%	
Insurance	2,698	5,251	6,224	973	18.5%	
Legal Fees	1,660	2,774	2,904	130	4.7%	
Engineering Fees	1,090	1,264	1,285	21	1.7%	
Accounting Fees	127	105	110	5	4.8%	
Data Processing	4,476	5,629	5,376	(253)	(4.5%)	
Personnel Training	1,881	2,175	2,306	131	6.0%	
Personnel Physicals	49	48	48	-	0.0%	
Other Professional Fees	7,185	7,262	7,907	646	8.9%	
Directors' Fees	200	219	230	11	4.9%	
<b>Professional Services Total</b>	<b>\$ 44,203</b>	<b>\$ 49,046</b>	<b>\$ 51,403</b>	<b>\$ 2,357</b>	<b>4.8%</b>	
<b>Other</b>						
Election Expense	170	175	175	-	0.0%	
Safety	98	135	141	6	4.6%	
Alarm and Patrol Services	1,139	1,108	1,126	19	1.7%	
Biosolids Disposals	1,091	1,336	1,376	40	3.0%	
Contract Meter Reading	1,660	1,765	1,769	4	0.2%	
Over-Allocation	1,044	1,543	1,509	(34)	(2.2%)	
All Other	564	666	692	26	3.9%	
<b>Other Total</b>	<b>\$ 5,767</b>	<b>\$ 6,728</b>	<b>\$ 6,789</b>	<b>\$ 61</b>	<b>0.9%</b>	
<b>Total</b>	<b>\$ 236,989</b>	<b>\$ 249,276</b>	<b>\$ 263,320</b>	<b>\$ 14,044</b>	<b>5.6%</b>	
Less: Reimbursements from Partners	(6,324)	(6,887)	(7,167)	(280)	4.1%	
<b>Grand Total</b>	<b>\$ 230,665</b>	<b>\$ 242,389</b>	<b>\$ 256,153</b>	<b>\$ 13,764</b>	<b>5.7%</b>	





# OPERATING NET INCOME BY SYSTEM

FY 2025-26

*(in thousands)*

	Water	Recycled	Sewer	Conserve & NTS	Consolidated
<b>Revenue:</b>					
Commodity	\$ 66,709	\$ 28,352	\$ -	\$ 18,698	\$ 113,759
Fixed Service Charges and Other	55,826	10,961	78,984	-	145,771
Rate Stabilization	-	-	-	-	-
Total Revenue	\$ 122,535	\$ 39,313	\$ 78,984	\$ 18,698	\$ 259,530
Contribution to Enhancement and Replacement Funds	(10,703)	(1,435)	(26,885)	-	(39,023)
Net Revenues	\$ 111,832	\$ 37,878	\$ 52,099	\$ 18,698	\$ 220,507
<b>Expenses:</b>					
Salaries and Benefits	\$ 23,374	\$ 10,119	\$ 20,328	\$ 5,857	\$ 59,678
Water	47,576	8,614	-	-	56,190
Electricity	12,144	6,335	3,899	346	22,724
Repairs and Maintenance	5,120	1,531	5,704	4,439	16,794
OCSAN - O&M	-	-	4,590	-	4,590
All Other Operating Expenses	23,618	11,279	17,578	8,056	60,531
Total Expenses	\$ 111,832	\$ 37,878	\$ 52,099	\$ 18,698	\$ 220,507
<b>Net Operating Position</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>



# OPERATING NET INCOME BY SYSTEM

FY 2026-27

*(in thousands)*

	Water	Recycled	Sewer	Conserve & NTS	Consolidated
<b>Revenue:</b>					
Commodity	\$ 71,488	\$ 29,130	\$ -	\$ 19,438	\$ 120,056
Fixed Service Charges and Other	59,133	11,786	84,155	-	155,074
Rate Stabilization	-	-	-	-	-
<b>Total Revenue</b>	<b>\$ 130,621</b>	<b>\$ 40,916</b>	<b>\$ 84,155</b>	<b>\$ 19,438</b>	<b>\$ 275,130</b>
Contribution to Enhancement and Replacement Funds	(11,399)	(1,526)	(28,926)	-	(41,851)
<b>Net Revenues</b>	<b>\$ 119,222</b>	<b>\$ 39,390</b>	<b>\$ 55,229</b>	<b>\$ 19,438</b>	<b>\$ 233,279</b>
<b>Expenses:</b>					
Salaries and Benefits	\$ 24,966	\$ 10,736	\$ 22,033	\$ 6,186	\$ 63,921
Water	51,247	8,436	-	-	59,683
Electricity	12,995	6,543	3,923	347	23,808
Repairs and Maintenance	5,403	1,618	5,808	4,550	17,379
OCSAN - O&M	-	-	4,595	-	4,595
All Other Operating Expenses	24,611	12,057	18,870	8,355	63,893
<b>Total Expenses</b>	<b>\$ 119,222</b>	<b>\$ 39,390</b>	<b>\$ 55,229</b>	<b>\$ 19,438</b>	<b>\$ 233,279</b>
<b>Net Operating Position</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>



# NON-OPERATING

## *FY 2025-26* *Net Income*<sup>(1)</sup>

<i>(in thousands)</i>	<u>FY 2024-25</u>	<u>FY 2025-26</u>	<u>Change</u>
<b>Non-operating Revenue:</b>			
Property Taxes	\$ 81,700	\$ 88,400	\$ 6,700
Investment Income	8,500	12,100	3,600
Connection Fees	11,000	11,000	-
Real Estate Income	20,300	21,500	1,200
Other Income	7,000	7,400	400
Total Revenue	<u>\$ 128,500</u>	<u>\$ 140,400</u>	<u>\$ 11,900</u>
<b>Non-operating Expenses:</b>			
Interest Expense	\$ 27,500	\$ 21,600	\$ (5,900)
Real Estate Expense	8,100	8,500	400
Other Expenses	1,500	2,000	500
Total Expense	<u>\$ 37,100</u>	<u>\$ 32,100</u>	<u>\$ (5,000)</u>
<b>Net Income</b>	<u><u>\$ 91,400</u></u>	<u><u>\$ 108,300</u></u>	<u><u>\$ 16,900</u></u>

1) Excludes non-cash items, fair value changes, and pension benefit trust.



# NON-OPERATING

## *FY 2026-27* *Net Income*<sup>(1)</sup>

<i>(in thousands)</i>	<u>FY 2025-26</u>	<u>FY 2026-27</u>	<u>Change</u>
<b>Non-operating Revenue:</b>			
Property Taxes	\$ 88,400	\$ 91,900	\$ 3,500
Investment Income	12,100	10,000	(2,100)
Connection Fees	11,000	11,000	-
Real Estate Income	21,500	22,100	600
Other Income	7,400	7,400	-
Total Revenue	<u>\$ 140,400</u>	<u>\$ 142,400</u>	<u>\$ 2,000</u>
<b>Non-operating Expenses:</b>			
Interest Expense	\$ 21,600	\$ 20,000	\$ (1,600)
Real Estate Expense	8,500	8,700	200
Other Expenses	2,000	2,000	-
Total Expense	<u>\$ 32,100</u>	<u>\$ 30,700</u>	<u>\$ (1,400)</u>
<b>Net Income</b>	<u><u>\$ 108,300</u></u>	<u><u>\$ 111,700</u></u>	<u><u>\$ 3,400</u></u>

1) Excludes non-cash items, fair value changes, and pension benefit trust.



## CURRENT AND PROPOSED RESIDENTIAL RATES

	FY 2025-26		FY 2026-27	
Current Residential Rates:	Water <sup>1</sup>	Sewer <sup>2</sup>	Water <sup>1</sup>	Sewer <sup>2</sup>
<b>Low Volume</b>	\$1.99		\$2.07	
<b>Commodity Rate</b>	\$2.65		\$2.72	
Operations	\$9.91	\$13.32	\$11.71	\$15.86
Replacements	\$2.59	\$11.56	\$2.49	\$12.12
Enhancements	\$0.70	\$0.82	\$0.70	\$0.82
<b>Total Service Charge</b>	<u>\$13.20</u>	<u>\$25.70</u>	<u>\$14.90</u>	<u>\$28.80</u>
<b>Commodity (12ccf's)</b>	<u>\$28.50</u>		<u>\$29.39</u>	
<b>Current Monthly</b>	<u><u>\$67.40</u></u>		<u><u>\$73.09</u></u>	
<b>Proposed Residential Rate Adjustment:</b>				
<b>Low Volume</b>	\$2.07		\$2.18	
<b>Base Commodity Rate</b>	\$2.72		\$2.92	
<b>Operations</b>	\$11.71	\$15.86	\$12.18	\$16.00
<b>Replacements</b>	\$2.49	\$12.12	\$2.67	\$12.98
<b>Enhancements</b>	\$0.70	\$0.82	\$0.70	\$0.82
<b>Total Service Charge</b>	<u>\$14.90</u>	<u>\$28.80</u>	<u>\$15.55</u>	<u>\$29.80</u>
<b>Commodity</b>	<u>\$29.39</u>		<u>\$31.34</u>	
<b>Proposed Monthly</b>	<u>\$73.09</u>		<u>\$76.69</u>	
Current Monthly	\$67.40		\$73.09	
Difference	<u>\$5.69</u>		<u>\$3.60</u>	
<b>Change %</b>	<u><b>8.4%</b></u>		<u><b>4.9%</b></u>	

<sup>1</sup> Water - District Average usage assumes 12 ccf's per month.

<sup>2</sup> Sewer - District average usage assumes 0-5 ccf for lowest 3 months.



# POTABLE REVENUE

*FY 2025-26*

<i>(in thousands)</i>	<b>FY 2024-25</b>	<b>Change</b>	<b>FY 2025-26</b>
<b>Water</b>			
Service	\$ 33,500	\$ 4,377	\$ 37,877
Enhancement	2,235	45	2,280
Replacement	8,015	409	8,424
Pumping Surcharge	1,696	488	2,184
Commodity	65,520	1,189	66,709
All Other	5,379	(318)	5,061
Rate Stabilization Fund	165	(165)	-
	<u>\$ 116,510</u>	<u>\$ 6,025</u>	<u>\$ 122,535</u>
<b>AF Sales</b>	54,654		53,538
<b>User Type</b>			
Residential	\$ 74,845	\$ 4,077	\$ 78,922
Commercial	16,187	1,546	17,733
Industrial	7,851	461	8,312
Public Authority	3,355	228	3,583
Landscape Irrigation	8,209	842	9,051
Agriculture Irrigation	146	27	173
Construction/Temp.	1,533	211	1,744
Fire Protection	4,219	(1,202)	3,017
Rate Stabilization Fund	165	(165)	-
	<u>\$ 116,510</u>	<u>\$ 6,025</u>	<u>\$ 122,535</u>



# POTABLE REVENUE

*FY 2026-27*

<i>(in thousands)</i>	<b>FY 2025-26</b>	<b>Change</b>	<b>FY 2026-27</b>
<b>Water</b>			
Service	\$ 37,877	\$ 2,147	\$ 40,024
Enhancement	2,280	23	2,303
Replacement	8,424	673	9,097
Pumping Surcharge	2,184	265	2,449
Commodity	66,709	4,779	71,488
All Other	5,061	199	5,260
Rate Stabilization Fund	-	-	-
	\$ 122,535	\$ 8,086	\$ 130,621
<b>AF Sales</b>			
	53,538		54,080
<b>User Type</b>			
Residential	\$ 78,922	\$ 6,174	\$ 85,096
Commercial	17,733	383	18,116
Industrial	8,312	518	8,830
Public Authority	3,583	352	3,935
Landscape Irrigation	9,051	121	9,172
Agriculture Irrigation	173	10	183
Construction/Temp.	1,744	132	1,876
Fire Protection	3,017	396	3,413
Rate Stabilization Fund	-	-	-
	\$ 122,535	\$ 8,086	\$ 130,621



# RECYCLE REVENUE

*FY 2025-26*

*(in thousands)*

	<b>FY 2024-25</b>	<b>Change</b>	<b>FY 2025-26</b>
<b>Recycled</b>			
Service	\$ 7,181	\$ 1,045	\$ 8,226
Enhancement	330	6	336
Replacement	1,045	53	1,098
Pumping Surcharge	896	205	1,101
Commodity	30,803	(2,451)	28,352
All Other	1,541	(1,341)	200
	\$ 41,796	\$ (2,483)	\$ 39,313
<b>AF</b>	33,587		32,721
<b>User Type</b>			
Commercial	609	\$ 76	685
Industrial	23	2	25
Public Authority	690	(281)	409
Landscape	36,067	(182)	35,885
Recycled Loans		-	
Agriculture	3,258	(2,128)	1,130
Construction/Temp.	450	(37)	413
All Other	699	67	766
	\$ 41,796	\$ (2,483)	\$ 39,313





# RECYCLE REVENUE

*FY 2026-27*

*(in thousands)*

	<b>FY 2025-26</b>	<b>Change</b>	<b>FY 2026-27</b>
<b>Recycled</b>			
Service	\$ 8,226	\$ 868	\$ 9,094
Enhancement	336	4	340
Replacement	1,098	87	1,185
Pumping Surcharge	1,101	6	1,107
Commodity	28,352	778	29,130
All Other	200	(140)	60
	\$ 39,313	\$ 1,603	\$ 40,916
<b>AF</b>	32,721		32,945

**User Type**

Commercial	685	\$ 37	722
Industrial	25	5	30
Public Authority	409	158	567
Landscape	35,885	969	36,854
Agriculture	1,130	380	1,510
Construction/Temp.	413	18	431
All Other	766	36	802
	\$ 39,313	\$ 1,603	\$ 40,916



# SEWER REVENUE

*FY 2025-26*

*(in thousands)*

	<u>FY 2024-25</u>	<u>Change</u>	<u>FY 2025-26</u>
<b>Sewer</b>			
Service	\$ 47,257	\$ 4,242	\$ 51,499
Enhancement	1,534	30	1,564
Replacement	24,141	1,178	25,319
All Other	546	56	602
Rate Stabilization	332	(332)	-
	<u>\$ 73,810</u>	<u>\$ 5,174</u>	<u>\$ 78,984</u>

**User Type**

Residential	\$ 55,212	\$ 3,728	\$ 58,940
Commercial	11,064	1,063	12,127
Industrial	3,584	\$ 398	3,982
Public Authority	3,618	317	3,935
Rate Stabilization	332	(332)	-
	<u>\$ 73,810</u>	<u>\$ 5,174</u>	<u>\$ 78,984</u>



# SEWER REVENUE

*FY 2026-27*

*(in thousands)*

	<u>FY 2025-26</u>	<u>Change</u>	<u>FY 2026-27</u>
<b>Sewer</b>			
Service	\$ 51,499	\$ 3,366	\$ 54,865
Enhancement	1,564	16	1,580
Replacement	25,319	2,026	27,345
All Other	602	(237)	365
Rate Stabilization	-	-	-
	<u>\$ 78,984</u>	<u>\$ 5,171</u>	<u>\$ 84,155</u>

**User Type**

Residential	\$ 58,940	\$ 3,006	\$ 61,946
Commercial	12,127	1,305	13,432
Industrial	3,982	\$ 448	4,430
Public Authority	3,935	412	4,347
Rate Stabilization	-	-	-
	<u>\$ 78,984</u>	<u>\$ 5,171</u>	<u>\$ 84,155</u>



# OVER-ALLOCATION REVENUE

*FY 2025-26*

<i>(in thousands)</i>	<b>FY 2024-25</b>	<b>Change</b>	<b>FY 2025-26</b>
<b>Tier</b>			
Universal Conservation	\$ 1,729	\$ 62	\$ 1,791
Inefficient	2,743	110	2,853
Wasteful	13,836	218	14,054
	<u>\$ 18,308</u>	<u>\$ 390</u>	<u>\$ 18,698</u>
 <b>Source or System</b>			
Residential	\$ 11,255	\$ 47	\$ 11,302
Commercial	2,580	200	2,780
Industrial	776	24	800
Public Authority	293	(4)	289
Landscape	3,379	123	3,502
Construction / Temp.	25	-	25
	<u>\$ 18,308</u>	<u>\$ 390</u>	<u>\$ 18,698</u>



# OVER-ALLOCATION REVENUE

*FY 2026-27*

<i>(in thousands)</i>	<b>FY 2025-26</b>	<b>Change</b>	<b>FY 2026-27</b>
<b>Tier</b>			
Universal Conservation	\$ 1,791	\$ 90	\$ 1,881
Inefficient	2,853	99	2,952
Wasteful	14,054	551	14,605
	\$ 18,698	\$ 740	\$ 19,438
 <b>Source or System</b>			
Residential	\$ 11,302	\$ 392	\$ 11,694
Commercial	2,780	120	2,900
Industrial	800	73	873
Public Authority	289	41	330
Landscape	3,502	113	3,615
Construction / Temp.	25	1	26
	\$ 18,698	\$ 740	\$ 19,438



# COST OF WATER

## BUDGETED COST OF WATER

<i>(in thousands)</i>	FY 2024-25			FY 2025-26			Change	
	Acre Feet	Total	Cost / AF	Acre Feet	Total	Cost / AF	Acre Feet	Total
<b><u>TREATED</u></b>								
Purchased from MWDOC	5,637	\$9,030	\$1,602	3,800	\$ 7,098	\$1,868	(1,837)	\$ (1,932)
Dyer Road Well Field	28,000	25,064	895	28,000	26,089	932	-	1,025
OPA	3,000	3,177	1,059	3,000	2,992	997	-	(186)
Deep Aquifer Treatment System	8,000	8,598	1,075	8,000	8,797	1,100	-	199
Lost to Production	(160)			(320)			(160)	
Wells 21 & 22 Desalter	2,000	3,284	1,642	2,400	4,327	1,803	400	1,042
Lost to Production	(300)			(360)			(60)	
Baker WTP	7,200	9,471	1,315	7,200	10,257	1,425	-	786
Lost to Production	(144)			(288)			(144)	
Principal Aquifer Plant (PTP)	5,000	6,045	1,209	5,700	6,423	1,127	700	378
Lost to Production	(750)			(855)			(105)	
Total Shrinkage	(2,932)			(2,739)			193	
<b>Total Treated Sales</b>	<b>54,551</b>	<b>\$ 64,669</b>		<b>53,538</b>	<b>\$ 65,982</b>		<b>(1,013)</b>	<b>\$ 1,313</b>
<b>Total Sources</b>	<b>57,268</b>			<b>58,100</b>			<b>832</b>	
<b><u>UNTREATED</u></b>								
Purchased from MWDOC	2,353	\$ 2,370	\$1,007	2,433	\$ 2,849	\$1,171	80	\$ 479
Native Water	3,000	1,103	368	3,000	1,137	379	-	34
Santiago Aqueduct Commission	173	160	925	60	57	955	(113)	(103)
Transfer to RW System	(5,414)	(5,831)	1,077	(5,359)	(5,772)	1,077	55	59
Total Shrinkage	(9)			0			8	
<b>Total Untreated Sales</b>	<b>103</b>	<b>\$ (2,197)</b>		<b>134</b>	<b>\$ (1,729)</b>		<b>30</b>	<b>\$ 469</b>
<b>Total Sources</b>	<b>112</b>			<b>134</b>			<b>22</b>	
<b><u>RECYCLED</u></b>								
El Toro Groundwater Remediation	4,600	\$ 4,575	\$995	3,992	\$ 4,000	\$1,002	(608)	\$ (575)
Lost to Production	(1,060)			(962)			98	
MWRP / LAW RP Production	25,640	11,323	442	25,640	10,313	402	-	(1,010)
Transfer from Untreated System	5,414	5,831	1,077	5,359	5,772	1,077	(55)	(59)
Total Shrinkage	(1,007)			(1,308)			(301)	
<b>Total Recycled System</b>	<b>33,587</b>	<b>\$ 21,729</b>		<b>32,721</b>	<b>\$ 20,085</b>		<b>(866)</b>	<b>\$ (1,645)</b>
<b>Total Sources</b>	<b>35,654</b>			<b>34,991</b>			<b>(663)</b>	
<b>Total Cost of Water for Billed Usage</b>	<b>88,241</b>	<b>\$ 84,201</b>		<b>86,393</b>	<b>\$ 84,338</b>		<b>(1,849)</b>	<b>\$ 137</b>



# COST OF WATER

## BUDGETED COST OF WATER

<i>(in thousands)</i>	FY 2025-26			FY 2026-27			Change	
	Acre Feet	Total	Cost / AF	Acre Feet	Total	Cost / AF	Acre Feet	Total
<b><u>TREATED</u></b>								
Purchased from MWDOC	3,800	\$ 7,098	\$1,868	4,350	\$ 8,760	\$2,014	550	\$ 1,662
Dyer Road Well Field	28,000	26,089	932	28,000	27,494	982	-	1,404
OPA	3,000	2,992	997	3,000	3,162	1,054	-	170
Deep Aquifer Treatment System	8,000	8,797	1,100	8,000	9,264	1,158	-	468
Lost to Production	(320)			(320)			-	-
Wells 21 & 22 Desalter	2,400	4,327	1,803	2,400	4,552	1,897	-	226
Lost to Production	(360)			(360)			-	-
Baker WTP	7,200	10,257	1,425	7,200	10,623	1,475	-	366
Lost to Production	(288)			(288)			-	-
Principal Aquifer Plant (PTP)	5,700	6,423	1,127	5,700	6,767	1,187	-	344
Lost to Production	(855)			(855)			-	-
Total Shrinkage	(2,739)			(2,747)			(8)	-
<b>Total Treated</b>	<b>53,538</b>	<b>\$ 65,982</b>		<b>54,080</b>	<b>\$ 70,622</b>		<b>542</b>	<b>\$ 4,641</b>
<b>Total Sources</b>	<b>58,100</b>			<b>58,650</b>			<b>550</b>	
<b><u>UNTREATED</u></b>								
Purchased from MWDOC	2,433	\$ 2,849	\$1,171	2,521	3,108	\$1,233	88	\$ 259
Native Water	3,000	1,137	379	2,000	780	390	(1,000)	(357)
Santiago Aqueduct Commission	60	57	955	180	178	991	120	121
Transfer to RW System	(5,359)	(5,772)	1,077	(4,556)	(5,012)	1,100	803	760
Total Shrinkage	0			(12)			(13)	-
<b>Total Untreated</b>	<b>134</b>	<b>\$ (1,729)</b>		<b>133</b>	<b>\$ (946)</b>		<b>(2)</b>	<b>\$ 783</b>
<b>Total Sources</b>	<b>134</b>			<b>145</b>			<b>11</b>	
<b><u>RECYCLED</u></b>								
El Toro Groundwater Remediation	3,992	4,000	1,002	4,600	4,729	\$1,028	608	729
Lost to Production	(962)			(1,060)			(98)	
MWRP / LAWRP Production	25,640	10,313	402	25,640	10,703	417	-	391
Transfer from Untreated System	5,359	5,772	1,077	4,556	5,012	1,100	(803)	(760)
Total Shrinkage	(1,308)			(791)			517	
<b>Total Recycled Sales</b>	<b>32,721</b>	<b>\$ 20,085</b>		<b>32,945</b>	<b>\$ 20,444</b>		<b>224</b>	<b>\$ 359</b>
<b>Total Sources</b>	<b>34,991</b>			<b>34,796</b>			<b>(195)</b>	
<b>Total Cost of Water for Billed Usage</b>	<b>86,393</b>	<b>\$ 84,338</b>		<b>87,158</b>	<b>\$ 90,120</b>		<b>764</b>	<b>\$ 5,783</b>

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# GENERAL MANAGER'S OFFICE

## OPERATING BUDGET SUMMARY

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### Program Description

The General Manager's Office implements the policies established and direction provided by the Board of Directors and, in so doing, provides overall direction to staff to complete that effort. The office also includes Strategic Advocacy, Community Relations, and Deputy General Counsel divisions. These divisions develop and advocate for policies at the federal, state, and local levels that promote a reliable high quality and cost-effective water supply for Irvine Ranch Water District (IRWD) customers and demonstrate the efficient use of resources. The Advocacy and Community Relations staff represent IRWD's policies and provide technical expertise to the legislative and regulatory development process, particularly on issues of water recycling, water use efficiency, water rates, water supply reliability, and governance, among others, and engage with community leaders, key stakeholders, and groups on behalf of the District.

The General Manager's Office also:

- Provides direct services to and communications with the Board of Directors;
- Produces and distributes Board and Board Committee meeting packets;
- Schedules all Board and Board Committee, and annual/special independent corporation meetings;
- Produces the minutes of all Board meetings;
- Maintains all Board resolutions;
- Schedules other meetings and functions on behalf of the Board members and makes travel arrangements, as needed;
- Maintains records of all inter-agency agreements, deeds, and easements;
- Maintains records for the various independent corporations;
- Shapes, guides, and engages on local, state and federal policies, legislation, and regulations;
- Manages and coordinates the legal resources utilized by the District;
- Responds to, or directs response to, all media inquiries; and,
- Responds to, or directs response to, all public information requests, and subpoenas.

The General Manager's Office works with the Board of Directors and staff to establish the District's strategic vision for all departments. On December 17, 2024, staff reviewed the 2025 Goals and Target Activities with the Board. The Goals described below reflect the *Strategic Objectives*, as well as the *Mission, Vision and Values* of Irvine Ranch Water District as adopted by the Board.



# GENERAL MANAGER'S OFFICE

## OPERATING BUDGET SUMMARY

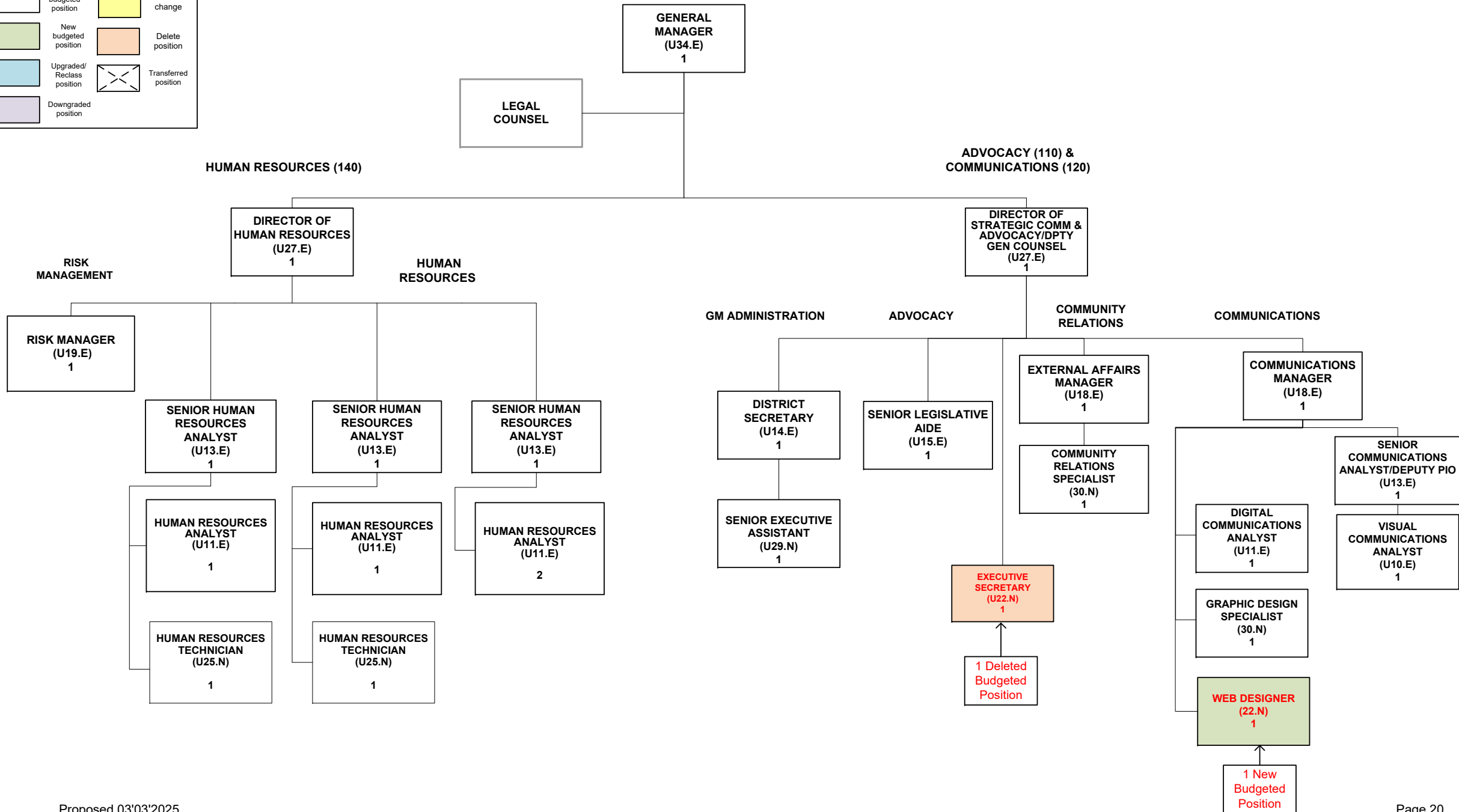
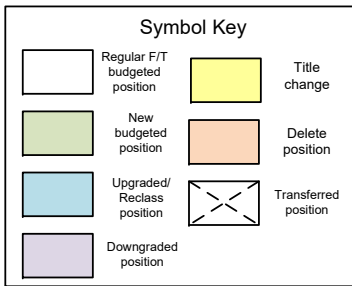
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### Major Goals

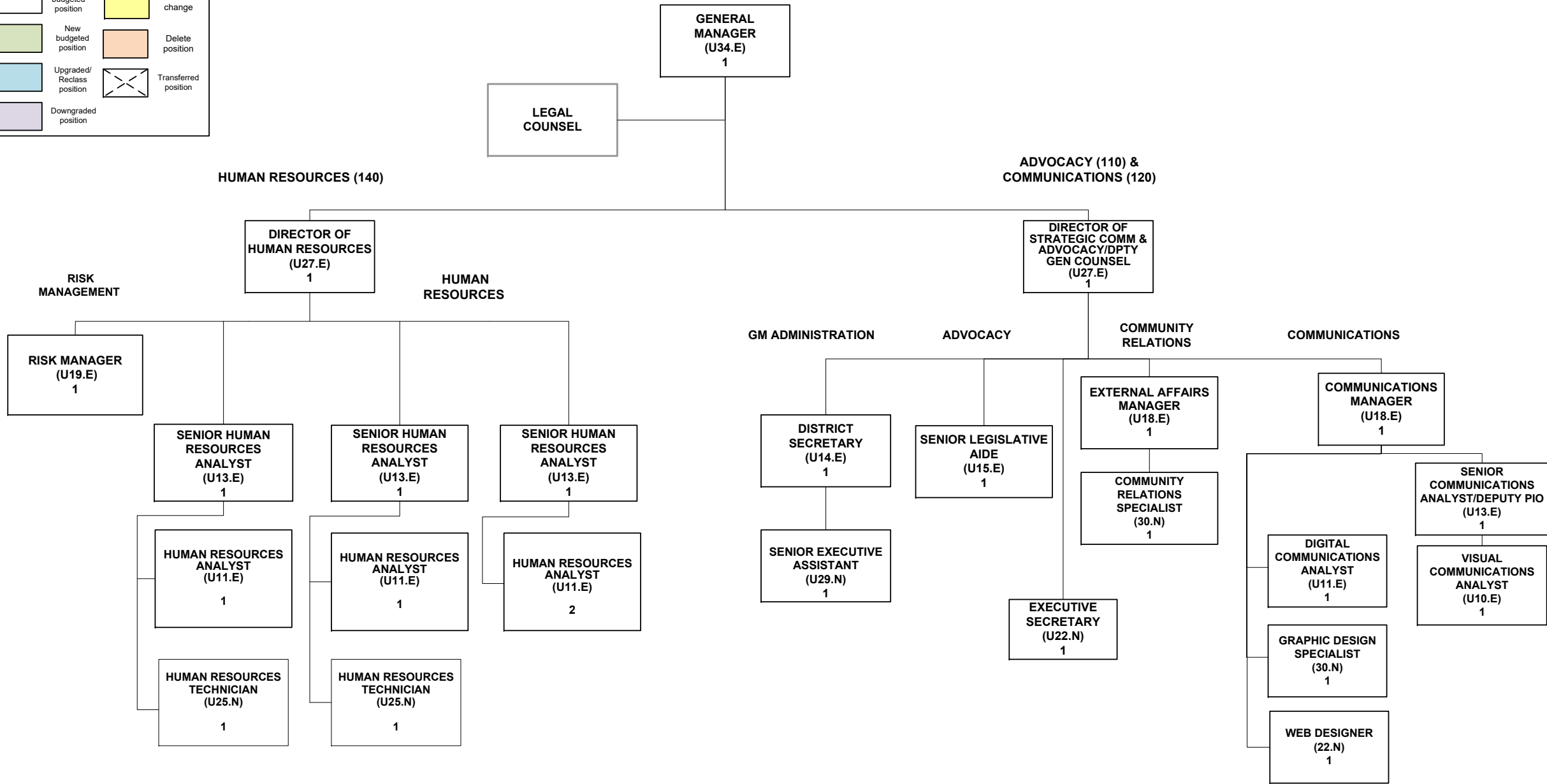
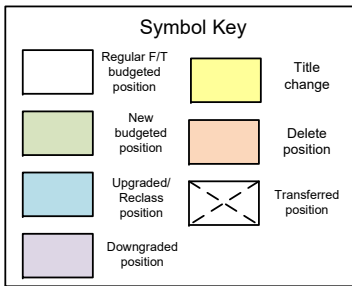
The District's Major Goals for calendar year 2025 are summarized as follows:

- Optimize and protect IRWD's local groundwater utilization.
- Optimize use of Irvine Lake as a water resource facility for IRWD and its current and future partners.
- Develop water recycling facilities and applications for optimal benefit.
- Maximize resource recovery from fully functional biosolids and other resource recovery facilities.
- Develop and implement maintenance and replacement programs and other systems that enhance safety, sustained operations at the District's facilities.
- Improve energy service reliability, manage demands, control greenhouse gas emissions, and control costs.
- Implement opportunities that enhance safety, security, and emergency preparedness throughout the District.
- Maximize water use efficiency in the community.
- Maximize watershed protection.
- Evaluate and invest in projects and programs that will enhance future long-term water supply reliability and resiliency to climate change.
- Develop water banking supplies for IRWD by working with current and future partners.
- Develop and implement the Kern Fan Groundwater Storage Project through the Groundwater Banking Joint Powers Authority.
- Ensure financial and rate stability.
- Identify, assess, and implement new technologies, systems, and facilities to improve operating efficiency.
- Recruit, develop, and retain a highly skilled, motivated, and educated work force.
- Collaborate with other agencies and entities through leadership and innovation.
- Enhance customer communications and community outreach.
- Guide and lead local, state, and federal policies and legislation.
- Influence new policies and regulations put forth by local, state, and federal agencies.

**IRVINE RANCH WATER DISTRICT  
ADMINISTRATION  
FISCAL YEAR 2025-26**



**IRVINE RANCH WATER DISTRICT  
ADMINISTRATION  
FISCAL YEAR 2026-27**



**Irvine Ranch Water District**  
**Consolidated Operating Expense Budget for FY 2025-26**  
**Administration: 110 - General Manager's Office**

Expense Group	FY 2023-24	FY 2024-25	FY 2024-25	FY 2025-26	Increase &
Expense Name	Actual	Actual thru 12/31/24	Budget	Budget	(Decrease)
<b>Salaries &amp; Benefits</b>					
Regular Labor	1,094,919.96	577,424.63	1,327,800.00	1,283,049.91	(44,750.09)
Overtime Labor	1,487.10	1,069.02	8,400.00	2,400.00	(6,000.00)
Contract Labor	-	1,130.00	-	-	-
Employee Benefits	266,269.70	122,633.72	755,410.00	436,423.63	(318,986.37)
<b>Salaries &amp; Benefits Total</b>	<b>1,362,676.76</b>	<b>702,257.37</b>	<b>2,091,610.00</b>	<b>1,721,873.54</b>	<b>(369,736.46)</b>
<b>Materials &amp; Supplies</b>					
Operating Supplies	-	3,815.03	-	-	-
Printing	513.57	-	10,000.00	9,999.96	(0.04)
Postage	137.78	456.98	400.00	999.96	599.96
Permits, Licenses and Fees	55,309.83	36,073.46	65,000.00	72,500.01	7,500.01
Office Supplies	3,864.73	981.12	5,000.00	5,499.96	499.96
<b>Materials &amp; Supplies Total</b>	<b>59,825.91</b>	<b>41,326.59</b>	<b>80,400.00</b>	<b>88,999.89</b>	<b>8,599.89</b>
<b>Professional Services</b>					
Rep & Maint IRWD	-	-	1,800.00	-	(1,800.00)
Legal Fees	2,004,585.21	498,357.44	2,660,000.00	2,764,999.92	104,999.92
Personnel Training	543,703.93	293,763.28	591,500.00	611,499.99	19,999.99
Other Professional Fees	905,526.39	414,495.83	1,149,860.00	1,097,500.11	(52,359.89)
Directors' Fees	155,409.00	83,412.00	200,000.00	219,000.00	19,000.00
<b>Professional Services Total</b>	<b>3,609,224.53</b>	<b>1,290,028.55</b>	<b>4,603,160.00</b>	<b>4,693,000.02</b>	<b>89,840.02</b>
<b>Other Expense</b>					
Election Expense	60,000.00	85,000.02	170,000.00	174,999.96	4,999.96
Mileage Reimbursement	319.16	395.32	-	1,250.04	1,250.04
<b>Other Expense Total</b>	<b>60,319.16</b>	<b>85,395.34</b>	<b>170,000.00</b>	<b>176,250.00</b>	<b>6,250.00</b>
<b>Grand Total</b>	<b>5,092,046.36</b>	<b>2,119,007.85</b>	<b>6,945,170.00</b>	<b>6,680,123.45</b>	<b>(265,046.55)</b>

**Irvine Ranch Water District**  
**Consolidated Operating Expense Budget for FY 2026-27**  
**Administration: 110 - General Manager's Office**

Expense Group	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	Increase &
Expense Name	Actual	Actual thru 12/31/24	Budget	Budget	(Decrease)
<b>Salaries &amp; Benefits</b>					
Regular Labor	1,094,919.96	577,424.63	1,283,049.91	1,351,854.84	68,804.93
Overtime Labor	1,487.10	1,069.02	2,400.00	2,499.96	99.96
Contract Labor	-	1,130.00	-	-	-
Employee Benefits	266,269.70	122,633.72	436,423.63	446,352.24	9,928.61
<b>Salaries &amp; Benefits Total</b>	<b>1,362,676.76</b>	<b>702,257.37</b>	<b>1,721,873.54</b>	<b>1,800,707.04</b>	<b>78,833.50</b>
<b>Materials &amp; Supplies</b>					
Operating Supplies	-	3,815.03	-	-	-
Printing	513.57	-	9,999.96	9,999.96	-
Postage	137.78	456.98	999.96	1,250.04	250.08
Permits, Licenses and Fees	55,309.83	36,073.46	72,500.01	80,550.00	8,049.99
Office Supplies	3,864.73	981.12	5,499.96	6,000.00	500.04
<b>Materials &amp; Supplies Total</b>	<b>59,825.91</b>	<b>41,326.59</b>	<b>88,999.89</b>	<b>97,800.00</b>	<b>8,800.11</b>
<b>Professional Services</b>					
Rep & Maint IRWD	-	-	-	-	-
Legal Fees	2,004,585.21	498,357.44	2,764,999.92	2,895,000.12	130,000.20
Personnel Training	543,703.93	293,763.28	611,499.99	638,999.97	27,499.98
Other Professional Fees	905,526.39	414,495.83	1,097,500.11	1,160,139.96	62,639.85
Directors' Fees	155,409.00	83,412.00	219,000.00	229,800.00	10,800.00
<b>Professional Services Total</b>	<b>3,609,224.53</b>	<b>1,290,028.55</b>	<b>4,693,000.02</b>	<b>4,923,940.05</b>	<b>230,940.03</b>
<b>Other Expense</b>					
Election Expense	60,000.00	85,000.02	174,999.96	174,999.96	-
Mileage Reimbursement	319.16	395.32	1,250.04	1,500.00	249.96
<b>Other Expense Total</b>	<b>60,319.16</b>	<b>85,395.34</b>	<b>176,250.00</b>	<b>176,499.96</b>	<b>249.96</b>
<b>Grand Total</b>	<b>5,092,046.36</b>	<b>2,119,007.85</b>	<b>6,680,123.45</b>	<b>6,998,947.05</b>	<b>318,823.60</b>



# COMMUNICATIONS

## OPERATING BUDGET SUMMARY

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### Program Description

The Strategic Communications and Advocacy Department, which is within the General Manager's Office, is responsible for the District's communications, advocacy, community relations and legal services. The Communications division of that department is responsible for communicating accurate and timely information about Irvine Ranch Water District services, projects, activities and programs, and for promoting the District's water use efficiency initiatives. Communications uses multiple platforms, including websites, print, social media, video, personal contact, education programs, publications, and tours.

The IRWD communication program serves the District and its customers by:

- Creating and maintaining credibility and public trust;
- Increasing customer awareness of the services IRWD provides;
- Promoting the District's value, activities and events of significance;
- Conveying accurate, timely information to the public on sensitive and controversial issues; and
- Promoting transparency and easy-to-access information.

### Major Goals

#### WATER EFFICIENCY OUTREACH

- Develop and implement an overarching message to educate customers about water efficiency;
- Reach customers about the beauty of water-efficient landscape and IRWD rebates;
- Implement the Yardtopia™ Initiative, a multi-year initiative to teach and inspire customers to transform their backyards into useful, water-efficient living space;
- Develop and promote videos to educate customers;
- Promote water efficiency events;
- Educate the public about the value of recycled water and storage reservoirs;
- Provide students in the IRWD service area with learning opportunities regarding water supply, water reliability, tap water, and water use efficiency programs. Promote water education programs to schools in the IRWD service area;
- Conduct outreach to customers who regularly exceed their monthly water budget; and
- Teach customers how to save water and money by understanding their water bill.



# COMMUNICATIONS

## OPERATING BUDGET SUMMARY

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### CUSTOMER OUTREACH

- Conduct tours and programs to educate customers;
- Through transparency and education, assure customers of the quality of IRWD water;
- Develop educational displays for District facilities;
- Complete a full redesign and update of IRWD.com to better serve customer needs;
- Reach a diverse audience of customers by expanding use of video and multiple languages;
- Continue to create, update and refine multi-pronged social media outreach channels to inform IRWD customers, the media, business partners, IRWD employees and other government entities;
- Enhance public trust by promoting customer service and answering customer questions;
- Enhance communications with customers regarding construction and maintenance projects;
- Provide enhanced customer outreach initiatives based on customer feedback programs.

### INTERNAL COMMUNICATIONS

- Improve employee communication by developing videos and maximizing the District's intranet and other tools.



**Irvine Ranch Water District**  
**Consolidated Operating Expense Budget for FY 2025-26**  
**Administration: 120 - Communications**

Expense Group	FY 2023-24	FY 2024-25	FY 2024-25	FY 2025-26	Increase &
Expense Name	Actual	Actual thru 12/31/24	Budget	Budget	(Decrease)
<b>Salaries &amp; Benefits</b>					
Regular Labor	669,343.85	321,280.43	830,600.00	833,016.74	2,416.74
Overtime Labor	19,084.64	13,963.50	-	25,000.08	25,000.08
Contract Labor	-	283.19	-	-	-
Employee Benefits	132,372.40	65,054.17	487,790.00	282,742.64	(205,047.36)
<b>Salaries &amp; Benefits Total</b>	<b>820,800.89</b>	<b>400,581.29</b>	<b>1,318,390.00</b>	<b>1,140,759.46</b>	<b>(177,630.54)</b>
<b>Materials &amp; Supplies</b>					
Operating Supplies	13.25	20.88	400.00	-	(400.00)
Printing	79,753.54	15,477.17	65,000.00	73,400.04	8,400.04
Postage	-	-	200.00	200.04	0.04
Office Supplies	4,169.17	1,743.12	5,000.00	5,000.04	0.04
Equipment Rental	-	-	4,000.00	3,999.96	(0.04)
<b>Materials &amp; Supplies Total</b>	<b>83,935.96</b>	<b>17,241.17</b>	<b>74,600.00</b>	<b>82,600.08</b>	<b>8,000.08</b>
<b>Professional Services</b>					
Rep & Maint IRWD	3,968.40	378.61	4,400.00	-	(4,400.00)
Personnel Training	6,400.34	1,817.71	17,100.00	21,450.00	4,350.00
Other Professional Fees	1,539,990.89	409,935.86	1,727,100.00	1,686,750.12	(40,349.88)
<b>Professional Services Total</b>	<b>1,550,359.63</b>	<b>412,132.18</b>	<b>1,748,600.00</b>	<b>1,708,200.12</b>	<b>(40,399.88)</b>
<b>Other Expense</b>					
Mileage Reimbursement	695.66	762.44	-	1,500.00	1,500.00
<b>Other Expense Total</b>	<b>695.66</b>	<b>762.44</b>	<b>-</b>	<b>1,500.00</b>	<b>1,500.00</b>
<b>Grand Total</b>	<b>2,455,792.14</b>	<b>830,717.08</b>	<b>3,141,590.00</b>	<b>2,933,059.66</b>	<b>(208,530.34)</b>

**Irvine Ranch Water District**  
**Consolidated Operating Expense Budget for FY 2026-27**  
**Administration: 120 - Communications**

Expense Group	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	Increase &
Expense Name	Actual	Actual thru 12/31/24	Budget	Budget	(Decrease)
<b>Salaries &amp; Benefits</b>					
Regular Labor	669,343.85	321,280.43	833,016.74	904,391.88	71,375.14
Overtime Labor	19,084.64	13,963.50	25,000.08	25,000.08	-
Contract Labor	-	283.19	-	-	-
Employee Benefits	132,372.40	65,054.17	282,742.64	297,705.84	14,963.20
<b>Salaries &amp; Benefits Total</b>	<b>820,800.89</b>	<b>400,581.29</b>	<b>1,140,759.46</b>	<b>1,227,097.80</b>	<b>86,338.34</b>
<b>Materials &amp; Supplies</b>					
Operating Supplies	13.25	20.88	-	-	-
Printing	79,753.54	15,477.17	73,400.04	73,899.96	499.92
Postage	-	-	200.04	200.04	-
Office Supplies	4,169.17	1,743.12	5,000.04	5,000.04	-
Equipment Rental	-	-	3,999.96	3,999.96	-
<b>Materials &amp; Supplies Total</b>	<b>83,935.96</b>	<b>17,241.17</b>	<b>82,600.08</b>	<b>83,100.00</b>	<b>499.92</b>
<b>Professional Services</b>					
Rep & Maint IRWD	3,968.40	378.61	-	-	-
Personnel Training	6,400.34	1,817.71	21,450.00	22,365.96	915.96
Other Professional Fees	1,539,990.89	409,935.86	1,686,750.12	1,691,000.03	4,249.91
<b>Professional Services Total</b>	<b>1,550,359.63</b>	<b>412,132.18</b>	<b>1,708,200.12</b>	<b>1,713,365.99</b>	<b>5,165.87</b>
<b>Other Expense</b>					
Mileage Reimbursement	695.66	762.44	1,500.00	1,750.08	250.08
<b>Other Expense Total</b>	<b>695.66</b>	<b>762.44</b>	<b>1,500.00</b>	<b>1,750.08</b>	<b>250.08</b>
<b>Grand Total</b>	<b>2,455,792.14</b>	<b>830,717.08</b>	<b>2,933,059.66</b>	<b>3,025,313.87</b>	<b>92,254.21</b>



# **HUMAN RESOURCES**

## **OPERATING BUDGET SUMMARY**

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### **Program Description**

The Human Resources function provides comprehensive organizational development and personnel management services to maximize the potential of the District's human resources and overall employee efficiency, effectiveness, and satisfaction. The Human Resources Department is responsible for attracting and recruiting a highly qualified workforce and working with management to attract, develop and sustain a motivated, productive organization.

Human Resources ensures the delivery of a competitive compensation and benefits package, continuous improvement through employee training, and an ongoing employee reward and recognition program tied to achieving stated goals and objectives. The Department also manages employee leaves and the accommodation process; provides guidance to staff; oversees the DMV pull notice and drug and alcohol testing programs, equal employment opportunity program reporting; and ensures compliance with State and Federal employment mandates. The Department is responsible for employee and labor relations, which includes contract negotiations, interpretation, and implementation of the Memoranda of Understanding (MOUs), policies, procedures, and guidelines. Human Resources also acquires and maintains insurance for the District and oversees contract administration, risk management claims, and the workers' compensation program.

### **Major Goals**

#### **HUMAN RESOURCES**

- Partner with management to assess the training and development needs of IRWD employees;
- Engage with other Orange County public agencies, and pursue other workforce development efforts to ensure a continued supply of highly skilled labor; and
- Evaluate District Policies and Procedures.

#### **CONTRACT ADMINISTRATION/RISK MANAGEMENT/INSURANCE**

- Ensure the District has adequate insurance to safeguard assets appropriately;
- Manage the personal injury, workers' compensation, and property claims and coordinate legal matters in a timely manner; and
- Assist with contract administration ensuring adequate insurance coverage language is incorporated into contracts to protect the District's interests.

**Irvine Ranch Water District**  
**Consolidated Operating Expense Budget for FY 2025-26**  
**Administration: 140 - Human Resources**

Expense Group	FY 2023-24	FY 2024-25	FY 2024-25	FY 2025-26	Increase &
Expense Name	Actual	Actual thru 12/31/24	Budget	Budget	(Decrease)
<b>Salaries &amp; Benefits</b>					
Regular Labor	1,161,598.37	632,288.46	1,096,900.00	1,519,255.31	422,355.31
Overtime Labor	1,191.14	-	15,000.00	-	(15,000.00)
Contract Labor	52,606.67	-	85,000.00	84,999.96	(0.04)
Employee Benefits	25,189,124.21	14,804,108.96	6,129,844.00	14,122,009.99	7,992,165.99
<b>Salaries &amp; Benefits Total</b>	<b>26,404,520.39</b>	<b>15,436,397.42</b>	<b>7,326,744.00</b>	<b>15,726,265.26</b>	<b>8,399,521.26</b>
<b>Materials &amp; Supplies</b>					
Operating Supplies	809.85	-	-	-	-
Postage	859.74	462.30	800.00	999.96	199.96
Office Supplies	2,283.90	1,784.67	6,000.00	8,000.04	2,000.04
<b>Materials &amp; Supplies Total</b>	<b>3,953.49</b>	<b>2,246.97</b>	<b>6,800.00</b>	<b>9,000.00</b>	<b>2,200.00</b>
<b>Professional Services</b>					
Rep & Maint IRWD	-	-	-	5,000.04	5,000.04
Insurance	153,357.71	51,181.32	-	5,251,000.08	5,251,000.08
Legal Fees	394,966.75	13,165.00	-	-	-
Personnel Training	417,515.46	153,691.44	533,000.00	614,009.88	81,009.88
Personnel Physicals	20,343.37	15,508.80	40,000.00	39,999.96	(0.04)
Other Professional Fees	433,333.97	370,564.28	517,500.00	807,000.00	289,500.00
<b>Professional Services Total</b>	<b>1,419,517.26</b>	<b>604,110.84</b>	<b>1,090,500.00</b>	<b>6,717,009.96</b>	<b>5,626,509.96</b>
<b>Other Expense</b>					
Mileage Reimbursement	690.07	32.68	-	-	-
Other Expense	191,026.00	57,924.78	220,000.00	240,000.00	20,000.00
<b>Other Expense Total</b>	<b>191,716.07</b>	<b>57,957.46</b>	<b>220,000.00</b>	<b>240,000.00</b>	<b>20,000.00</b>
<b>Grand Total</b>	<b>28,019,707.21</b>	<b>16,100,712.69</b>	<b>8,644,044.00</b>	<b>22,692,275.22</b>	<b>14,048,231.22</b>

**Irvine Ranch Water District**  
**Consolidated Operating Expense Budget for FY 2026-27**  
**Administration: 140 - Human Resources**

Expense Group	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	Increase &
Expense Name	Actual	Actual thru 12/31/24	Budget	Budget	(Decrease)
<b>Salaries &amp; Benefits</b>					
Regular Labor	1,161,598.37	632,288.46	1,519,255.31	1,600,726.92	81,471.61
Overtime Labor	1,191.14	-	-	-	-
Contract Labor	52,606.67	-	84,999.96	84,999.96	-
Employee Benefits	25,189,124.21	14,804,108.96	14,122,009.99	15,423,997.32	1,301,987.33
<b>Salaries &amp; Benefits Total</b>	<b>26,404,520.39</b>	<b>15,436,397.42</b>	<b>15,726,265.26</b>	<b>17,109,724.20</b>	<b>1,383,458.94</b>
<b>Materials &amp; Supplies</b>					
Operating Supplies	809.85	-	-	-	-
Postage	859.74	462.30	999.96	1,200.00	200.04
Office Supplies	2,283.90	1,784.67	8,000.04	9,999.96	1,999.92
<b>Materials &amp; Supplies Total</b>	<b>3,953.49</b>	<b>2,246.97</b>	<b>9,000.00</b>	<b>11,199.96</b>	<b>2,199.96</b>
<b>Professional Services</b>					
Rep & Maint IRWD	-	-	5,000.04	5,000.04	-
Insurance	153,357.71	51,181.32	5,251,000.08	6,224,300.16	973,300.08
Legal Fees	394,966.75	13,165.00	-	-	-
Personnel Training	417,515.46	153,691.44	614,009.88	691,010.04	77,000.16
Personnel Physicals	20,343.37	15,508.80	39,999.96	39,999.96	-
Other Professional Fees	433,333.97	370,564.28	807,000.00	1,190,000.04	383,000.04
<b>Professional Services Total</b>	<b>1,419,517.26</b>	<b>604,110.84</b>	<b>6,717,009.96</b>	<b>8,150,310.24</b>	<b>1,433,300.28</b>
<b>Other Expense</b>					
Mileage Reimbursement	690.07	32.68	-	-	-
Other Expense	191,026.00	57,924.78	240,000.00	260,000.04	20,000.04
<b>Other Expense Total</b>	<b>191,716.07</b>	<b>57,957.46</b>	<b>240,000.00</b>	<b>260,000.04</b>	<b>20,000.04</b>
<b>Grand Total</b>	<b>28,019,707.21</b>	<b>16,100,712.69</b>	<b>22,692,275.22</b>	<b>25,531,234.44</b>	<b>2,838,959.22</b>

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# FINANCE AND ADMINISTRATION

## OPERATING BUDGET SUMMARY

### Program Description

The Finance Department is responsible for ensuring the financial and rate stability of the District. This includes developing rates and fees that support the long-term sustainability of the District. Finance maintains the official accounting records of the Irvine Ranch Water District and provides financial management of the District's income and real estate investments, new and existing debt issues, and deferred compensation and Pension/Post Employment (OPEB) Benefit Trust plans. The department provides a wide range of accounting and financial services including payroll, accounts payable, accounts receivable, project accounting, financial analysis, financial reporting, coordination of the District's biennial operating budget and preparation of the Annual Comprehensive Financial Report (ACFR).

The mission of the Finance Department is to safeguard assets and provide financial and accounting services in a timely, reliable, and cost-effective manner that meet the requirements of the District's internal and external customers.

### Major Goals

#### ACCOUNTING AND BUDGETING

- Prepare and submit accurate financial reports and relevant tax returns to federal, state, county and district agencies within established legal deadlines and requirements;
- Prepare and submit accurate and timely financial reports to the Finance and Personnel Committee and the District's Board of Directors;
- Coordinate the District's annual financial statement audit;
- Prepare the annual ACFR;
- Prepare the Operating Budgets for Board of Director approval including setting adequate rates to ensure long-term financial strength and stability;
- Ensure user rates are proportional with costs of service and support the current rate structure;
- Lead customer noticing effort for Proposition 218 compliance (operating budget, rates and charges);
- Ensure all payments and payroll checks are accurate and timely;
- Transition vendors to electronic payments as appropriate; and,
- Identify and implement enhanced financial reporting and business intelligence capabilities.

#### LONG-TERM FINANCIAL PLANNING

- Continue to refine and update the cash flow strategic model to ensure sufficient funding for future capital needs;
- Provide analytical support and analysis to Finance, other departments and outside constituents as requested; and,
- Provide financial modeling for acquisition, financing, construction of major projects and other projects as requested.



# **FINANCE AND ADMINISTRATION**

## **OPERATING BUDGET SUMMARY**

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### **INVESTMENTS AND CASH MANAGEMENT**

- Invest District funds in a prudent and professional manner that will provide maximum security of principal, sufficient liquidity to meet working capital requirements and an optimal rate of return;
- Prepare accurate investment reports and the annual investment policy for the Board of Directors and other interested parties within established time frames; and,
- Maintain and enhance short and long-term cash flow models and cash management practices.

### **REAL ESTATE**

- Monitor and report on the performance of all real estate investment assets;
- Manage leasing and related property management activities for all District commercial and residential real estate investments;
- Evaluate development and disposition opportunities of other District properties;
- Assist with acquisition and agricultural leasing activities related to water supply reliability properties; and,
- Resolve outstanding deed, access and other contractual restrictions related to real property.

### **DEBT ISSUANCE AND ADMINISTRATION**

- Issue long-term debt to fund capital projects as needed, and evaluate and recommend alternative opportunities for current District debt issues when appropriate;
- Manage District letters of credit supporting variable rate debt; evaluate new credit support opportunities when appropriate;
- Prepare and submit required continuing disclosure materials for District debt issues to appropriate parties;
- Manage variable rate debt portfolio including periodic remarketing, monitoring remarketing agents of District debt and making adjustments as appropriate; and,
- Execute, manage and report on interest rate swap positions and transactions as appropriate.

### **PENSION/DEFERRED COMPENSATION**

- Maintain and invest Pension Benefits and OPEB Trust assets and report portfolio performance and recommendations to the Retirement Board;
- Evaluate and monitor Trust Advisor performance; recommend changes in advisory services as appropriate; review additional opportunities to optimize Pension and OPEB Benefits Trust performance; and,
- Oversee investment performance, reporting and employee education activities related to the District's deferred compensation plans.





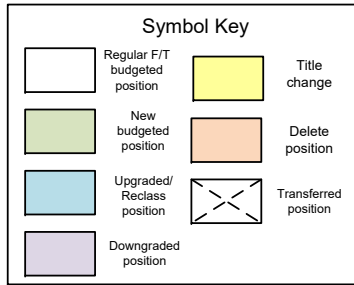
# **FINANCE AND ADMINISTRATION**

## **OPERATING BUDGET SUMMARY**

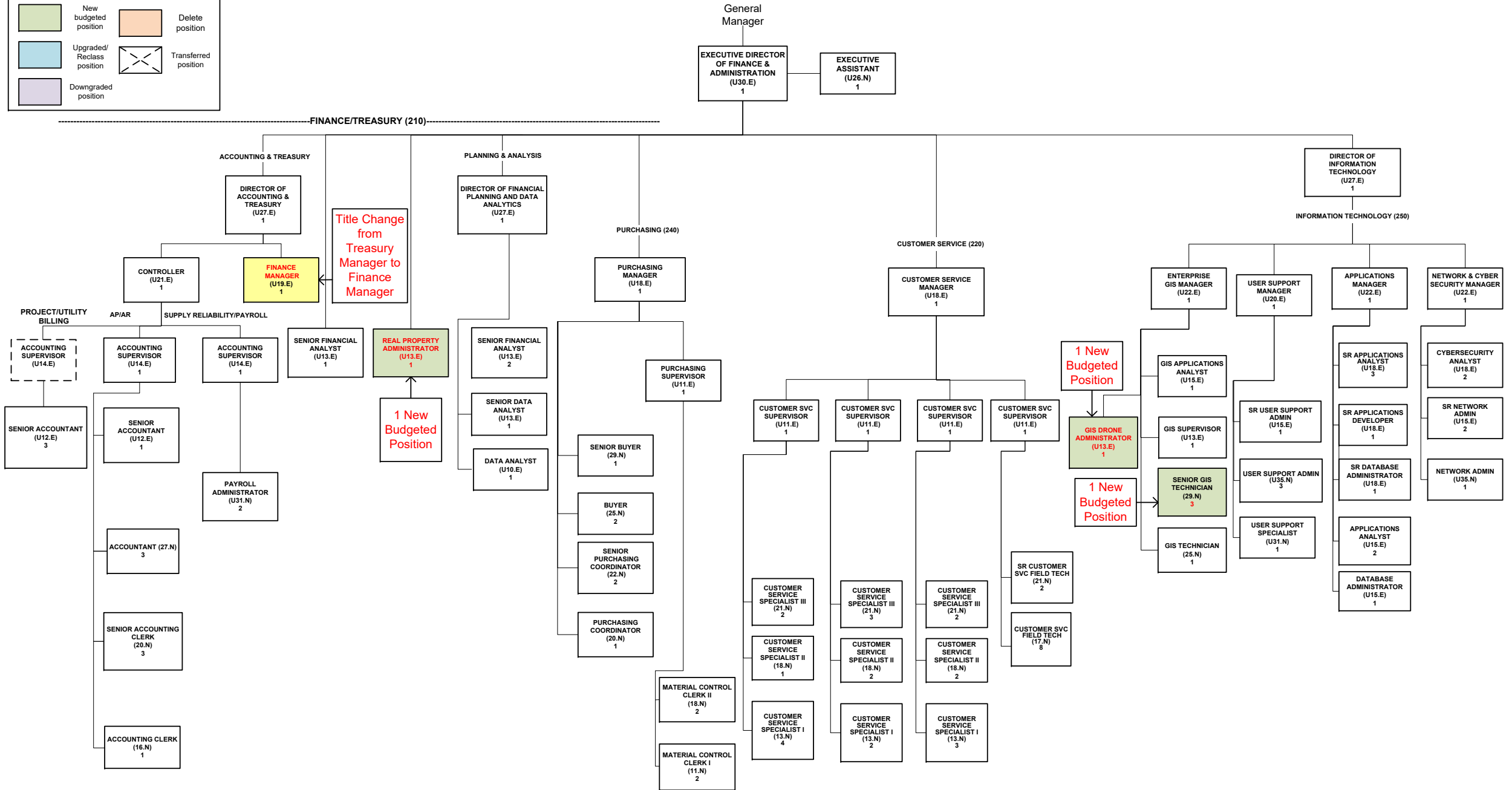
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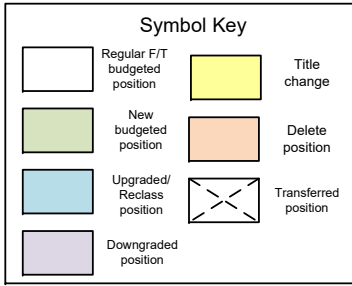
### PURCHASING

- Purchase materials, supplies and services in a timely manner with appropriate consideration given to quality and best pricing;
- Process all material/service requests timely and efficiently;
- Optimize Maximo system; maintain appropriate warehouse inventory and review/adjust slow moving inventory;
- Streamline business procurement processes and documentation while ensuring appropriate controls on all warehouses;
- Assist with facilitating the design and construction of warehouse expansion space;
- Provide ongoing customer support for procurement and inventory systems; and,
- Evaluate and expand participation in cooperative purchasing agreements as appropriate.

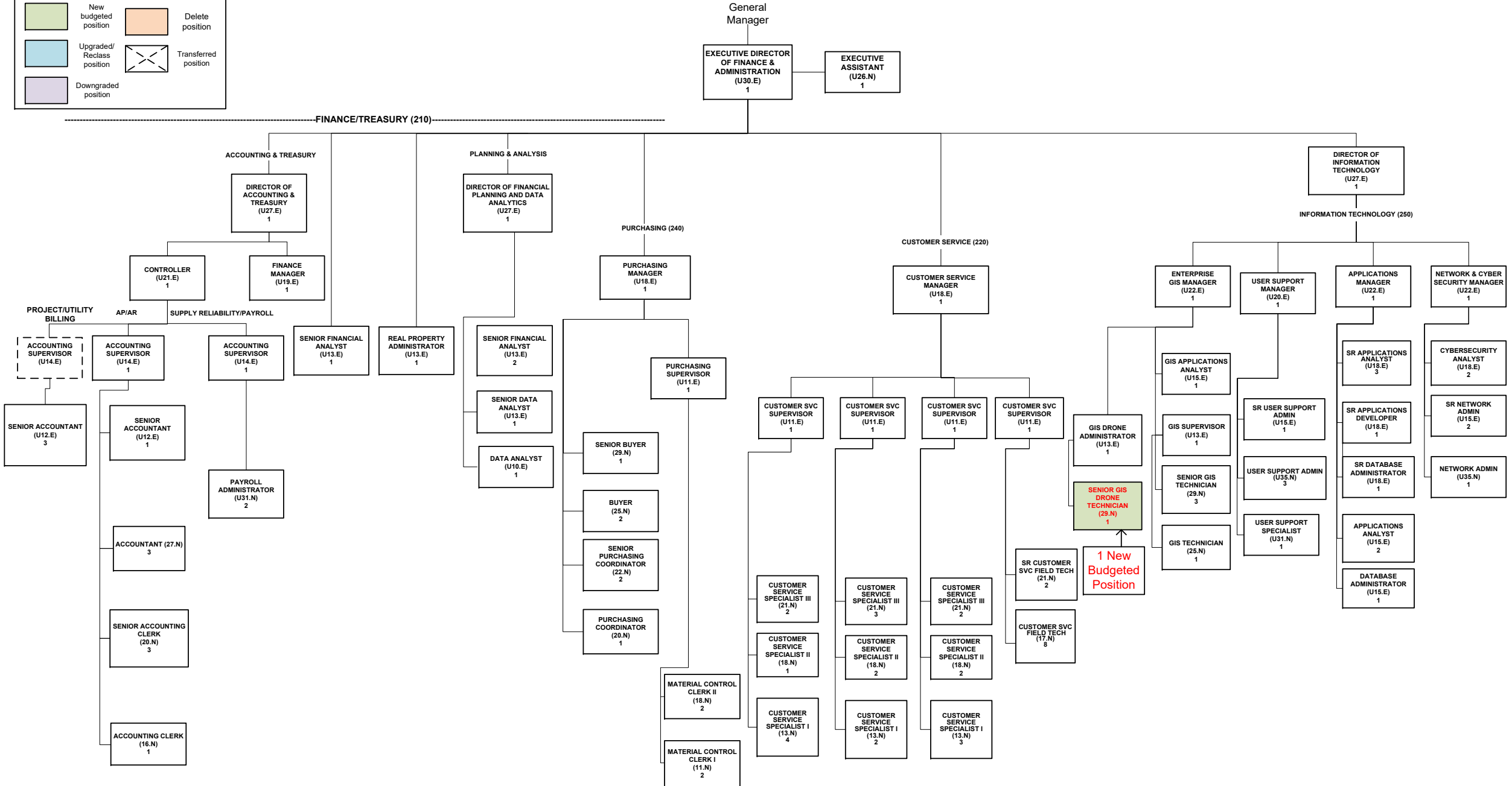


**IRVINE RANCH WATER DISTRICT  
FINANCE AND ADMINISTRATION  
FISCAL YEAR 2025-26**





**IRVINE RANCH WATER DISTRICT  
FINANCE AND ADMINISTRATION  
FISCAL YEAR 2026-27**



**1 New Budgeted Position**

**Irvine Ranch Water District**  
**Consolidated Operating Expense Budget for FY 2025-26**  
**Finance and Administration: 210 - Finance and Treasury**

Expense Group	FY 2023-24	FY 2024-25	FY 2024-25	FY 2025-26	Increase &
Expense Name	Actual	Actual thru 12/31/24	Budget	Budget	(Decrease)
<b>Salaries &amp; Benefits</b>					
Regular Labor	2,569,247.99	1,248,737.91	3,133,700.00	3,554,645.87	420,945.87
Overtime Labor	17,889.43	10,751.58	4,000.00	3,999.96	(0.04)
Contract Labor	320,498.45	246,068.92	27,500.00	157,500.00	130,000.00
Employee Benefits	376,681.26	190,188.31	1,855,540.00	1,209,774.21	(645,765.79)
<b>Salaries &amp; Benefits Total</b>	<b>3,284,317.13</b>	<b>1,695,746.72</b>	<b>5,020,740.00</b>	<b>4,925,920.04</b>	<b>(94,819.96)</b>
<b>Materials &amp; Supplies</b>					
Operating Supplies	12,916.35	2,586.24	42,200.00	1,500.00	(40,700.00)
Printing	44,048.94	-	48,000.00	3,999.96	(44,000.04)
Postage	33,397.53	3,133.49	31,800.00	7,200.00	(24,600.00)
Permits, Licenses and Fees	1,257.00	-	2,000.00	2,000.04	0.04
Office Supplies	2,211.23	393.22	3,000.00	2,499.96	(500.04)
<b>Materials &amp; Supplies Total</b>	<b>93,831.05</b>	<b>6,112.95</b>	<b>127,000.00</b>	<b>17,199.96</b>	<b>(109,800.04)</b>
<b>Professional Services</b>					
Insurance	2,801,212.09	938,976.17	3,697,500.00	-	(3,697,500.00)
Legal Fees	-	8,541.50	-	8,499.96	8,499.96
Accounting Fees	95,591.04	63,550.04	127,000.00	105,000.00	(22,000.00)
Data Processing	69,233.00	5,778.00	82,400.00	12,000.00	(70,400.00)
Personnel Training	54,463.52	4,772.95	56,980.00	51,499.92	(5,480.08)
Other Professional Fees	97,220.98	120,852.44	200,600.00	255,200.04	54,600.04
<b>Professional Services Total</b>	<b>3,117,720.63</b>	<b>1,142,471.10</b>	<b>4,164,480.00</b>	<b>432,199.92</b>	<b>(3,732,280.08)</b>
<b>Other Expense</b>					
Safety	356.00	-	-	-	-
Alarm and Patrol Services	917,391.87	505,305.62	-	-	-
Collection Fees	-	-	10,000.00	9,999.96	(0.04)
Mileage Reimbursement	82.11	99.23	-	-	-
<b>Other Expense Total</b>	<b>917,829.98</b>	<b>505,404.85</b>	<b>10,000.00</b>	<b>9,999.96</b>	<b>(0.04)</b>
<b>Grand Total</b>	<b>7,413,698.79</b>	<b>3,349,735.62</b>	<b>9,322,220.00</b>	<b>5,385,319.88</b>	<b>(3,936,900.12)</b>

**Irvine Ranch Water District**  
**Consolidated Operating Expense Budget for FY 2026-27**  
**Finance and Administration: 210 - Finance and Treasury**

Expense Group	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	Increase &
Expense Name	Actual	Actual thru 12/31/24	Budget	Budget	(Decrease)
<b>Salaries &amp; Benefits</b>					
Regular Labor	2,569,247.99	1,248,737.91	3,554,645.87	3,745,267.56	190,621.69
Overtime Labor	17,889.43	10,751.58	3,999.96	3,999.96	-
Contract Labor	320,498.45	246,068.92	157,500.00	47,499.96	(110,000.04)
Employee Benefits	376,681.26	190,188.31	1,209,774.21	1,237,367.52	27,593.31
<b>Salaries &amp; Benefits Total</b>	<b>3,284,317.13</b>	<b>1,695,746.72</b>	<b>4,925,920.04</b>	<b>5,034,135.00</b>	<b>108,214.96</b>
<b>Materials &amp; Supplies</b>					
Operating Supplies	12,916.35	2,586.24	1,500.00	1,599.96	99.96
Printing	44,048.94	-	3,999.96	48,000.00	44,000.04
Postage	33,397.53	3,133.49	7,200.00	32,000.04	24,800.04
Permits, Licenses and Fees	1,257.00	-	2,000.04	2,000.04	-
Office Supplies	2,211.23	393.22	2,499.96	2,499.96	-
<b>Materials &amp; Supplies Total</b>	<b>93,831.05</b>	<b>6,112.95</b>	<b>17,199.96</b>	<b>86,100.00</b>	<b>68,900.04</b>
<b>Professional Services</b>					
Insurance	2,801,212.09	938,976.17	-	-	-
Legal Fees	-	8,541.50	8,499.96	8,499.96	-
Accounting Fees	95,591.04	63,550.04	105,000.00	110,000.04	5,000.04
Data Processing	69,233.00	5,778.00	12,000.00	12,000.00	-
Personnel Training	54,463.52	4,772.95	51,499.92	51,999.96	500.04
Other Professional Fees	97,220.98	120,852.44	255,200.04	228,699.84	(26,500.20)
<b>Professional Services Total</b>	<b>3,117,720.63</b>	<b>1,142,471.10</b>	<b>432,199.92</b>	<b>411,199.80</b>	<b>(21,000.12)</b>
<b>Other Expense</b>					
Safety	356.00	-	-	-	-
Alarm and Patrol Services	917,391.87	505,305.62	-	-	-
Collection Fees	-	-	9,999.96	9,999.96	-
Mileage Reimbursement	82.11	99.23	-	-	-
<b>Other Expense Total</b>	<b>917,829.98</b>	<b>505,404.85</b>	<b>9,999.96</b>	<b>9,999.96</b>	<b>-</b>
<b>Grand Total</b>	<b>7,413,698.79</b>	<b>3,349,735.62</b>	<b>5,385,319.88</b>	<b>5,541,434.76</b>	<b>156,114.88</b>

**Irvine Ranch Water District**  
**Consolidated Operating Expense Budget for FY 2025-26**  
**Finance and Administration: 240 - Purchasing**

Expense Group	FY 2023-24	FY 2024-25	FY 2024-25	FY 2025-26	Increase &
Expense Name	Actual	Actual thru 12/31/24	Budget	Budget	(Decrease)
<b>Salaries &amp; Benefits</b>					
Regular Labor	957,006.42	489,566.43	1,159,200.00	1,153,522.69	(5,677.31)
Overtime Labor	82,378.69	36,769.14	67,000.00	51,999.96	(15,000.04)
Contract Labor	-	16,511.25	-	-	-
Employee Benefits	133,862.44	58,710.72	671,330.00	401,301.03	(270,028.97)
<b>Salaries &amp; Benefits Total</b>	<b>1,173,247.55</b>	<b>601,557.54</b>	<b>1,897,530.00</b>	<b>1,606,823.68</b>	<b>(290,706.32)</b>
<b>Materials &amp; Supplies</b>					
Operating Supplies	902,437.18	108,611.67	250,000.00	249,996.00	(4.00)
Printing	6,786.80	2,817.25	13,000.00	12,996.00	(4.00)
Postage	3,827.12	2,860.40	10,000.00	9,996.00	(4.00)
Office Supplies	6,110.06	4,197.63	12,000.00	12,000.00	-
Duplicating Equipment	44,861.54	56,864.06	125,000.00	125,004.00	4.00
Equipment Rental	26,201.20	7,771.80	30,000.00	30,000.00	-
<b>Materials &amp; Supplies Total</b>	<b>990,223.90</b>	<b>183,122.81</b>	<b>440,000.00</b>	<b>439,992.00</b>	<b>(8.00)</b>
<b>Professional Services</b>					
Rep & Maint IRWD	33.29	-	-	-	-
Personnel Training	8,167.65	34.40	15,500.00	15,498.00	(2.00)
Other Professional Fees	2.78	-	2,000.00	2,004.00	4.00
<b>Professional Services Total</b>	<b>8,203.72</b>	<b>34.40</b>	<b>17,500.00</b>	<b>17,502.00</b>	<b>2.00</b>
<b>Other Expense</b>					
Mileage Reimbursement	1,483.94	957.03	-	-	-
<b>Other Expense Total</b>	<b>1,483.94</b>	<b>957.03</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>2,173,159.11</b>	<b>785,671.78</b>	<b>2,355,030.00</b>	<b>2,064,317.68</b>	<b>(290,712.32)</b>

**Irvine Ranch Water District**  
**Consolidated Operating Expense Budget for FY 2026-27**  
**Finance and Administration: 240 - Purchasing**

Expense Group	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	Increase &
Expense Name	Actual	Actual thru 12/31/24	Budget	Budget	(Decrease)
<b>Salaries &amp; Benefits</b>					
Regular Labor	957,006.42	489,566.43	1,153,522.69	1,215,381.48	61,858.79
Overtime Labor	82,378.69	36,769.14	51,999.96	54,000.00	2,000.04
Contract Labor	-	16,511.25	-	-	-
Employee Benefits	133,862.44	58,710.72	401,301.03	411,221.16	9,920.13
<b>Salaries &amp; Benefits Total</b>	<b>1,173,247.55</b>	<b>601,557.54</b>	<b>1,606,823.68</b>	<b>1,680,602.64</b>	<b>73,778.96</b>
<b>Materials &amp; Supplies</b>					
Operating Supplies	902,437.18	108,611.67	249,996.00	249,996.00	-
Printing	6,786.80	2,817.25	12,996.00	12,996.00	-
Postage	3,827.12	2,860.40	9,996.00	9,996.00	-
Office Supplies	6,110.06	4,197.63	12,000.00	12,000.00	-
Duplicating Equipment	44,861.54	56,864.06	125,004.00	125,004.00	-
Equipment Rental	26,201.20	7,771.80	30,000.00	30,000.00	-
<b>Materials &amp; Supplies Total</b>	<b>990,223.90</b>	<b>183,122.81</b>	<b>439,992.00</b>	<b>439,992.00</b>	<b>-</b>
<b>Professional Services</b>					
Rep & Maint IRWD	33.29	-	-	-	-
Personnel Training	8,167.65	34.40	15,498.00	15,498.00	-
Other Professional Fees	2.78	-	2,004.00	2,004.00	-
<b>Professional Services Total</b>	<b>8,203.72</b>	<b>34.40</b>	<b>17,502.00</b>	<b>17,502.00</b>	<b>-</b>
<b>Other Expense</b>					
Mileage Reimbursement	1,483.94	957.03	-	-	-
<b>Other Expense Total</b>	<b>1,483.94</b>	<b>957.03</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>2,173,159.11</b>	<b>785,671.78</b>	<b>2,064,317.68</b>	<b>2,138,096.64</b>	<b>73,778.96</b>

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# **CUSTOMER SERVICE**

## **OPERATING BUDGET SUMMARY**

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### **Program Description**

The mission of the Customer Service Department is to provide exceptional customer satisfaction by providing reliable, courteous and efficient service. The Customer Service Department provides utility billing, account support, meter readings and mail distribution services.

### **Major Goals**

- Deliver exceptional customer service both internally and externally;
- Coordinate and process all meter reads to ensure accurate billing;
- Provide customers with an accurate bill that is easy to read;
- Review and resolve billing inquiries and adjustments in a timely manner including education of customers on water budgets;
- Receive and process all orders for new service and discontinuation of service;
- Enhance customer communication and payment options through an improved customer web access portal;
- Process new meter applications;
- Process payments for temporary construction meters, fire flow tests, and customer water bills;
- Process variance requests for additional water budgets;
- Respond to field problems (leaks, no water complaints, high/low pressure, water quality, sewer problems, line breaks, etc.) with a sense of urgency;
- Manage delinquent customer accounts and perform shut-offs as required;
- Distribute customer satisfaction surveys and maintain 90% customer satisfaction;
- Remain compliant with all State, Local and Federal laws pertaining to utility billing;
- Ensure that customers have an accurate understanding of the IRWD rate structure;
- Maintain accurate customer data to ensure timely billing and notification;
- Support all District staff through accurate and efficient mail processing and delivery; and
- Provide Receptionist support to all incoming callers.

**Irvine Ranch Water District**  
**Consolidated Operating Expense Budget for FY 2025-26**  
**Finance and Administration: 220 - Customer Service**

Expense Group	FY 2023-24	FY 2024-25	FY 2024-25	FY 2025-26	Increase &
Expense Name	Actual	Actual thru 12/31/24	Budget	Budget	(Decrease)
<b>Salaries &amp; Benefits</b>					
Regular Labor	2,408,221.32	1,296,914.38	2,903,200.00	3,255,643.09	352,443.09
Overtime Labor	118,294.01	81,664.41	66,000.00	65,000.04	(999.96)
Contract Labor	51,960.25	40,448.53	102,000.00	-	(102,000.00)
Employee Benefits	196,248.39	105,424.47	1,659,270.00	1,134,231.72	(525,038.28)
<b>Salaries &amp; Benefits Total</b>	<b>2,774,723.97</b>	<b>1,524,451.79</b>	<b>4,730,470.00</b>	<b>4,454,874.85</b>	<b>(275,595.15)</b>
<b>Materials &amp; Supplies</b>					
Operating Supplies	16,214.44	3,202.01	-	8,000.04	8,000.04
Printing	247,475.03	119,459.21	272,000.00	282,999.96	10,999.96
Postage	471,732.60	236,718.73	478,000.00	471,999.96	(6,000.04)
Office Supplies	7,866.60	6,025.58	8,500.00	6,999.96	(1,500.04)
Equipment Rental	11,491.19	4,594.17	13,600.00	8,600.04	(4,999.96)
<b>Materials &amp; Supplies Total</b>	<b>754,779.86</b>	<b>369,999.70</b>	<b>772,100.00</b>	<b>778,599.96</b>	<b>6,499.96</b>
<b>Professional Services</b>					
Rep & Maint IRWD	11,825.11	5,774.30	-	-	-
Personnel Training	12,945.45	2,447.26	12,500.00	13,500.00	1,000.00
Other Professional Fees	752,671.86	442,821.27	794,000.00	122,799.96	(671,200.04)
<b>Professional Services Total</b>	<b>777,442.42</b>	<b>451,042.83</b>	<b>806,500.00</b>	<b>136,299.96</b>	<b>(670,200.04)</b>
<b>Other Expense</b>					
Safety	461.26	-	-	-	-
Contract Meter Reading	1,511,551.78	813,441.47	1,660,000.00	1,764,999.96	104,999.96
Conservation	-	-	0.08	-	(0.08)
Collection Fees	1,925.00	875.00	2,300.00	2,100.00	(200.00)
Mileage Reimbursement	1,713.06	2,344.05	-	-	-
<b>Other Expense Total</b>	<b>1,515,651.10</b>	<b>816,660.52</b>	<b>1,662,300.08</b>	<b>1,767,099.96</b>	<b>104,799.88</b>
<b>Grand Total</b>	<b>5,822,597.35</b>	<b>3,162,154.84</b>	<b>7,971,370.08</b>	<b>7,136,874.73</b>	<b>(834,495.35)</b>

**Irvine Ranch Water District**  
**Consolidated Operating Expense Budget for FY 2026-27**  
**Finance and Administration: 220 - Customer Service**

Expense Group	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	Increase &
Expense Name	Actual	Actual thru 12/31/24	Budget	Budget	(Decrease)
<b>Salaries &amp; Benefits</b>					
Regular Labor	2,408,221.32	1,296,914.38	3,255,643.09	3,430,230.36	174,587.27
Overtime Labor	118,294.01	81,664.41	65,000.04	65,000.04	-
Contract Labor	51,960.25	40,448.53	-	-	-
Employee Benefits	196,248.39	105,424.47	1,134,231.72	1,162,452.00	28,220.28
<b>Salaries &amp; Benefits Total</b>	<b>2,774,723.97</b>	<b>1,524,451.79</b>	<b>4,454,874.85</b>	<b>4,657,682.40</b>	<b>202,807.55</b>
<b>Materials &amp; Supplies</b>					
Operating Supplies	16,214.44	3,202.01	8,000.04	5,000.04	(3,000.00)
Printing	247,475.03	119,459.21	282,999.96	282,999.96	-
Postage	471,732.60	236,718.73	471,999.96	480,000.00	8,000.04
Office Supplies	7,866.60	6,025.58	6,999.96	7,200.00	200.04
Equipment Rental	11,491.19	4,594.17	8,600.04	8,600.04	-
<b>Materials &amp; Supplies Total</b>	<b>754,779.86</b>	<b>369,999.70</b>	<b>778,599.96</b>	<b>783,800.04</b>	<b>5,200.08</b>
<b>Professional Services</b>					
Rep & Maint IRWD	11,825.11	5,774.30	-	-	-
Personnel Training	12,945.45	2,447.26	13,500.00	15,000.00	1,500.00
Other Professional Fees	752,671.86	442,821.27	122,799.96	122,900.04	100.08
<b>Professional Services Total</b>	<b>777,442.42</b>	<b>451,042.83</b>	<b>136,299.96</b>	<b>137,900.04</b>	<b>1,600.08</b>
<b>Other Expense</b>					
Safety	461.26	-	-	-	-
Contract Meter Reading	1,511,551.78	813,441.47	1,764,999.96	1,769,000.04	4,000.08
Conservation	-	-	-	-	-
Collection Fees	1,925.00	875.00	2,100.00	2,100.00	-
Mileage Reimbursement	1,713.06	2,344.05	-	-	-
<b>Other Expense Total</b>	<b>1,515,651.10</b>	<b>816,660.52</b>	<b>1,767,099.96</b>	<b>1,771,100.04</b>	<b>4,000.08</b>
<b>Grand Total</b>	<b>5,822,597.35</b>	<b>3,162,154.84</b>	<b>7,136,874.73</b>	<b>7,350,482.52</b>	<b>213,607.79</b>

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# INFORMATION TECHNOLOGY

## OPERATING BUDGET SUMMARY

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### Program Description

The mission of the Information Technology Department is to research, develop, integrate and operate reliable, secure, innovative and cost-effective information systems that enable the District to achieve its current and future business requirements and provide a high level of customer satisfaction. The Information Technology Department provides implementation, management and support for the District's information systems, cybersecurity program, and voice and data communications systems.

### Major Goals

- Implement, manage and maintain IRWD's IT Strategic Plan;
- Facilitate IT Governance for IT activities across the District;
- Provide values-driven, professional and timely IT services to all District staff;
- Ensure District IT assets, including network, applications and data, are maintained to current cybersecurity standards;
- Provide software products and related user support and training for District staff that enable greater productivity;
- Provide IT staff with technical training and development opportunities to improve skills and services;
- Provide a reliable and secure network of servers, personal computers, mobile devices, printers and software applications that improve District efficiencies;
- Provide reliable and secure voice, data and wireless communications services;
- Provide technologies for external customers, including bill presentment and payment;
- Pursue and implement appropriate transitions to cloud, innovative and forward-looking technologies;
- Complete scheduled hardware and software upgrades to District servers, personal computers, mobile devices, printers, network equipment and software applications;
- Conduct annual cybersecurity tabletop exercise to test and improve cyber incident response;
- Evaluate and select modern Enterprise Resource Planning (ERP) and Customer Information System (CIS) software systems that better support IRWD's current and future needs;
- Redesign and upgrade the core network for improved performance, resilience, and security;
- Expand Geographic Information System (GIS) use and benefits across the District;
- Monitor industry trends and collaborate with external partners for best practices and opportunities for improved system related technologies.

**Irvine Ranch Water District**  
**Consolidated Operating Expense Budget for FY 2025-26**  
**Finance and Administration: 250 - Information Technology**

Expense Group	FY 2023-24	FY 2024-25	FY 2024-25	FY 2025-26	Increase &
Expense Name	Actual	Actual thru 12/31/24	Budget	Budget	(Decrease)
<b>Salaries &amp; Benefits</b>					
Regular Labor	2,249,151.45	1,226,704.33	2,757,500.00	3,429,112.78	671,612.78
Overtime Labor	16,241.28	10,082.43	20,000.00	20,000.04	0.04
Contract Labor	130,673.00	50,685.00	44,000.00	147,999.96	103,999.96
Employee Benefits	341,335.50	180,039.30	1,562,830.00	1,165,711.62	(397,118.38)
<b>Salaries &amp; Benefits Total</b>	<b>2,737,401.23</b>	<b>1,467,511.06</b>	<b>4,384,330.00</b>	<b>4,762,824.40</b>	<b>378,494.40</b>
<b>Purchased Water &amp; Utilities</b>					
Telecommunication	821,581.23	373,042.89	832,000.00	853,560.00	21,560.00
<b>Purchased Water &amp; Utilities Total</b>	<b>821,581.23</b>	<b>373,042.89</b>	<b>832,000.00</b>	<b>853,560.00</b>	<b>21,560.00</b>
<b>Materials &amp; Supplies</b>					
Operating Supplies	3,129.82	62.06	5,000.00	-	(5,000.00)
Postage	46.23	-	-	-	-
Office Supplies	38.14	-	1,000.00	500.04	(499.96)
<b>Materials &amp; Supplies Total</b>	<b>3,214.19</b>	<b>62.06</b>	<b>6,000.00</b>	<b>500.04</b>	<b>(5,499.96)</b>
<b>Professional Services</b>					
Rep & Maint IRWD	300,838.87	106,206.74	410,000.00	54,921.00	(355,079.00)
Data Processing	4,405,263.51	2,416,261.40	4,394,000.00	5,617,154.04	1,223,154.04
Personnel Training	30,504.79	8,294.84	70,000.00	82,635.96	12,635.96
Other Professional Fees	318,289.93	9,742.50	275,000.00	667,400.04	392,400.04
<b>Professional Services Total</b>	<b>5,054,897.10</b>	<b>2,540,505.48</b>	<b>5,149,000.00</b>	<b>6,422,111.04</b>	<b>1,273,111.04</b>
<b>Other Expense</b>					
Computer Backup Storage	5,665.16	-	-	-	-
Mileage Reimbursement	7.37	-	-	-	-
<b>Other Expense Total</b>	<b>5,672.53</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>8,622,766.28</b>	<b>4,381,121.49</b>	<b>10,371,330.00</b>	<b>12,038,995.48</b>	<b>1,667,665.48</b>

**Irvine Ranch Water District**  
**Consolidated Operating Expense Budget for FY 2026-27**  
**Finance and Administration: 250 - Information Technology**

Expense Group	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	Increase &
Expense Name	Actual	Actual thru 12/31/24	Budget	Budget	(Decrease)
<b>Salaries &amp; Benefits</b>					
Regular Labor	2,249,151.45	1,226,704.33	3,429,112.78	3,695,079.52	265,966.74
Overtime Labor	16,241.28	10,082.43	20,000.04	20,000.04	-
Contract Labor	130,673.00	50,685.00	147,999.96	147,999.96	-
Employee Benefits	341,335.50	180,039.30	1,165,711.62	1,218,532.44	52,820.82
<b>Salaries &amp; Benefits Total</b>	<b>2,737,401.23</b>	<b>1,467,511.06</b>	<b>4,762,824.40</b>	<b>5,081,611.96</b>	<b>318,787.56</b>
<b>Purchased Water &amp; Utilities</b>					
Telecommunication	821,581.23	373,042.89	853,560.00	860,959.92	7,399.92
<b>Purchased Water &amp; Utilities Total</b>	<b>821,581.23</b>	<b>373,042.89</b>	<b>853,560.00</b>	<b>860,959.92</b>	<b>7,399.92</b>
<b>Materials &amp; Supplies</b>					
Operating Supplies	3,129.82	62.06	-	-	-
Postage	46.23	-	-	-	-
Office Supplies	38.14	-	500.04	500.04	-
<b>Materials &amp; Supplies Total</b>	<b>3,214.19</b>	<b>62.06</b>	<b>500.04</b>	<b>500.04</b>	<b>-</b>
<b>Professional Services</b>					
Rep & Maint IRWD	300,838.87	106,206.74	54,921.00	55,776.00	855.00
Data Processing	4,405,263.51	2,416,261.40	5,617,154.04	5,363,655.00	(253,499.04)
Personnel Training	30,504.79	8,294.84	82,635.96	82,947.96	312.00
Other Professional Fees	318,289.93	9,742.50	667,400.04	659,004.96	(8,395.08)
<b>Professional Services Total</b>	<b>5,054,897.10</b>	<b>2,540,505.48</b>	<b>6,422,111.04</b>	<b>6,161,383.92</b>	<b>(260,727.12)</b>
<b>Other Expense</b>					
Computer Backup Storage	5,665.16	-	-	-	-
Mileage Reimbursement	7.37	-	-	-	-
<b>Other Expense Total</b>	<b>5,672.53</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>8,622,766.28</b>	<b>4,381,121.49</b>	<b>12,038,995.48</b>	<b>12,104,455.84</b>	<b>65,460.36</b>

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# ENGINEERING

## OPERATING BUDGET SUMMARY

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### Program Description

The Engineering Department provides planning, design and construction coordination to develop, and maintain, the water, sewage and recycled water facilities necessary to provide the highest level of service to the customers of the District. The Engineering Department also provides technical support to other District departments.

**Treatment and Conveyance:** The Treatment and Conveyance group designs and manages construction of major water, sewage and recycled water treatment and transmission facilities necessary to provide the quality and reliability of service to existing and future customers of the District. The group is responsible for the expansion and improvement of water and sewage treatment facilities and the design and construction of wells, pipelines, pump stations, and sewage lift stations.

**Infrastructure Planning:** The Infrastructure Planning group of the Department is responsible for all master planning, Capital Improvement Program asset management, and the biennial Capital Budget and Long-Term Capital Programs. The Planning group also oversees water, sewage and recycled water demand projections, water supply planning, and preliminary facility planning studies for developing new, and refurbishing existing, facilities. The group is also responsible for managing the District's real property and rights of way.

**Development Services:** The Development Services group facilitates the land development process within the District by designing the water, sewage and recycled water facilities necessary to support land development. The construction of these facilities is coordinated to ensure that the facilities are available to meet development schedule requirements. Temporary and interim facilities, when necessary, are also coordinated through this group. The group also reviews developer submittals for quality and conformance with District requirements and assesses and collects appropriate fees.

**Inspection Services:** The Inspection Services group provides construction inspection services to other groups of the Engineering Department to ensure the highest level of constructed quality. These services include constructability review, pre-construction administration, progress payment processing, field inspection, change order evaluation and processing, and final acceptance coordination. The group is also responsible for coordinating specialized construction support services including surveying and geotechnical testing and inspection.

**Operations Support and Pipelines:** The Operations Support and Pipelines group is responsible for providing engineering support to other District departments. The group generally focuses on the rehabilitation of existing District facilities and provides design and construction management of small to medium size water, sewage and recycled water facilities.



# ENGINEERING

## OPERATING BUDGET SUMMARY

Dams and Storage: The Dams and Storage group is responsible for overseeing the District's dam safety program and ensuring compliance with the state's dam safety requirements. The group also manages the design and construction of dam improvements and storage facilities. The storage facilities mainly consist of the recycled water and domestic water tanks located throughout the District.

### Major Goals

#### TREATMENT AND CONVEYANCE

- MWRP Phase 3 Expansion design;
- Wells 51 and 52 Wellhead Equipping and Offsite Pipelines design;
- San Joaquin Recycled Water Reservoir Filtration construction;
- MWRP Solids Handling Improvements design;
- Coastal Zone 2 and Coastal Zone 4 Pump Stations Rehabilitation construction; and
- Sewer Siphons Phase II Improvements construction.

#### INFRASTRUCTURE PLANNING

- Implement Capital Improvement Program Asset Management processes and procedures for linear assets;
- Complete detailed condition assessments and prioritize the next five years of repair and replacement projects for pump stations, steel tanks, wells, and lift stations;
- Integrate the Replacement Planning Model with the Financial and Engineering programs; and
- Provide Interagency technical support.

#### DEVELOPMENT SERVICES

- Heritage Fields Infrastructure design and construction;
- Orchard Hills Infrastructure construction;
- Orange Heights Infrastructure design and construction; and
- Tustin Legacy Infrastructure design and construction.

#### OPERATIONS SUPPORT AND PIPELINES

- Santiago Canyon Area Pump Stations Improvements construction;
- Operations Center CNG, Diesel and Gasoline Fueling Facility construction;
- MWRP Tertiary Treatment Facility Rehabilitation construction;
- Operations Center Warehouse Expansion construction;
- Dyer Road Wellfield Facilities Rehabilitation design and construction;
- Lake Forest Woods Sewer Improvements construction; and
- Pipeline replacement projects design and construction.



Irvine Ranch  
Water District

# **ENGINEERING**

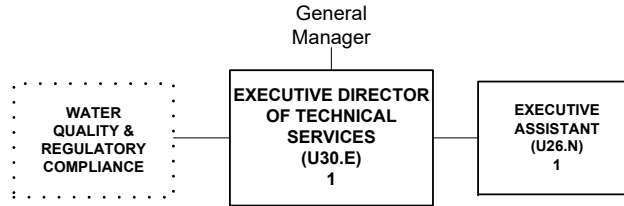
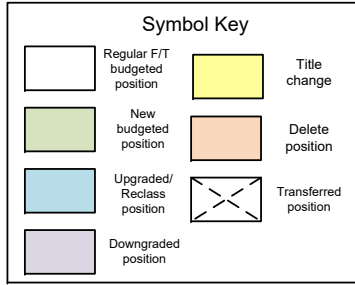
## **OPERATING BUDGET SUMMARY**

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### DAMS AND STORAGE

- Syphon Reservoir Improvements design and construction;
- Santiago Creek Dam Improvements design;
- Fleming Zone 8 Reservoir and Zone 8 to 9 Pump Station construction;
- Emergency Fuel Storage construction;
- Rattlesnake Dam Rehabilitation evaluation;
- Sand Canyon Dam Spillway Condition Assessment;
- Dam Instrumentation & Data Acquisition Upgrades design and construction; and
- Harding Canyon Dam Rehabilitation evaluation.

**IRVINE RANCH WATER DISTRICT  
TECHNICAL SERVICES  
FISCAL YEAR 2025-26**



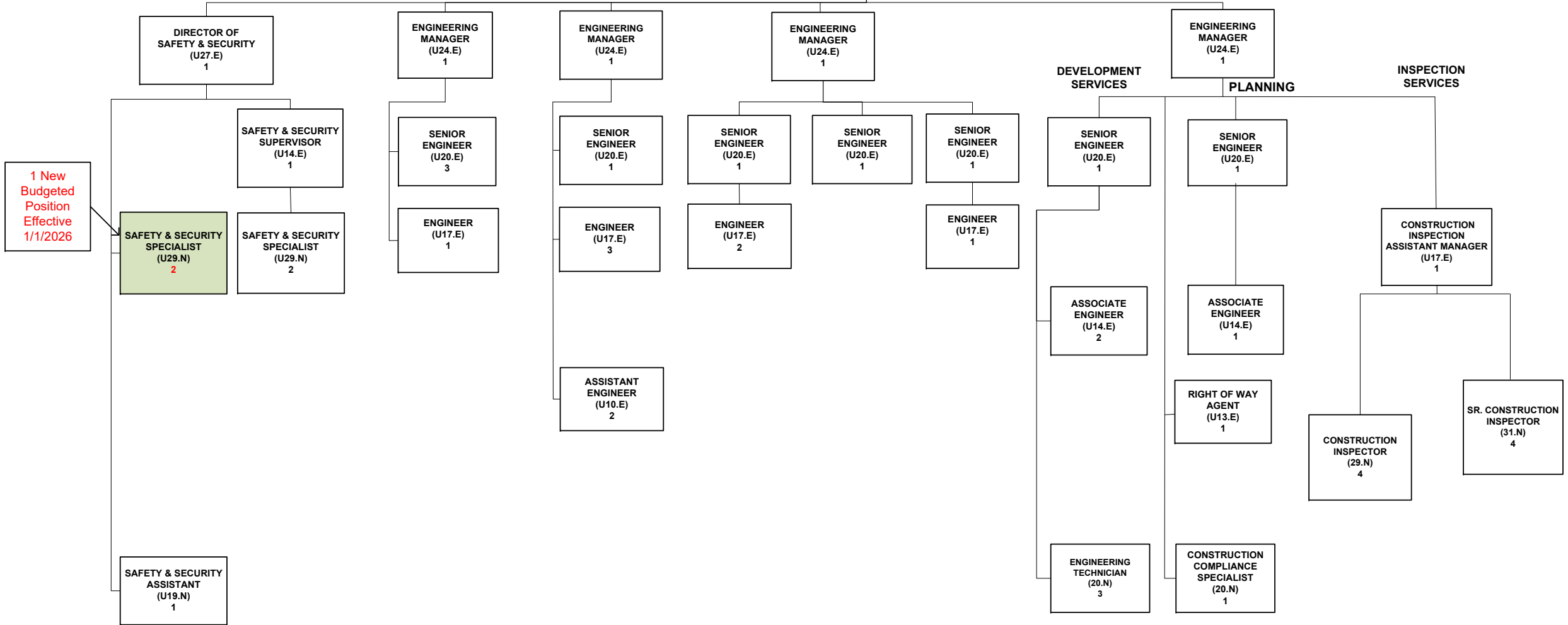
**SAFETY (130)**

**TREATMENT & CONVEYANCE**

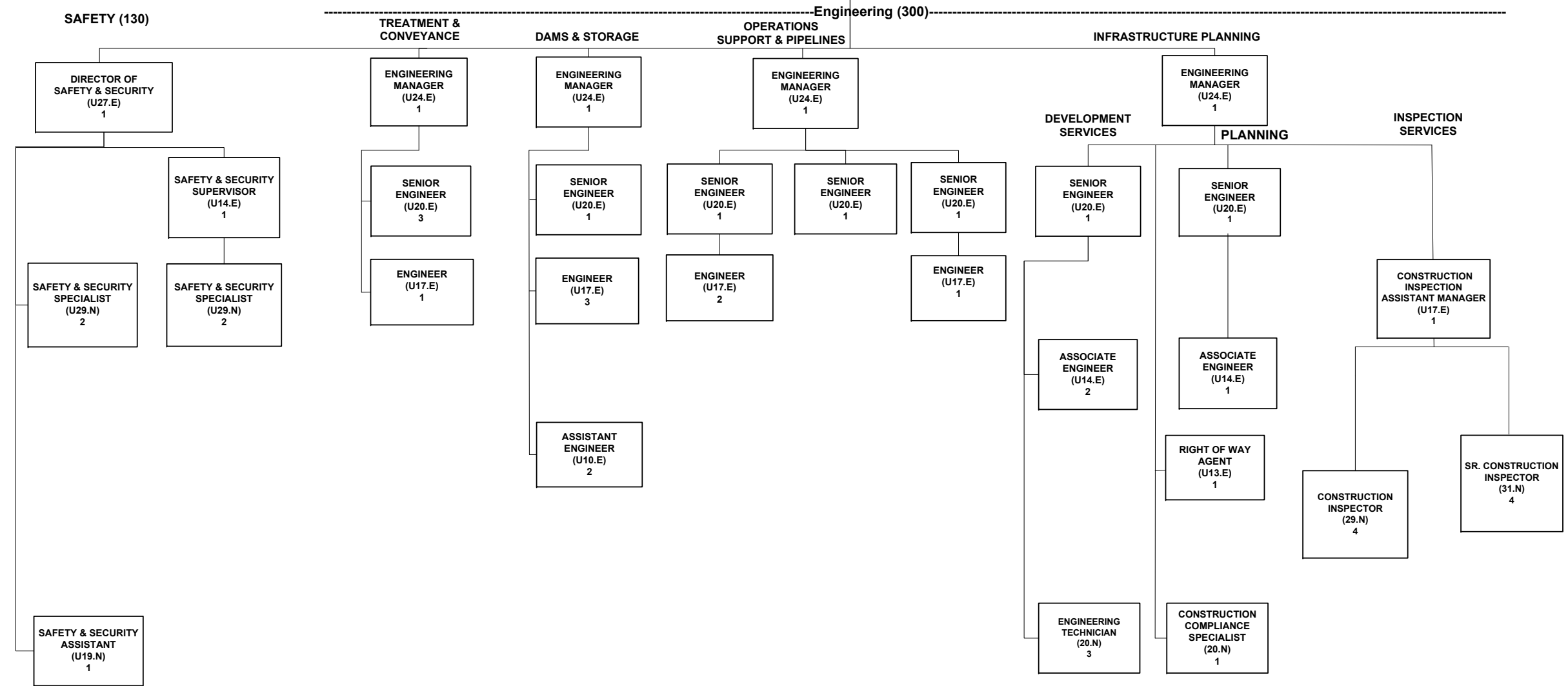
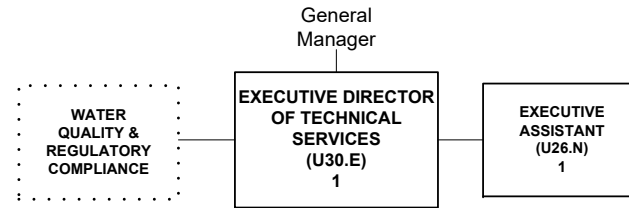
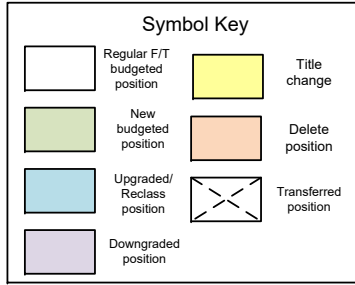
**DAMS & STORAGE**

**OPERATIONS SUPPORT & PIPELINES**

**INFRASTRUCTURE PLANNING**



**IRVINE RANCH WATER DISTRICT  
TECHNICAL SERVICES  
FISCAL YEAR 2026-27**



**Irvine Ranch Water District**  
**Consolidated Operating Expense Budget for FY 2025-26**  
**Technical Services: 300 - Engineering**

Expense Group	FY 2023-24	FY 2024-25	FY 2024-25	FY 2025-26	Increase &
Expense Name	Actual	Actual thru 12/31/24	Budget	Budget	(Decrease)
<b>Salaries &amp; Benefits</b>					
Regular Labor	5,158,597.57	2,516,056.42	6,011,300.00	6,295,494.20	284,194.20
Overtime Labor	153,294.50	57,140.39	140,000.00	129,999.96	(10,000.04)
Contract Labor	157,027.56	128,400.39	253,000.00	195,000.12	(57,999.88)
Employee Benefits	875,077.96	411,654.14	3,533,660.00	2,153,794.19	(1,379,865.81)
<b>Salaries &amp; Benefits Total</b>	<b>6,343,997.59</b>	<b>3,113,251.34</b>	<b>9,937,960.00</b>	<b>8,774,288.47</b>	<b>(1,163,671.53)</b>
<b>Materials &amp; Supplies</b>					
Operating Supplies	7,896.84	6,556.08	5,800.00	10,000.08	4,200.08
Printing	10,875.10	4,255.25	6,200.00	7,500.00	1,300.00
Postage	1,278.42	829.98	2,000.00	1,500.00	(500.00)
Permits, Licenses and Fees	-	-	2,000.00	2,000.04	0.04
Office Supplies	7,409.16	7,890.76	4,000.00	15,000.00	11,000.00
<b>Materials &amp; Supplies Total</b>	<b>27,459.52</b>	<b>19,532.07</b>	<b>20,000.00</b>	<b>36,000.12</b>	<b>16,000.12</b>
<b>Professional Services</b>					
Rep & Maint IRWD	-	256.34	-	-	-
Engineering Fees	234,577.46	77,341.79	399,000.00	344,500.08	(54,499.92)
Personnel Training	15,305.06	7,304.07	24,400.00	23,899.91	(500.09)
Other Professional Fees	6,715.92	983.84	7,000.00	7,000.08	0.08
<b>Professional Services Total</b>	<b>256,598.44</b>	<b>85,886.04</b>	<b>430,400.00</b>	<b>375,400.07</b>	<b>(54,999.93)</b>
<b>Other Expense</b>					
Mileage Reimbursement	389.18	225.73	-	-	-
<b>Other Expense Total</b>	<b>389.18</b>	<b>225.73</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>6,628,444.73</b>	<b>3,218,895.18</b>	<b>10,388,360.00</b>	<b>9,185,688.66</b>	<b>(1,202,671.34)</b>

**Irvine Ranch Water District**  
**Consolidated Operating Expense Budget for FY 2026-27**  
**Technical Services: 300 - Engineering**

Expense Group	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	Increase &
Expense Name	Actual	Actual thru 12/31/24	Budget	Budget	(Decrease)
<b>Salaries &amp; Benefits</b>					
Regular Labor	5,158,597.57	2,516,056.42	6,295,494.20	6,635,568.66	340,074.46
Overtime Labor	153,294.50	57,140.39	129,999.96	129,999.96	-
Contract Labor	157,027.56	128,400.39	195,000.12	195,000.12	-
Employee Benefits	875,077.96	411,654.14	2,153,794.19	2,204,715.81	50,921.62
<b>Salaries &amp; Benefits Total</b>	<b>6,343,997.59</b>	<b>3,113,251.34</b>	<b>8,774,288.47</b>	<b>9,165,284.55</b>	<b>390,996.08</b>
<b>Materials &amp; Supplies</b>					
Operating Supplies	7,896.84	6,556.08	10,000.08	10,000.08	-
Printing	10,875.10	4,255.25	7,500.00	7,500.00	-
Postage	1,278.42	829.98	1,500.00	1,500.00	-
Permits, Licenses and Fees	-	-	2,000.04	2,000.04	-
Office Supplies	7,409.16	7,890.76	15,000.00	15,000.00	-
<b>Materials &amp; Supplies Total</b>	<b>27,459.52</b>	<b>19,532.07</b>	<b>36,000.12</b>	<b>36,000.12</b>	<b>-</b>
<b>Professional Services</b>					
Rep & Maint IRWD	-	256.34	-	-	-
Engineering Fees	234,577.46	77,341.79	344,500.08	346,500.12	2,000.04
Personnel Training	15,305.06	7,304.07	23,899.91	26,899.92	3,000.01
Other Professional Fees	6,715.92	983.84	7,000.08	7,000.08	-
<b>Professional Services Total</b>	<b>256,598.44</b>	<b>85,886.04</b>	<b>375,400.07</b>	<b>380,400.12</b>	<b>5,000.05</b>
<b>Other Expense</b>					
Mileage Reimbursement	389.18	225.73	-	-	-
<b>Other Expense Total</b>	<b>389.18</b>	<b>225.73</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>6,628,444.73</b>	<b>3,218,895.18</b>	<b>9,185,688.66</b>	<b>9,581,684.79</b>	<b>395,996.13</b>

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Irvine Ranch  
Water District

# **SAFETY**

## **OPERATING BUDGET SUMMARY**

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### **Program Description**

The Safety and Security Department is responsible for implementation and administration and coordination of employee safety, security, and emergency preparedness throughout the District. The department administers training, development of written programs and plans, coordinates emergency preparedness efforts, and provides for physical security of district facilities.

### **Major Goals**

- Enhance physical security measures at critical District sites;
- Continue to enhance and provide safety training and learning opportunities for all levels of staff;
- Continue efforts to implement a best-in-class safety program;
- Strengthen the District's ability to respond to emergency situations in a coordinated fashion through continued training and exercises.

**Irvine Ranch Water District**  
**Consolidated Operating Expense Budget for FY 2025-26**  
**Technical Services: 130 - Safety**

Expense Group	FY 2023-24	FY 2024-25	FY 2024-25	FY 2025-26	Increase &
Expense Name	Actual	Actual thru 12/31/24	Budget	Budget	(Decrease)
<b>Salaries &amp; Benefits</b>					
Regular Labor	511,925.68	290,749.81	488,100.00	819,560.00	331,460.00
Overtime Labor	2,285.65	2,500.95	4,000.00	3,999.96	(0.04)
Employee Benefits	61,703.91	37,815.78	271,690.00	281,872.13	10,182.13
<b>Salaries &amp; Benefits Total</b>	<b>575,915.24</b>	<b>331,066.54</b>	<b>763,790.00</b>	<b>1,105,432.09</b>	<b>341,642.09</b>
<b>Materials &amp; Supplies</b>					
Operating Supplies	113,084.08	34,278.05	162,800.00	127,999.92	(34,800.08)
Printing	-	-	8,400.00	-	(8,400.00)
Postage	16.15	56.94	400.00	-	(400.00)
Permits, Licenses and Fees	41,748.60	43,032.02	45,500.00	50,000.04	4,500.04
Office Supplies	29,470.56	11,357.08	38,000.00	22,000.08	(15,999.92)
<b>Materials &amp; Supplies Total</b>	<b>184,319.39</b>	<b>88,724.09</b>	<b>255,100.00</b>	<b>200,000.04</b>	<b>(55,099.96)</b>
<b>Professional Services</b>					
Engineering Fees	12,669.25	435.00	40,000.00	25,000.08	(14,999.92)
Data Processing	5,498.00	-	-	-	-
Personnel Training	157,554.27	55,855.82	207,550.00	161,499.96	(46,050.04)
Personnel Physicals	7,197.00	-	8,900.00	7,500.00	(1,400.00)
Other Professional Fees	196,868.39	468,006.28	289,600.00	545,999.88	256,399.88
<b>Professional Services Total</b>	<b>379,786.91</b>	<b>524,297.10</b>	<b>546,050.00</b>	<b>739,999.92</b>	<b>193,949.92</b>
<b>Other Expense</b>					
Safety	41,753.44	19,696.58	24,600.00	46,599.96	21,999.96
Alarm and Patrol Services	3,144.00	122,037.42	1,139,400.00	1,107,500.04	(31,899.96)
<b>Other Expense Total</b>	<b>44,897.44</b>	<b>141,734.00</b>	<b>1,164,000.00</b>	<b>1,154,100.00</b>	<b>(9,900.00)</b>
<b>Grand Total</b>	<b>1,184,918.98</b>	<b>1,085,821.73</b>	<b>2,728,940.00</b>	<b>3,199,532.05</b>	<b>470,592.05</b>

**Irvine Ranch Water District**  
**Consolidated Operating Expense Budget for FY 2026-27**  
**Technical Services: 130 - Safety**

Expense Group	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	Increase &
Expense Name	Actual	Actual thru 12/31/24	Budget	Budget	(Decrease)
<b>Salaries &amp; Benefits</b>					
Regular Labor	511,925.68	290,749.81	819,560.00	922,255.56	102,695.56
Overtime Labor	2,285.65	2,500.95	3,999.96	3,999.96	-
Employee Benefits	61,703.91	37,815.78	281,872.13	307,416.72	25,544.59
<b>Salaries &amp; Benefits Total</b>	<b>575,915.24</b>	<b>331,066.54</b>	<b>1,105,432.09</b>	<b>1,233,672.24</b>	<b>128,240.15</b>
<b>Materials &amp; Supplies</b>					
Operating Supplies	113,084.08	34,278.05	127,999.92	123,499.80	(4,500.12)
Printing	-	-	-	-	-
Postage	16.15	56.94	-	-	-
Permits, Licenses and Fees	41,748.60	43,032.02	50,000.04	50,000.04	-
Office Supplies	29,470.56	11,357.08	22,000.08	22,000.08	-
<b>Materials &amp; Supplies Total</b>	<b>184,319.39</b>	<b>88,724.09</b>	<b>200,000.04</b>	<b>195,499.92</b>	<b>(4,500.12)</b>
<b>Professional Services</b>					
Engineering Fees	12,669.25	435.00	25,000.08	25,000.08	-
Data Processing	5,498.00	-	-	-	-
Personnel Training	157,554.27	55,855.82	161,499.96	162,000.00	500.04
Personnel Physicals	7,197.00	-	7,500.00	7,500.00	-
Other Professional Fees	196,868.39	468,006.28	545,999.88	361,500.00	(184,499.88)
<b>Professional Services Total</b>	<b>379,786.91</b>	<b>524,297.10</b>	<b>739,999.92</b>	<b>556,000.08</b>	<b>(183,999.84)</b>
<b>Other Expense</b>					
Safety	41,753.44	19,696.58	46,599.96	46,599.96	-
Alarm and Patrol Services	3,144.00	122,037.42	1,107,500.04	1,126,200.00	18,699.96
<b>Other Expense Total</b>	<b>44,897.44</b>	<b>141,734.00</b>	<b>1,154,100.00</b>	<b>1,172,799.96</b>	<b>18,699.96</b>
<b>Grand Total</b>	<b>1,184,918.98</b>	<b>1,085,821.73</b>	<b>3,199,532.05</b>	<b>3,157,972.20</b>	<b>(41,559.85)</b>

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# WATER QUALITY

## OPERATING BUDGET SUMMARY

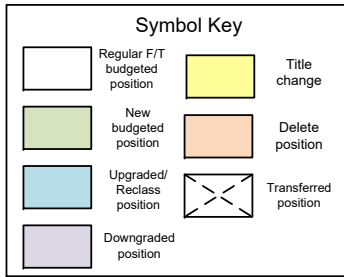
### Program Description

The Water Quality Department is a high throughput laboratory that provides the District with analytical testing capabilities and reporting services to support the operations and maintenance of the domestic and recycled water distribution, sewage collection systems, treatment facilities, and biosolids and energy recovery facilities. The Laboratory is accredited through the State of California's Environmental Laboratory Accreditation Program (ELAP) with a total of thirteen (13) fields of accreditation that include approximately 300 target analytes in various environmental sample matrices. The Laboratory is equipped with state-of-the-art, advanced instrumentation capable of quantitating and reporting target analytes in the low parts per trillion (ppt) range. The Department performs an estimated 250,000 analyses on approximately 45,000 samples annually. The Laboratory's key objectives are to produce high quality, defensible analytical data for regulatory monitoring and reporting, process control, research projects, and capital projects. Staff also manage the laboratory quality management system, Technical Management System (TIMS), laboratory safety, asset management, and preventative maintenance programs.

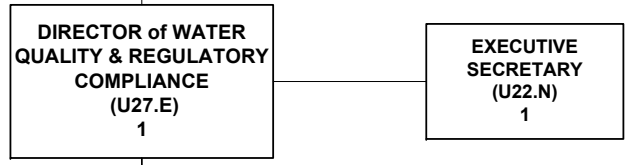
### Major Goals

- Perform accredited laboratory analyses to provide data to document the District's compliance status with all applicable federal, state and local environmental laws and regulations and for process control purposes;
- Complete analyses within specified hold times and meet quality control and quality assurance specifications;
- Research and implement new testing methods where justified, specifically when timing, compliance, cost or efficiencies support bringing a method in-house;
- Maintain Environmental Laboratory Accreditation Program (ELAP) certification;
- Maintain the Laboratory's Quality Management System to comply with national accreditation standards and requirements;
- Implement automation in laboratory processes, data reporting, quality control measures, and reporting programs;
- Manage and administer the District's Technical Information Management System (TIMS) which includes Titan (technical data management), iMobile (field monitoring), and Results Point (data access portal for District staff);
- Participate in associations addressing laboratory issues;
- Oversee the Laboratory Safety Program to ensure a safe work environment within the Water Quality Laboratory;
- Ensure lab assets are tracked and properly maintained for audit purposes.

**IRVINE RANCH WATER DISTRICT  
WATER QUALITY & REGULATORY COMPLIANCE  
FISCAL YEAR 2025-26**



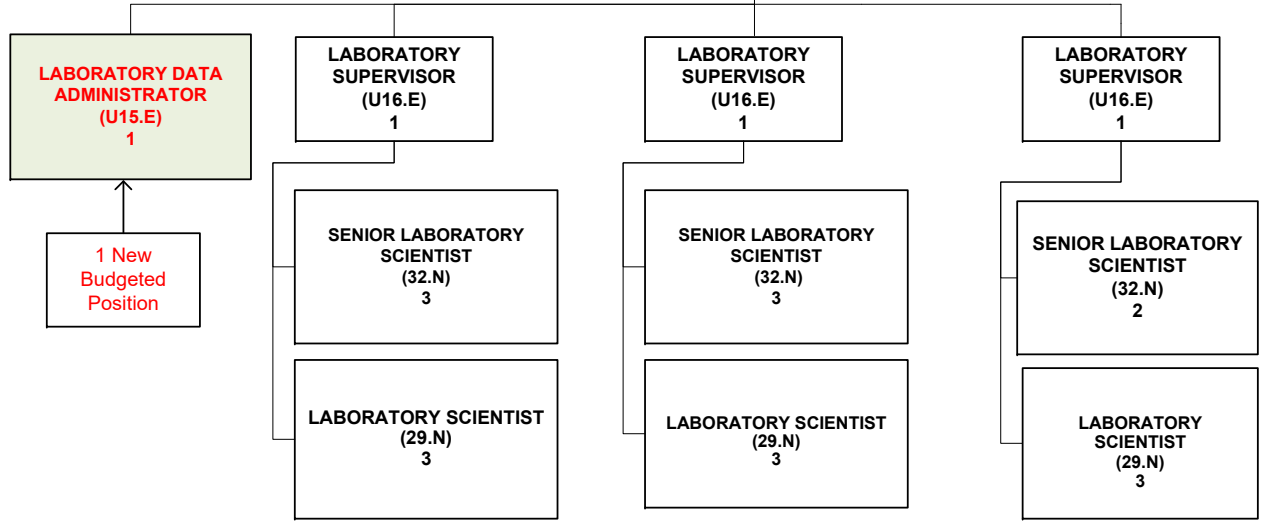
Exec Director of Technical Services



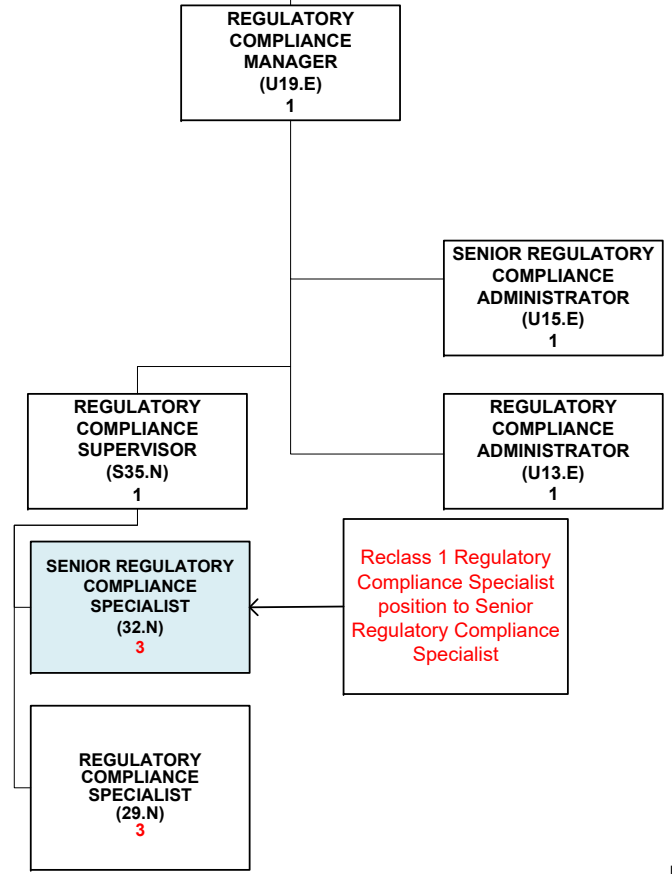
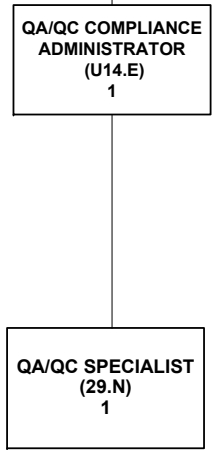
WATER QUALITY (600)      QA/QC COMPLIANCE (600)      REGULATORY COMPLIANCE (650)



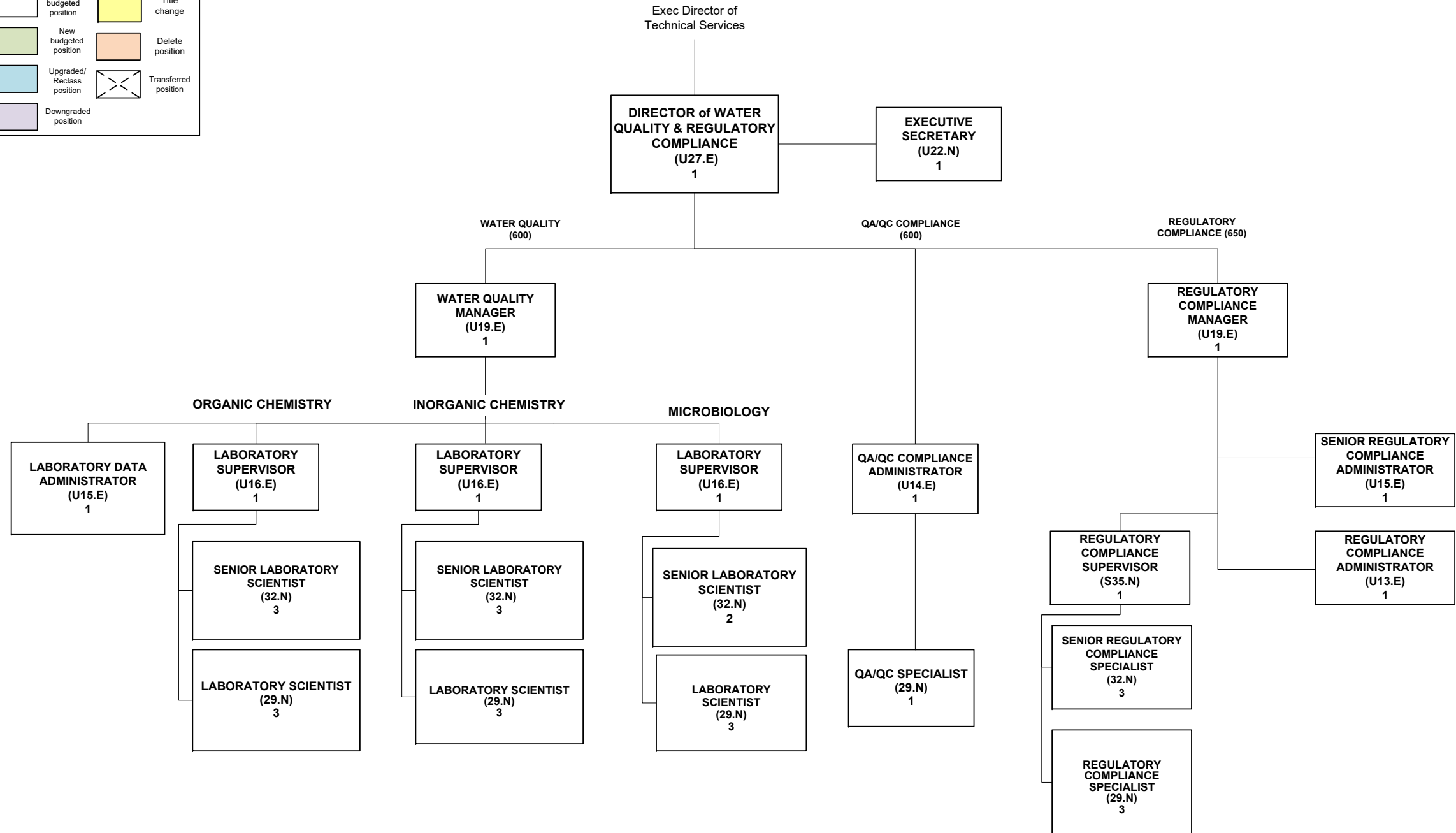
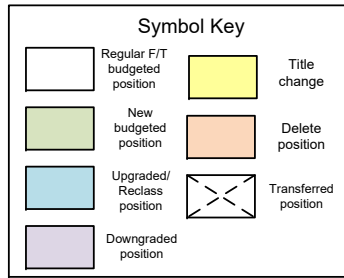
ORGANIC CHEMISTRY      INORGANIC CHEMISTRY      MICROBIOLOGY



1 New Budgeted Position



**IRVINE RANCH WATER DISTRICT  
WATER QUALITY & REGULATORY COMPLIANCE  
FISCAL YEAR 2026-27**



**Irvine Ranch Water District**  
**Consolidated Operating Expense Budget for FY 2025-26**  
**Water Quality and Regulatory Compliance: 600 - Water Quality**

Expense Group	FY 2023-24	FY 2024-25	FY 2024-25	FY 2025-26	Increase &
Expense Name	Actual	Actual thru 12/31/24	Budget	Budget	(Decrease)
<b>Salaries &amp; Benefits</b>					
Regular Labor	2,488,298.58	1,269,369.24	2,802,600.00	3,129,330.64	326,730.64
Overtime Labor	58,996.81	41,884.27	68,300.00	85,300.08	17,000.08
Contract Labor	107,987.74	67,757.82	144,800.00	58,800.00	(86,000.00)
Employee Benefits	285,950.05	136,703.65	1,621,800.00	1,069,927.16	(551,872.84)
<b>Salaries &amp; Benefits Total</b>	<b>2,941,233.18</b>	<b>1,515,714.98</b>	<b>4,637,500.00</b>	<b>4,343,357.88</b>	<b>(294,142.12)</b>
<b>Materials &amp; Supplies</b>					
Operating Supplies	616,538.12	275,883.39	681,560.00	717,400.20	35,840.20
Postage	11,040.83	6,247.18	5,000.00	15,000.00	10,000.00
Permits, Licenses and Fees	14,653.63	17,485.00	28,500.00	30,300.12	1,800.12
Office Supplies	6,526.36	3,636.69	8,000.00	9,000.00	1,000.00
Equipment Rental	560.48	2,500.00	-	6,000.00	6,000.00
<b>Materials &amp; Supplies Total</b>	<b>649,319.42</b>	<b>305,752.26</b>	<b>723,060.00</b>	<b>777,700.32</b>	<b>54,640.32</b>
<b>Professional Services</b>					
Rep & Maint IRWD	497,046.59	259,245.33	428,600.00	496,300.20	67,700.20
Engineering Fees	202,725.71	118,729.87	260,000.00	211,999.80	(48,000.20)
Personnel Training	14,798.15	6,291.96	41,200.00	30,999.96	(10,200.04)
Other Professional Fees	14,337.59	4,115.41	33,800.00	32,000.04	(1,799.96)
<b>Professional Services Total</b>	<b>728,908.04</b>	<b>388,382.57</b>	<b>763,600.00</b>	<b>771,300.00</b>	<b>7,700.00</b>
<b>Other Expense</b>					
Safety	9,879.17	1,392.53	2,400.00	3,600.00	1,200.00
Mileage Reimbursement	454.10	817.23	-	2,000.04	2,000.04
<b>Other Expense Total</b>	<b>10,333.27</b>	<b>2,209.76</b>	<b>2,400.00</b>	<b>5,600.04</b>	<b>3,200.04</b>
<b>Grand Total</b>	<b>4,329,793.91</b>	<b>2,212,059.57</b>	<b>6,126,560.00</b>	<b>5,897,958.24</b>	<b>(228,601.76)</b>



**Irvine Ranch Water District**  
**Consolidated Operating Expense Budget for FY 2026-27**  
**Water Quality and Regulatory Compliance: 600 - Water Quality**

Expense Group	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	Increase &
Expense Name	Actual	Actual thru 12/31/24	Budget	Budget	(Decrease)
<b>Salaries &amp; Benefits</b>					
Regular Labor	2,488,298.58	1,269,369.24	3,129,330.64	3,346,840.80	217,510.16
Overtime Labor	58,996.81	41,884.27	85,300.08	91,399.92	6,099.84
Contract Labor	107,987.74	67,757.82	58,800.00	62,400.00	3,600.00
Employee Benefits	285,950.05	136,703.65	1,069,927.16	1,110,786.83	40,859.67
<b>Salaries &amp; Benefits Total</b>	<b>2,941,233.18</b>	<b>1,515,714.98</b>	<b>4,343,357.88</b>	<b>4,611,427.55</b>	<b>268,069.67</b>
<b>Materials &amp; Supplies</b>					
Operating Supplies	616,538.12	275,883.39	717,400.20	743,999.64	26,599.44
Postage	11,040.83	6,247.18	15,000.00	18,000.00	3,000.00
Permits, Licenses and Fees	14,653.63	17,485.00	30,300.12	33,300.00	2,999.88
Office Supplies	6,526.36	3,636.69	9,000.00	9,999.96	999.96
Equipment Rental	560.48	2,500.00	6,000.00	8,000.04	2,000.04
<b>Materials &amp; Supplies Total</b>	<b>649,319.42</b>	<b>305,752.26</b>	<b>777,700.32</b>	<b>813,299.64</b>	<b>35,599.32</b>
<b>Professional Services</b>					
Rep & Maint IRWD	497,046.59	259,245.33	496,300.20	521,200.20	24,900.00
Engineering Fees	202,725.71	118,729.87	211,999.80	235,000.20	23,000.40
Personnel Training	14,798.15	6,291.96	30,999.96	33,999.84	2,999.88
Other Professional Fees	14,337.59	4,115.41	32,000.04	32,000.04	-
<b>Professional Services Total</b>	<b>728,908.04</b>	<b>388,382.57</b>	<b>771,300.00</b>	<b>822,200.28</b>	<b>50,900.28</b>
<b>Other Expense</b>					
Safety	9,879.17	1,392.53	3,600.00	4,500.00	900.00
Mileage Reimbursement	454.10	817.23	2,000.04	2,000.04	-
<b>Other Expense Total</b>	<b>10,333.27</b>	<b>2,209.76</b>	<b>5,600.04</b>	<b>6,500.04</b>	<b>900.00</b>
<b>Grand Total</b>	<b>4,329,793.91</b>	<b>2,212,059.57</b>	<b>5,897,958.24</b>	<b>6,253,427.51</b>	<b>355,469.27</b>

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# **REGULATORY COMPLIANCE**

## **OPERATING BUDGET SUMMARY**

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### **Program Description**

Regulatory Compliance Department provides monitoring and compliance related support to the operations and maintenance of the domestic and recycled water distribution, sewage collection systems, treatment facilities, and biosolids and energy recovery facilities. The department provides internal and external customers with field and facility monitoring for regulatory monitoring and reporting, process control, research projects and capital projects.

Staff also manage environmental permitting, reporting and compliance covering water, sewage, biosolids, air, hazardous waste, underground and aboveground storage tanks, universal waste, pretreatment program, and Fats, Oils, and Grease (FOG) program. Staff actively participate in association meetings to stay current with developing rules and policies.

### **Major Goals**

- Perform all monitoring to provide data to document the District's compliance status with all applicable federal, state and local environmental laws and regulations and for process control purposes;
- Implement automation in compliance and process monitoring, and reporting programs;
- Provide compliance training, oversight, and assistance to other departments;
- Apply for and maintain all necessary permits to comply with environmental regulations;
- Work with Information Services to create an online knowledge base of all environmental compliance requirements and tools to request assistance from the department;
- Write and submit compliance reports in an accurate and timely manner;
- Respond to and negotiate with regulators to resolve compliance matters;
- Coordinate with other agencies and conduct appropriate inspections, monitoring and enforcement regarding industrial discharges under the pretreatment program; and,
- Participate in associations addressing laboratory and regulatory compliance issues.

**Irvine Ranch Water District**  
**Consolidated Operating Expense Budget for FY 2025-26**  
**Water Quality and Regulatory Compliance: 650 - Regulatory Compliance**

Expense Group	FY 2023-24	FY 2024-25	FY 2024-25	FY 2025-26	Increase &
Expense Name	Actual	Actual thru 12/31/24	Budget	Budget	(Decrease)
<b>Salaries &amp; Benefits</b>					
Regular Labor	869,828.13	538,548.36	1,150,800.00	1,230,399.61	79,599.61
Overtime Labor	91,100.73	47,447.73	135,700.00	144,100.08	8,400.08
Contract Labor	26,838.62	16,545.00	105,300.00	25,469.91	(79,830.09)
Employee Benefits	79,725.94	40,305.69	657,340.00	421,171.47	(236,168.53)
<b>Salaries &amp; Benefits Total</b>	<b>1,067,493.42</b>	<b>642,846.78</b>	<b>2,049,140.00</b>	<b>1,821,141.07</b>	<b>(227,998.93)</b>
<b>Materials &amp; Supplies</b>					
Operating Supplies	103,686.29	59,043.25	92,134.00	117,986.94	25,852.94
Postage	337.70	42.12	600.00	1,650.00	1,050.00
Permits, Licenses and Fees	804,960.17	873,463.74	874,950.00	947,074.92	72,124.92
Office Supplies	1,737.11	616.20	800.00	1,500.00	700.00
<b>Materials &amp; Supplies Total</b>	<b>910,721.27</b>	<b>933,165.31</b>	<b>968,484.00</b>	<b>1,068,211.86</b>	<b>99,727.86</b>
<b>Professional Services</b>					
Rep & Maint OC San & Others	25,754.91	5,643.85	9,000.00	23,999.94	14,999.94
Rep & Maint IRWD	346,143.81	129,565.17	271,894.00	444,800.01	172,906.01
Engineering Fees	95,308.92	149,910.39	259,000.00	286,050.03	27,050.03
Personnel Training	6,394.76	3,805.32	20,400.00	24,999.84	4,599.84
Other Professional Fees	1,610.51	529.00	5,964.00	7,679.97	1,715.97
<b>Professional Services Total</b>	<b>475,212.91</b>	<b>289,453.73</b>	<b>566,258.00</b>	<b>787,529.79</b>	<b>221,271.79</b>
<b>Other Expense</b>					
Safety	31.26	3,442.36	1,060.00	2,000.04	940.04
Mileage Reimbursement	64.32	-	-	-	-
<b>Other Expense Total</b>	<b>95.58</b>	<b>3,442.36</b>	<b>1,060.00</b>	<b>2,000.04</b>	<b>940.04</b>
<b>Grand Total</b>	<b>2,453,523.18</b>	<b>1,868,908.18</b>	<b>3,584,942.00</b>	<b>3,678,882.76</b>	<b>93,940.76</b>

**Irvine Ranch Water District**  
**Consolidated Operating Expense Budget for FY 2026-27**  
**Water Quality and Regulatory Compliance: 650 - Regulatory Compliance**

Expense Group	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	Increase &
Expense Name	Actual	Actual thru 12/31/24	Budget	Budget	(Decrease)
<b>Salaries &amp; Benefits</b>					
Regular Labor	869,828.13	538,548.36	1,230,399.61	1,296,381.12	65,981.51
Overtime Labor	91,100.73	47,447.73	144,100.08	144,100.07	(0.01)
Contract Labor	26,838.62	16,545.00	25,469.91	33,959.88	8,489.97
Employee Benefits	79,725.94	40,305.69	421,171.47	431,003.64	9,832.17
<b>Salaries &amp; Benefits Total</b>	<b>1,067,493.42</b>	<b>642,846.78</b>	<b>1,821,141.07</b>	<b>1,905,444.71</b>	<b>84,303.64</b>
<b>Materials &amp; Supplies</b>					
Operating Supplies	103,686.29	59,043.25	117,986.94	118,648.20	661.26
Postage	337.70	42.12	1,650.00	800.04	(849.96)
Permits, Licenses and Fees	804,960.17	873,463.74	947,074.92	1,002,349.83	55,274.91
Office Supplies	1,737.11	616.20	1,500.00	1,500.00	-
<b>Materials &amp; Supplies Total</b>	<b>910,721.27</b>	<b>933,165.31</b>	<b>1,068,211.86</b>	<b>1,123,298.07</b>	<b>55,086.21</b>
<b>Professional Services</b>					
Rep & Maint OC San & Others	25,754.91	5,643.85	23,999.94	25,000.02	1,000.08
Rep & Maint IRWD	346,143.81	129,565.17	444,800.01	454,799.85	9,999.84
Engineering Fees	95,308.92	149,910.39	286,050.03	270,247.02	(15,803.01)
Personnel Training	6,394.76	3,805.32	24,999.84	26,379.96	1,380.12
Other Professional Fees	1,610.51	529.00	7,679.97	6,918.12	(761.85)
<b>Professional Services Total</b>	<b>475,212.91</b>	<b>289,453.73</b>	<b>787,529.79</b>	<b>783,344.97</b>	<b>(4,184.82)</b>
<b>Other Expense</b>					
Safety	31.26	3,442.36	2,000.04	2,000.04	-
Mileage Reimbursement	64.32	-	-	-	-
<b>Other Expense Total</b>	<b>95.58</b>	<b>3,442.36</b>	<b>2,000.04</b>	<b>2,000.04</b>	<b>-</b>
<b>Grand Total</b>	<b>2,453,523.18</b>	<b>1,868,908.18</b>	<b>3,678,882.76</b>	<b>3,814,087.79</b>	<b>135,205.03</b>

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# **OPERATIONS ADMINISTRATION**

## **OPERATING BUDGET SUMMARY**

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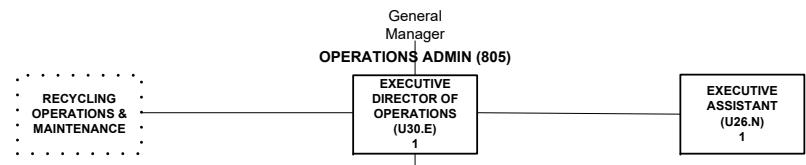
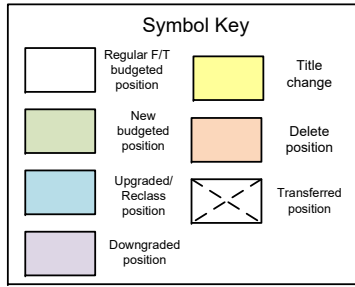
### **Program Description**

The mission of Operations Administration department is to maintain and repair the District's assets to ensure optimal life expectancy, reliability, efficiency and safety goals while providing the highest level of customer satisfaction. These facilities and systems include the District's domestic water and recycled water distribution systems, Natural Treatment System (NTS), and fleet and facility assets.

### **Major Goals**

- Complete all safety trainings;
- Achieve zero lost time accidents;
- Maintain 100% compliance with all regulatory permits;
- Meet the Department's adopted Recycled Water Operations budgets;
- Maintain and develop staff competency through a combination of internal and external training;
- Fully utilize Maximo tools and perform all planned and requested tasks through work orders;
- Complete NTS Water Quality Dashboard and scorecard;
- Update and streamline the District's Integrated Pest Management Plan;
- Maintain all District buildings and facilities to ensure that expected life cycles are reached and building systems function as designed;
- Respond to Underground Service Alert (USA) tickets and identify water pipelines and sewer infrastructure to prevent damage from construction activities and;
- Maintain a high level of customer satisfaction by responding promptly to all customer service requests and repair water leaks with minimal impact to customers.

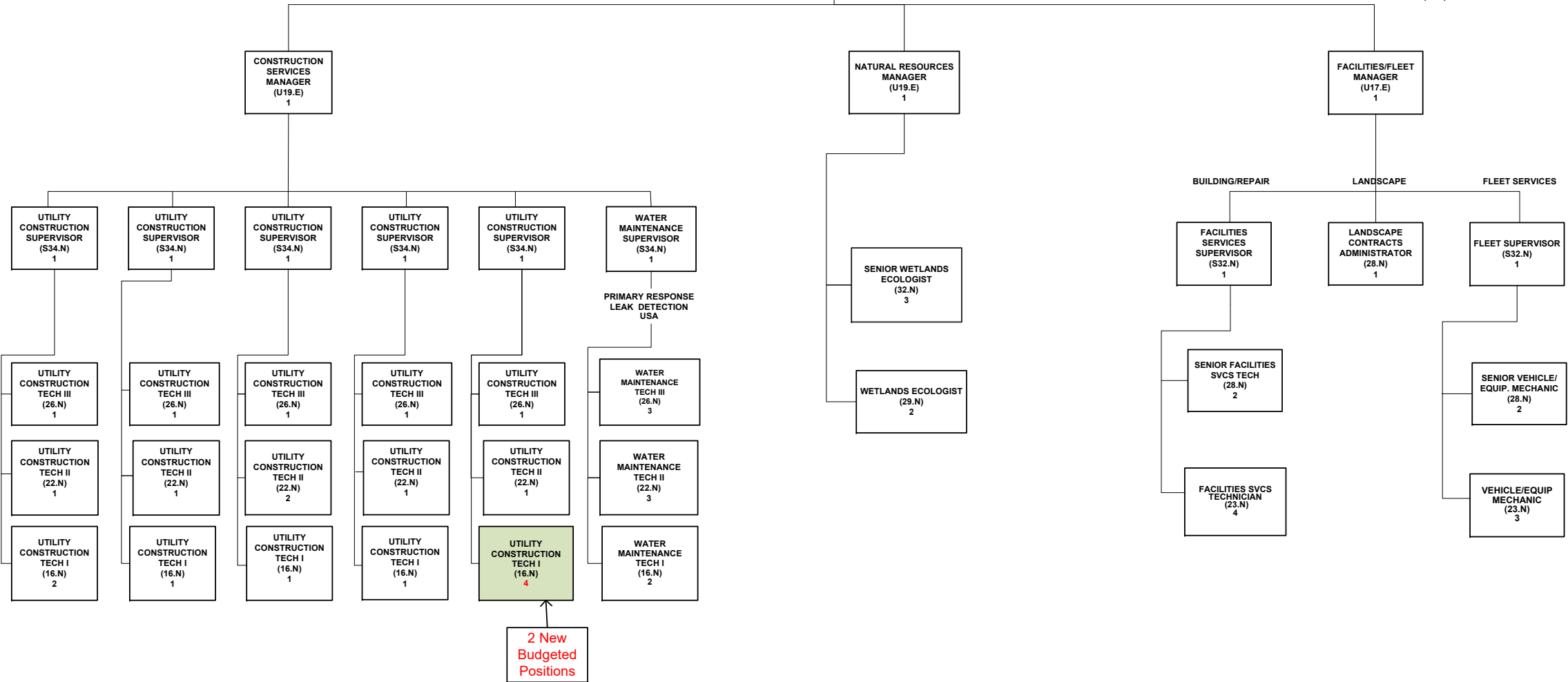
**IRVINE RANCH WATER DISTRICT  
OPERATIONS ADMINISTRATION  
FISCAL YEAR 2025-26**



**CONSTRUCTION SERVICES (430)**

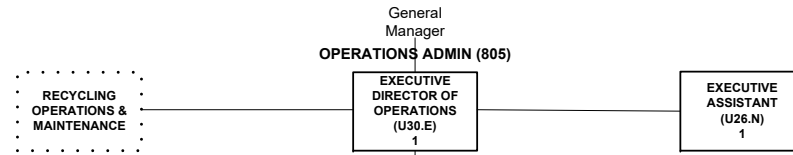
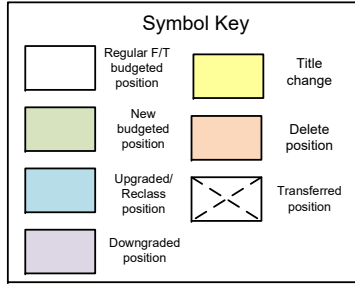
**NTS OPERATIONS (515)**

**FACILITIES SERVICES (850) & FLEET SERVICES (870)**





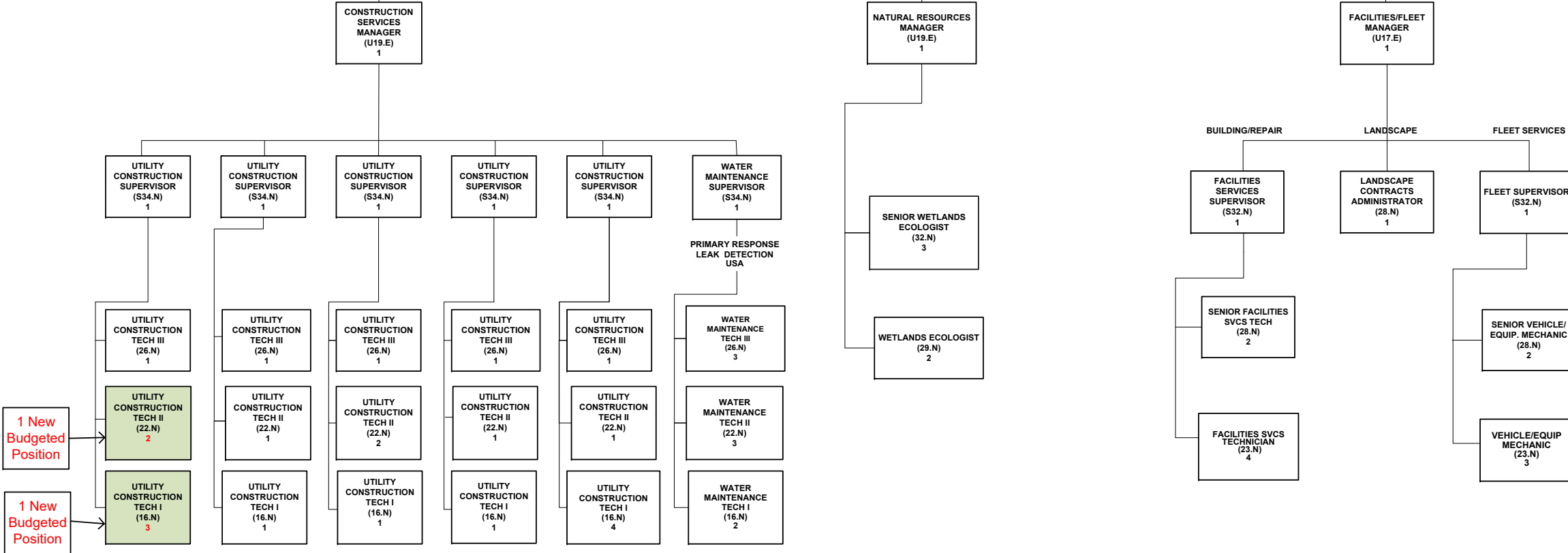
**IRVINE RANCH WATER DISTRICT  
OPERATIONS ADMINISTRATION  
FISCAL YEAR 2026-27**



**CONSTRUCTION SERVICES (430)**

**NTS OPERATIONS (515)**

**FACILITIES SERVICES (850) & FLEET SERVICES (870)**



**Irvine Ranch Water District**  
**Consolidated Operating Expense Budget for FY 2025-26**  
**Operations Administration: 805 - Operations Administration**

Expense Group	FY 2023-24	FY 2024-25	FY 2024-25	FY 2025-26	Increase &
Expense Name	Actual	Actual thru 12/31/24	Budget	Budget	(Decrease)
<b>Salaries &amp; Benefits</b>					
Regular Labor	1,027,143.47	546,192.10	1,097,400.00	1,254,325.72	156,925.72
Employee Benefits	198,938.80	112,107.68	611,080.00	428,284.06	(182,795.94)
<b>Salaries &amp; Benefits Total</b>	<b>1,226,082.27</b>	<b>658,299.78</b>	<b>1,708,480.00</b>	<b>1,682,609.78</b>	<b>(25,870.22)</b>
<b>Purchased Water &amp; Utilities</b>					
Telecommunication	1,108.86	455.34	1,348.00	1,999.92	651.92
<b>Purchased Water &amp; Utilities Total</b>	<b>1,108.86</b>	<b>455.34</b>	<b>1,348.00</b>	<b>1,999.92</b>	<b>651.92</b>
<b>Materials &amp; Supplies</b>					
Operating Supplies	5,728.83	27.93	8,800.00	4,599.96	(4,200.04)
Printing	-	-	1,000.00	-	(1,000.00)
Postage	73.37	-	300.00	99.96	(200.04)
Office Supplies	5,904.67	1,772.90	16,200.00	8,000.04	(8,199.96)
<b>Materials &amp; Supplies Total</b>	<b>11,706.87</b>	<b>1,800.83</b>	<b>26,300.00</b>	<b>12,699.96</b>	<b>(13,600.04)</b>
<b>Professional Services</b>					
Rep & Maint IRWD	491.23	273.61	-	600.00	600.00
Data Processing	-	982.47	-	-	-
Personnel Training	22,994.26	18,879.94	42,200.00	41,499.96	(700.04)
Other Professional Fees	8,609.13	305.74	15,752.00	8,099.88	(7,652.12)
<b>Professional Services Total</b>	<b>32,094.62</b>	<b>20,441.76</b>	<b>57,952.00</b>	<b>50,199.84</b>	<b>(7,752.16)</b>
<b>Other Expense</b>					
Mileage Reimbursement	-	231.82	-	500.04	500.04
<b>Other Expense Total</b>	<b>-</b>	<b>231.82</b>	<b>-</b>	<b>500.04</b>	<b>500.04</b>
<b>Grand Total</b>	<b>1,270,992.62</b>	<b>681,229.53</b>	<b>1,794,080.00</b>	<b>1,748,009.54</b>	<b>(46,070.46)</b>

**Irvine Ranch Water District**  
**Consolidated Operating Expense Budget for FY 2026-27**  
**Operations Administration: 805 - Operations Administration**

Expense Group	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	Increase &
Expense Name	Actual	Actual thru 12/31/24	Budget	Budget	(Decrease)
<b>Salaries &amp; Benefits</b>					
Regular Labor	1,027,143.47	546,192.10	1,254,325.72	1,323,382.53	69,056.81
Employee Benefits	198,938.80	112,107.68	428,284.06	438,753.27	10,469.21
<b>Salaries &amp; Benefits Total</b>	<b>1,226,082.27</b>	<b>658,299.78</b>	<b>1,682,609.78</b>	<b>1,762,135.80</b>	<b>79,526.02</b>
<b>Purchased Water &amp; Utilities</b>					
Telecommunication	1,108.86	455.34	1,999.92	1,999.92	-
<b>Purchased Water &amp; Utilities Total</b>	<b>1,108.86</b>	<b>455.34</b>	<b>1,999.92</b>	<b>1,999.92</b>	<b>-</b>
<b>Materials &amp; Supplies</b>					
Operating Supplies	5,728.83	27.93	4,599.96	5,100.00	500.04
Printing	-	-	-	-	-
Postage	73.37	-	99.96	99.96	-
Office Supplies	5,904.67	1,772.90	8,000.04	8,499.96	499.92
<b>Materials &amp; Supplies Total</b>	<b>11,706.87</b>	<b>1,800.83</b>	<b>12,699.96</b>	<b>13,699.92</b>	<b>999.96</b>
<b>Professional Services</b>					
Rep & Maint IRWD	491.23	273.61	600.00	750.00	150.00
Data Processing	-	982.47	-	-	-
Personnel Training	22,994.26	18,879.94	41,499.96	42,800.04	1,300.08
Other Professional Fees	8,609.13	305.74	8,099.88	11,199.96	3,100.08
<b>Professional Services Total</b>	<b>32,094.62</b>	<b>20,441.76</b>	<b>50,199.84</b>	<b>54,750.00</b>	<b>4,550.16</b>
<b>Other Expense</b>					
Mileage Reimbursement	-	231.82	500.04	500.04	-
<b>Other Expense Total</b>	<b>-</b>	<b>231.82</b>	<b>500.04</b>	<b>500.04</b>	<b>-</b>
<b>Grand Total</b>	<b>1,270,992.62</b>	<b>681,229.53</b>	<b>1,748,009.54</b>	<b>1,833,085.68</b>	<b>85,076.14</b>

**Irvine Ranch Water District**  
**Consolidated Operating Expense Budget for FY 2025-26**  
**Operations Administration: 430 - Construction Services**

Expense Group	FY 2023-24	FY 2024-25	FY 2024-25	FY 2025-26	Increase &
Expense Name	Actual	Actual thru 12/31/24	Budget	Budget	(Decrease)
<b>Purchased Water &amp; Utilities</b>					
Telecommunication	332.27	-	-	-	-
<b>Purchased Water &amp; Utilities Total</b>	<b>332.27</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Salaries &amp; Benefits</b>					
Regular Labor	1,920,187.55	1,168,426.79	2,182,700.00	2,603,277.43	420,577.43
Overtime Labor	662,226.48	360,872.15	615,600.00	854,600.04	239,000.04
Contract Labor	14,244.87	-	66,000.00	67,980.00	1,980.00
Employee Benefits	261,988.95	176,979.90	1,272,190.00	902,456.05	(369,733.95)
<b>Salaries &amp; Benefits Total</b>	<b>2,858,647.85</b>	<b>1,706,278.84</b>	<b>4,136,490.00</b>	<b>4,428,313.52</b>	<b>291,823.52</b>
<b>Materials &amp; Supplies</b>					
Operating Supplies	244,095.44	149,448.48	219,700.00	282,142.08	62,442.08
Permits, Licenses and Fees	202,602.85	82,279.97	103,400.00	258,639.96	155,239.96
Equipment Rental	1,752.00	-	12,000.00	11,988.00	(12.00)
<b>Materials &amp; Supplies Total</b>	<b>448,450.29</b>	<b>231,728.45</b>	<b>335,100.00</b>	<b>552,770.04</b>	<b>217,670.04</b>
<b>Professional Services</b>					
Rep & Maint IRWD	1,251,621.21	420,202.83	692,000.00	891,952.08	199,952.08
Personnel Training	20,967.27	22,506.70	30,000.00	61,000.08	31,000.08
Other Professional Fees	13,529.79	5,169.92	10,900.00	13,082.04	2,182.04
<b>Professional Services Total</b>	<b>1,286,118.27</b>	<b>447,879.45</b>	<b>732,900.00</b>	<b>966,034.20</b>	<b>233,134.20</b>
<b>Other Expense</b>					
Safety	319.76	235.07	-	-	-
Mileage Reimbursement	6,162.59	4,942.22	-	9,999.96	9,999.96
<b>Other Expense Total</b>	<b>6,482.35</b>	<b>5,177.29</b>	<b>-</b>	<b>9,999.96</b>	<b>9,999.96</b>
<b>Grand Total</b>	<b>4,600,031.03</b>	<b>2,391,064.03</b>	<b>5,204,490.00</b>	<b>5,957,117.72</b>	<b>752,627.72</b>

**Irvine Ranch Water District**  
**Consolidated Operating Expense Budget for FY 2026-27**  
**Operations Administration: 430 - Construction Services**

Expense Group	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	Increase &
Expense Name	Actual	Actual thru 12/31/24	Budget	Budget	(Decrease)
<b>Salaries &amp; Benefits</b>					
Regular Labor	1,920,187.55	1,168,426.79	2,603,277.43	2,944,916.25	341,638.82
Overtime Labor	662,226.48	360,872.15	854,600.04	905,000.16	50,400.12
Contract Labor	14,244.87	-	67,980.00	70,020.00	2,040.00
Employee Benefits	261,988.95	176,979.90	902,456.05	989,381.47	86,925.42
<b>Salaries &amp; Benefits Total</b>	<b>2,858,647.85</b>	<b>1,706,278.84</b>	<b>4,428,313.52</b>	<b>4,909,317.88</b>	<b>481,004.36</b>
<b>Purchased Water &amp; Utilities</b>					
Telecommunication	332.27	-	-	-	-
<b>Purchased Water &amp; Utilities Total</b>	<b>332.27</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Materials &amp; Supplies</b>					
Operating Supplies	244,095.44	149,448.48	282,142.08	337,511.04	55,368.96
Permits, Licenses and Fees	202,602.85	82,279.97	258,639.96	283,990.08	25,350.12
Equipment Rental	1,752.00	-	11,988.00	11,988.00	-
<b>Materials &amp; Supplies Total</b>	<b>448,450.29</b>	<b>231,728.45</b>	<b>552,770.04</b>	<b>633,489.12</b>	<b>80,719.08</b>
<b>Professional Services</b>					
Rep & Maint IRWD	1,251,621.21	420,202.83	891,952.08	1,053,252.96	161,300.88
Personnel Training	20,967.27	22,506.70	61,000.08	66,500.04	5,499.96
Other Professional Fees	13,529.79	5,169.92	13,082.04	15,698.04	2,616.00
<b>Professional Services Total</b>	<b>1,286,118.27</b>	<b>447,879.45</b>	<b>966,034.20</b>	<b>1,135,451.04</b>	<b>169,416.84</b>
<b>Other Expense</b>					
Safety	319.76	235.07	-	-	-
Mileage Reimbursement	6,162.59	4,942.22	9,999.96	10,299.96	300.00
<b>Other Expense Total</b>	<b>6,482.35</b>	<b>5,177.29</b>	<b>9,999.96</b>	<b>10,299.96</b>	<b>300.00</b>
<b>Grand Total</b>	<b>4,600,031.03</b>	<b>2,391,064.03</b>	<b>5,957,117.72</b>	<b>6,688,558.00</b>	<b>731,440.28</b>

**Irvine Ranch Water District**  
**Consolidated Operating Expense Budget for FY 2025-26**  
**Operations Administration: 515 - NTS Operations**

Expense Group	FY 2023-24	FY 2024-25	FY 2024-25	FY 2025-26	Increase &
Expense Name	Actual	Actual thru 12/31/24	Budget	Budget	(Decrease)
<b>Salaries &amp; Benefits</b>					
Regular Labor	524,696.07	289,705.66	670,500.00	752,383.41	81,883.41
Overtime Labor	1,928.53	2,159.21	3,152.00	3,500.04	348.04
Contract Labor	30,021.78	9,627.75	62,400.00	-	(62,400.00)
Employee Benefits	74,588.43	37,900.41	382,540.00	253,793.12	(128,746.88)
<b>Salaries &amp; Benefits Total</b>	<b>631,234.81</b>	<b>339,393.03</b>	<b>1,118,592.00</b>	<b>1,009,676.57</b>	<b>(108,915.43)</b>
<b>Purchased Water &amp; Utilities</b>					
Electricity	216,514.02	58,295.26	314,355.00	282,160.98	(32,194.02)
Telecommunication	102,791.72	38,985.01	16,000.00	15,000.00	(1,000.00)
<b>Purchased Water &amp; Utilities Total</b>	<b>319,305.74</b>	<b>97,280.27</b>	<b>330,355.00</b>	<b>297,160.98</b>	<b>(33,194.02)</b>
<b>Materials &amp; Supplies</b>					
Operating Supplies	6,021.70	3,363.71	22,000.00	20,700.00	(1,300.00)
Postage	473.76	-	500.00	800.04	300.04
Permits, Licenses and Fees	1,330.00	1,330.00	5,600.00	2,499.96	(3,100.04)
Equipment Rental	12,763.77	7,739.91	14,000.00	-	(14,000.00)
<b>Materials &amp; Supplies Total</b>	<b>20,589.23</b>	<b>12,433.62</b>	<b>42,100.00</b>	<b>24,000.00</b>	<b>(18,100.00)</b>
<b>Professional Services</b>					
Rep & Maint OC San & Others	22,316.86	14,065.71	44,000.00	39,999.96	(4,000.04)
Rep & Maint IRWD	2,647,402.82	1,208,226.93	2,829,120.00	3,239,499.96	410,379.96
Personnel Training	1,944.35	360.00	19,052.00	13,499.88	(5,552.12)
Other Professional Fees	249,047.42	107,899.42	220,000.00	300,000.00	80,000.00
<b>Professional Services Total</b>	<b>2,920,711.45</b>	<b>1,330,552.06</b>	<b>3,112,172.00</b>	<b>3,592,999.80</b>	<b>480,827.80</b>
<b>Grand Total</b>	<b>3,891,841.23</b>	<b>1,779,658.98</b>	<b>4,603,219.00</b>	<b>4,923,837.35</b>	<b>320,618.35</b>

**Irvine Ranch Water District**  
**Consolidated Operating Expense Budget for FY 2026-27**  
**Operations Administration: 515 - NTS Operations**

Expense Group	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	Increase &
Expense Name	Actual	Actual thru 12/31/24	Budget	Budget	(Decrease)
<b>Salaries &amp; Benefits</b>					
Regular Labor	524,696.07	289,705.66	752,383.41	792,730.92	40,347.51
Overtime Labor	1,928.53	2,159.21	3,500.04	4,000.08	500.04
Contract Labor	30,021.78	9,627.75	-	-	-
Employee Benefits	74,588.43	37,900.41	253,793.12	259,410.00	5,616.88
<b>Salaries &amp; Benefits Total</b>	<b>631,234.81</b>	<b>339,393.03</b>	<b>1,009,676.57</b>	<b>1,056,141.00</b>	<b>46,464.43</b>
<b>Purchased Water &amp; Utilities</b>					
Electricity	216,514.02	58,295.26	282,160.98	282,160.98	-
Telecommunication	102,791.72	38,985.01	15,000.00	15,000.00	-
<b>Purchased Water &amp; Utilities Total</b>	<b>319,305.74</b>	<b>97,280.27</b>	<b>297,160.98</b>	<b>297,160.98</b>	<b>-</b>
<b>Materials &amp; Supplies</b>					
Operating Supplies	6,021.70	3,363.71	20,700.00	23,750.04	3,050.04
Postage	473.76	-	800.04	800.04	-
Permits, Licenses and Fees	1,330.00	1,330.00	2,499.96	2,499.96	-
Equipment Rental	12,763.77	7,739.91	-	-	-
<b>Materials &amp; Supplies Total</b>	<b>20,589.23</b>	<b>12,433.62</b>	<b>24,000.00</b>	<b>27,050.04</b>	<b>3,050.04</b>
<b>Professional Services</b>					
Rep & Maint OC San & Others	22,316.86	14,065.71	39,999.96	45,000.00	5,000.04
Rep & Maint IRWD	2,647,402.82	1,208,226.93	3,239,499.96	3,435,499.92	195,999.96
Personnel Training	1,944.35	360.00	13,499.88	13,499.88	-
Other Professional Fees	249,047.42	107,899.42	300,000.00	324,999.96	24,999.96
<b>Professional Services Total</b>	<b>2,920,711.45</b>	<b>1,330,552.06</b>	<b>3,592,999.80</b>	<b>3,818,999.76</b>	<b>225,999.96</b>
<b>Grand Total</b>	<b>3,891,841.23</b>	<b>1,779,658.98</b>	<b>4,923,837.35</b>	<b>5,199,351.78</b>	<b>275,514.43</b>

**Irvine Ranch Water District**  
**Consolidated Operating Expense Budget for FY 2025-26**  
**Operations Administration: 850 - Facilities Services**

Expense Group	FY 2023-24	FY 2024-25	FY 2024-25	FY 2025-26	Increase &
Expense Name	Actual	Actual thru 12/31/24	Budget	Budget	(Decrease)
<b>Salaries &amp; Benefits</b>					
Regular Labor	821,846.69	437,309.06	945,700.00	1,036,811.75	91,111.75
Overtime Labor	51,476.24	46,642.30	50,000.00	49,999.92	(0.08)
Employee Benefits	150,745.71	83,019.04	538,040.00	357,781.55	(180,258.45)
<b>Salaries &amp; Benefits Total</b>	<b>1,024,068.64</b>	<b>566,970.40</b>	<b>1,533,740.00</b>	<b>1,444,593.22</b>	<b>(89,146.78)</b>
<b>Purchased Water &amp; Utilities</b>					
Electricity	499,123.15	210,267.07	626,944.00	703,396.95	76,452.95
Fuel	58,345.20	20,404.89	78,660.00	58,248.00	(20,412.00)
Other Utilities	108,009.69	67,467.37	110,000.00	120,099.96	10,099.96
<b>Purchased Water &amp; Utilities Total</b>	<b>665,478.04</b>	<b>298,139.33</b>	<b>815,604.00</b>	<b>881,744.91</b>	<b>66,140.91</b>
<b>Materials &amp; Supplies</b>					
Operating Supplies	57,053.95	27,490.53	57,408.00	57,450.00	42.00
Equipment Rental	538.60	-	-	-	-
<b>Materials &amp; Supplies Total</b>	<b>57,592.55</b>	<b>27,490.53</b>	<b>57,408.00</b>	<b>57,450.00</b>	<b>42.00</b>
<b>Professional Services</b>					
Rep & Maint IRWD	2,427,165.93	1,309,720.79	2,745,408.00	3,059,749.68	314,341.68
Personnel Training	200.20	801.88	208.00	4,209.96	4,001.96
Other Professional Fees	44.30	47.68	-	4,800.00	4,800.00
<b>Professional Services Total</b>	<b>2,427,410.43</b>	<b>1,310,570.35</b>	<b>2,745,616.00</b>	<b>3,068,759.64</b>	<b>323,143.64</b>
<b>Other Expense</b>					
Safety	-	176.80	-	-	-
Conservation	-	0.01	-	-	-
Mileage Reimbursement	-	61.64	-	-	-
<b>Other Expense Total</b>	<b>-</b>	<b>238.45</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>4,174,549.66</b>	<b>2,203,409.06</b>	<b>5,152,368.00</b>	<b>5,452,547.77</b>	<b>300,179.77</b>



**Irvine Ranch Water District**  
**Consolidated Operating Expense Budget for FY 2026-27**  
**Operations Administration: 850 - Facilities Services**

Expense Group	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	Increase &
Expense Name	Actual	Actual thru 12/31/24	Budget	Budget	(Decrease)
<b>Salaries &amp; Benefits</b>					
Regular Labor	821,846.69	437,309.06	1,036,811.75	1,093,466.36	56,654.61
Overtime Labor	51,476.24	46,642.30	49,999.92	49,999.92	-
Employee Benefits	150,745.71	83,019.04	357,781.55	366,691.56	8,910.01
<b>Salaries &amp; Benefits Total</b>	<b>1,024,068.64</b>	<b>566,970.40</b>	<b>1,444,593.22</b>	<b>1,510,157.84</b>	<b>65,564.62</b>
<b>Purchased Water &amp; Utilities</b>					
Electricity	499,123.15	210,267.07	703,396.95	703,396.95	-
Fuel	58,345.20	20,404.89	58,248.00	61,161.00	2,913.00
Other Utilities	108,009.69	67,467.37	120,099.96	125,499.96	5,400.00
<b>Purchased Water &amp; Utilities Total</b>	<b>665,478.04</b>	<b>298,139.33</b>	<b>881,744.91</b>	<b>890,057.91</b>	<b>8,313.00</b>
<b>Materials &amp; Supplies</b>					
Operating Supplies	57,053.95	27,490.53	57,450.00	61,900.20	4,450.20
Equipment Rental	538.60	-	-	-	-
<b>Materials &amp; Supplies Total</b>	<b>57,592.55</b>	<b>27,490.53</b>	<b>57,450.00</b>	<b>61,900.20</b>	<b>4,450.20</b>
<b>Professional Services</b>					
Rep & Maint IRWD	2,427,165.93	1,309,720.79	3,059,749.68	3,146,432.64	86,682.96
Personnel Training	200.20	801.88	4,209.96	4,209.96	-
Other Professional Fees	44.30	47.68	4,800.00	4,800.00	-
<b>Professional Services Total</b>	<b>2,427,410.43</b>	<b>1,310,570.35</b>	<b>3,068,759.64</b>	<b>3,155,442.60</b>	<b>86,682.96</b>
<b>Other Expense</b>					
Safety	-	176.80	-	-	-
Conservation	-	0.01	-	-	-
Mileage Reimbursement	-	61.64	-	-	-
<b>Other Expense Total</b>	<b>-</b>	<b>238.45</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>4,174,549.66</b>	<b>2,203,409.06</b>	<b>5,452,547.77</b>	<b>5,617,558.55</b>	<b>165,010.78</b>

**Irvine Ranch Water District**  
**Consolidated Operating Expense Budget for FY 2025-26**  
**Operations Administration: 870 - Fleet Services**

Expense Group	FY 2023-24	FY 2024-25	FY 2024-25	FY 2025-26	Increase &
Expense Name	Actual	Actual thru 12/31/24	Budget	Budget	(Decrease)
<b>Salaries &amp; Benefits</b>					
Regular Labor	629,936.27	285,693.88	590,300.00	642,858.06	52,558.06
Overtime Labor	2,117.37	304.43	8,320.00	8,000.04	(319.96)
Employee Benefits	109,352.81	51,872.58	337,840.00	222,268.32	(115,571.68)
<b>Salaries &amp; Benefits Total</b>	<b>741,406.45</b>	<b>337,870.89</b>	<b>936,460.00</b>	<b>873,126.42</b>	<b>(63,333.58)</b>
<b>Purchased Water &amp; Utilities</b>					
Fuel	727,465.53	270,711.25	832,000.00	800,000.04	(31,999.96)
Other Utilities	220,854.17	1,911.71	145,600.00	245,000.04	99,400.04
<b>Purchased Water &amp; Utilities Total</b>	<b>948,319.70</b>	<b>272,622.96</b>	<b>977,600.00</b>	<b>1,045,000.08</b>	<b>67,400.08</b>
<b>Materials &amp; Supplies</b>					
Operating Supplies	6,231.82	935.03	9,578.00	17,849.88	8,271.88
Permits, Licenses and Fees	2,931.07	1,499.00	13,900.00	13,499.88	(400.12)
Equipment Rental	2,236.51	-	8,320.00	4,000.08	(4,319.92)
<b>Materials &amp; Supplies Total</b>	<b>11,399.40</b>	<b>2,434.03</b>	<b>31,798.00</b>	<b>35,349.84</b>	<b>3,551.84</b>
<b>Professional Services</b>					
Rep & Maint IRWD	612,547.16	337,947.94	728,000.00	765,000.00	37,000.00
Personnel Training	8,219.01	8,168.44	1,768.00	14,000.04	12,232.04
Other Professional Fees	913.94	162.85	-	10,300.08	10,300.08
<b>Professional Services Total</b>	<b>621,680.11</b>	<b>346,279.23</b>	<b>729,768.00</b>	<b>789,300.12</b>	<b>59,532.12</b>
<b>Other Expense</b>					
Election Expense	29.26	-	-	-	-
Safety	43.17	-	-	-	-
Mileage Reimbursement	193,128.48	88,940.43	184,000.00	219,000.00	35,000.00
<b>Other Expense Total</b>	<b>193,200.91</b>	<b>88,940.43</b>	<b>184,000.00</b>	<b>219,000.00</b>	<b>35,000.00</b>
<b>Grand Total</b>	<b>2,516,006.57</b>	<b>1,048,147.54</b>	<b>2,859,626.00</b>	<b>2,961,776.46</b>	<b>102,150.46</b>

**Irvine Ranch Water District**  
**Consolidated Operating Expense Budget for FY 2026-27**  
**Operations Administration: 870 - Fleet Services**

Expense Group	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	Increase &
Expense Name	Actual	Actual thru 12/31/24	Budget	Budget	(Decrease)
<b>Salaries &amp; Benefits</b>					
Regular Labor	629,936.27	285,693.88	642,858.06	684,057.85	41,199.79
Overtime Labor	2,117.37	304.43	8,000.04	8,360.04	360.00
Employee Benefits	109,352.81	51,872.58	222,268.32	229,790.17	7,521.85
<b>Salaries &amp; Benefits Total</b>	<b>741,406.45</b>	<b>337,870.89</b>	<b>873,126.42</b>	<b>922,208.06</b>	<b>49,081.64</b>
<b>Purchased Water &amp; Utilities</b>					
Fuel	727,465.53	270,711.25	800,000.04	836,000.04	36,000.00
Other Utilities	220,854.17	1,911.71	245,000.04	245,000.04	-
<b>Purchased Water &amp; Utilities Total</b>	<b>948,319.70</b>	<b>272,622.96</b>	<b>1,045,000.08</b>	<b>1,081,000.08</b>	<b>36,000.00</b>
<b>Materials &amp; Supplies</b>					
Operating Supplies	6,231.82	935.03	17,849.88	17,921.88	72.00
Permits, Licenses and Fees	2,931.07	1,499.00	13,499.88	13,499.88	-
Equipment Rental	2,236.51	-	4,000.08	4,300.08	300.00
<b>Materials &amp; Supplies Total</b>	<b>11,399.40</b>	<b>2,434.03</b>	<b>35,349.84</b>	<b>35,721.84</b>	<b>372.00</b>
<b>Professional Services</b>					
Rep & Maint IRWD	612,547.16	337,947.94	765,000.00	800,424.96	35,424.96
Personnel Training	8,219.01	8,168.44	14,000.04	14,000.04	-
Other Professional Fees	913.94	162.85	10,300.08	10,300.08	-
<b>Professional Services Total</b>	<b>621,680.11</b>	<b>346,279.23</b>	<b>789,300.12</b>	<b>824,725.08</b>	<b>35,424.96</b>
<b>Other Expense</b>					
Election Expense	29.26	-	-	-	-
Safety	43.17	-	-	-	-
Mileage Reimbursement	193,128.48	88,940.43	219,000.00	219,000.00	-
<b>Other Expense Total</b>	<b>193,200.91</b>	<b>88,940.43</b>	<b>219,000.00</b>	<b>219,000.00</b>	<b>-</b>
<b>Grand Total</b>	<b>2,516,006.57</b>	<b>1,048,147.54</b>	<b>2,961,776.46</b>	<b>3,082,655.06</b>	<b>120,878.60</b>

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# WATER & RECYCLING OPERATIONS

## OPERATING BUDGET SUMMARY

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### Program Description

The mission of the Water and Recycling Operations department is to operate and maintain the District's potable water, recycled water, and untreated water systems in a safe, regulatory compliant, efficient, cost-effective, and environmentally safe manner that provides a high level of customer satisfaction. These facilities and systems include the Dyer Road Wellfield, Deep Aquifer Treatment System, Wells 21/22 Treatment Plant, Irvine Desalter Project (Potable Treatment Plant, Principal Aquifer Plant, Shallow Groundwater Unit), Howiler Water Treatment, Plant, Baker Water Treatment Plant, Michelson Water Recycling Plant (MWRP), Los Alisos Water Recycling Plant (LAWRP), potable and recycled distribution systems, and administrative management of the Automated Process Control System.

### Major Goals

- Complete all safety required and planned training;
- Achieve zero lost time accidents;
- Maintain 100% compliance with all regulatory permits;
- Meet the Department's adopted Operations budget;
- Maintain three or more Water Operators at the T-5 and 5 at the D-5 certification level;
- Develop and maintain staff competency through a combination of internal and external training;
- Modify as needed and track adopted Key Performance Indicators (KPI) to optimize operational efficiency and cost effectiveness;
- Coordinate seasonal demands to optimize production of recycled water and balance with system storage capacity;
- Evaluate, optimize, and monitor chemical usage using Key Performance Indicators (KPIs) for water treatment and water recycling facilities, and distribution systems;
- Evaluate options to improve, maximize, and sustain beneficial reuse of biogas through energy production and heat recovery systems;
- Maintain agreements with multiple outlets for Biosolids Class A Pellets and Class B cake
- Operate and maintain all treatment and distribution systems to optimize energy consumption;
- Schedule, plan, and complete required SCADA software system updates for major IRWD sites (Baker, MWRP Biosolids, and Water OPS);
- Apply advanced cybersecurity standards and technologies to the IRWD Industrial Control System (ICS)/SCADA infrastructure;
- Improve SCADA communication reliability by adding redundant communication paths to critical pump stations, lift stations, reservoirs and treatment plants;



Irvine Ranch  
Water District

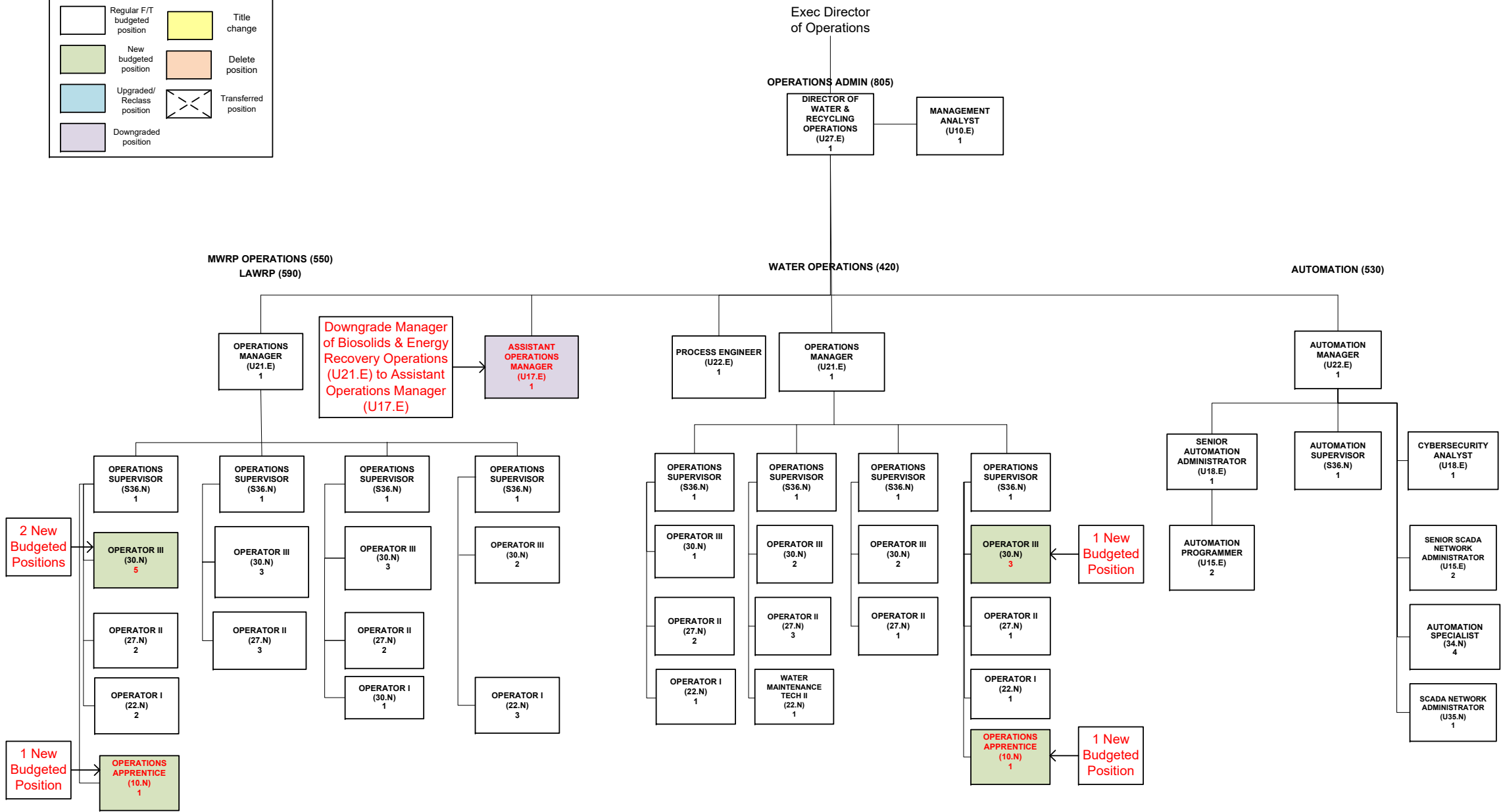
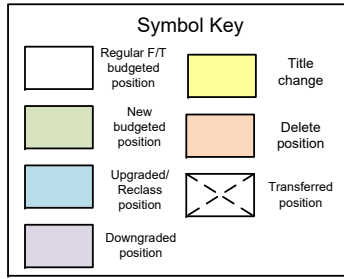
# **WATER & RECYCLING OPERATIONS**

## **OPERATING BUDGET SUMMARY**

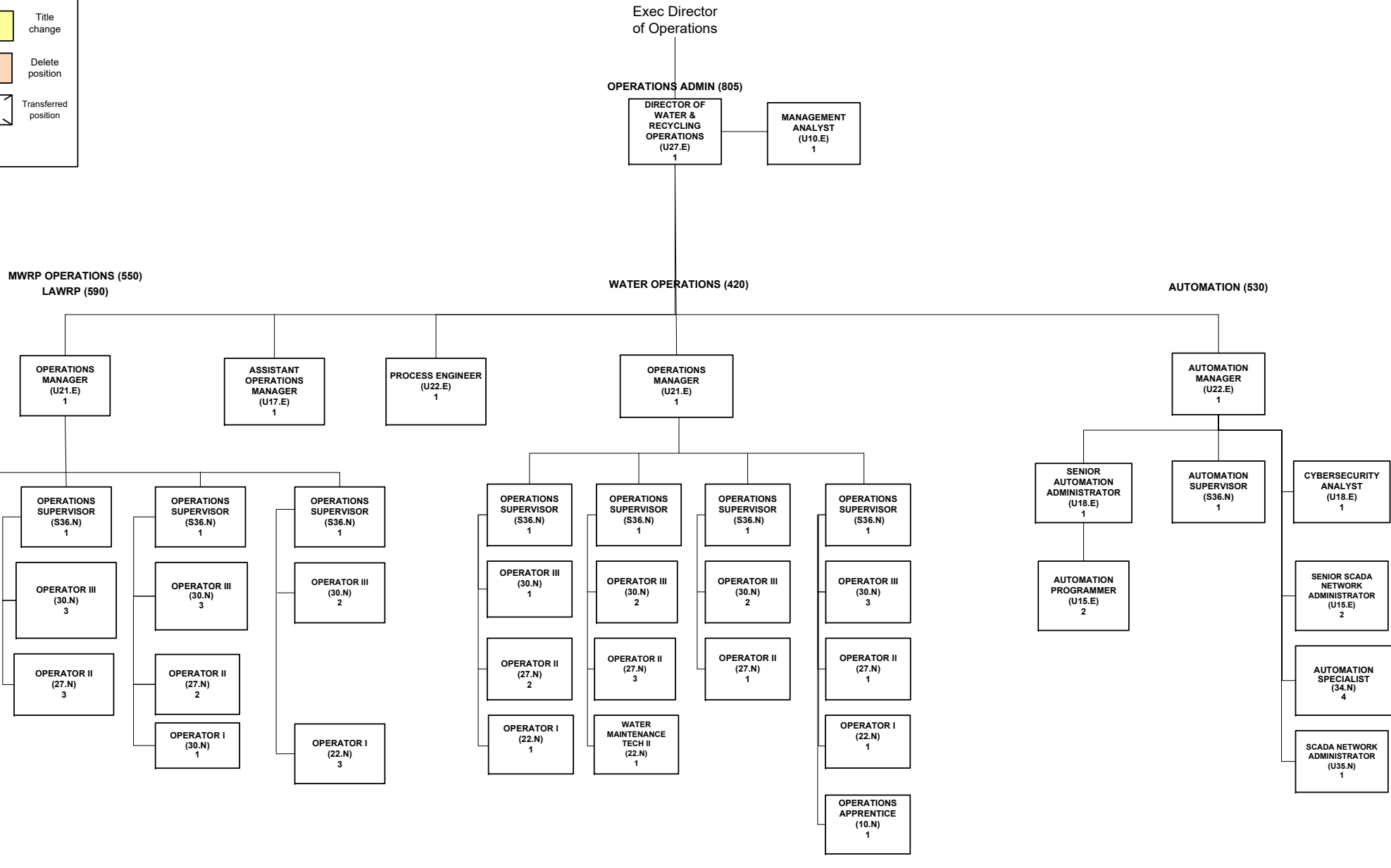
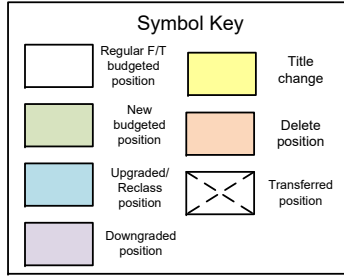
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- Optimize the recycled water long-term storage supply to reduce imported water usage and to prevent diversion from the Michelson Water Reclamation Plant;
- Maintain the Dyer Road Well Field and Deep Aquifer Treatment System domestic water flows in accordance with the Ground Water Pumping Plan staying within the current Basin Pumping Percentage (BPP) of 85%;
- Operate the Irvine Desalter Project (Potable Treatment Plant, Principal Aquifer Plant and Shallow Groundwater Unit) in accordance with the joint agency agreement and submit required reports;
- Ensure efficient operation of all District pumping, dam operation, and reservoir facilities;

# IRVINE RANCH WATER DISTRICT WATER & RECYCLING OPERATIONS FISCAL YEAR 2025-26



# IRVINE RANCH WATER DISTRICT WATER & RECYCLING OPERATIONS FISCAL YEAR 2026-27



2 New Budgeted Positions



**Irvine Ranch Water District**  
**Consolidated Operating Expense Budget for FY 2025-26**  
**Water and Recycling Operations: 420 - Water Operations**

Expense Group	FY 2023-24	FY 2024-25	FY 2024-25	FY 2025-26	Increase &
Expense Name	Actual	Actual thru 12/31/24	Budget	Budget	(Decrease)
<b>Salaries &amp; Benefits</b>					
Regular Labor	1,938,999.39	1,057,234.63	2,267,900.00	2,661,177.38	393,277.38
Overtime Labor	679,163.62	360,462.97	804,893.00	860,757.00	55,864.00
Contract Labor	-	-	20,700.00	-	(20,700.00)
Employee Benefits	315,686.01	175,394.12	1,316,710.00	916,704.30	(400,005.70)
<b>Salaries &amp; Benefits Total</b>	<b>2,933,849.02</b>	<b>1,593,091.72</b>	<b>4,410,203.00</b>	<b>4,438,638.68</b>	<b>28,435.68</b>
<b>Purchased Water &amp; Utilities</b>					
Water	49,115,728.75	31,465,728.80	56,451,632.00	56,263,072.96	(188,559.04)
Electricity	16,785,823.02	8,659,087.05	21,475,814.00	17,483,625.95	(3,992,188.05)
Fuel	92,990.04	40,290.51	47,800.00	85,294.68	37,494.68
Telecommunication	62,952.25	29,191.26	60,765.00	64,520.16	3,755.16
Other Utilities	78,851.14	22,386.58	79,700.00	76,773.00	(2,927.00)
<b>Purchased Water &amp; Utilities Total</b>	<b>66,136,345.20</b>	<b>40,216,684.20</b>	<b>78,115,711.00</b>	<b>73,973,286.75</b>	<b>(4,142,424.25)</b>
<b>Materials &amp; Supplies</b>					
Chemicals	4,426,633.48	2,453,730.15	3,459,065.00	5,455,704.84	1,996,639.84
Operating Supplies	162,012.72	88,471.43	144,900.00	142,800.00	(2,100.00)
Permits, Licenses and Fees	368,703.38	108,591.71	260,704.00	474,107.40	213,403.40
Office Supplies	683.91	133.97	400.00	276.00	(124.00)
Duplicating Equipment	2,868.30	1,278.00	3,000.00	2,632.68	(367.32)
Equipment Rental	41,273.81	11,161.13	10,000.00	-	(10,000.00)
<b>Materials &amp; Supplies Total</b>	<b>5,002,175.60</b>	<b>2,663,366.39</b>	<b>3,878,069.00</b>	<b>6,075,520.92</b>	<b>2,197,451.92</b>
<b>Professional Services</b>					
Rep & Maint OC San & Others	776,746.63	704,926.11	1,119,164.00	1,486,147.80	366,983.80
Rep & Maint IRWD	1,045,394.88	451,165.68	1,814,696.00	957,508.08	(857,187.92)
Engineering Fees	373,311.74	204,735.13	132,000.00	396,004.32	264,004.32
Personnel Training	2,259.30	2,263.33	22,000.00	7,999.92	(14,000.08)
Other Professional Fees	2,199.50	12,146.45	156,500.00	6,999.96	(149,500.04)
<b>Professional Services Total</b>	<b>2,199,912.05</b>	<b>1,375,236.70</b>	<b>3,244,360.00</b>	<b>2,854,660.08</b>	<b>(389,699.92)</b>
<b>Other Expense</b>					
Safety	-	-	3,000.00	1,500.00	(1,500.00)
<b>Other Expense Total</b>	<b>-</b>	<b>-</b>	<b>3,000.00</b>	<b>1,500.00</b>	<b>(1,500.00)</b>
<b>Grand Total</b>	<b>76,272,281.87</b>	<b>45,848,379.01</b>	<b>89,651,343.00</b>	<b>87,343,606.43</b>	<b>(2,307,736.57)</b>

**Irvine Ranch Water District**  
**Consolidated Operating Expense Budget for FY 2026-27**  
**Water and Recycling Operations: 420 - Water Operations**

Expense Group	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	Increase &
Expense Name	Actual	Actual thru 12/31/24	Budget	Budget	(Decrease)
<b>Salaries &amp; Benefits</b>					
Regular Labor	1,938,999.39	1,057,234.63	2,661,177.38	2,819,245.69	158,068.31
Overtime Labor	679,163.62	360,462.97	860,757.00	912,403.56	51,646.56
Contract Labor	-	-	-	-	-
Employee Benefits	315,686.01	175,394.12	916,704.30	943,501.05	26,796.75
<b>Salaries &amp; Benefits Total</b>	<b>2,933,849.02</b>	<b>1,593,091.72</b>	<b>4,438,638.68</b>	<b>4,675,150.30</b>	<b>236,511.62</b>
<b>Purchased Water &amp; Utilities</b>					
Water	49,115,728.75	31,465,728.80	56,263,072.96	59,751,302.04	3,488,229.08
Electricity	16,785,823.02	8,659,087.05	17,483,625.95	18,706,051.02	1,222,425.07
Fuel	92,990.04	40,290.51	85,294.68	91,809.36	6,514.68
Telecommunication	62,952.25	29,191.26	64,520.16	66,925.92	2,405.76
Other Utilities	78,851.14	22,386.58	76,773.00	79,076.04	2,303.04
<b>Purchased Water &amp; Utilities Total</b>	<b>66,136,345.20</b>	<b>40,216,684.20</b>	<b>73,973,286.75</b>	<b>78,695,164.38</b>	<b>4,721,877.63</b>
<b>Materials &amp; Supplies</b>					
Chemicals	4,426,633.48	2,453,730.15	5,455,704.84	5,627,255.76	171,550.92
Operating Supplies	162,012.72	88,471.43	142,800.00	147,940.68	5,140.68
Permits, Licenses and Fees	368,703.38	108,591.71	474,107.40	491,800.56	17,693.16
Office Supplies	683.91	133.97	276.00	284.28	8.28
Duplicating Equipment	2,868.30	1,278.00	2,632.68	2,711.64	78.96
Equipment Rental	41,273.81	11,161.13	-	-	-
<b>Materials &amp; Supplies Total</b>	<b>5,002,175.60</b>	<b>2,663,366.39</b>	<b>6,075,520.92</b>	<b>6,269,992.92</b>	<b>194,472.00</b>
<b>Professional Services</b>					
Rep & Maint OC San & Others	776,746.63	704,926.11	1,486,147.80	1,531,312.20	45,164.40
Rep & Maint IRWD	1,045,394.88	451,165.68	957,508.08	985,557.84	28,049.76
Engineering Fees	373,311.74	204,735.13	396,004.32	407,884.44	11,880.12
Personnel Training	2,259.30	2,263.33	7,999.92	7,999.92	-
Other Professional Fees	2,199.50	12,146.45	6,999.96	6,999.96	-
<b>Professional Services Total</b>	<b>2,199,912.05</b>	<b>1,375,236.70</b>	<b>2,854,660.08</b>	<b>2,939,754.36</b>	<b>85,094.28</b>
<b>Other Expense</b>					
Safety	-	-	1,500.00	2,499.96	999.96
<b>Other Expense Total</b>	<b>-</b>	<b>-</b>	<b>1,500.00</b>	<b>2,499.96</b>	<b>999.96</b>
<b>Grand Total</b>	<b>76,272,281.87</b>	<b>45,848,379.01</b>	<b>87,343,606.43</b>	<b>92,582,561.92</b>	<b>5,238,955.49</b>

**Irvine Ranch Water District**  
**Consolidated Operating Expense Budget for FY 2025-26**  
**Water and Recycling Operations: 530 - Automation**

Expense Group	FY 2023-24	FY 2024-25	FY 2024-25	FY 2025-26	Increase &
Expense Name	Actual	Actual thru 12/31/24	Budget	Budget	(Decrease)
<b>Salaries &amp; Benefits</b>					
Regular Labor	1,340,217.76	759,420.94	1,609,400.00	1,795,471.62	186,071.62
Overtime Labor	114,162.34	67,393.83	128,212.00	132,000.12	3,788.12
Contract Labor	24,240.25	14,049.00	44,716.00	35,000.00	(9,716.00)
Employee Benefits	241,723.31	140,354.56	900,890.00	614,608.58	(286,281.42)
<b>Salaries &amp; Benefits Total</b>	<b>1,720,343.66</b>	<b>981,218.33</b>	<b>2,683,218.00</b>	<b>2,577,080.32</b>	<b>(106,137.68)</b>
<b>Materials &amp; Supplies</b>					
Operating Supplies	53,711.61	15,658.15	88,792.00	56,000.16	(32,791.84)
Permits, Licenses and Fees	13,089.03	-	17,884.00	18,420.00	536.00
<b>Materials &amp; Supplies Total</b>	<b>66,800.64</b>	<b>15,658.15</b>	<b>106,676.00</b>	<b>74,420.16</b>	<b>(32,255.84)</b>
<b>Professional Services</b>					
Rep & Maint IRWD	95,005.00	51,503.57	101,200.00	105,000.00	3,800.00
Personnel Training	3,438.48	15,134.97	12,940.00	16,999.92	4,059.92
Other Professional Fees	61,202.97	509.00	129,372.00	265,999.80	136,627.80
<b>Professional Services Total</b>	<b>159,646.45</b>	<b>67,147.54</b>	<b>243,512.00</b>	<b>387,999.72</b>	<b>144,487.72</b>
<b>Other Expense</b>					
Safety	-	-	2,260.00	2,300.04	40.04
<b>Other Expense Total</b>	<b>-</b>	<b>-</b>	<b>2,260.00</b>	<b>2,300.04</b>	<b>40.04</b>
<b>Grand Total</b>	<b>1,946,790.75</b>	<b>1,064,024.02</b>	<b>3,035,666.00</b>	<b>3,041,800.24</b>	<b>6,134.24</b>

**Irvine Ranch Water District**  
**Consolidated Operating Expense Budget for FY 2026-27**  
**Water and Recycling Operations: 530 - Automation**

Expense Group	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	Increase &
Expense Name	Actual	Actual thru 12/31/24	Budget	Budget	(Decrease)
<b>Salaries &amp; Benefits</b>					
Regular Labor	1,340,217.76	759,420.94	1,795,471.62	1,891,755.72	96,284.10
Overtime Labor	114,162.34	67,393.83	132,000.12	135,960.12	3,960.00
Contract Labor	24,240.25	14,049.00	35,000.00	36,049.92	1,049.92
Employee Benefits	241,723.31	140,354.56	614,608.58	628,929.96	14,321.38
<b>Salaries &amp; Benefits Total</b>	<b>1,720,343.66</b>	<b>981,218.33</b>	<b>2,577,080.32</b>	<b>2,692,695.72</b>	<b>115,615.40</b>
<b>Materials &amp; Supplies</b>					
Operating Supplies	53,711.61	15,658.15	56,000.16	51,500.04	(4,500.12)
Permits, Licenses and Fees	13,089.03	-	18,420.00	18,972.60	552.60
<b>Materials &amp; Supplies Total</b>	<b>66,800.64</b>	<b>15,658.15</b>	<b>74,420.16</b>	<b>70,472.64</b>	<b>(3,947.52)</b>
<b>Professional Services</b>					
Rep & Maint IRWD	95,005.00	51,503.57	105,000.00	108,150.00	3,150.00
Personnel Training	3,438.48	15,134.97	16,999.92	17,510.04	510.12
Other Professional Fees	61,202.97	509.00	265,999.80	271,029.96	5,030.16
<b>Professional Services Total</b>	<b>159,646.45</b>	<b>67,147.54</b>	<b>387,999.72</b>	<b>396,690.00</b>	<b>8,690.28</b>
<b>Other Expense</b>					
Safety	-	-	2,300.04	2,369.88	69.84
<b>Other Expense Total</b>	<b>-</b>	<b>-</b>	<b>2,300.04</b>	<b>2,369.88</b>	<b>69.84</b>
<b>Grand Total</b>	<b>1,946,790.75</b>	<b>1,064,024.02</b>	<b>3,041,800.24</b>	<b>3,162,228.24</b>	<b>120,428.00</b>

**Irvine Ranch Water District**  
**Consolidated Operating Expense Budget for FY 2025-26**  
**Water and Recycling Operations: 550 - MWRP Operations**

Expense Group	FY 2023-24	FY 2024-25	FY 2024-25	FY 2025-26	Increase &
Expense Name	Actual	Actual thru 12/31/24	Budget	Budget	(Decrease)
<b>Salaries &amp; Benefits</b>					
Regular Labor	2,099,569.53	1,089,332.72	2,629,900.00	3,153,836.34	523,936.34
Overtime Labor	565,190.96	369,218.25	494,540.00	796,878.60	302,338.60
Contract Labor	269,236.45	-	286,376.00	-	(286,376.00)
Employee Benefits	299,263.16	173,189.66	1,481,550.00	1,088,437.84	(393,112.16)
<b>Salaries &amp; Benefits Total</b>	<b>3,233,260.10</b>	<b>1,631,740.63</b>	<b>4,892,366.00</b>	<b>5,039,152.78</b>	<b>146,786.78</b>
<b>Purchased Water &amp; Utilities</b>					
Electricity	4,326,796.78	1,100,645.76	6,456,576.00	5,798,363.04	(658,212.96)
Fuel	381,064.01	87,753.36	527,896.00	315,966.12	(211,929.88)
<b>Purchased Water &amp; Utilities Total</b>	<b>4,707,860.79</b>	<b>1,188,399.12</b>	<b>6,984,472.00</b>	<b>6,114,329.16</b>	<b>(870,142.84)</b>
<b>Materials &amp; Supplies</b>					
Chemicals	3,256,182.05	1,668,272.79	3,949,884.00	3,681,292.80	(268,591.20)
Operating Supplies	106,033.12	48,145.24	121,040.00	114,000.00	(7,040.00)
<b>Materials &amp; Supplies Total</b>	<b>3,362,215.17</b>	<b>1,716,418.03</b>	<b>4,070,924.00</b>	<b>3,795,292.80</b>	<b>(275,631.20)</b>
<b>Professional Services</b>					
Rep & Maint OC San & Others	7,886,353.44	3,659,065.38	4,120,000.00	4,500,000.00	380,000.00
Rep & Maint IRWD	8,508.13	2,725.29	511,000.00	512,000.04	1,000.04
Personnel Training	1,845.10	1,012.90	21,576.00	30,700.08	9,124.08
Other Professional Fees	195,356.49	17,935.58	180,132.00	182,049.96	1,917.96
<b>Professional Services Total</b>	<b>8,092,063.16</b>	<b>3,680,739.15</b>	<b>4,832,708.00</b>	<b>5,224,750.08</b>	<b>392,042.08</b>
<b>Other Expense</b>					
Safety	18,928.08	4,769.23	31,052.00	35,000.04	3,948.04
Biosolids Disposals	1,016,528.91	784,751.67	1,055,700.00	1,299,999.96	244,299.96
Mileage Reimbursement	2,810.80	5,257.65	-	12,000.00	12,000.00
Other Expense	164,109.44	78,065.77	148,060.00	165,000.12	16,940.12
<b>Other Expense Total</b>	<b>1,202,377.23</b>	<b>872,844.32</b>	<b>1,234,812.00</b>	<b>1,512,000.12</b>	<b>277,188.12</b>
<b>Grand Total</b>	<b>20,597,776.45</b>	<b>9,090,141.25</b>	<b>22,015,282.00</b>	<b>21,685,524.94</b>	<b>(329,757.06)</b>

**Irvine Ranch Water District**  
**Consolidated Operating Expense Budget for FY 2026-27**  
**Water and Recycling Operations: 550 - MWRP Operations**

Expense Group	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	Increase &
Expense Name	Actual	Actual thru 12/31/24	Budget	Budget	(Decrease)
<b>Salaries &amp; Benefits</b>					
Regular Labor	2,099,569.53	1,089,332.72	3,153,836.34	3,577,741.33	423,904.99
Overtime Labor	565,190.96	369,218.25	796,878.60	828,145.80	31,267.20
Contract Labor	269,236.45	-	-	-	-
Employee Benefits	299,263.16	173,189.66	1,088,437.84	1,196,388.93	107,951.09
<b>Salaries &amp; Benefits Total</b>	<b>3,233,260.10</b>	<b>1,631,740.63</b>	<b>5,039,152.78</b>	<b>5,602,276.06</b>	<b>563,123.28</b>
<b>Purchased Water &amp; Utilities</b>					
Electricity	4,326,796.78	1,100,645.76	5,798,363.04	5,856,349.05	57,986.01
Fuel	381,064.01	87,753.36	315,966.12	331,764.48	15,798.36
<b>Purchased Water &amp; Utilities Total</b>	<b>4,707,860.79</b>	<b>1,188,399.12</b>	<b>6,114,329.16</b>	<b>6,188,113.53</b>	<b>73,784.37</b>
<b>Materials &amp; Supplies</b>					
Chemicals	3,256,182.05	1,668,272.79	3,681,292.80	3,794,873.64	113,580.84
Operating Supplies	106,033.12	48,145.24	114,000.00	116,520.00	2,520.00
<b>Materials &amp; Supplies Total</b>	<b>3,362,215.17</b>	<b>1,716,418.03</b>	<b>3,795,292.80</b>	<b>3,911,393.64</b>	<b>116,100.84</b>
<b>Professional Services</b>					
Rep & Maint OC San & Others	7,886,353.44	3,659,065.38	4,500,000.00	4,500,000.00	-
Rep & Maint IRWD	8,508.13	2,725.29	512,000.04	512,360.04	360.00
Personnel Training	1,845.10	1,012.90	30,700.08	31,471.08	771.00
Other Professional Fees	195,356.49	17,935.58	182,049.96	182,111.04	61.08
<b>Professional Services Total</b>	<b>8,092,063.16</b>	<b>3,680,739.15</b>	<b>5,224,750.08</b>	<b>5,225,942.16</b>	<b>1,192.08</b>
<b>Other Expense</b>					
Safety	18,928.08	4,769.23	35,000.04	36,050.04	1,050.00
Biosolids Disposals	1,016,528.91	784,751.67	1,299,999.96	1,338,999.96	39,000.00
Mileage Reimbursement	2,810.80	5,257.65	12,000.00	12,360.00	360.00
Other Expense	164,109.44	78,065.77	165,000.12	169,950.00	4,949.88
<b>Other Expense Total</b>	<b>1,202,377.23</b>	<b>872,844.32</b>	<b>1,512,000.12</b>	<b>1,557,360.00</b>	<b>45,359.88</b>
<b>Grand Total</b>	<b>20,597,776.45</b>	<b>9,090,141.25</b>	<b>21,685,524.94</b>	<b>22,485,085.39</b>	<b>799,560.45</b>

**Irvine Ranch Water District**  
**Consolidated Operating Expense Budget for FY 2025-26**  
**Water and Recycling Operations: 590 - LAW RP Operations**

Expense Group	FY 2023-24	FY 2024-25	FY 2024-25	FY 2025-26	Increase &
Expense Name	Actual	Actual thru 12/31/24	Budget	Budget	(Decrease)
<b>Salaries &amp; Benefits</b>					
Regular Labor	253,994.78	138,563.34	309,500.00	340,311.92	30,811.92
Overtime Labor	95,999.42	40,606.43	114,316.00	129,368.52	15,052.52
Employee Benefits	74,613.37	46,079.83	183,450.00	118,500.89	(64,949.11)
<b>Salaries &amp; Benefits Total</b>	<b>424,607.57</b>	<b>225,249.60</b>	<b>607,266.00</b>	<b>588,181.33</b>	<b>(19,084.67)</b>
<b>Purchased Water &amp; Utilities</b>					
Electricity	1,268,394.04	785,349.95	1,595,805.00	1,676,025.09	80,220.09
Fuel	618.09	260.63	1,196.00	1,172.52	(23.48)
<b>Purchased Water &amp; Utilities Total</b>	<b>1,269,012.13</b>	<b>785,610.58</b>	<b>1,597,001.00</b>	<b>1,677,197.61</b>	<b>80,196.61</b>
<b>Materials &amp; Supplies</b>					
Chemicals	291,312.11	312,530.13	636,888.00	743,500.08	106,612.08
Operating Supplies	2,872.89	3,517.77	9,900.00	9,900.00	-
<b>Materials &amp; Supplies Total</b>	<b>294,185.00</b>	<b>316,047.90</b>	<b>646,788.00</b>	<b>753,400.08</b>	<b>106,612.08</b>
<b>Professional Services</b>					
Rep & Maint OC San & Others	195,008.27	101,486.20	108,144.00	111,388.32	3,244.32
Rep & Maint IRWD	5,918.41	11,046.62	36,248.00	36,248.04	0.04
Personnel Training	400.40	484.92	556.00	999.96	443.96
<b>Professional Services Total</b>	<b>201,327.08</b>	<b>113,017.74</b>	<b>144,948.00</b>	<b>148,636.32</b>	<b>3,688.32</b>
<b>Other Expense</b>					
Safety	-	-	2,196.00	4,999.92	2,803.92
Biosolids Disposals	36,604.29	16,178.56	35,108.00	36,161.04	1,053.04
Mileage Reimbursement	-	53.60	-	-	-
<b>Other Expense Total</b>	<b>36,604.29</b>	<b>16,232.16</b>	<b>37,304.00</b>	<b>41,160.96</b>	<b>3,856.96</b>
<b>Grand Total</b>	<b>2,225,736.07</b>	<b>1,456,157.98</b>	<b>3,033,307.00</b>	<b>3,208,576.30</b>	<b>175,269.30</b>

**Irvine Ranch Water District**  
**Consolidated Operating Expense Budget for FY 2026-27**  
**Water and Recycling Operations: 590 - LAWRP Operations**

Expense Group	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	Increase &
Expense Name	Actual	Actual thru 12/31/24	Budget	Budget	(Decrease)
<b>Salaries &amp; Benefits</b>					
Regular Labor	253,994.78	138,563.34	340,311.92	361,327.44	21,015.52
Overtime Labor	95,999.42	40,606.43	129,368.52	56,109.48	(73,259.04)
Employee Benefits	74,613.37	46,079.83	118,500.89	122,318.49	3,817.60
<b>Salaries &amp; Benefits Total</b>	<b>424,607.57</b>	<b>225,249.60</b>	<b>588,181.33</b>	<b>539,755.41</b>	<b>(48,425.92)</b>
<b>Purchased Water &amp; Utilities</b>					
Electricity	1,268,394.04	785,349.95	1,676,025.09	1,676,025.09	-
Fuel	618.09	260.63	1,172.52	1,231.20	58.68
<b>Purchased Water &amp; Utilities Total</b>	<b>1,269,012.13</b>	<b>785,610.58</b>	<b>1,677,197.61</b>	<b>1,677,256.29</b>	<b>58.68</b>
<b>Materials &amp; Supplies</b>					
Chemicals	291,312.11	312,530.13	743,500.08	765,805.08	22,305.00
Operating Supplies	2,872.89	3,517.77	9,900.00	10,201.08	301.08
<b>Materials &amp; Supplies Total</b>	<b>294,185.00</b>	<b>316,047.90</b>	<b>753,400.08</b>	<b>776,006.16</b>	<b>22,606.08</b>
<b>Professional Services</b>					
Rep & Maint OC San & Others	195,008.27	101,486.20	111,388.32	114,730.08	3,341.76
Rep & Maint IRWD	5,918.41	11,046.62	36,248.04	37,335.48	1,087.44
Personnel Training	400.40	484.92	999.96	999.96	-
<b>Professional Services Total</b>	<b>201,327.08</b>	<b>113,017.74</b>	<b>148,636.32</b>	<b>153,065.52</b>	<b>4,429.20</b>
<b>Other Expense</b>					
Safety	-	-	4,999.92	5,149.92	150.00
Biosolids Disposals	36,604.29	16,178.56	36,161.04	37,245.84	1,084.80
Mileage Reimbursement	-	53.60	-	-	-
<b>Other Expense Total</b>	<b>36,604.29</b>	<b>16,232.16</b>	<b>41,160.96</b>	<b>42,395.76</b>	<b>1,234.80</b>
<b>Grand Total</b>	<b>2,225,736.07</b>	<b>1,456,157.98</b>	<b>3,208,576.30</b>	<b>3,188,479.14</b>	<b>(20,097.16)</b>





# **MAINTENANCE OPERATIONS**

## **OPERATING BUDGET SUMMARY**

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### **Program Description**

The mission of Maintenance Operations department is to maintain and repair the District's assets to ensure optimal life expectancy, reliability, efficiency and safety goals while providing the highest level of customer satisfaction, including electrical, mechanical, and instrumentation assets by utilizing a comprehensive enterprise asset management system to ensure safe, reliable, and cost effective operation. Additional responsibilities include the operation and maintenance of the District's sewer collection system. This is done in a regulatory compliant, efficient, and environmentally safe manner that provides the highest level of customer satisfaction.

### **Major Goals**

- Complete all safety trainings;
- Achieve zero lost time accidents;
- Maintain 100% compliance with all regulatory permits;
- Meet the Department's adopted Maintenance and General Plant budgets;
- Maintain and develop staff competency through a combination of internal and external training;
- Identify and track operational Key Performance Indicators (KPIs) to optimize efficiency and cost effectiveness;
- Leverage ESRI GIS applications to support Collections in routing, tracking, and reporting maintenance activities;
- Expand and optimize predictive maintenance processes;
- Perform all required maintenance on schedule to provide a safe, reliable, and cost-effective fleet operation;
- Develop an annual schedule/plan for complex maintenance of District assets;
- Prioritize the Preventative Maintenance Program and reduce corrective/emergency maintenance tasks;
- Update District's Sewer System Management Plan (SSMP) as required per the Sanitary Sewer Systems State Waste Discharge Requirements (SSS WDR) and;
- Conduct a criticality analysis coupled with asset condition assessments of all sewage collection and treatment facilities to efficiently prioritize maintenance and replacement activities.
- Perform a condition assessment for rehabilitation and reinvestment projects;
- Continue to enhance coordination and collaboration with Engineering;
- Evaluate, optimize, and monitor chemical usage using Key Performance Indicators (KPIs) for sewer collection and recycling facilities' systems;



Irvine Ranch  
Water District

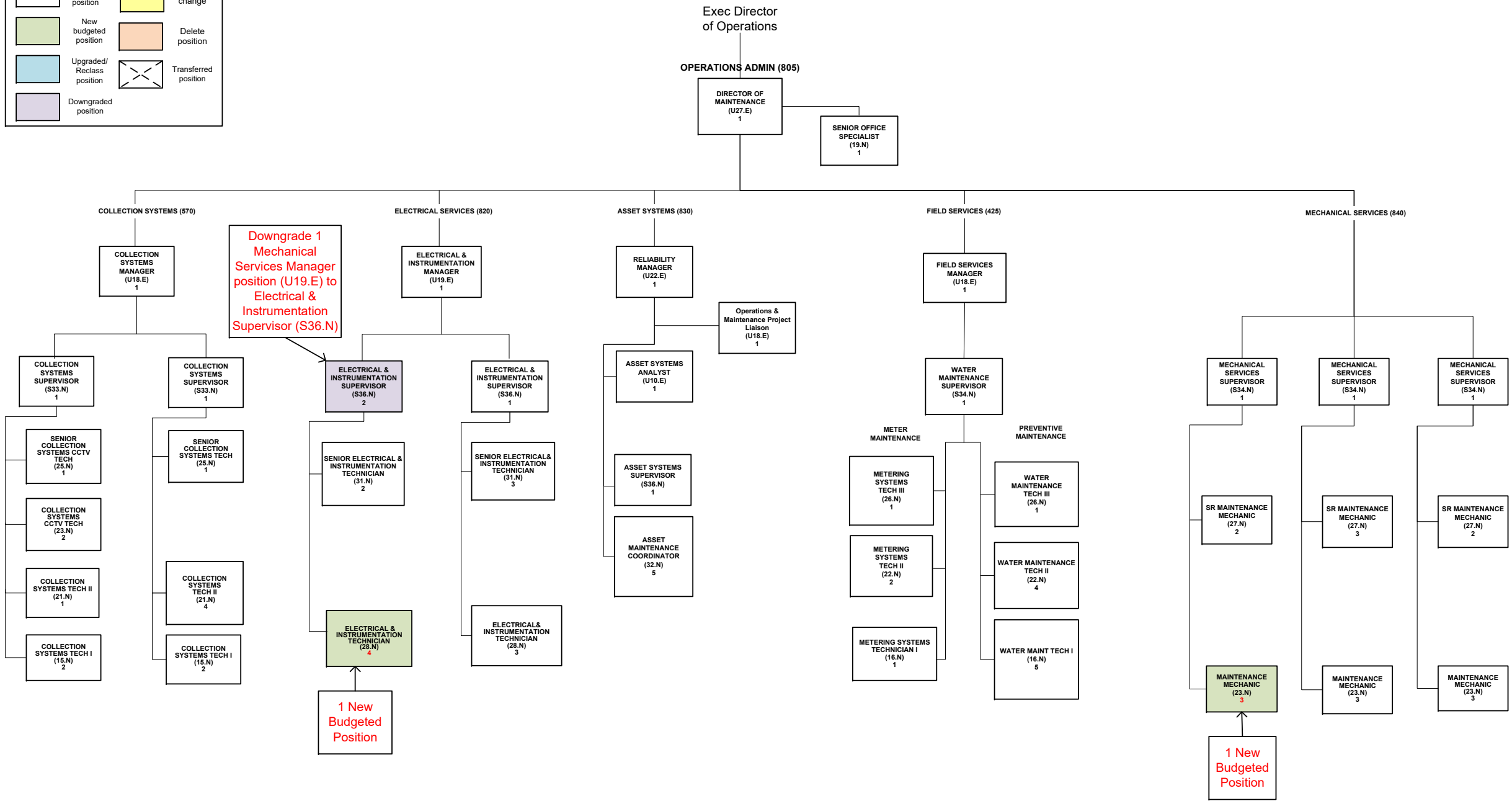
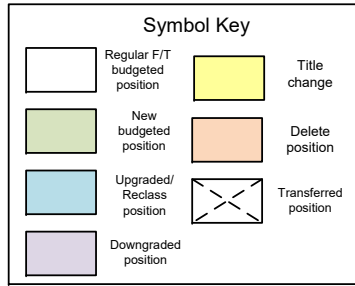
# ***MAINTENANCE OPERATIONS***

## ***OPERATING BUDGET SUMMARY***

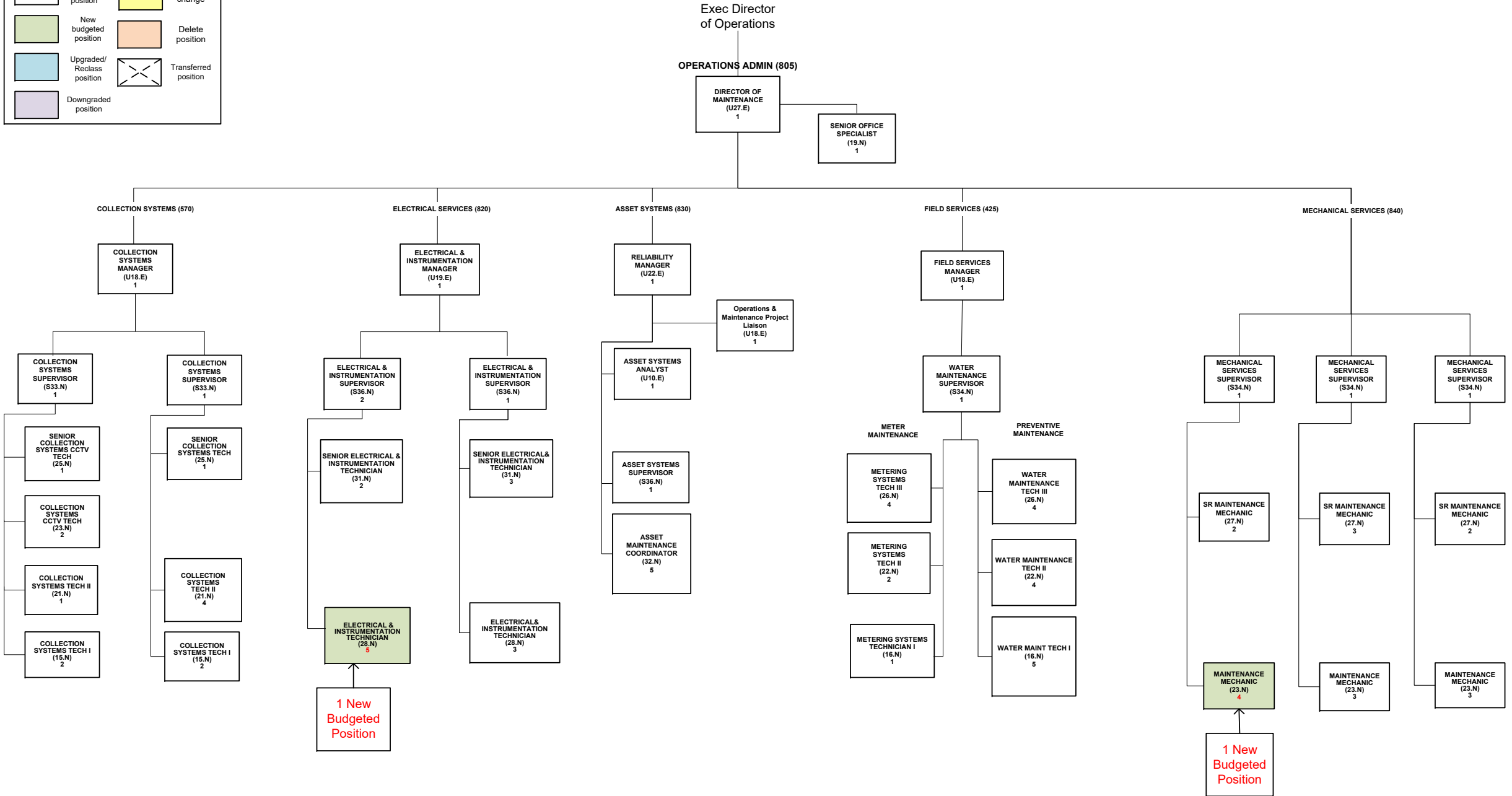
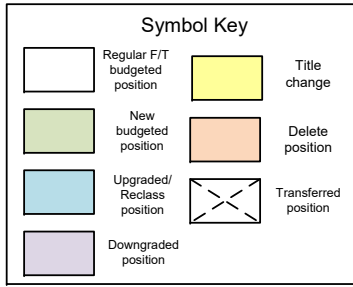
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- Provide excellent customer service to our internal and external customers by incorporating asset management tools and software into our daily tasks.
- Increase utilization of predictive maintenance (PdM) methods;
- Continue arc flash studies across District facilities; and
- Establish maintenance strategies for water pipelines and sewers and incorporate facility criticality into existing maintenance plans for treatment plants, wells and pump/lift stations.

# IRVINE RANCH WATER DISTRICT MAINTENANCE OPERATIONS FISCAL YEAR 2025-26



# IRVINE RANCH WATER DISTRICT MAINTENANCE OPERATIONS FISCAL YEAR 2026-27



**Irvine Ranch Water District**  
**Consolidated Operating Expense Budget for FY 2025-26**  
**Maintenance Operations: 425 - Field Services**

Expense Group	FY 2023-24	FY 2024-25	FY 2024-25	FY 2025-26	Increase &
Expense Name	Actual	Actual thru 12/31/24	Budget	Budget	(Decrease)
<b>Salaries &amp; Benefits</b>					
Regular Labor	1,634,265.15	730,884.96	2,358,900.00	2,424,322.51	65,422.51
Overtime Labor	335,602.10	124,695.04	374,528.00	241,569.84	(132,958.16)
Contract Labor	1,537.60	-	165,496.00	-	(165,496.00)
Employee Benefits	266,261.44	60,990.53	1,359,860.00	840,682.00	(519,178.00)
<b>Salaries &amp; Benefits Total</b>	<b>2,237,666.29</b>	<b>916,570.53</b>	<b>4,258,784.00</b>	<b>3,506,574.35</b>	<b>(752,209.65)</b>
<b>Materials &amp; Supplies</b>					
Chemicals	-	-	1,100.00	-	(1,100.00)
Operating Supplies	293,325.06	178,155.47	176,152.00	379,850.04	203,698.04
Permits, Licenses and Fees	71,850.78	38,346.46	77,548.00	-	(77,548.00)
<b>Materials &amp; Supplies Total</b>	<b>365,175.84</b>	<b>216,501.93</b>	<b>254,800.00</b>	<b>379,850.04</b>	<b>125,050.04</b>
<b>Professional Services</b>					
Rep & Maint IRWD	699,744.83	541,644.21	453,436.00	789,572.88	336,136.88
Personnel Training	7,972.35	1,771.48	16,120.00	27,500.04	11,380.04
Other Professional Fees	3,113.15	2,687.02	7,708.00	9,200.04	1,492.04
<b>Professional Services Total</b>	<b>710,830.33</b>	<b>546,102.71</b>	<b>477,264.00</b>	<b>826,272.96</b>	<b>349,008.96</b>
<b>Other Expense</b>					
Safety	48.00	-	-	-	-
Mileage Reimbursement	1,295.67	323.86	-	2,000.04	2,000.04
<b>Other Expense Total</b>	<b>1,343.67</b>	<b>323.86</b>	<b>-</b>	<b>2,000.04</b>	<b>2,000.04</b>
<b>Grand Total</b>	<b>3,315,016.13</b>	<b>1,679,499.03</b>	<b>4,990,848.00</b>	<b>4,714,697.39</b>	<b>(276,150.61)</b>

**Irvine Ranch Water District**  
**Consolidated Operating Expense Budget for FY 2026-27**  
**Maintenance Operations: 425 - Field Services**

Expense Group	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	Increase &
Expense Name	Actual	Actual thru 12/31/24	Budget	Budget	(Decrease)
<b>Salaries &amp; Benefits</b>					
Regular Labor	1,634,265.15	730,884.96	2,424,322.51	2,560,341.21	136,018.70
Overtime Labor	335,602.10	124,695.04	241,569.84	252,170.76	10,600.92
Contract Labor	1,537.60	-	-	-	-
Employee Benefits	266,261.44	60,990.53	840,682.00	863,194.35	22,512.35
<b>Salaries &amp; Benefits Total</b>	<b>2,237,666.29</b>	<b>916,570.53</b>	<b>3,506,574.35</b>	<b>3,675,706.32</b>	<b>169,131.97</b>
<b>Materials &amp; Supplies</b>					
Chemicals	-	-	-	-	-
Operating Supplies	293,325.06	178,155.47	379,850.04	453,500.04	73,650.00
Permits, Licenses and Fees	71,850.78	38,346.46	-	-	-
<b>Materials &amp; Supplies Total</b>	<b>365,175.84</b>	<b>216,501.93</b>	<b>379,850.04</b>	<b>453,500.04</b>	<b>73,650.00</b>
<b>Professional Services</b>					
Rep & Maint IRWD	699,744.83	541,644.21	789,572.88	911,762.88	122,190.00
Personnel Training	7,972.35	1,771.48	27,500.04	32,499.96	4,999.92
Other Professional Fees	3,113.15	2,687.02	9,200.04	9,200.04	-
<b>Professional Services Total</b>	<b>710,830.33</b>	<b>546,102.71</b>	<b>826,272.96</b>	<b>953,462.88</b>	<b>127,189.92</b>
<b>Other Expense</b>					
Safety	48.00	-	-	-	-
Mileage Reimbursement	1,295.67	323.86	2,000.04	2,000.04	-
<b>Other Expense Total</b>	<b>1,343.67</b>	<b>323.86</b>	<b>2,000.04</b>	<b>2,000.04</b>	<b>-</b>
<b>Grand Total</b>	<b>3,315,016.13</b>	<b>1,679,499.03</b>	<b>4,714,697.39</b>	<b>5,084,669.28</b>	<b>369,971.89</b>

**Irvine Ranch Water District**  
**Consolidated Operating Expense Budget for FY 2025-26**  
**Maintenance Operations: 570 - Collections Systems**

Expense Group	FY 2023-24	FY 2024-25	FY 2024-25	FY 2025-26	Increase &
Expense Name	Actual	Actual thru 12/31/24	Budget	Budget	(Decrease)
<b>Salaries &amp; Benefits</b>					
Regular Labor	951,986.68	484,101.65	1,375,800.00	1,511,056.29	135,256.29
Overtime Labor	237,671.99	169,759.09	161,828.00	445,079.88	283,251.88
Contract Labor	-	-	65,828.00	75,000.00	9,172.00
Employee Benefits	114,887.08	59,214.45	783,880.00	519,281.41	(264,598.59)
<b>Salaries &amp; Benefits Total</b>	<b>1,304,545.75</b>	<b>713,075.19</b>	<b>2,387,336.00</b>	<b>2,550,417.58</b>	<b>163,081.58</b>
<b>Purchased Water &amp; Utilities</b>					
Electricity	237,406.10	99,804.88	322,285.00	281,720.01	(40,564.99)
Telecommunication	11,253.18	4,806.41	32,476.00	12,399.96	(20,076.04)
<b>Purchased Water &amp; Utilities Total</b>	<b>248,659.28</b>	<b>104,611.29</b>	<b>354,761.00</b>	<b>294,119.97</b>	<b>(60,641.03)</b>
<b>Materials &amp; Supplies</b>					
Chemicals	420,063.02	195,043.77	532,508.00	549,999.96	17,491.96
Operating Supplies	270,091.80	353,420.73	85,356.00	128,100.00	42,744.00
<b>Materials &amp; Supplies Total</b>	<b>690,154.82</b>	<b>548,464.50</b>	<b>617,864.00</b>	<b>678,099.96</b>	<b>60,235.96</b>
<b>Professional Services</b>					
Rep & Maint IRWD	492,116.45	434,896.08	763,593.00	845,200.08	81,607.08
Personnel Training	25,172.94	10,826.12	21,012.00	56,000.04	34,988.04
Other Professional Fees	67,098.91	25,760.91	111,515.00	106,049.88	(5,465.12)
<b>Professional Services Total</b>	<b>584,388.30</b>	<b>471,483.11</b>	<b>896,120.00</b>	<b>1,007,250.00</b>	<b>111,130.00</b>
<b>Other Expense</b>					
Safety	478.60	-	13,164.00	15,000.00	1,836.00
<b>Other Expense Total</b>	<b>478.60</b>	<b>-</b>	<b>13,164.00</b>	<b>15,000.00</b>	<b>1,836.00</b>
<b>Grand Total</b>	<b>2,828,226.75</b>	<b>1,837,634.09</b>	<b>4,269,245.00</b>	<b>4,544,887.51</b>	<b>275,642.51</b>

**Irvine Ranch Water District**  
**Consolidated Operating Expense Budget for FY 2026-27**  
**Maintenance Operations: 570 - Collections Systems**

Expense Group	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	Increase &
Expense Name	Actual	Actual thru 12/31/24	Budget	Budget	(Decrease)
<b>Salaries &amp; Benefits</b>					
Regular Labor	951,986.68	484,101.65	1,511,056.29	1,606,316.27	95,259.98
Overtime Labor	237,671.99	169,759.09	445,079.88	472,255.08	27,175.20
Contract Labor	-	-	75,000.00	75,000.00	-
Employee Benefits	114,887.08	59,214.45	519,281.41	536,151.57	16,870.16
<b>Salaries &amp; Benefits Total</b>	<b>1,304,545.75</b>	<b>713,075.19</b>	<b>2,550,417.58</b>	<b>2,689,722.92</b>	<b>139,305.34</b>
<b>Purchased Water &amp; Utilities</b>					
Electricity	237,406.10	99,804.88	281,720.01	281,720.01	-
Telecommunication	11,253.18	4,806.41	12,399.96	14,450.04	2,050.08
<b>Purchased Water &amp; Utilities Total</b>	<b>248,659.28</b>	<b>104,611.29</b>	<b>294,119.97</b>	<b>296,170.05</b>	<b>2,050.08</b>
<b>Materials &amp; Supplies</b>					
Chemicals	420,063.02	195,043.77	549,999.96	600,000.00	50,000.04
Operating Supplies	270,091.80	353,420.73	128,100.00	139,399.92	11,299.92
<b>Materials &amp; Supplies Total</b>	<b>690,154.82</b>	<b>548,464.50</b>	<b>678,099.96</b>	<b>739,399.92</b>	<b>61,299.96</b>
<b>Professional Services</b>					
Rep & Maint IRWD	492,116.45	434,896.08	845,200.08	906,199.92	60,999.84
Personnel Training	25,172.94	10,826.12	56,000.04	57,999.96	1,999.92
Other Professional Fees	67,098.91	25,760.91	106,049.88	111,099.96	5,050.08
<b>Professional Services Total</b>	<b>584,388.30</b>	<b>471,483.11</b>	<b>1,007,250.00</b>	<b>1,075,299.84</b>	<b>68,049.84</b>
<b>Other Expense</b>					
Safety	478.60	-	15,000.00	18,000.00	3,000.00
<b>Other Expense Total</b>	<b>478.60</b>	<b>-</b>	<b>15,000.00</b>	<b>18,000.00</b>	<b>3,000.00</b>
<b>Grand Total</b>	<b>2,828,226.75</b>	<b>1,837,634.09</b>	<b>4,544,887.51</b>	<b>4,818,592.73</b>	<b>273,705.22</b>



**Irvine Ranch Water District**  
**Consolidated Operating Expense Budget for FY 2025-26**  
**Maintenance Operations: 820 - Electrical Services**

Expense Group	FY 2023-24	FY 2024-25	FY 2024-25	FY 2025-26	Increase &
Expense Name	Actual	Actual thru 12/31/24	Budget	Budget	(Decrease)
<b>Salaries &amp; Benefits</b>					
Regular Labor	1,344,132.09	727,479.83	1,669,300.00	1,905,704.66	236,404.66
Overtime Labor	174,596.21	102,787.10	168,180.00	225,199.92	57,019.92
Employee Benefits	227,978.80	117,611.57	945,970.00	654,978.69	(290,991.31)
<b>Salaries &amp; Benefits Total</b>	<b>1,746,707.10</b>	<b>947,878.50</b>	<b>2,783,450.00</b>	<b>2,785,883.27</b>	<b>2,433.27</b>
<b>Purchased Water &amp; Utilities</b>					
Fuel	-	(167.78)	-	-	-
Telecommunication	144.76	-	-	-	-
<b>Purchased Water &amp; Utilities Total</b>	<b>144.76</b>	<b>(167.78)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Materials &amp; Supplies</b>					
Operating Supplies	447,711.48	271,894.62	589,120.00	538,099.92	(51,020.08)
Office Supplies	261.13	-	220.00	-	(220.00)
<b>Materials &amp; Supplies Total</b>	<b>447,972.61</b>	<b>271,894.62</b>	<b>589,340.00</b>	<b>538,099.92</b>	<b>(51,240.08)</b>
<b>Professional Services</b>					
Rep & Maint IRWD	1,381,399.23	572,806.31	1,815,800.00	1,474,999.80	(340,800.20)
Personnel Training	14,097.61	478.00	22,400.00	35,000.04	12,600.04
Other Professional Fees	1,854.40	696.58	3,100.00	3,500.04	400.04
<b>Professional Services Total</b>	<b>1,397,351.24</b>	<b>573,980.89</b>	<b>1,841,300.00</b>	<b>1,513,499.88</b>	<b>(327,800.12)</b>
<b>Other Expense</b>					
Safety	8,774.65	3,215.51	18,400.00	18,000.12	(399.88)
<b>Other Expense Total</b>	<b>8,774.65</b>	<b>3,215.51</b>	<b>18,400.00</b>	<b>18,000.12</b>	<b>(399.88)</b>
<b>Grand Total</b>	<b>3,600,950.36</b>	<b>1,796,801.74</b>	<b>5,232,490.00</b>	<b>4,855,483.19</b>	<b>(377,006.81)</b>

**Irvine Ranch Water District**  
**Consolidated Operating Expense Budget for FY 2026-27**  
**Maintenance Operations: 820 - Electrical Services**

Expense Group	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	Increase &
Expense Name	Actual	Actual thru 12/31/24	Budget	Budget	(Decrease)
<b>Salaries &amp; Benefits</b>					
Regular Labor	1,344,132.09	727,479.83	1,905,704.66	2,181,184.92	275,480.26
Overtime Labor	174,596.21	102,787.10	225,199.92	227,955.96	2,756.04
Employee Benefits	227,978.80	117,611.57	654,978.69	726,123.12	71,144.43
<b>Salaries &amp; Benefits Total</b>	<b>1,746,707.10</b>	<b>947,878.50</b>	<b>2,785,883.27</b>	<b>3,135,264.00</b>	<b>349,380.73</b>
<b>Purchased Water &amp; Utilities</b>					
Fuel	-	(167.78)	-	-	-
Telecommunication	144.76	-	-	-	-
<b>Purchased Water &amp; Utilities Total</b>	<b>144.76</b>	<b>(167.78)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Materials &amp; Supplies</b>					
Operating Supplies	447,711.48	271,894.62	538,099.92	538,099.92	-
Office Supplies	261.13	-	-	-	-
<b>Materials &amp; Supplies Total</b>	<b>447,972.61</b>	<b>271,894.62</b>	<b>538,099.92</b>	<b>538,099.92</b>	<b>-</b>
<b>Professional Services</b>					
Rep & Maint IRWD	1,381,399.23	572,806.31	1,474,999.80	1,474,999.81	0.01
Personnel Training	14,097.61	478.00	35,000.04	35,000.04	-
Other Professional Fees	1,854.40	696.58	3,500.04	3,500.04	-
<b>Professional Services Total</b>	<b>1,397,351.24</b>	<b>573,980.89</b>	<b>1,513,499.88</b>	<b>1,513,499.89</b>	<b>0.01</b>
<b>Other Expense</b>					
Safety	8,774.65	3,215.51	18,000.12	18,000.12	-
<b>Other Expense Total</b>	<b>8,774.65</b>	<b>3,215.51</b>	<b>18,000.12</b>	<b>18,000.12</b>	<b>-</b>
<b>Grand Total</b>	<b>3,600,950.36</b>	<b>1,796,801.74</b>	<b>4,855,483.19</b>	<b>5,204,863.93</b>	<b>349,380.74</b>

**Irvine Ranch Water District  
Consolidated Operating Expense Budget for FY 2025-26  
Maintenance Operations: 830 - Asset Systems**

Expense Group	FY 2023-24	FY 2024-25	FY 2024-25	FY 2025-26	Increase &
Expense Name	Actual	Actual thru 12/31/24	Budget	Budget	(Decrease)
<b>Salaries &amp; Benefits</b>					
Regular Labor	453,480.52	464,378.87	729,100.00	1,053,189.07	324,089.07
Overtime Labor	-	1,290.38	-	-	-
Employee Benefits	40,890.34	56,673.86	408,070.00	361,569.26	(46,500.74)
<b>Salaries &amp; Benefits Total</b>	<b>494,370.86</b>	<b>522,343.11</b>	<b>1,137,170.00</b>	<b>1,414,758.33</b>	<b>277,588.33</b>
<b>Materials &amp; Supplies</b>					
Operating Supplies	244.80	102.17	3,000.00	2,999.88	(0.12)
<b>Materials &amp; Supplies Total</b>	<b>244.80</b>	<b>102.17</b>	<b>3,000.00</b>	<b>2,999.88</b>	<b>(0.12)</b>
<b>Professional Services</b>					
Personnel Training	7,610.49	3,260.46	34,400.00	150,999.96	116,599.96
Other Professional Fees	326,398.03	117,148.83	420,400.00	350,999.88	(69,400.12)
<b>Professional Services Total</b>	<b>334,008.52</b>	<b>120,409.29</b>	<b>454,800.00</b>	<b>501,999.84</b>	<b>47,199.84</b>
<b>Grand Total</b>	<b>828,624.18</b>	<b>642,854.57</b>	<b>1,594,970.00</b>	<b>1,919,758.05</b>	<b>324,788.05</b>

**Irvine Ranch Water District**  
**Consolidated Operating Expense Budget for FY 2026-27**  
**Maintenance Operations: 830 - Asset Systems**

Expense Group	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	Increase &
Expense Name	Actual	Actual thru 12/31/24	Budget	Budget	(Decrease)
<b>Salaries &amp; Benefits</b>					
Regular Labor	453,480.52	464,378.87	1,053,189.07	1,109,667.60	56,478.53
Overtime Labor	-	1,290.38	-	-	-
Employee Benefits	40,890.34	56,673.86	361,569.26	370,071.96	8,502.70
<b>Salaries &amp; Benefits Total</b>	<b>494,370.86</b>	<b>522,343.11</b>	<b>1,414,758.33</b>	<b>1,479,739.56</b>	<b>64,981.23</b>
<b>Materials &amp; Supplies</b>					
Operating Supplies	244.80	102.17	2,999.88	2,999.88	-
<b>Materials &amp; Supplies Total</b>	<b>244.80</b>	<b>102.17</b>	<b>2,999.88</b>	<b>2,999.88</b>	<b>-</b>
<b>Professional Services</b>					
Personnel Training	7,610.49	3,260.46	150,999.96	150,999.96	-
Other Professional Fees	326,398.03	117,148.83	350,999.88	625,999.80	274,999.92
<b>Professional Services Total</b>	<b>334,008.52</b>	<b>120,409.29</b>	<b>501,999.84</b>	<b>776,999.76</b>	<b>274,999.92</b>
<b>Grand Total</b>	<b>828,624.18</b>	<b>642,854.57</b>	<b>1,919,758.05</b>	<b>2,259,739.20</b>	<b>339,981.15</b>

**Irvine Ranch Water District**  
**Consolidated Operating Expense Budget for FY 2025-26**  
**Maintenance Operations: 840 - Mechanical Services**

Expense Group	FY 2023-24	FY 2024-25	FY 2024-25	FY 2025-26	Increase &
Expense Name	Actual	Actual thru 12/31/24	Budget	Budget	(Decrease)
<b>Salaries &amp; Benefits</b>					
Regular Labor	1,636,162.41	693,632.12	2,068,200.00	2,098,481.51	30,281.51
Overtime Labor	228,213.15	85,789.47	229,360.00	238,499.76	9,139.76
Contract Labor	6,650.00	29,855.00	-	-	-
Employee Benefits	140,473.30	56,373.99	1,185,670.00	727,359.03	(458,310.97)
<b>Salaries &amp; Benefits Total</b>	<b>2,011,498.86</b>	<b>865,650.58</b>	<b>3,483,230.00</b>	<b>3,064,340.30</b>	<b>(418,889.70)</b>
<b>Purchased Water &amp; Utilities</b>					
Telecommunication	177.77	53.82	-	-	-
<b>Purchased Water &amp; Utilities Total</b>	<b>177.77</b>	<b>53.82</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Materials &amp; Supplies</b>					
Operating Supplies	779,971.74	520,655.19	500,600.00	358,722.12	(141,877.88)
Permits, Licenses and Fees	2,457.00	-	-	-	-
Office Supplies	777.18	-	-	999.96	999.96
<b>Materials &amp; Supplies Total</b>	<b>783,205.92</b>	<b>520,655.19</b>	<b>500,600.00</b>	<b>359,722.08</b>	<b>(140,877.92)</b>
<b>Professional Services</b>					
Rep & Maint IRWD	2,514,602.65	1,295,768.56	2,344,300.00	3,391,096.20	1,046,796.20
Personnel Training	4,287.32	2,820.22	23,800.00	33,500.04	9,700.04
Other Professional Fees	1,112.64	583.69	-	1,500.00	1,500.00
<b>Professional Services Total</b>	<b>2,520,002.61</b>	<b>1,299,172.47</b>	<b>2,368,100.00</b>	<b>3,426,096.24</b>	<b>1,057,996.24</b>
<b>Other Expense</b>					
Safety	4,586.98	2,977.57	-	6,000.00	6,000.00
Mileage Reimbursement	1,414.90	945.66	-	-	-
<b>Other Expense Total</b>	<b>6,001.88</b>	<b>3,923.23</b>	<b>-</b>	<b>6,000.00</b>	<b>6,000.00</b>
<b>Grand Total</b>	<b>5,320,887.04</b>	<b>2,689,455.29</b>	<b>6,351,930.00</b>	<b>6,856,158.62</b>	<b>504,228.62</b>

**Irvine Ranch Water District**  
**Consolidated Operating Expense Budget for FY 2026-27**  
**Maintenance Operations: 840 - Mechanical Services**

Expense Group	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	Increase &
Expense Name	Actual	Actual thru 12/31/24	Budget	Budget	(Decrease)
<b>Salaries &amp; Benefits</b>					
Regular Labor	1,636,162.41	693,632.12	2,098,481.51	2,357,776.53	259,295.02
Overtime Labor	228,213.15	85,789.47	238,499.76	245,654.76	7,155.00
Contract Labor	6,650.00	29,855.00	-	-	-
Employee Benefits	140,473.30	56,373.99	727,359.03	792,204.28	64,845.25
<b>Salaries &amp; Benefits Total</b>	<b>2,011,498.86</b>	<b>865,650.58</b>	<b>3,064,340.30</b>	<b>3,395,635.57</b>	<b>331,295.27</b>
<b>Purchased Water &amp; Utilities</b>					
Telecommunication	177.77	53.82	-	-	-
<b>Purchased Water &amp; Utilities Total</b>	<b>177.77</b>	<b>53.82</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Materials &amp; Supplies</b>					
Operating Supplies	779,971.74	520,655.19	358,722.12	358,722.12	-
Permits, Licenses and Fees	2,457.00	-	-	-	-
Office Supplies	777.18	-	999.96	999.96	-
<b>Materials &amp; Supplies Total</b>	<b>783,205.92</b>	<b>520,655.19</b>	<b>359,722.08</b>	<b>359,722.08</b>	<b>-</b>
<b>Professional Services</b>					
Rep & Maint IRWD	2,514,602.65	1,295,768.56	3,391,096.20	3,391,096.20	-
Personnel Training	4,287.32	2,820.22	33,500.04	33,500.04	-
Other Professional Fees	1,112.64	583.69	1,500.00	1,500.00	-
<b>Professional Services Total</b>	<b>2,520,002.61</b>	<b>1,299,172.47</b>	<b>3,426,096.24</b>	<b>3,426,096.24</b>	<b>-</b>
<b>Other Expense</b>					
Safety	4,586.98	2,977.57	6,000.00	6,000.00	-
Mileage Reimbursement	1,414.90	945.66	-	-	-
<b>Other Expense Total</b>	<b>6,001.88</b>	<b>3,923.23</b>	<b>6,000.00</b>	<b>6,000.00</b>	<b>-</b>
<b>Grand Total</b>	<b>5,320,887.04</b>	<b>2,689,455.29</b>	<b>6,856,158.62</b>	<b>7,187,453.89</b>	<b>331,295.27</b>



# **RECYCLED WATER AND CROSS-CONNECTION CONTROL**

## **OPERATING BUDGET SUMMARY**

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### **Program Description**

The Water Resources and Policy Department is responsible for developing and implementing water resource supply and demand management programs to enhance the reliability of water supplies for District customers. This is, in part, accomplished by expanding the use of recycled water in compliance with State and local requirements. To ensure the protection of the public water supply, including at recycled water use sites, the Recycled Water and Cross Connection Control group plays important roles by implementing programs to protect public health.

Recycled Water Customer Development: IRWD is recognized as a national leader in recycled water based on the many years of experience IRWD has with recycled water, the large number of meters served, and groundbreaking projects IRWD has completed in partnership with its customers. IRWD currently serves more than 6,400 recycled water meters including:

- More than 145 commercial dual-plumbed buildings where recycled water is used for flushing toilets and urinals;
- More than 30 cooling towers;
- Approximately 700 single-family lots where recycled water is used for irrigating both the front and back yards; and
- Thousands of irrigation sites including golf courses, parks, school grounds, HOA common areas, agricultural sites, and more.

IRWD continues to work to add new recycled water customers by connecting sites which are the result of new construction and by converting existing potable or untreated water customers to recycled water. This is done by reviewing the plans for the use of recycled water to ensure compliance with State and local requirements. Staff checks to make sure the uses for recycled water are allowed, that the water systems are properly identified, pipe material and separation standards are met, signage is in place, and more.

IRWD is also recognized for its support of recycled water through organizations such as the WaterReuse Association, a national recycled water advocacy group. IRWD, in concert with WaterReuse California, is active in state-wide policy, legislation, regulation, and support for other agencies which face challenges as their programs are initiated or are being expanded. On a regional level, IRWD had a lead role in working with other water recycling agencies and the regulatory agencies in Orange County to establish standards for on-going inspection and testing of recycled water use sites.

Recycled Water Use Site Inspection and Testing: Ensuring the safe and proper use of recycled water is important not only to our customers but the community as well. This is accomplished by implementing a recycled water use site inspection and testing program. Once the recycled water use sites are activated, IRWD has the responsibility to monitor those sites for on-going compliance with State and local requirements. This is done by having a recycled water use site visual



# RECYCLED WATER AND CROSS-CONNECTION CONTROL

## OPERATING BUDGET SUMMARY

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inspection and cross-connection testing program where each site is periodically inspected for proper system identification, hours of operation, avoiding runoff, and to confirm that there are no cross connections. During the inspection, staff reviews the “Do’s and Don’ts” with the Site Supervisors to clarify their roles and responsibilities as they are responsible for the day-to-day operation of the sites.

Cross-Connection Control: On July 1, 2024, the State Water Resources Control Board’s (SWRCB) Cross Connection Control Policy Handbook (CCCPH) became effective, taking the place of Title 17. The CCCPH requires that water agencies protect the public water system from contamination. This is done by developing and implementing a cross-connection control program in compliance with an approved written Cross Connection Control Plan. IRWD’s program currently includes periodically surveying properties to determine what hazards, if any, exist and what type of backflow prevention device is required to protect the public system. The new CCCPH has added a list of business types they consider to be high hazard, increasing the need for reassessment of existing connections for installation of protection. Once a backflow prevention device is installed, annual testing is required to make sure it functions properly. These tests are performed by a certified backflow device technician that has been licensed to test by a State accredited agency and hired by the property owners. IRWD sends letters to property owners with testable backflow prevention devices notifying them that their devices are to be tested. IRWD provides the list of certified technicians to property owners. Once a device is tested, the technician is required to submit documentation to IRWD. There are currently more than 20,000 testable devices in IRWD’s service area.

To confirm on-going compliance at customer sites, IRWD staff conducts periodic field inspections to monitor for hazardous conditions and to determine if field conditions have changed that would warrant a change to the backflow requirements. These periodic field inspections have previously been prioritized based on the types of activities conducted at customer sites. The new CCCPH will require assessment of all service connections by an approved methodology and with a deadline for completion that is still to be determined.

To ensure protection of the public water system, the CCCPH is also requiring a cross-connection control specialist be available for contact within one hour.

IRWD itself has more than 150 backflow prevention devices at its properties that also require testing annually. These devices are tested by IRWD staff. If maintenance or repairs on IRWD’s devices is required, that work is performed by IRWD staff.

The State of California requires water agencies to have a cross-connection program in compliance with an approved plan meeting the standards of the Cross Connection Control Policy Handbook.





# RECYCLED WATER AND CROSS-CONNECTION CONTROL

## OPERATING BUDGET SUMMARY

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### Major Goals

#### RECYCLED WATER CUSTOMER DEVELOPMENT

- Expand the use of recycled water consistent with Title 22 of the California Code of Regulations;
- Work with Orange County Parks to pursue the conversion of the Irvine Regional Park irrigation system to recycled water. This would conserve approximately 240 acre-feet per year of imported water;
- Work with the Roman Catholic Diocese of Orange to pursue the conversion of the Holy Sepulcher Cemetery irrigation system to recycled water. This would conserve approximately 100 acre-feet per year of potable water;
- Pursue a new *Local Resources Program* funding agreement with MWD which provides a “per-acre foot” financial incentive to increase the use of recycled water;
- Assist WateReuse California with its legislative agenda which includes allowing discharge of recycled water from impoundments during storm events;
- Remain active in the Orange County Chapter of WateReuse California; and
- Seek opportunities to dual-plumb commercial buildings, hotels, condominiums, and apartment properties.

#### RECYCLED WATER USE SITE INSPECTION & TESTING

- Conduct periodic visual inspections, cross-connection tests, and Site Supervisor training at more than 2,300 recycled water use sites;
- Inform property owners of the things that need to be done to bring each site into compliance with State and local requirements;
- Keep records of the site inspection, site testing and Site Supervisor training, and
- Work with other recycled water agencies in Orange County to develop reasonable standards for on-going inspection and testing of recycled water use sites which can be incorporated into water agencies written Cross-Connection Control Plans as required by the SWRCB’s Cross-Connection Control Policy Handbook.

#### CROSS-CONNECTION CONTROL

- Send notifications to customers requesting they have their backflow prevention device(s) tested and if necessary, repaired. There are more than 20,000 testable backflow prevention devices in IRWD’s service area;
- Conduct periodic inspections of customer sites to ensure the proper backflow prevention device(s) are in place;
- Conduct annual visual inspections, train site supervisors and perform four-year testing of dual plumbed buildings;
- Develop and submit for approval a Cross Connection Control Plan;
- Begin implementation of the Cross Connection Control Plan requirements;
- Test IRWD owned backflow prevention devices and repair as necessary;



Irvine Ranch  
Water District

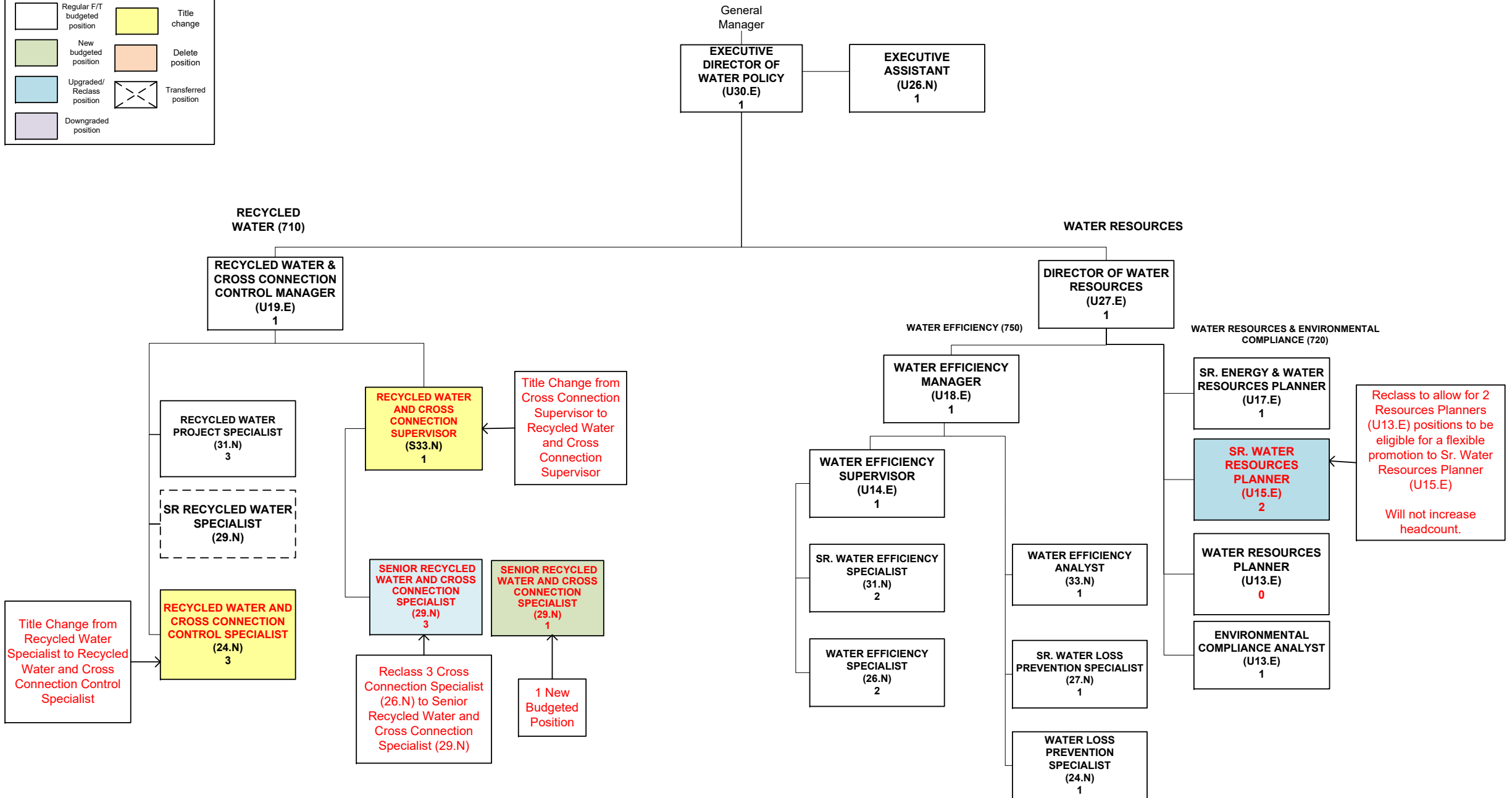
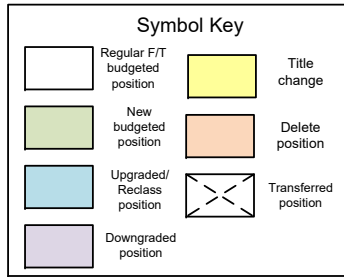
# **RECYCLED WATER AND CROSS-CONNECTION CONTROL**

## **OPERATING BUDGET SUMMARY**

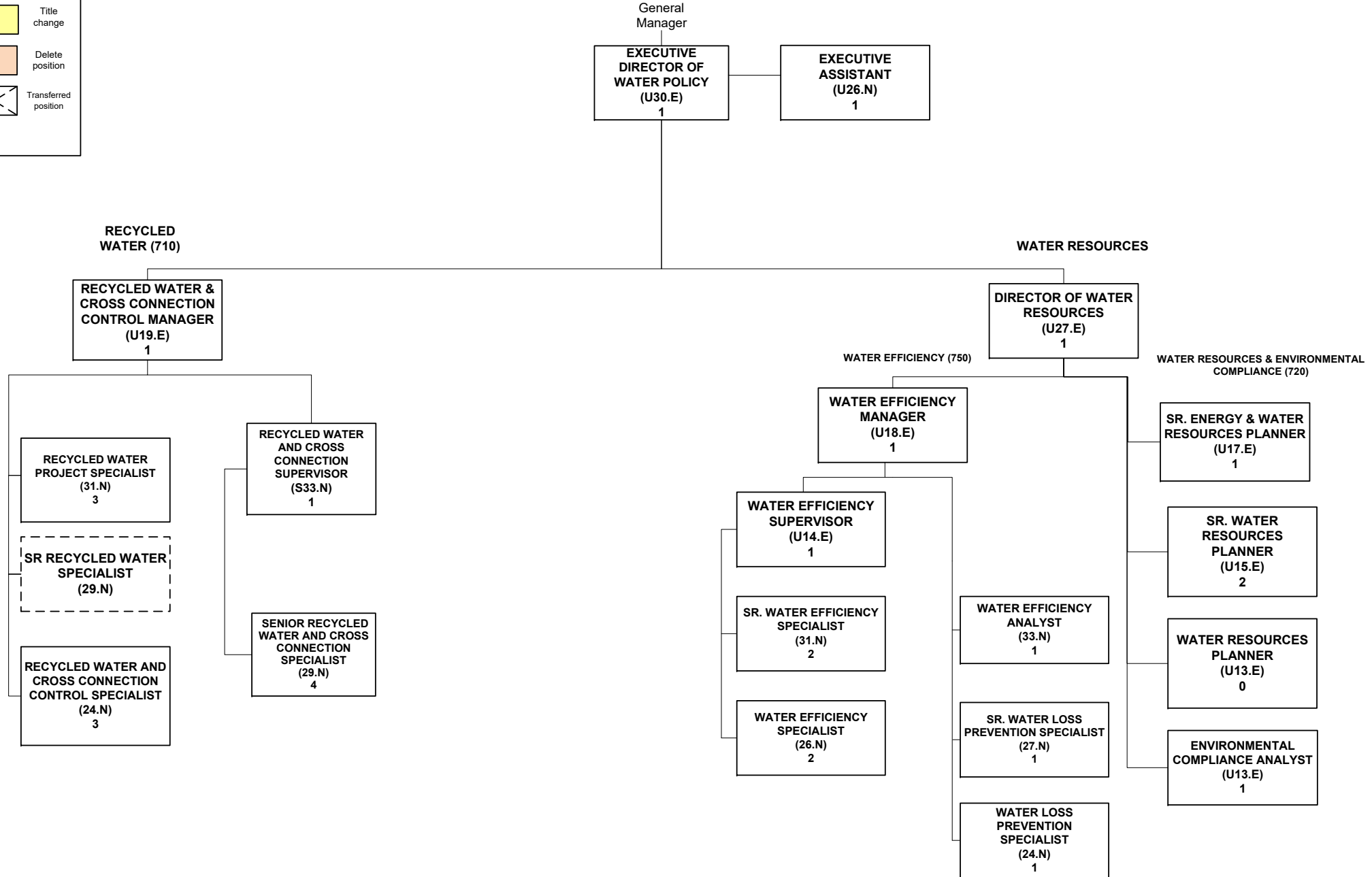
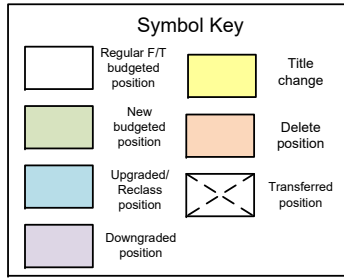
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- Continue to work with the 23 water agencies in Orange County on implementation strategies for compliance with the Cross Connection Control Policy Handbook; and
- Begin a program to set temporary construction hydrant meters with backflows devices and conduct testing of those devices.

**IRVINE RANCH WATER DISTRICT  
WATER RESOURCES AND POLICY  
FISCAL YEAR 2025-26**



**IRVINE RANCH WATER DISTRICT  
WATER RESOURCES AND POLICY  
FISCAL YEAR 2026-27**



**Irvine Ranch Water District**  
**Consolidated Operating Expense Budget for FY 2025-26**  
**Water Resources and Policy: 710 - Recycled Water Development**

Expense Group	FY 2023-24	FY 2024-25	FY 2024-25	FY 2025-26	Increase &
Expense Name	Actual	Actual thru 12/31/24	Budget	Budget	(Decrease)
<b>Salaries &amp; Benefits</b>					
Regular Labor	1,291,359.57	667,158.05	1,539,700.00	1,688,114.91	148,414.91
Overtime Labor	5,321.80	3,678.02	7,000.00	-	(7,000.00)
Contract Labor	10,400.00	-	20,000.00	51,999.96	31,999.96
Employee Benefits	282,428.06	143,540.00	915,830.00	578,507.77	(337,322.23)
<b>Salaries &amp; Benefits Total</b>	<b>1,589,509.43</b>	<b>814,376.07</b>	<b>2,482,530.00</b>	<b>2,318,622.64</b>	<b>(163,907.36)</b>
<b>Materials &amp; Supplies</b>					
Operating Supplies	7,429.87	13,891.44	3,200.00	11,000.04	7,800.04
Postage	263.62	123.47	600.00	699.96	99.96
Permits, Licenses and Fees	(8,059.10)	-	40,000.00	41,600.04	1,600.04
Office Supplies	1,970.59	292.80	1,200.00	1,299.96	99.96
<b>Materials &amp; Supplies Total</b>	<b>1,604.98</b>	<b>14,307.71</b>	<b>45,000.00</b>	<b>54,600.00</b>	<b>9,600.00</b>
<b>Professional Services</b>					
Rep & Maint IRWD	17,092.90	6,838.47	6,800.00	9,499.98	2,699.98
Personnel Training	13,684.38	5,473.31	7,200.00	9,600.00	2,400.00
Other Professional Fees	382,685.44	241,755.54	510,200.00	560,299.92	50,099.92
<b>Professional Services Total</b>	<b>413,462.72</b>	<b>254,067.32</b>	<b>524,200.00</b>	<b>579,399.90</b>	<b>55,199.90</b>
<b>Other Expense</b>					
Conservation	-	(27.04)	-	-	-
Mileage Reimbursement	71.42	629.02	-	999.96	999.96
<b>Other Expense Total</b>	<b>71.42</b>	<b>601.98</b>	<b>-</b>	<b>999.96</b>	<b>999.96</b>
<b>Grand Total</b>	<b>2,004,648.55</b>	<b>1,083,353.08</b>	<b>3,051,730.00</b>	<b>2,953,622.50</b>	<b>(98,107.50)</b>

**Irvine Ranch Water District**  
**Consolidated Operating Expense Budget for FY 2026-27**  
**Water Resources and Policy: 710 - Recycled Water Development**

Expense Group	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	Increase &
Expense Name	Actual	Actual thru 12/31/24	Budget	Budget	(Decrease)
<b>Salaries &amp; Benefits</b>					
Regular Labor	1,291,359.57	667,158.05	1,688,114.91	1,818,575.44	130,460.53
Overtime Labor	5,321.80	3,678.02	-	-	-
Contract Labor	10,400.00	-	51,999.96	25,999.98	(25,999.98)
Employee Benefits	282,428.06	143,540.00	578,507.77	604,892.84	26,385.07
<b>Salaries &amp; Benefits Total</b>	<b>1,589,509.43</b>	<b>814,376.07</b>	<b>2,318,622.64</b>	<b>2,449,468.26</b>	<b>130,845.62</b>
<b>Materials &amp; Supplies</b>					
Operating Supplies	7,429.87	13,891.44	11,000.04	11,000.04	-
Postage	263.62	123.47	699.96	699.96	-
Permits, Licenses and Fees	(8,059.10)	-	41,600.04	41,600.04	-
Office Supplies	1,970.59	292.80	1,299.96	1,299.96	-
<b>Materials &amp; Supplies Total</b>	<b>1,604.98</b>	<b>14,307.71</b>	<b>54,600.00</b>	<b>54,600.00</b>	-
<b>Professional Services</b>					
Rep & Maint IRWD	17,092.90	6,838.47	9,499.98	5,499.96	(4,000.02)
Personnel Training	13,684.38	5,473.31	9,600.00	9,600.00	-
Other Professional Fees	382,685.44	241,755.54	560,299.92	560,299.92	-
<b>Professional Services Total</b>	<b>413,462.72</b>	<b>254,067.32</b>	<b>579,399.90</b>	<b>575,399.88</b>	<b>(4,000.02)</b>
<b>Other Expense</b>					
Conservation	-	(27.04)	-	-	-
Mileage Reimbursement	71.42	629.02	999.96	999.96	-
<b>Other Expense Total</b>	<b>71.42</b>	<b>601.98</b>	<b>999.96</b>	<b>999.96</b>	-
<b>Grand Total</b>	<b>2,004,648.55</b>	<b>1,083,353.08</b>	<b>2,953,622.50</b>	<b>3,080,468.10</b>	<b>126,845.60</b>



# WATER RESOURCES AND ENVIRONMENTAL COMPLIANCE

## OPERATING BUDGET SUMMARY

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### Program Description

The Water Resources and Policy Department is responsible for developing and implementing water resource supply and demand management programs to enhance the reliability of water supplies for District customers. The department is also responsible for managing the District's water banking programs, environmental compliance activities, and energy efficiency and renewable energy programs.

Water Resources and Environmental Compliance: The Water Resources and Environmental Compliance group is responsible for the planning and development of water supply programs and banking projects primarily outside of the local Orange County area. These programs and projects are increasing the diversity and reliability of the District's water supplies by securing water supplies from sources outside of Orange County during wet periods and storing them for future use in groundwater banking projects in Kern County. Water Resources and Environmental Compliance is also responsible for exploring and developing potential local water supply reliability opportunities. The District's efforts in the development of these programs and projects are needed in response to stressors on water supply reliability such as environmental pressures in the Delta, climate change, risks of major earthquakes, expanding statewide population, climate change, and expanding regulatory requirements.

In addition, the Water Resources and Environmental Compliance group is responsible for the negotiation and development of agreements with other agencies, banking partners and entities throughout the State of California for water transfer and exchanges that facilitate the recharge, storage and recovery of water at the water banking projects. It is responsible for the negotiation and the development of agreements that facilitate the delivery of water recovered from the water banking projects to IRWD's service area through facilities owned by the California Department of Water Resources, Kern County Water Agency and Metropolitan Water District of Southern California (MWD). It is also responsible for the management of water supplies allocated to District-owned lands within the Dudley Ridge Water District and for the management of IRWD-owned lands located in the Palo Verde Irrigation District (PVID) including the participation of these lands in the existing PVID/MWD fallowing program and any new water conservation related programs that PVID and MWD implement in the future.

Other responsibilities of Water Resources and Environmental Compliance include managing the District's environmental compliance programs, and overseeing the District's Water Supply Reliability Studies, salt management plan, Sustainable Groundwater Management Act (SGMA) compliance as well as climate adaptation planning, energy efficiency, greenhouse gas reporting, verification, and renewable energy planning activities. The environmental compliance programs focus on fulfilling the District's compliance requirements for the operation of potable and recycled



# WATER RESOURCES AND ENVIRONMENTAL COMPLIANCE

## OPERATING BUDGET SUMMARY

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water and wastewater systems operations, facility replacements and the construction of new facilities.

### Major Goals

#### WATER RESOURCES

- Update IRWD's Water Supply Reliability Study;
- Bank supplemental water for IRWD while developing extraction and additional recharge and storage capacity as needed for IRWD and its water banking partners;
- Manage the completion of planning and conceptual design work as well as the development of the agreements needed for the implementation of the Kern Fan Groundwater Storage Project (Kern Fan Project);
- Work with the Groundwater Banking Joint Powers Authority in the design, construction and operation of the Kern Fan Project;
- Negotiate agreements for the delivery of MWD system water to IRWD's Kern County Banking Projects;
- Evaluate the long-term costs and benefits of the District's potential participation Delta Conveyance Project;
- Evaluate the long-term costs and benefits, engineering design and agreements as a potential participant in the implementation of the Sites Reservoir Project;
- Work to implement a pilot program through which other water agencies can participate in IRWD's water banking program;
- Implement long-term unbalanced exchange agreements with Central Coast Water Authority, Santa Clara Valley Water District and others for IRWD's water banking program;
- Conduct research into increasing recharge rates at IRWD's water banking projects;
- Monitor IRWD's SGMA compliance for its Strand Ranch and Stockdale West properties consistent with plans prepared and implemented by Groundwater Sustainability Agencies in Kern County;
- Evaluate options to optimize the benefit of IRWD's State Water Project (SWP) supply allocated through the Dudley Ridge Water District;
- Exercise IRWD's existing long-term exchange program to facilitate use of Kern River water to IRWD service area;
- Participate in water conservation programs implemented by MWD and Palo Verde Irrigation District, such as land fallowing, which can make water available for other uses and improve IRWD's water supply reliability; and
- Pursue grant funding for the Santiago Creek Dam Reservoir Improvement Project and other IRWD Capital Projects.





# **WATER RESOURCES AND ENVIRONMENTAL COMPLIANCE**

## **OPERATING BUDGET SUMMARY**

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### ENVIRONMENTAL COMPLIANCE

- Complete the work and studies associated with the mitigation and permitting for the Santiago Creek Dam Spillway Improvement Project;
- Work with the Groundwater Banking Joint Powers Authority in the preparation of environmental compliance documents as well as any necessary addendums to existing documents for the Kern Fan Project;
- Finalize the necessary grant deed amendment, long-term management plans and permitting work associated with the Syphon Reservoir Improvement Project; and
- Fulfill the District's environmental compliance requirements for capital projects, replacements and operations including the development and approval of Mitigated Negative Declarations, Environmental Impact Reports and Notices of Exemptions.

### ENERGY AND OTHER PLANNING

- Manage the District's participation in SCE's Charge Ready program;
- Manage the preparation of the District's Climate Adaption and Energy Management Plan;
- Monitor the impact of varying water supplies on maintaining the District's salt balance;
- Seek grant and incentive opportunities for District energy projects;
- Monitor, evaluate, and potentially adjust participation in SCE's Direct Access Program;
- Lead the Energy Management Committee's evaluation of and reporting on key District energy projects (e.g., energy dashboards, energy optimization, on-site renewable energy generation, energy storage, electricity supply); and
- Evaluate and maximize participation in Southern California Edison's beneficial energy efficiency and demand response participation.

**Irvine Ranch Water District**  
**Consolidated Operating Expense Budget for FY 2025-26**  
**Water Resources and Policy: 720 - Water Resources and Environmental Compliance**

Expense Group	FY 2023-24	FY 2024-25	FY 2024-25	FY 2025-26	Increase &
Expense Name	Actual	Actual thru 12/31/24	Budget	Budget	(Decrease)
<b>Salaries &amp; Benefits</b>					
Regular Labor	846,194.68	385,244.68	856,400.00	791,906.12	(64,493.88)
Contract Labor	1,020.00	-	18,000.00	-	(18,000.00)
Employee Benefits	68,910.13	26,656.07	507,340.00	268,502.49	(238,837.51)
<b>Salaries &amp; Benefits Total</b>	<b>916,124.81</b>	<b>411,900.75</b>	<b>1,381,740.00</b>	<b>1,060,408.61</b>	<b>(321,331.39)</b>
<b>Purchased Water &amp; Utilities</b>					
Electricity	10,732.00	5,991.50	31,250.00	12,000.00	(19,250.00)
<b>Purchased Water &amp; Utilities Total</b>	<b>10,732.00</b>	<b>5,991.50</b>	<b>31,250.00</b>	<b>12,000.00</b>	<b>(19,250.00)</b>
<b>Materials &amp; Supplies</b>					
Permits, Licenses and Fees	716,496.48	770,417.73	764,200.00	838,393.92	74,193.92
Office Supplies	-	106.34	-	-	-
<b>Materials &amp; Supplies Total</b>	<b>716,496.48</b>	<b>770,524.07</b>	<b>764,200.00</b>	<b>838,393.92</b>	<b>74,193.92</b>
<b>Professional Services</b>					
Rep & Maint IRWD	1,040,742.64	420,739.55	946,700.00	1,079,965.92	133,265.92
Personnel Training	4,005.76	899.00	4,500.00	3,999.96	(500.04)
Other Professional Fees	145,292.24	41,710.29	228,600.00	12,500.04	(216,099.96)
<b>Professional Services Total</b>	<b>1,190,040.64</b>	<b>463,348.84</b>	<b>1,179,800.00</b>	<b>1,096,465.92</b>	<b>(83,334.08)</b>
<b>Other Expense</b>					
Mileage Reimbursement	81.22	-	-	-	-
<b>Other Expense Total</b>	<b>81.22</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>2,833,475.15</b>	<b>1,651,765.16</b>	<b>3,356,990.00</b>	<b>3,007,268.45</b>	<b>(349,721.55)</b>

**Irvine Ranch Water District**  
**Consolidated Operating Expense Budget for FY 2026-27**  
**Water Resources and Policy: 720 - Water Resources and Environmental Compliance**

Expense Group	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	Increase &
Expense Name	Actual	Actual thru 12/31/24	Budget	Budget	(Decrease)
<b>Salaries &amp; Benefits</b>					
Regular Labor	846,194.68	385,244.68	791,906.12	834,372.60	42,466.48
Contract Labor	1,020.00	-	-	20,000.04	20,000.04
Employee Benefits	68,910.13	26,656.07	268,502.49	274,551.84	6,049.35
<b>Salaries &amp; Benefits Total</b>	<b>916,124.81</b>	<b>411,900.75</b>	<b>1,060,408.61</b>	<b>1,128,924.48</b>	<b>68,515.87</b>
<b>Purchased Water &amp; Utilities</b>					
Electricity	10,732.00	5,991.50	12,000.00	15,999.96	3,999.96
<b>Purchased Water &amp; Utilities Total</b>	<b>10,732.00</b>	<b>5,991.50</b>	<b>12,000.00</b>	<b>15,999.96</b>	<b>3,999.96</b>
<b>Materials &amp; Supplies</b>					
Permits, Licenses and Fees	716,496.48	770,417.73	838,393.92	854,559.96	16,166.04
Office Supplies	-	106.34	-	-	-
<b>Materials &amp; Supplies Total</b>	<b>716,496.48</b>	<b>770,524.07</b>	<b>838,393.92</b>	<b>854,559.96</b>	<b>16,166.04</b>
<b>Professional Services</b>					
Rep & Maint IRWD	1,040,742.64	420,739.55	1,079,965.92	992,152.92	(87,813.00)
Personnel Training	4,005.76	899.00	3,999.96	3,999.96	-
Other Professional Fees	145,292.24	41,710.29	12,500.04	12,500.04	-
<b>Professional Services Total</b>	<b>1,190,040.64</b>	<b>463,348.84</b>	<b>1,096,465.92</b>	<b>1,008,652.92</b>	<b>(87,813.00)</b>
<b>Other Expense</b>					
Mileage Reimbursement	81.22	-	-	-	-
<b>Other Expense Total</b>	<b>81.22</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>2,833,475.15</b>	<b>1,651,765.16</b>	<b>3,007,268.45</b>	<b>3,008,137.32</b>	<b>868.87</b>

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# **WATER EFFICIENCY**

## **OPERATING BUDGET SUMMARY**

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### **Program Description**

The Water Resources and Policy Department is responsible for developing and implementing water resource supply and demand management programs to enhance the reliability of water supplies for District customers. The department is also responsible for managing the District's Water Efficiency Programs.

Water Efficiency: Demand management programs directly offset the need for developing additional water supplies and are a critical element in meeting the District's water resources and reliability objectives. IRWD has provided industry leadership through the development of innovative and aggressive demand management programs focusing on water use efficiency and sewage resource recycling. Water efficiency programs focused on outdoor water efficiency, compliance with new state regulations, tactical incentives and participation in innovative pilot programs and research that maintain IRWD's leadership position are incorporated into the two-year fiscal 2026 and 2027 budget. IRWD will continue to be engaged in the development and implementation of local, regional, state-wide and national water efficiency and demand management policies.

### **Major Goals**

- Update the Water Efficiency Implementation Plan to include new programs and projects that will be offered during Fiscal Years 2025-26 and 2026-27;
- Develop partnerships with private and public entities to leverage the effectiveness and reach of water efficiency programs;
- Research and implement, as appropriate, new technologies and innovative programs to assist customers with improving their water use efficiency with a special emphasis on outdoor efficiency programs;
- Continue to partner with commercial, industrial and institutional customers to implement cost-effective water use efficiency programs;
- Continue to support and expand enhanced customer engagement and reporting as a tool to motivate additional water use efficiency;
- Continue to support and expand educational programs for the professional landscape industry;
- Implement the use of enhanced GIS data to improve customer allocation-setting, outreach and programs targeted toward outdoor water use;
- Actively participate in statewide policy discussions addressing the water-energy nexus;
- Actively engage in discussions with the State Water Resources Control Board, the California Department of Water Resources and other stakeholders on implementation of the State's Conservation as a California Way of Life regulation for efficient water use that balances local conditions, supplies, use of recycled water, prior conservation, growth and other equity adjustments;
- Establish the appropriate metrics and quantify water efficiency targets; and  
Develop a plan for the implementation of Advanced Meter Infrastructure projects in IRWD's service area.

**Irvine Ranch Water District**  
**Consolidated Operating Expense Budget for FY 2025-26**  
**Water Resources and Policy: 750 - Water Efficiency**

Expense Group	FY 2023-24	FY 2024-25	FY 2024-25	FY 2025-26	Increase &
Expense Name	Actual	Actual thru 12/31/24	Budget	Budget	(Decrease)
<b>Salaries &amp; Benefits</b>					
Regular Labor	934,110.22	378,777.57	1,090,400.00	1,051,467.77	(38,932.23)
Overtime Labor	26,003.02	9,222.04	10,000.00	20,000.04	10,000.04
Contract Labor	28,283.77	12,130.00	17,000.00	20,000.04	3,000.04
Employee Benefits	109,019.10	56,002.87	616,450.00	360,611.91	(255,838.09)
<b>Salaries &amp; Benefits Total</b>	<b>1,097,416.11</b>	<b>456,132.48</b>	<b>1,733,850.00</b>	<b>1,452,079.76</b>	<b>(281,770.24)</b>
<b>Materials &amp; Supplies</b>					
Operating Supplies	3,551.42	312.65	3,000.00	3,000.00	-
Office Supplies	137.33	46.42	-	-	-
<b>Materials &amp; Supplies Total</b>	<b>3,688.75</b>	<b>359.07</b>	<b>3,000.00</b>	<b>3,000.00</b>	<b>-</b>
<b>Professional Services</b>					
Rep & Maint IRWD	25,202.11	8,364.64	32,000.00	-	(32,000.00)
Personnel Training	16,687.75	8,132.68	10,900.00	15,999.96	5,099.96
Other Professional Fees	285,309.18	149,323.86	188,200.00	194,999.88	6,799.88
<b>Professional Services Total</b>	<b>327,199.04</b>	<b>165,821.18</b>	<b>231,100.00</b>	<b>210,999.84</b>	<b>(20,100.16)</b>
<b>Other Expense</b>					
Conservation	767,412.33	331,225.26	1,044,400.00	1,542,500.04	498,100.04
Mileage Reimbursement	1,643.31	94.73	-	-	-
<b>Other Expense Total</b>	<b>769,055.64</b>	<b>331,319.99</b>	<b>1,044,400.00</b>	<b>1,542,500.04</b>	<b>498,100.04</b>
<b>Grand Total</b>	<b>2,197,359.54</b>	<b>953,632.72</b>	<b>3,012,350.00</b>	<b>3,208,579.64</b>	<b>196,229.64</b>

**Irvine Ranch Water District**  
**Consolidated Operating Expense Budget for FY 2026-27**  
**Water Resources and Policy: 750 - Water Efficiency**

Expense Group	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	Increase &
Expense Name	Actual	Actual thru 12/31/24	Budget	Budget	(Decrease)
<b>Salaries &amp; Benefits</b>					
Regular Labor	934,110.22	378,777.57	1,051,467.77	1,107,853.92	56,386.15
Overtime Labor	26,003.02	9,222.04	20,000.04	20,000.04	-
Contract Labor	28,283.77	12,130.00	20,000.04	20,000.04	-
Employee Benefits	109,019.10	56,002.87	360,611.91	369,093.24	8,481.33
<b>Salaries &amp; Benefits Total</b>	<b>1,097,416.11</b>	<b>456,132.48</b>	<b>1,452,079.76</b>	<b>1,516,947.24</b>	<b>64,867.48</b>
<b>Materials &amp; Supplies</b>					
Operating Supplies	3,551.42	312.65	3,000.00	3,000.00	-
Office Supplies	137.33	46.42	-	-	-
<b>Materials &amp; Supplies Total</b>	<b>3,688.75</b>	<b>359.07</b>	<b>3,000.00</b>	<b>3,000.00</b>	<b>-</b>
<b>Professional Services</b>					
Rep & Maint IRWD	25,202.11	8,364.64	-	-	-
Personnel Training	16,687.75	8,132.68	15,999.96	15,999.96	-
Other Professional Fees	285,309.18	149,323.86	194,999.88	294,999.84	99,999.96
<b>Professional Services Total</b>	<b>327,199.04</b>	<b>165,821.18</b>	<b>210,999.84</b>	<b>310,999.80</b>	<b>99,999.96</b>
<b>Other Expense</b>					
Conservation	767,412.33	331,225.26	1,542,500.04	1,508,500.08	(33,999.96)
Mileage Reimbursement	1,643.31	94.73	-	-	-
<b>Other Expense Total</b>	<b>769,055.64</b>	<b>331,319.99</b>	<b>1,542,500.04</b>	<b>1,508,500.08</b>	<b>(33,999.96)</b>
<b>Grand Total</b>	<b>2,197,359.54</b>	<b>953,632.72</b>	<b>3,208,579.64</b>	<b>3,339,447.12</b>	<b>130,867.48</b>

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# GENERAL PLANT

## *SUMMARY* *FY 2025-26*

<i>(in thousands)</i>	Fiscal Year 2024-25	Fiscal Year 2025-26	Increase (Decrease)
Information Systems	\$ 683	\$ 843	\$ 160
Transportation Equipment	401	800	399
Laboratory Equipment	180	179	(1)
Work Equipment	1,143	1,419	276
Sub-Total	2,407	3,241	834
Less: Vehicle Salvage Value	(104)	(357)	(253)
<b>Total General Plant *</b>	<b>\$ 2,303</b>	<b>\$ 2,885</b>	<b>\$ 582</b>

### Fiscal Year 2025-26

Funded by User Charges	\$ 2,116	73.34%
Funded by Capital Funds	769	26.66%
Funded by Overallocation Rev	-	0.00%
<b>Total Fiscal Year 2025-26</b>	<b>\$ 2,885</b>	<b>100.00%</b>

### Fiscal Year 2024-25

Funded by User Charges	\$ 2,156	93.62%
Funded by Capital Funds	147	6.38%
Funded by Overallocation Rev	-	0.00%
<b>Total Fiscal Year 2024-25</b>	<b>\$ 2,303</b>	<b>100.00%</b>

\* General Plant is part of the Capital Budget, and the asset listing detail is included in the Capital Budget book. The detail above identifies the funding source for the capital assets.



# GENERAL PLANT

## *SUMMARY* *FY 2026-27*

<i>(in thousands)</i>	Fiscal Year 2025-26	Fiscal Year 2026-27	Increase (Decrease)
Information Systems	\$ 843	\$ 559	\$ (284)
Transportation Equipment	800	706	(94)
Laboratory Equipment	179	612	433
Work Equipment	1,419	1,405	(14)
Sub-Total	3,241	3,282	41
Less: Vehicle Salvage Value	(357)	(302)	55
<b>Total General Plant *</b>	<b>\$ 2,885</b>	<b>\$ 2,980</b>	<b>\$ 96</b>

### Fiscal Year 2026-27

Funded by User Charges	\$ 2,522	84.63%
Funded by Capital Funds	458	15.37%
Funded by Overallocation Rev	-	0.00%
<b>Total Fiscal Year 2026-27</b>	<b>\$ 2,980</b>	<b>100.00%</b>

### Fiscal Year 2025-26

Funded by User Charges	\$ 2,116	73.34%
Funded by Capital Funds	769	26.66%
Funded by Overallocation Rev	-	0.00%
<b>Total Fiscal Year 2025-26</b>	<b>\$ 2,885</b>	<b>100.00%</b>

\* General Plant is part of the Capital Budget, and the asset listing detail is included in the Capital Budget book. The detail above identifies the funding source for the capital assets.



(in thousands)

# GENERAL PLANT

## ANALYSIS BY DEPARTMENT

*FY 2025-26*

Description	Safety	Finance and Administrative Services	Engineering	Field Service	Water Quality and Regulatory Compliance	Water Resources and Policy	Maintenance	Total
Information Systems and Technology	\$ -	\$ 843	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 843
Laboratory Equipment	-	-	-	-	179	-	-	179
Work Class Equipment	-	-	-	-	-	110	1,310	1,420
Transportation	-	-	-	-	-	-	800	800
<b>Subtotal</b>	<b>\$ -</b>	<b>\$ 843</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 179</b>	<b>\$ 110</b>	<b>\$ 2,110</b>	<b>\$ 3,242</b>
Less Vehicle Salvage Value	-	-	-	-	-	-	(357)	(357)
<b>Total Fiscal Year FY 2025-26</b>	<b>\$ -</b>	<b>\$ 843</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 179</b>	<b>\$ 110</b>	<b>\$ 1,753</b>	<b>\$ 2,885</b>
Total Fiscal Year 2024-25	40	643	-	31	180	-	1,409	2,303
Increase/(Decrease)	\$ (40)	\$ 200	\$ -	\$ (31)	\$ (1)	\$ 110	\$ 344	\$ 582



(in thousands)

# GENERAL PLANT

## ANALYSIS BY DEPARTMENT

*FY 2026-27*

Description	Safety	Finance and Administrative Services	Engineering	Field Service	Water Quality and Regulatory Compliance	Water Resources and Policy	Maintenance	Total
Information Systems and Technology	\$ -	\$ 559	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 559
Laboratory Equipment	-	-	-	-	612	-	-	612
Work Class Equipment	-	-	-	-	-	50	1,355	1,405
Transportation	-	-	-	-	-	-	706	706
<b>Subtotal</b>	<b>\$ -</b>	<b>\$ 559</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 612</b>	<b>\$ 50</b>	<b>\$ 2,061</b>	<b>\$ 3,282</b>
Less Vehicle Salvage Value	-	-	-	-	-	-	(302)	(302)
<b>Total Fiscal Year FY 2026-27</b>	<b>\$ -</b>	<b>\$ 559</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 612</b>	<b>\$ 50</b>	<b>\$ 1,759</b>	<b>\$ 2,980</b>
Total Fiscal Year FY 2025-26	-	843	-	-	179	110	1,753	2,885
Increase/(Decrease)	\$ -	\$ (284)	\$ -	\$ -	\$ 433	\$ (60)	\$ 6	\$ 95



# GENERAL PLANT

## GENERAL PLANT BUDGET DETAIL FY 2025-26

TASK	Item Description	Quantity	Price	FY 2025-26
<b>Department:</b> INFORMATION TECHNOLOGY				
250 8031.250	Board Room and Conference Room Technology Refresh	5	\$ 30,000	\$ 150,000
250 8031.250	Firewall	1	120,000	120,000
250 8031.250	Virtual Private Network hardware	1	120,000	120,000
250 8033.250	SCADA Network Equipment	7	3,571	25,000
250 8033.250	SCADA Servers	1	35,000	35,000
250 8041.250	GIS Drones	1	20,000	20,000
250 8041.250	GPS devices for GIS	10	1,500	15,000
250 8041.250	Laptops for Electrical and Mechanical Shops	20	2,000	40,000
250 8041.250	PC/Laptop/Peripherals	140	2,000	280,000
250 8041.250	SCADA iPads	10	1,850	18,500
250 8041.250	SCADA Misc. Computer Peripherals	1	14,000	14,000
250 8041.250	SCADA ThinClients	10	500	5,000
Sub-Total				\$ 842,500
<b>Department:</b> WATER QUALITY & REGULATORY COMPLIANCE				
600 8031.600	Ammonia Multimeter	1	\$ 10,000	\$ 10,000
600 8031.600	Analytical Balance	1	15,000	15,000
600 8031.600	Centrifuge	1	15,000	15,000
600 8031.600	Spectrophotometer	1	10,000	10,000
600 8036.600	Microbiological Incubator	1	5,000	5,000
600 8036.600	SVOC Extraction System	1	52,000	52,000
650 8031.650	Refrigerated Autosampler	3	18,000	54,000
650 8031.650	Sonde	1	18,000	18,000
Sub-Total				\$ 179,000
<b>Department:</b> WATER RESOURCES AND POLICY				
710 8037.710	Backflows and adapters	80	\$ 1,375	\$ 110,000
Sub-Total				\$ 110,000
<b>Department:</b> FLEET SERVICES				
870 8037.870	Crew Truck for Construction	2	\$ 285,000	\$ 570,000
870 8037.870	Large Dump Truck	2	370,000	740,000
870 8055.870	e-Transit Cargo Van	3	80,000	240,000
870 8055.870	Medium Duty Pickup Truck	7	80,000	560,000
Sub-Total				\$ 2,110,000
Total General Plant				\$ 3,241,500

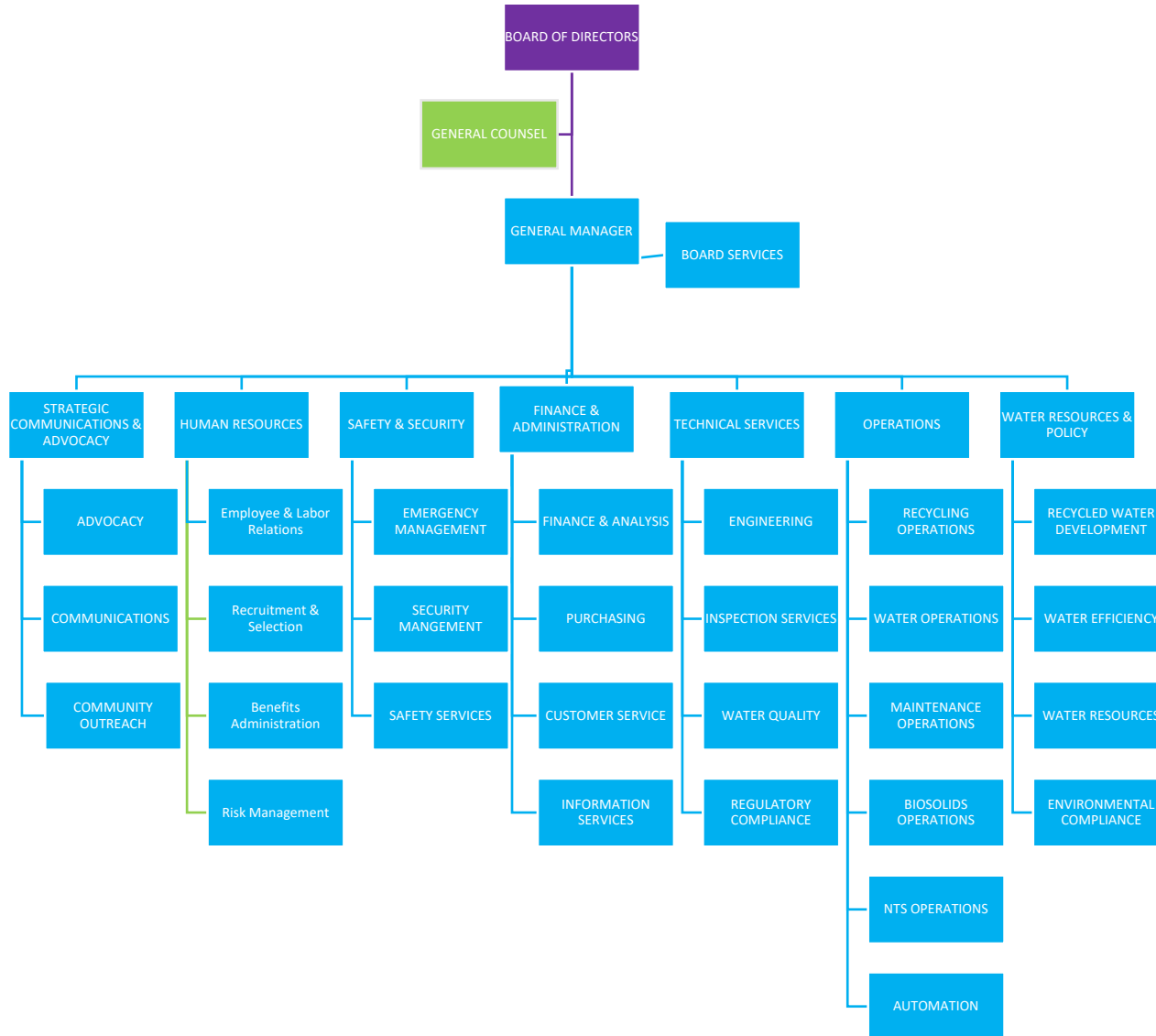


# GENERAL PLANT

## GENERAL PLANT BUDGET DETAIL FY 2026-27

<b>TASK</b>	<b>Item Description</b>	<b>Quantity</b>	<b>Price</b>	<b>FY 2026-27</b>
<b>Department: INFORMATION TECHNOLOGY</b>				
250 8031.250	Board Room and Conference Room Technology Refresh	5	\$ 30,000	\$ 150,000
250 8033.250	SCADA Servers	2	40,000	80,000
250 8041.250	GIS Drones	1	20,000	20,000
250 8041.250	PC/Laptop/Peripherals	140	2,000	280,000
250 8041.250	SCADA Industrial PC	3	3,333	10,000
250 8041.250	SCADA Laptops	2	2,500	5,000
250 8041.250	SCADA Misc. Computer Peripherals	1	14,000	14,000
Sub-Total				<u>\$ 559,000</u>
<b>Department: WATER QUALITY &amp; REGULATORY COMPLIANCE</b>				
600 8031.600	Spectrophotometer	3	\$ 10,000	\$ 30,000
600 8031.600	Turbidimeter	1	6,000	6,000
600 8036.600	Chemistry / Cyanide Analyzer	1	60,000	60,000
600 8036.600	Ion Chromatograph - Triple Quad Mass Spectrometer System	1	440,000	440,000
650 8031.650	Refrigerated Autosampler	3	19,000	57,000
650 8031.650	Sonde	1	19,000	19,000
Sub-Total				<u>\$ 612,000</u>
<b>Department: WATER RESOURCES AND POLICY</b>				
710 8037.710	Backflows and adapters	40	\$ 1,250	\$ 50,000
Sub-Total				<u>\$ 50,000</u>
<b>Department: FLEET SERVICES</b>				
870 8037.870	80 GPM Sewer Jetter	1	\$ 580,000	\$ 580,000
870 8037.870	CCTV Box Truck	1	145,000	145,000
870 8037.870	Hydro Excavator	1	775,000	775,000
870 8037.870	Mini Excavator	1	91,000	91,000
870 8055.870	e-Transit Cargo Van	2	80,000	160,000
870 8055.870	Medium Duty Pickup Truck	4	77,500	310,000
Sub-Total				<u>\$ 2,061,000</u>
Total General Plant				<u><u>\$ 3,282,000</u></u>

IRVINE RANCH WATER DISTRICT  
 ORGANIZATIONAL CHART  
 (By Function)





# POSITIONS BY COST CENTER

## FOUR YEAR PERSONNEL COMPARISON

Department	Budget		Proposed	
	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
<b>Administration</b>				
Number of Positions *	24.0	25.0	25.0	25.0
% change from prior year	(14.3) %	4.2 %	0.0 %	0.0 %
<b>Finance and Administration</b>				
Number of Positions *	93.0	98.0	105.0	106.0
% change from prior year	2.2 %	5.4 %	7.1 %	1.0 %
<b>Technical Services</b>				
Number of Positions *	50.0	51.0	48.0	48.0
% change from prior year	11.1 %	2.0 %	(5.9) %	0.0 %
<b>Operations Administration</b>				
Number of Positions *	71.0	71.0	75.0	77.0
% change from prior year	(2.7) %	0.0 %	5.6 %	2.7 %
<b>Water and Recycling Operations</b>				
Number of Positions *	62.0	66.0	69.0	71.0
% change from prior year	(1.6) %	6.5 %	4.5 %	2.9 %
<b>Water Quality and Regulatory Compliance</b>				
Number of Positions	35.0	35.0	36.0	36.0
% change from prior year	2.9 %	0.0 %	2.9 %	0.0 %
<b>Water Resources and Policy</b>				
Number of Positions *	28.0	27.0	28.0	28.0
% change from prior year	0.0 %	(3.6) %	3.7 %	0.0 %
<b>Maintenance Operations</b>				
Number of Positions *	62.0	63.0	65.0	67.0
% change from prior year	3.3 %	1.6 %	3.2 %	3.1 %
<b>Total Number of Positions</b>	<b>425.0</b>	<b>436.0</b>	<b>451.0</b>	<b>458.0</b>
<b>Number of Changed Positions</b>	<b>3.0</b>	<b>11.0</b>	<b>15.0</b>	<b>7.0</b>
<b>% Change From Prior Year</b>	<b>0.7 %</b>	<b>2.6 %</b>	<b>3.4 %</b>	<b>1.6 %</b>





# SALARIES AND WAGES

## SUMMARY OF SALARIES AND WAGES

*FY 2025-26*

(in thousands)

	Total	Administration	Finance and Administration	Technical Services	Operations Administration	Water and Recycling Operations	Water Quality and Regulatory Compliance	Water Resources and Policy	Maintenance Operations
<b>Current Authorized:</b>									
Gross Pay	\$ 49,833	\$ 3,456	\$ 10,617	\$ 6,810	\$ 5,916	\$ 7,197	\$ 4,064	\$ 3,296	\$ 8,476
Annual Increase	1,937	200	399	249	220	278	153	124	315
Sub-Total Regular Salaries & Wages	\$ 51,770	\$ 3,656	\$ 11,016	\$ 7,059	\$ 6,136	\$ 7,475	\$ 4,217	\$ 3,420	\$ 8,791
<b>New Positions:</b>									
Gross Pay	1,498	(21)	377	56	154	476	143	111	202
Total Regular Salaries & Wages	\$ 53,268	\$ 3,635	\$ 11,393	\$ 7,115	\$ 6,290	\$ 7,951	\$ 4,360	\$ 3,531	\$ 8,993
Insurance and Benefits	13,732	937	2,937	1,834	1,622	2,050	1,124	910	2,318
Employment Tax & PERS Contributions	17,718	1,209	3,790	2,367	2,092	2,645	1,450	1,174	2,991
Total Regular Salaries & Wages, health Insurance and employment taxes	\$ 84,718	\$ 5,781	\$ 18,120	\$ 11,316	\$ 10,004	\$ 12,646	\$ 6,934	\$ 5,615	\$ 14,302
Employee Count:	451	25	105	48	75	69	36	28	65



# SALARIES AND WAGES

## SUMMARY OF SALARIES AND WAGES

*FY 2026-27*

(in thousands)

	Total	Administration	Finance and Administration	Technical Services	Operations Administration	Water and Recycling Operations	Water Quality and Regulatory Compliance	Water Resources and Policy	Maintenance Operations
<b>Current Authorized:</b>									
Gross Pay	\$ 54,431	\$ 3,656	\$ 11,552	\$ 7,293	\$ 6,432	\$ 8,118	\$ 4,480	\$ 3,629	\$ 9,269
Annual Increase	2,068	201	423	265	239	303	163	132	344
Sub-Total Regular Salaries & Wages	\$ 56,499	\$ 3,857	\$ 11,975	\$ 7,558	\$ 6,671	\$ 8,421	\$ 4,643	\$ 3,761	\$ 9,613
<b>New Positions:</b>									
Gross Pay	710	-	111	-	168	229	-	-	202
Total Regular Salaries & Wages	\$ 57,209	\$ 3,857	\$ 12,086	\$ 7,558	\$ 6,839	\$ 8,650	\$ 4,643	\$ 3,761	\$ 9,815
Insurance and Benefits	15,014	1,012	3,172	1,984	1,795	2,270	1,219	987	2,576
Employment Tax & PERS Contributions	18,429	1,242	3,893	2,435	2,203	2,786	1,496	1,212	3,162
Total Regular Salaries & Wages, health Insurance and employment taxes	\$ 90,652	\$ 6,111	\$ 19,151	\$ 11,977	\$ 10,837	\$ 13,706	\$ 7,358	\$ 5,960	\$ 15,553
Employee Count:	458	25	106	48	77	71	36	28	67



# BENEFITS AND EMPLOYMENT TAX

## *HEALTH INSURANCE AND EMPLOYER CONTRIBUTIONS FY 2025-26*

	FY 2024-25	FY 2025-26	Change
<b>Insurance and Benefits</b>			
Health Ins Actives	\$ 7,760	\$ 10,000	\$ 2,240
Dental Premiums	672	686	14
Wrkrs Comp Premiums	835	1,162	327
Wrkrs Comp Paid Claims	500	500	-
Life Ins Actives	297	357	60
LT Disability Premiums	148	140	(8)
Medical Premiums - Retirees	546	563	17
Vision Benefit Premiums	116	126	10
RHCAP Payments - OPEB	530	425	(105)
Life Ins Retirees	43	19	(24)
Other	232	198	(34)
	\$ 11,679	\$ 14,176	\$ 2,497
<b>Employment Tax and PERS</b>			
PERS Employer Portion	\$ 4,850	\$ 5,010	\$ 160
PERS In Excess Of ARC	9,632	10,135	503
401A Employer Match Portion	1,179	1,267	88
401A Employer Direct Portion	420	461	41
Medicare Tax	727	795	68
St Unemployment Tax	60	50	(10)
	\$ 16,868	\$ 17,718	\$ 850
<b>Total Insurance, Benefits, and Taxes</b>	\$ 28,547	\$ 31,894	\$ 3,347



# BENEFITS AND EMPLOYMENT TAX

## HEALTH INSURANCE AND EMPLOYER CONTRIBUTIONS FY 2026-27

	FY 2025-26	FY 2026-27	Change
<b>Insurance and Benefits</b>			
Health Ins Actives	\$ 10,000	\$ 11,000	\$ 1,000
Dental Premiums	686	686	-
Wrkrs Comp Premiums	1,162	1,400	238
Wrkrs Comp Paid Claims	500	500	-
Life Ins Actives	357	375	18
LT Disability Premiums	140	140	-
Medical Premiums - Retirees	563	580	17
Vision Benefit Premiums	126	126	-
RHCAP Payments - OPEB	425	502	77
Life Ins Retirees	19	19	-
Other	198	207	9
	<u>\$ 14,176</u>	<u>\$ 15,535</u>	<u>\$ 1,359</u>
<b>Employment Tax and PERS</b>			
PERS Employer Portion	\$ 5,010	\$ 5,212	\$ 202
PERS In Excess Of ARC	10,135	10,543	408
401A Employer Match Portion	1,267	1,318	51
401A Employer Direct Portion	461	479	18
Medicare Tax	795	827	32
St Unemployment Tax	50	50	-
	<u>\$ 17,718</u>	<u>\$ 18,429</u>	<u>\$ 711</u>
<b>Total Insurance, Benefits, and Taxes</b>	<u>\$ 31,894</u>	<u>\$ 33,964</u>	<u>\$ 2,070</u>

**FY 2025/26 Budget  
Summary of Proposed Budgeted Personnel Changes**

<b>Proposed Changes to Existing Budgeted Positions</b>						
<b>Dept</b>	<b>Job Title</b>	<b>Current Sal Grade</b>	<b>Proposed Action</b>	<b>Proposed Job Title</b>	<b>Proposed Sal Grade</b>	<b>Salary Costs</b>
110	Senior Executive Assistant	U29.N	Eliminate (1 position)			-\$111,609
210	Treasury Manager	U19.E	Retitle (1 Position)	Finance Manager	U19.E	\$0
550	Manager of Biosolids	U21.E	Reclass (1 position)	Assistant Operations Manager	U17.E	-\$23,288
650	Regulatory Compliance Specialist	29.N	Reclass (1 position)	Senior Regulatory Compliance Specialist	32.N	\$10,209
710	Cross Connection Control Specialist	26.N	Reclass (3 positions)	Senior Recycled Water & Cross Connection Specialist	29.N	\$27,819
710	Recycled Water Specialist	24.N	Retitle (3 positions)	Recycled Water & Cross Connection Specialist	24.N	\$0
710	Cross Connection Supervisor	S33.N	Retitle (1 Position)	Recycled Water & Cross Connection Supervisor	S33.N	\$0
710	Water Resources Planner	U13.E	Reclass (2 positions)	Senior Water Resources	U15.E	\$19,940
820	Mechanical Services Manager	U19.E	Reclass (1 position)	Electrical & Instrumentation Supervisor	S36.N	-\$26,972
Subtotal						<u>-\$103,901</u>

<b>Proposed New Positions</b>				
<b>Dept</b>	<b>Job Title</b>	<b>Sal Grade</b>	<b>Salary Costs</b>	<b>Number of Positions</b>
120	Web Designer	22.N	\$90,735	1
130	Safety & Security Specialist	U29.N	\$55,805	1
210	Real Property Administrator	U13.E	\$132,784	1
250	Senior GIS Technician	29.N	\$111,405	1
250	GIS Drone Administrator	U13.E	\$132,784	1
420	Operator III	30.N	\$114,705	1
420	Operations Apprentice	10.N	\$65,850	1
430	Utility Construction Technician I	16.N	\$153,978	2
550	Operator III	30.N	\$229,410	2
550	Operations Apprentice	10.N	\$65,850	1
600	Laboratory Data Administrator	U15.E	\$142,754	1
710	Senior Recycled Water & Cross Connection Specialist	29.N	\$111,405	1
820	Electrical & Instrumentation Technician	28.N	\$108,234	1
840	Maintenance Mechanic	23.N	\$93,426	1
Subtotal			<u>\$1,609,124</u>	<u>16</u>
Total			<u>\$1,505,223</u>	



# LABOR

## ***PROPOSED LABOR CHANGES*** ***FY 2025/26***

### **Proposed Personnel Budget Changes Reflected in the FY 2025/26 Operating Budget**

#### **New Positions**

##### ***Communications (120):***

Web Designer (Salary Grade 22.N) – 1 position

This position is being requested to meet the needs of the department.

##### ***Safety & Security (130):***

Safety & Security Specialist (Salary Grade U29.N) – 1 position

This position is being requested to meet the needs of the department.

##### ***Finance (210):***

Real Property Administrator (Salary Grade U13.E) – 1 position

This position is being requested to meet the needs of the department.

##### ***Information Technology (250):***

Senior GIS Technician (Salary Grade 29.N) – 1 position

This new position is required to assist with the growing complexity of GIS.

##### ***Information Technology (250):***

GIS Drone Administrator (Salary Grade U13.E) – 1 position

This new position is required to assist with the growing complexity of GIS.

##### ***Water Operations (420):***

Operator III (Salary Grade 30.N) – 1 position

This position is being requested to meet the needs of the department.

##### ***Water Operations (420):***

Operations Apprentice (Salary Grade 10.N) – 1 position

This position is being requested to prepare for the new Apprenticeship Program in Fall 2025.

##### ***Construction Services (430):***

Utility Construction Technician I (Salary Grade 16.N) – 2 positions

This position is being requested to meet the needs of the department.



# LABOR

## *PROPOSED LABOR CHANGES FY 2025/26*

### ***MWRP Operations (550):***

Operator III (Salary Grade 30.N) – 2 position

This position is being requested to meet the needs of the department.

### ***MWRP Operations (550):***

Operations Apprentice (Salary Grade 10.N) – 1 position

This position is being requested to prepare for the new Apprenticeship Program in Fall 2025.

### ***Water Quality (600):***

Laboratory Data Administrator (Salary Grade U15.E) – 1 position

This new position is required to assist with the growing complexity of Water Quality and Regulatory Compliance.

### ***Recycled Water (710):***

Senior Recycled Water & Cross Connection Specialist (Salary Grade 29.N) – 1 position

This position is being requested to meet the needs of new state regulations.

### ***Electrical Services (820):***

Electrical & Instrumentation Technician (Salary Grade 28.N) – 1 position

This position is being requested to meet the needs of the department.

### ***Mechanical Services (840):***

Maintenance Mechanic (Salary Grade 23.N) – 1 position

This position is being requested to meet the needs of the department.

**FY 2026/27 Budget  
Summary of Proposed Budgeted Personnel Changes**

<b>Proposed Changes to Existing Budgeted Positions</b>						
<b>Dept</b>	<b>Job Title</b>	<b>Current Sal Grade</b>	<b>Proposed Action</b>	<b>Proposed Job Title</b>	<b>Proposed Sal Grade</b>	<b>Salary Costs</b>
						\$0
						\$0
						\$0
Subtotal						<u>\$0</u>

<b>Proposed New Positions</b>				
<b>Dept</b>	<b>Job Title</b>	<b>Sal Grade</b>	<b>Salary Costs</b>	<b>Number of Positions</b>
250	Senior GIS Drone Technician	29.N	\$111,405	1
430	Utility Construction Technician I	16.N	\$76,989	1
430	Utility Construction Technician II	22.N	\$90,735	1
550	Operator III	30.N	\$229,410	2
820	Electrical & Instrumentation Technician	28.N	\$108,234	1
840	Maintenance Mechanic	23.N	\$93,426	1
Subtotal			<u>\$710,199</u>	<u>7</u>
Total			<u>\$710,199</u>	





# LABOR

## ***PROPOSED LABOR CHANGES*** ***FY 2026/27***

### **Proposed Personnel Budget Changes Reflected in the FY 2026/27 Operating Budget**

#### **New Positions**

##### ***Information Technology (250):***

Senior GIS Drone Technician (Salary Grade 29.N) – 1 position

This position is being requested to meet the needs of the department.

##### ***Construction Services (430):***

Utility Construction Technician I (Salary Grade 16.N) – 1 position

This position is being requested to meet the needs of the department.

##### ***Construction Services (430):***

Utility Construction Technician II (Salary Grade 22.N) – 1 position

This position is being requested to meet the needs of the department.

##### ***MWRP Operations (550):***

Operator III (Salary Grade 30.N) – 2 position

This position is being requested to meet the needs of the department.

##### ***Electrical Services (820):***

Electrical & Instrumentation Technician (Salary Grade 28.N) – 1 position

This position is being requested to meet the needs of the department.

##### ***Mechanical Services (840):***

Maintenance Mechanic (Salary Grade 23.N) – 1 position

This position is being requested to meet the needs of the department.

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## **FY 2025-26 & 2026-27 OPERATING BUDGET AGENDA**

- Operational Assumptions
- Budgeted Water Acre Feet Sales and Supply
- FY 2025-26 & FY 2026-27 Operating Budgets
- Operating Net Income
- Non-Operating Net Income
- Proposed Rates
- Recommendation and Next Steps
- Questions

## OPERATIONAL ASSUMPTIONS



## BUDGET ASSUMPTIONS AND HIGHLIGHTS

FY 2025-26 AND 2026-27

- Focus on Safety including:
  - ✓ Large confined space assessment, inventory and labeling
  - ✓ VPP support
  - ✓ Onsite safety support
  - ✓ Emergency preparedness consulting
- Increased communications efforts including:
  - ✓ Website upgrade and maintenance
  - ✓ Yardtopia
  - ✓ Increased water quality reporting
- Support SCADA master plan update and Maximo upgrade
- Aligning staff resources with District services
- Additional efforts to reduce the vacancy factor



## BUDGET ASSUMPTIONS UNCONTROLLABLE COST ESCALATORS

	Budget		
	FY 2024-25	FY 2025-26	FY 2026-27
Total water sales (AF)	87,491	86,259	87,025
Customer growth rate	2%	2%	2%
OCWD RA rate/AF	\$665	\$711	\$745
MWDOC potable rate/AF (effective January 1)	\$1,308	\$1,462	\$1,619
MWDOC non-potable rate/AF (effective January 1)	\$890	\$962	\$1,038
MWDOC meter surcharge (per meter)	\$14.75	\$15.25	\$15.75
Cost of living (COLA)	3.5%	3.5%	3.5%
Electricity rate increase	10.0%	8.0%	8.0%

## BUDGET ASSUMPTIONS CONTROLLABLE COST ESCALATORS

- PERS funding matches contribution + cost of Replacement Fund Payback - 25% of estimated Trust Fund return (3-year average)
- No change in customer water use budget allocation
- Basin Equity Assessment (BEA) will be factored into budget
- Headcount:
  - 16 new positions and one eliminated in FY 2025-26;
  - Seven new positions in FY 2026-27

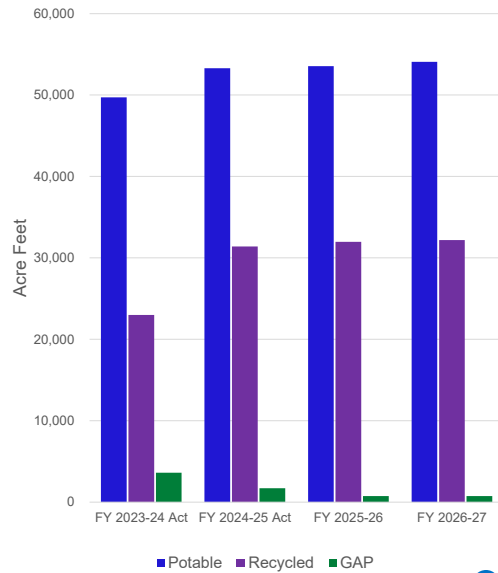
# BUDGETED ACRE FEET SALES AND SUPPLY



## ESTIMATED WATER SALES ACRE FEET

	FY 2023-24			FY 2024-25		
	Sales		%	Sales		%
	Budget	Actual		Budget	Actual (estimate)	
Potable	53,544	49,721	-7.1%	54,654	53,300	-2.5%
Recycled	32,943	26,601	-19.3%	33,587	33,100	-1.4%
Grand Total	86,487	76,322	-11.8%	88,241	86,400	-2.1%

	FY 2025-26	FY 2026-27
Projected	Sales	Sales
Potable	53,538	54,080
Recycled	32,721	32,945
Grand Total	86,259	87,025



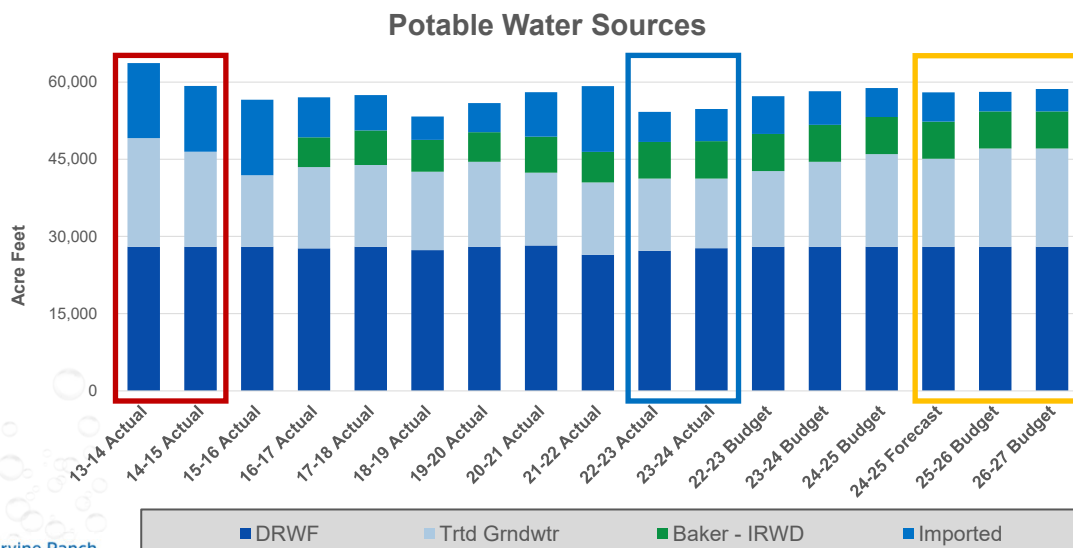
## POTABLE WATER SUPPLY ACRE FEET

Potable Source	DRWF	DATS	OPA Well	Treated Ground- water	Baker WTP	Import	Total
2023-24 Budget	28,000	8,000	1,500	7,000	7,200	6,526	58,226
<b>2023-24 Actual</b>	<b>27,711</b>	<b>8,100</b>	<b>0</b>	<b>5,417</b>	<b>7,294</b>	<b>6,241</b>	<b>54,763</b>
2024-25 BPP Shift	28,000	8,000	3,000	7,000	7,200	5,637	58,837
<b>2024-25 Estimate</b>	<b>28,000</b>	<b>8,000</b>	<b>2,100</b>	<b>7,000</b>	<b>7,200</b>	<b>5,700</b>	<b>58,000</b>
2025-26 Budget	28,000	8,000	3,000	8,100	7,200	3,800	58,100
2026-27 Budget	28,000	8,000	3,000	8,100	7,200	4,350	58,650



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## TRENDS IN POTABLE WATER SOURCES: HISTORICAL DATA, ACTUALS, AND FUTURE PROJECTIONS



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**FISCAL YEARS  
2025-2026  
AND  
2026-2027  
BUDGET**

**Budget Finance**



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**CONSOLIDATED OPERATING BUDGET  
YEAR OVER YEAR KEY DRIVERS**

(in \$M)	FY 2025-26	FY 2026-27
Salaries and Benefits	\$90.62	\$96.65
Water	56.26	59.75
Electricity	26.24	27.52
Repairs and Maintenance	24.32	25.01
Other Expenses	51.84	54.38
<b>Proposed Operating Budget</b>	<b>\$249.28</b>	<b>\$263.32</b>
Reimbursement from Partners	(6.90)	(7.20)
<b>Proposed Net Operating Budget</b>	<b>\$242.38</b>	<b>\$256.12</b>





## LABOR BUDGET YEAR OVER YEAR CHANGES

Fiscal Year	Labor Costs	Details
<b>2024-25</b>	<b>\$52.00</b>	
	1.39	Employee counts increase by 15 (436 to 451)
	1.68	3.5% COLA
	(1.80)	Increased vacancy rate by 1.5% vs. budget. Retirements and lower salaries for backfilled roles
<b>2025-26</b>	<b>\$53.27</b>	
	1.10	Employee counts gone from 451 to 458 (7)
	1.90	3.5% COLA*
	0.98	1.8% Merit**
<b>2026-27</b>	<b>\$57.25</b>	
*COLA assumes 3.5% in Yr 1 and 3.5% in Yr 2		
**Merit based on approved methodology		



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## LABOR BUDGET PROPOSED NEW AND ELIMINATED POSITIONS 2025-26

Proposed New Positions				
Dept	Job Title	Sal Grade	Salary Costs	Number of Positions
120	Web Designer	22.N	\$90,735	1
130	Safety & Security Specialist	U29.N	55,805	1
210	Real Property Administrator	U13.E	132,784	1
250	Senior GIS Technician	29.N	111,405	1
250	GIS Drone Administrator	U13.E	132,784	1
420	Operator III	30.N	114,705	1
420	Operations Apprentice	10.N	65,850	1
430	Utility Construction Technician I	16.N	153,978	2
550	Operator III	30.N	229,410	2
550	Operations Apprentice	10.N	65,850	1
600	Laboratory Data Administrator	U15.E	142,754	1
710	Senior Recycled Water & Cross Connection Specialist	29.N	111,405	1
820	Electrical & Instrumentation Technician	28.N	108,234	1
840	Maintenance Mechanic	23.N	93,426	1
			<b>Subtotal</b>	<b>16</b>
<b>Positions Eliminated</b>				
110	Senior Executive Assistant	U29.N	(111,609)	1
			<b>Total</b>	<b>15</b>



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## LABOR BUDGET PROPOSED NEW POSITIONS 2026-27

Proposed New Positions				
Dept	Job Title	Sal Grade	Salary Costs	Number of Positions
250	Senior GIS Drone Technician	29.N	\$111,405	1
430	Utility Construction Technician I	16.N	76,989	1
430	Utility Construction Technician II	22.N	90,735	1
550	Operator III	30.N	229,410	2
820	Electrical & Instrumentation Technician	28.N	108,234	1
840	Maintenance Mechanic	23.N	93,426	1
<b>Total</b>			<b>\$710,199</b>	<b>7</b>



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## LABOR BUDGET – EMPLOYEE BENEFITS YEAR OVER YEAR CHANGES

Fiscal Year	Proposed Budget	Details
<b>2024-25</b>	<b>\$28.50</b>	
Health Insurance Actives	2.20	Increase (\$7.8M to \$10M); 12% projection
PERS Employer Contribution	0.80	Increase (\$14.5M to \$15.3M) - Factored with labor
Workers Comp Premium	0.30	Increase (\$0.8M to \$1.1M); EWC premium projection is based on anticipated payroll and PRISIM pool rate
All Other	0.20	
<b>2025-26</b>	<b>\$32.00</b>	
Health Insurance Actives	1.00	Increase (\$10M to \$11M); 12% projection
PERS Employer Contribution	0.60	Increase (\$15.3M to \$15.9M) - Factored with labor
Workers Comp Premium	0.20	Increase (\$0.8M to \$1.1M); EWC premium projection is based on anticipated payroll and PRISIM pool rate
All Other	0.20	
<b>2026-27</b>	<b>\$34.00</b>	



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## LABOR BUDGET – OVERTIME YEAR OVER YEAR CHANGES

Fiscal Year	Proposed Budget	Details
<b>2024-25</b>	<b>\$3.70</b>	
	0.13	3.5% COLA
	0.70	Additional hours for OPS (Dept 430,550,570)
<b>2025-26</b>	<b>\$4.53</b>	
	0.16	3.5% COLA
<b>2026-27</b>	<b>\$4.69</b>	

## LABOR BUDGET – CONTRACT LABOR YEAR OVER YEAR CHANGES

Fiscal Year	Proposed Budget	Details
<b>2024-25</b>	<b>\$1.50</b>	
	(0.60)	Offset by new positions
<b>2025-26</b>	<b>\$0.90</b>	
	(0.10)	Offset by new positions
<b>2026-27</b>	<b>\$0.80</b>	

## WATER BUDGET YEAR OVER YEAR CHANGES

(in \$M)	FY1 2024-25	FY2 2025-26	FY3 2026-27	Variance Inc/(Decr)	
				FY2 vs FY1	FY3 vs FY2
Water Purchases - Imported	\$18.38	\$15.29	\$16.68	(\$3.09)	\$1.39
GroundWater Production	33.65	36.33	38.51	2.68	2.18
MWD Capacity Chrg	0.41	0.46	0.51	0.06	0.05
MWD Readiness	1.10	1.18	1.30	0.09	0.12
MWDOC Meter Surcharge	1.80	1.89	1.98	0.09	0.09
Native Water	1.10	1.10	0.76	0.00	(0.35)
Rcycld For Untreated	5.83	5.77	5.01	(0.06)	(0.76)
Untrtd To RW System	(5.83)	(5.77)	(5.01)	0.06	0.76
	<b>\$56.44</b>	<b>\$56.26</b>	<b>\$59.75</b>	<b>(\$0.18)</b>	<b>\$3.49</b>

## ELECTRICITY BUDGET YEAR OVER YEAR CHANGES

Fiscal Year	Proposed Budget	Details
<b>2024-25</b>	<b>\$30.80</b>	
	(4.00)	Dept 420 (\$21.5M to \$17.5M) - reduced SCE expense to adjust for inconsistent billing
	(0.60)	Dept 550 (\$6.5M to \$5.9M) - reduced SCE expense to adjust for inconsistent billing
<b>2025-26</b>	<b>\$26.20</b>	
	1.20	Dept 420 (\$17.5M to \$18.7)
	0.10	Other departments electricity expense
<b>2026-27</b>	<b>\$27.50</b>	

## REPAIR AND MAINTENANCE OCSAN & OTHER BUDGET YEAR OVER YEAR CHANGES

Fiscal Year	Proposed Budget	Details
<b>2024-25</b>	<b>\$5.40</b>	
	0.30	Repair/Maintenance OCSAN Disposal Water (\$0.8M to \$1.1M)
	0.40	Repair/Maintenance OCSAN Sewage Treatment (\$2.6M to \$3.0M)
	0.05	Other misc repairs
<b>2025-26</b>	<b>\$6.15</b>	
<b>2026-27</b>	<b>\$6.15</b>	

## REPAIR AND MAINTENANCE IRWD BUDGET YEAR OVER YEAR CHANGES

Fiscal Year	Proposed Budget	Details
<b>2024-25</b>	<b>\$16.90</b>	
	0.30	Repair/Maintenance IRWD (\$5.7M to \$6M)
	0.40	Landscape Irrigation Maintenance (\$2.6M to \$3M)
	0.20	Traffic Control (\$0.8M to \$1M)
	0.20	Control Valve Air Vac Parts test (\$0.2M to \$0.4M)
	0.20	Other misc repairs
<b>2025-26</b>	<b>\$18.20</b>	
	0.10	Control Valve Air Vac Parts Test (\$0.4M to \$0.5M)
	0.10	Landscape Irrigation Maintenance (\$3M to \$3.1M)
	0.20	Traffic Control (\$1M to \$1.2M)
	0.20	Other misc repairs
<b>2026-27</b>	<b>\$18.80</b>	

## CHEMICALS BUDGET YEAR OVER YEAR CHANGES

Fiscal Year	Proposed Budget	Details
<b>2024-25</b>	<b>\$8.60</b>	
Disinfecting Chemicals	1.70	Sodium Hypochlorite (\$3.7M to \$5.4M)
Other Chemicals	0.10	
<b>2025-26</b>	<b>\$10.40</b>	
Disinfecting Chemicals	0.20	Sodium Hypochlorite (\$5.4M to \$5.6M)
Other Chemicals	0.10	
<b>2026-27</b>	<b>\$10.70</b>	

## INSURANCE BUDGET YEAR OVER YEAR CHANGES

Fiscal Year	Proposed Budget	Details
<b>2024-25</b>	<b>\$3.70</b>	
	1.30	General Liability (\$2.1M to \$3.4M)
	0.30	Property (\$1.1M to \$1.4M)
<b>2025-26</b>	<b>\$5.30</b>	
	0.70	General Liability (\$3.4M to \$4.1M)
	0.30	Property (\$1.4M to \$1.7M)
<b>2026-27</b>	<b>\$6.30</b>	

## DATA PROCESSING BUDGET YEAR OVER YEAR CHANGES

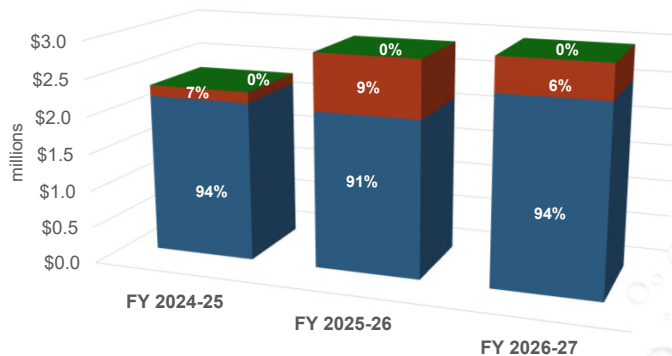
Fiscal Year	Proposed Budget	Details
<b>2024-25</b>	<b>\$4.50</b>	
	0.40	Oracle (\$1.1M to \$1.5M)
	(0.50)	Outside services (\$1.3M to \$0.8M)
	0.60	IT infrastructure (\$1.1M to \$1.7M)
	0.50	Automation/SCADA (\$0.4M to \$0.9M)
	0.10	Other
<b>2025-26</b>	<b>\$5.60</b>	
	(0.70)	Automation/SCADA (\$0.9M to \$0.2M)
	0.40	IT infrastructure (\$1.7M to \$2.1M)
	0.10	Other
<b>2026-27</b>	<b>\$5.40</b>	

## GENERAL PLANT BUDGET YEAR OVER YEAR CHANGES

(in \$M)	FY		
	2024-25	2025-26	2026-27
Information Systems	\$0.68	\$0.84	\$0.56
Transportation Equipment	0.40	0.80	0.71
Laboratory Equipment	0.18	0.18	0.61
Work Equipment	1.14	1.42	1.41
<i>Sub-Total</i>	2.41	3.24	3.28
Less: Vehicle Salvage Value	(0.10)	(0.36)	(0.30)
<b>Total General Plant</b>	<b>\$2.30</b>	<b>\$2.89</b>	<b>\$2.98</b>
<b>FUNDING ALLOCATION</b>			
User Charges	\$2.16	\$2.12	\$2.52
Capital Funds	0.15	0.77	0.46
Overallocation Revenue	0.00	0.00	0.00
<b>Total General Plant</b>	<b>\$2.30</b>	<b>\$2.89</b>	<b>\$2.98</b>

# GENERAL PLANT FUNDING

ALLOCATION OF USER RATES AND CAPITAL FUNDS (FY2024-25 TO FY2026-27)



	FY 2024-25	FY 2025-26	FY 2026-27
Over-Allocation	\$0.00	\$0.00	\$0.00
Capital Funds	\$0.15	\$0.77	\$0.46
User Rates	\$2.16	\$2.12	\$2.52



# OPERATING NET INCOME BUDGET





## CONSOLIDATED OPERATING BUDGET YEAR OVER YEAR KEY DRIVERS

(in \$M)	FY1 2024-25	FY2 2025-26	FY3 2026-27	Variance Inc/(Decr)	
				FY2 vs FY1	FY3 vs FY2
Salaries and Benefits	\$85.83	\$90.62	\$96.65	\$4.79	\$6.03
Water	56.45	56.26	59.75	(0.19)	3.49
Electricity	30.82	26.24	27.52	(4.59)	1.28
Repairs and Maintenance	22.34	24.32	25.01	1.98	0.69
Other Expenses	45.34	51.84	54.38	6.49	2.55
<b>Proposed Operating Budget</b>	<b>\$240.79</b>	<b>\$249.28</b>	<b>\$263.32</b>	<b>\$8.49</b>	<b>\$14.04</b>
Reimbursement from Partners	(6.30)	(6.90)	(7.20)	(0.60)	(0.30)
<b>Proposed Net Operating Budget</b>	<b>\$234.49</b>	<b>\$242.38</b>	<b>\$256.12</b>	<b>\$7.89</b>	<b>\$13.74</b>



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## CONSOLIDATED OPERATING BUDGET BY SYSTEM FISCAL YEAR 2025-26

(in \$M)	Water	Recycled	Sewer	Conserve & NTS	Total
<b>Revenue:</b>					
Commodity	\$66.71	\$28.35	\$0.00	\$18.70	\$113.76
Fixed Service	55.83	10.96	78.98	0.00	145.77
Rate Stabilization	0.00	0.00	0.00	0.00	0.00
<b>Total Revenues</b>	<b>\$122.54</b>	<b>\$39.31</b>	<b>\$78.98</b>	<b>\$18.70</b>	<b>\$259.53</b>
Contribution to Enhancement and Replacement Funds	(10.70)	(1.44)	(26.89)	0.00	(39.02)
<b>Net Revenues</b>	<b>\$111.83</b>	<b>\$37.88</b>	<b>\$52.10</b>	<b>\$18.70</b>	<b>\$220.51</b>
<b>Expenses:</b>					
Salaries and Benefits	23.37	10.12	20.33	5.86	59.68
Water	47.58	8.61	0.00	0.00	56.19
Electricity	12.14	6.34	3.90	0.35	22.72
Repairs and Maintenance	5.12	1.53	5.70	4.44	16.79
OCSAN - O&M	0.00	0.00	4.59	0.00	4.59
All Other Operating Expenses	23.62	11.28	17.58	8.06	60.53
<b>Total Expenses</b>	<b>\$111.83</b>	<b>\$37.88</b>	<b>\$52.10</b>	<b>\$18.70</b>	<b>\$220.51</b>
<b>Net Operating Position</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>



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## CONSOLIDATED OPERATING BUDGET BY SYSTEM FISCAL YEAR 2026-27

(In \$M)	Water	Recycled	Sewer	Conserve & NTS	Total
<b>Revenue:</b>					
Commodity	\$71.49	\$29.13	\$0.00	\$19.44	\$120.06
Fixed Service	59.13	11.79	84.16	0.00	155.07
Rate Stabilization	0.00	0.00	0.00	0.00	0.00
<b>Total Revenues</b>	<b>\$130.62</b>	<b>\$40.92</b>	<b>\$84.16</b>	<b>\$19.44</b>	<b>\$275.13</b>
Contribution to Enhancement and Replacement Funds	(11.40)	(1.53)	(28.93)	0.00	(41.85)
<b>Net Revenues</b>	<b>\$119.22</b>	<b>\$39.39</b>	<b>\$55.23</b>	<b>\$19.44</b>	<b>\$233.28</b>
<b>Expenses:</b>					
Salaries and Benefits	24.97	10.74	22.03	6.19	63.92
Water	51.25	8.44	0.00	0.00	59.68
Electricity	13.00	6.54	3.92	0.35	23.81
Repairs and Maintenance	5.40	1.62	5.81	4.55	17.38
OCSAN - O&M	0.00	0.00	4.60	0.00	4.60
All Other Operating Expenses	24.61	12.06	18.87	8.36	63.89
<b>Total Expenses</b>	<b>\$119.22</b>	<b>\$39.39</b>	<b>\$55.23</b>	<b>\$19.44</b>	<b>\$233.28</b>
<b>Net Operating Position</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>



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## NON-OPERATING NET INCOME BUDGET



## CONSOLIDATED NON-OPERATING BUDGET FISCAL YEAR 2025-26 VS. 2024-25

(in \$M)			
Revenues:	FY 2024-25	FY 2025-26	Change
Property Taxes	\$81.70	\$88.40	\$6.70
Investment Income	8.50	12.10	3.60
Connection Fees	11.00	11.00	0.00
Real Estate Income	20.30	21.50	1.20
Other Income	7.00	7.40	0.40
<b>Total Revenue</b>	<b>\$128.50</b>	<b>\$140.40</b>	<b>\$11.90</b>
Expenses:			
Interest Expense	\$27.50	\$21.60	(\$5.90)
Real Estate Expense	8.10	8.50	0.40
Other Expenses	1.50	2.00	0.50
<b>Total Expense</b>	<b>37.10</b>	<b>32.10</b>	<b>(5.00)</b>
<b>Net Income</b>	<b>\$91.40</b>	<b>\$108.30</b>	<b>\$16.90</b>



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## CONSOLIDATED NON-OPERATING BUDGET FISCAL YEAR 2026-27 VS. 2025-26

(in \$M)			
Revenues:	FY 2025-26	FY 2026-27	Change
Property Taxes	\$88.40	\$91.90	\$3.50
Investment Income	12.10	10.00	(2.10)
Connection Fees	11.00	11.00	0.00
Real Estate Income	21.50	22.10	0.60
Other Income	7.40	7.40	0.00
<b>Total Revenue</b>	<b>\$140.40</b>	<b>\$142.40</b>	<b>\$2.00</b>
Expenses:			
Interest Expense	\$21.60	\$20.00	(\$1.60)
Real Estate Expense	8.50	8.70	0.20
Other Expenses	2.00	2.00	0.00
<b>Total Expense</b>	<b>32.10</b>	<b>30.70</b>	<b>(1.40)</b>
<b>Net Income</b>	<b>\$108.30</b>	<b>\$111.70</b>	<b>\$3.40</b>



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# PROPOSED RATES



## FY 2025-26 POTABLE ACRE FEET SOURCE AND TIER ALLOCATION

Potable Acre Feet - Source and Tier Allocation					
Potable Sources	Low Volume	Base Rate	Inefficient	Wasteful	Total
DRWF	20,189	6,551			26,740
DATS		7,280			7,280
PTP		4,560			4,560
Baker		6,552			6,552
OPA		2,730			2,730
Wells 21 & 22		535	1,385		1,920
Import			1,232	2,390	3,622
<b>Total Sales by Source</b>	<b>20,189</b>	<b>28,208</b>	<b>2,617</b>	<b>2,390</b>	<b>53,404</b>



## FY 2025-26 PROPOSED POTABLE RATES BY TIER

Tiers	Low Volume	Base Rate	Inefficient	Wasteful
Lowest Cost Source of Water	\$2.07			
Melded Cost of Water		\$2.60		
Loaded Cost of Imported Water			\$4.77	\$5.21
District Wide Conservation		\$0.12	\$0.12	\$0.12
Water Banking				\$2.32
Targeted Conservation			\$1.71	\$6.31
Natural Treatment Systems (NTS)			\$0.91	\$4.64
<b>Total Cost per Tier</b>	<b>\$2.07</b>	<b>\$2.72</b>	<b>\$7.51</b>	<b>\$18.60</b>
FY 2024-25 Current Rates by Tier	\$1.99	\$2.65	\$6.55	\$16.46
<i>Change vs. FY2024-25</i>	<i>\$0.08</i>	<i>\$0.07</i>	<i>\$0.96</i>	<i>\$2.14</i>



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## FY 2026-27 POTABLE ACRE FEET SOURCE AND ALLOCATION

Potable Sources	Low Volume	Base Rate	Inefficient	Wasteful	Total
DRWF	20,411	6,338			26,749
DATS		7,280			7,280
PTP		4,560			4,560
OPA		2,730			2,730
Baker		6,552			6,552
Wells 21 & 22		1,059	861		1,920
Import			1,756	2,390	4,146
<b>Total Sales by Source</b>	<b>20,411</b>	<b>28,519</b>	<b>2,617</b>	<b>2,390</b>	<b>53,937</b>



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## FY 2026-27 PROPOSED POTABLE RATES BY TIER

Tiers	Low Volume	Base Rate	Inefficient	Wasteful
Lowest Cost Source of Water	\$2.18			
Melded Cost of Water		\$2.80		
Loaded Cost of Imported Water			\$5.15	\$5.43
District Wide Conservation		\$0.12	\$0.12	\$0.12
Water Banking				\$2.26
Targeted Conservation			\$1.78	\$6.57
Natural Treatment Systems (NTS)			\$0.97	\$4.91
<b>Total Cost per Tier</b>	<b>\$2.18</b>	<b>\$2.92</b>	<b>\$8.02</b>	<b>\$19.29</b>
FY 2025-26 Current Rates by Tier	\$2.07	\$2.72	\$7.51	\$18.60
<i>Change vs. FY2025-26</i>	<i>\$0.11</i>	<i>\$0.20</i>	<i>\$0.51</i>	<i>\$0.69</i>

## FY 2025-26 RECYCLED ACRE FEET SOURCE AND TIER ALLOCATION

Recycled Sources	Low Volume	Base Rate	Inefficient	Wasteful	Total
Produce	15,458	9,432	0	0	24,890
Groundwater	0	3,030	0	0	3,030
Import	0	1,904	1,246	901	4,051
<b>Total Sales by Source</b>	<b>15,458</b>	<b>14,366</b>	<b>1,246</b>	<b>901</b>	<b>31,971</b>

## FY 2025-26 PROPOSED RECYCLED RATES BY TIER

Tiers	Low Volume	Base Rate	Inefficient	Wasteful
Lowest Cost Source of Water	\$1.38			
Melded Cost of Water		\$2.28		
Loaded Cost of Imported Water			\$5.16	\$5.16
District Wide Conservation		\$0.12	\$0.12	\$0.12
Targeted Conservation			\$0.16	\$0.68
Natural Treatment Systems (NTS)				\$3.98
<b>Total Cost per Tier</b>	<b>\$1.38</b>	<b>\$2.40</b>	<b>\$5.44</b>	<b>\$9.94</b>
FY 2025-26 Current Rates by Tier	\$1.43	\$2.47	\$5.27	\$9.27
Rate Change vs. FY2024-25 (Inc/(Decr))	(\$0.05)	(\$0.07)	\$0.17	\$0.67



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## FY 2026-27 RECYCLED ACRE FEET SOURCE AND TIER ALLOCATION

Recycled Sources	Low Volume	Base Rate	Inefficient	Wasteful	Total
Produce	15,585	9,305	0	0	24,890
Groundwater	0	3,736	0	0	3,736
Import	0	1,392	1,265	914	3,571
<b>Total Sales by Source</b>	<b>15,585</b>	<b>14,433</b>	<b>1,265</b>	<b>914</b>	<b>32,197</b>



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## FY 2026-27 PROPOSED RECYCLED RATES BY TIER

Tiers	Low Volume	Base Rate	Inefficient	Wasteful
Lowest Cost Source of Water	\$1.44			
Melded Cost of Water		\$2.25		
Loaded Cost of Imported Water			\$5.48	\$5.48
District Wide Conservation		\$0.12	\$0.12	\$0.12
Targeted Conservation			\$0.17	\$0.70
Natural Treatment Systems (NTS)				\$4.14
<b>Total Cost per Tier</b>	<b>\$1.44</b>	<b>\$2.37</b>	<b>\$5.77</b>	<b>\$10.44</b>
FY 2026-27 Current Rates by Tier	\$1.38	\$2.40	\$5.44	\$9.94
<i>Rate Change vs. FY2025-26 (Inc/(Decr))</i>	<i>\$0.06</i>	<i>(\$0.03)</i>	<i>\$0.33</i>	<i>\$0.50</i>



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## PROPOSED RATES - POTABLE WATER

Tiers	Current Rate	FY 2025-26			FY 2026-27		
		Usage (AF)	Proposed Rate	Change (\$)	Usage (AF)	Proposed Rate	Change (\$)
Low Volume	\$1.99	20,189	\$2.07	\$0.08	20,411	\$2.18	\$0.11
Base	\$2.65	28,209	\$2.72	\$0.07	28,519	\$2.92	\$0.20
Inefficient	\$6.55	2,617	\$7.51	\$0.96	2,617	\$8.02	\$0.51
Wasteful	\$16.46	2,390	\$18.60	\$2.14	2,390	\$19.29	\$0.69
<b>Total</b>		<b>53,405</b>			<b>53,937</b>		
		<b>Current Rate</b>	<b>Proposed Rate</b>	<b>Change (\$)</b>		<b>Proposed Rate</b>	<b>Change (\$)</b>
<b>Monthly Service Charge*</b>		<b>\$13.20</b>	<b>\$14.90</b>	<b>\$1.70</b>		<b>\$15.55</b>	<b>\$0.65</b>

\* 5/8 inch Meter - the most common for residential customers.



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## PROPOSED RATES - RECYCLED WATER

Tiers	Current Rate	FY 2025-26			FY 2026-27		
		Usage (AF)	Proposed Rate	Change (\$)	Usage (AF)	Proposed Rate	Change (\$)
Low Volume	\$1.43	15,458	\$1.38	(\$0.05)	15,585	\$1.44	\$0.06
Base	\$2.47	14,367	\$2.40	(\$0.07)	14,433	\$2.37	(\$0.03)
Inefficient	\$5.27	1,246	\$5.44	\$0.17	1,265	\$5.77	\$0.33
Wasteful	\$9.27	901	\$9.94	\$0.67	915	\$10.43	\$0.49
<b>Total</b>		<b>31,972</b>			<b>32,198</b>		
		<b>Current Rate</b>	<b>Proposed Rate</b>	<b>Change (\$)</b>		<b>Proposed Rate</b>	<b>Change (\$)</b>
<b>Monthly Service Charge*</b>		<b>\$86.00</b>	<b>\$119.20</b>	<b>\$33.20</b>		<b>\$124.40</b>	<b>\$5.20</b>

\* 2 inch Meter - the most common for recycled customers.



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## PROPOSED RATES – SEWER FIXED MONTHLY CHARGES FOR SYSTEM OPERATIONS AND MAINTENANCE

Average Water Usage	Current Rates	FY 2025-26		FY 2026-27	
		Proposed Rate	Change (\$)	Proposed Rate	Change (\$)
Falls below 5 ccf	\$25.70	\$28.80	\$3.10	\$29.80	\$1.00
Exceeds 10 ccf per month	\$31.86	\$37.00	\$5.14	\$38.00	\$1.00
Falls between 5 and 10 ccf	\$36.79	\$43.50	\$6.71	\$44.50	\$1.00
Commercial, Industrial, & Public Authority	Current Rates	Proposed Rate	Change (\$)	Proposed Rate	Change (\$)
Monthly water usage up to 10 ccf	\$36.79	\$43.50	\$6.71	\$44.50	\$1.00
Quantity Service Charge (beyond 10 ccf)	\$3.07	\$3.96	\$0.89	\$3.98	\$0.02



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## PROPOSED RESIDENTIAL CUSTOMER BILL TYPICAL CUSTOMER

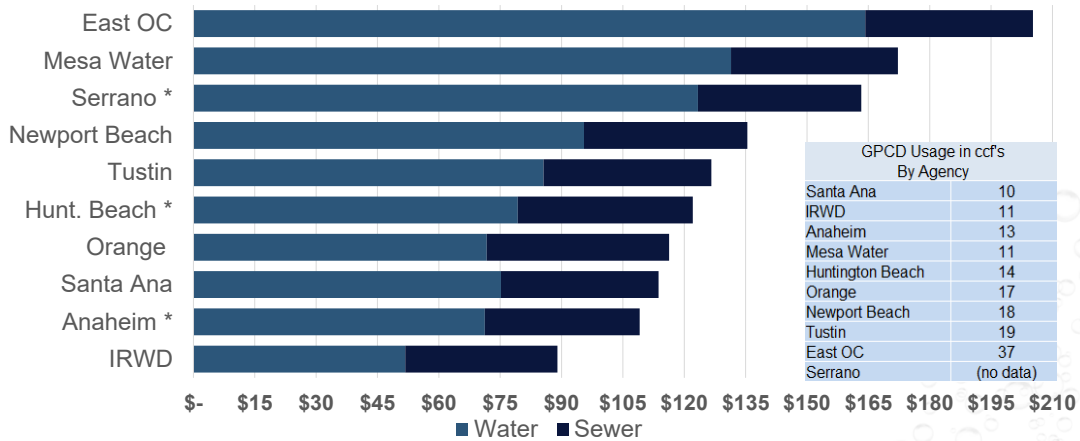
Current Residential Rates:	Water	Sewer	Proposed Residential Rates FY 2025-26:	Water	Sewer
Low Volume	\$1.99		Low Volume	\$2.07	
Base Commodity Rate	\$2.65		Base Commodity Rate	\$2.72	
Operations	\$10.10	\$13.30	Operations	\$11.71	\$15.86
Capital (Replacement and Enhancement)	\$3.10	\$12.40	Capital (Replacement and Enhancement)	\$3.19	\$12.94
Total Service Charge	\$13.20	\$25.70	Total Service Charge	\$14.90	\$28.80
Commodity (12ccf's)	\$28.50		Commodity (12ccf's)	\$29.39	
<b>Current Monthly</b>	<b>\$67.40</b>		<b>Current Monthly</b>	<b>\$73.09</b>	
<b>Proposed Residential Rates FY 2025-26:</b>			<b>Proposed Residential Rates FY 2026-27:</b>		
Low Volume	\$2.07		Low Volume	\$2.18	
Base Commodity Rate	\$2.72		Base Commodity Rate	\$2.92	
Operations	\$11.71	\$15.86	Operations	\$12.18	\$16.00
Capital (Replacement and Enhancement)	\$3.19	\$12.94	Capital (Replacement and Enhancement)	\$3.37	\$13.80
<b>Total Service Charge</b>	<b>\$14.90</b>	<b>\$28.80</b>	<b>Total Service Charge</b>	<b>\$15.55</b>	<b>\$29.80</b>
<b>Commodity</b>	<b>\$29.39</b>		<b>Commodity</b>	<b>\$31.34</b>	
<b>Proposed Monthly</b>	<b>\$73.09</b>		<b>Proposed Monthly</b>	<b>\$76.69</b>	
Current Monthly	\$67.40		Current Monthly	\$73.09	
Monthly Difference:	\$5.69		Monthly Difference:	\$3.60	
Rate Change:	8.4%		Rate Change:	4.9%	



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## RATES COMPARISON

Monthly Water & Sewer Bill Based on 15 ccf of Usage  
and Groundwater Availability



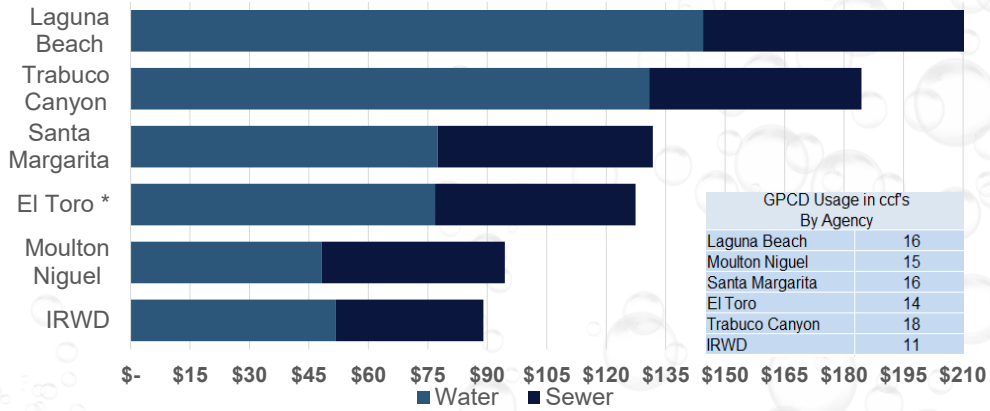
\* Updated rates are not available at this time.



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## 2024 RATES COMPARISON TO LOCAL DISTRICTS

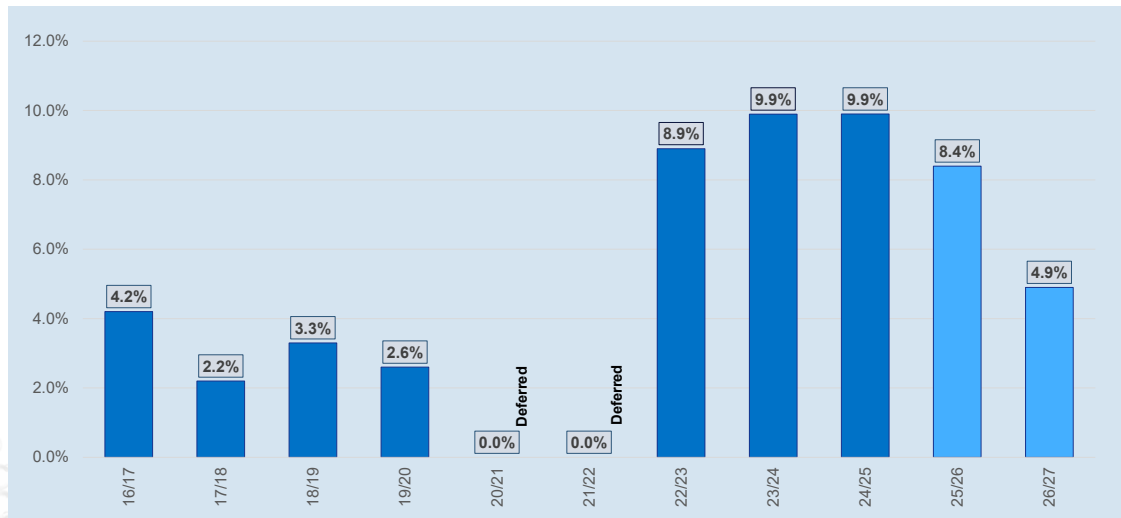
Monthly Water & Sewer Bill Based on 15 ccf Usage and Imported Water



\* Updated rates are not available at this time.



## IRWD YEARLY RATE INCREASE HISTORY\*



\*TYPICAL CUSTOMER





## BUDGET PROCESS KEY DELIVERABLES

- Jan 06 Biennial Budget Kickoff
- Jan 30 Lock Out Date for Expense Budget, Goal Text, Personnel Requests, Hardware/Software, and General Plant Budget
- Feb 20 Preliminary Rates for Finance and General Manager
- Mar 03 Proposed Budgets and Rates for FY 2025-26 & 2026-27 to Finance and Personnel for Feedback**
- Mar 24 Board Presentation: Recommended approval of Budget and Proposition 218 Rate Notices
- Mar 30 Mailing of Prop 218 Notices
- May 15 Close of public objection period
- Jun 23 Public Hearing and Rates Adoption
- Jul 01 Effective date for FY 2025-26 Rates

# QUESTIONS

*Budget Team:*

- Christopher Smithson
- Dulce Rocha
- Enrique Zanetti
- Vladimir Li



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March 3, 2025  
Prepared by: J. Davis  
Submitted by: N. Adly  
Approved by: Paul A. Cook *PAC*

FINANCE AND PERSONNEL COMMITTEE

PROPOSED 2025 INVESTMENT POLICY

SUMMARY:

Each year, IRWD is required to adopt an Investment Policy. Changes to the policy from year-to-year are required to conform to any amendments to the California Government Code governing investment of public funds. During 2024, there were no significant changes to the Government Code. The proposed policy for 2025 includes changes that adhere to industry best practices and better aligns the IRWD Investment Policy with the California Government Code. Staff recommends that the Board approve the proposed 2025 Investment Policy attached as Exhibit “A.”

BACKGROUND:

Staff annually submits an Investment Policy to the Board of Directors for approval. The annual submittal generally incorporates amendments to investment-related Government Code sections, policy objectives, delegation of authority, and a detailed schedule of authorized investments. A redlined version of the proposed 2025 Investment Policy is included as Exhibit “A”.

The proposed 2025 Investment Policy includes changes that better align the policy to California Government Code and incorporates industry best practices to further enhance the oversight of the fixed income portfolio. The primary change in the Investment Policy is on page 3 adding language to allow for the use of an investment advisor.

Given the conservative nature of the State codes and the Board’s additional restrictions, staff believes the authorized investments in the recommended 2025 Investment Policy are sufficiently controlled to ensure appropriate investment security while retaining some degree of flexibility to take advantage of changing market opportunities. Additionally, the recommended policy provides authority for the Finance and Personnel Committee to further restrict, but not liberalize, authorized investments. Any liberalization of authorized investments would require the approval of the Board of Directors.

At the committee meeting, staff, along with the District’s investment advisory firm Meeder Public Funds, will present the changes to the District’s Investment Policy and answer any questions.

FISCAL IMPACTS:

None.

ENVIRONMENTAL COMPLIANCE:

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

RECOMMENDATION:

That the Board approve the proposed 2025 Investment Policy as presented.

LIST OF EXHIBITS:

Exhibit "A" – Proposed 2025 Investment Policy redline version



IRVINE RANCH WATER DISTRICT  
20254 INVESTMENT POLICY

Introduction:

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

Policy:

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

Scope:

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

Standard of Care:

The Board of Directors and those persons authorized to make investment decisions on behalf of the District are trustees of public funds. The standard of care to be used in all investment transactions shall be the "prudent investor" standard set forth in California Government Code Section 53600.3, which states:

"When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency."

Officers and employees of the District involved in the investment process shall refrain from personal business activities that could conflict with proper execution of the investment program or could impair their ability to make impartial investment decisions. "Designated employees" of the District involved in the investment of District funds, which includes the Treasurer and Assistant

Treasurer(s), shall disclose all information at the times and in the manner required by the District's Conflict of Interest Code.

## Objectives:

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

1. Safety: Safety of principal is the foremost objective of the investment program. Investments of the District shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. Accordingly, diversification by issuer, type, and maturity of securities will be made to avoid or minimize potential losses on individual securities.
2. Liquidity: The District's investment portfolio will remain sufficiently liquid to enable the District to meet all operating and capital cash requirements. To the extent required, this liquidity will be maintained through the purchase of securities with active secondary or resale markets and with short-term maturities to minimize market risk on the market price of the securities.
3. Yield: The District's investment portfolio shall be designed with the objective of attaining ~~the highest market~~ rate of return commensurate with the above requirements for the preservation of capital and the maintenance of adequate liquidity.

## Delegation of Authority:

In accordance with Government Code Sections 53607 and 53608, the Board of Directors hereby delegates to the District's Treasurer and Assistant Treasurer(s) the authority to manage the District's investment program and to provide for the safekeeping of securities. This delegated authority is effective for the 202~~5~~4 calendar year (Resolution 202~~53~~-17).

## Authorized Investments:

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

### California Government Code:

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

### California Water Code:

- Section 35912 – Real estate

The language of the Investment Policy will conform to the statutory requirements as the statutes change over time.

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

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

The Treasurer and Assistant Treasurer(s) are authorized to invest in securities with terms or remaining maturities in excess of five years as part of the District's investment program, but no such investments are to be made without the concurrence of the Finance and Personnel Committee. Unless approved as described above, no investment will be made in any security (other than a security underlying a repurchase, reverse repurchase, or securities lending agreement) that at the time of the investment purchase, has a term remaining to maturity in excess of five years.

Any securities purchased will not have a forward settlement date exceeding 45 days from the time of investment. The investment term or remaining maturity is to be measured from the settlement date to final maturity.

#### Non-Compliant Investments:

For the purposes of this Investment Policy, a "non-compliant investment" is defined as an investment that does not adhere to the requirements in this policy's Table "A"-Authorized Investments and Restriction either at the time the investment is purchased or fell out of compliance at any point after it was purchased. If an investment becomes non-compliant, then the Treasurer shall notify the Finance & Personnel Committee and implement a disposition plan for the investment, if necessary.

#### Authorized Financial Institutions:

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

A copy of the District's annual investment policy shall be provided to each institution authorized by the Treasurer or Assistant Treasurer(s) to provide services to the District. Financial institutions shall acknowledge in writing that it has received the District's investment policy and that all persons handling the District's account have reviewed the policy.

All authorized financial institutions are required to provide electronic access to the financial statements.

[The District may utilize the services of an investment advisor. The advisor must be registered with the Securities and Exchange Commission \(SEC\) under the Investment Advisor Act of 1940. Additionally, if the District utilizes an SEC registered investment advisor, the advisor shall maintain a list of authorized broker-dealers and complete the appropriate due diligence required by the SEC. The investment advisor may use its own list of approved broker/dealers and financial institutions for investment purposes on behalf of the District. The investment advisor shall submit the list of approved broker/dealers to the District on an annual basis.](#)

Safekeeping and Custody:

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

### Reporting:

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

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

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

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

### Investment Policy Adoption and Amendments:

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

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

### Training and Continuing Education:

Treasury staff have a responsibility to invest the District's funds with professionalism, prudence, and accountability. In order to adhere to these high professional standards, all Treasury staff that are involved in the investment process are encouraged to complete at least 10 hours per year of continuing education programs related to cash and investment management.

Table "A"  
Authorized Investments and Restrictions\*

\* Minimum NRSRO credit ratings listed below include all modifiers (+/-)

INVESTMENT TYPE	DESCRIPTION	RESTRICTIONS
California State and Local Agency Bonds, Notes and Warrants	Registered state warrants, treasury notes or bonds. Any bonds, notes, warrants or other evidences of indebtedness of any local agency in California.	Limited to securities approved by the Finance and Personnel Committee.
U.S. Treasury and Agency Obligations	U.S. Treasury notes, bonds, bills or certificates of indebtedness, or those for which the full faith and credit of the United States are pledged for the payment of principal and interest. Also federal agency or U.S. government sponsored enterprise (GSE) obligations, participations, or other instruments.	No additional restrictions.
Registered treasury notes or bonds of California or other 49 United States	Registered treasury notes or bonds of any of the other 49 United States in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 United States, in addition to California.	Limited to states and/or agencies approved by the Finance and Personnel Committee.
Banker's Acceptances	Must be eligible for discount at the Federal Reserve Bank. May not exceed 180 days maturity or 40% of local agency funds. No more than 30% of local agency funds may be invested in banker's acceptances of any one commercial bank.	Limited to domestic and foreign banks approved by the Finance and Personnel Committee.
U.S. Dollar Denominated Senior Unsecured Unsubordinated Obligations	United States dollar-denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank, with a maximum remaining maturity of five years or less, and eligible for purchase and sale within the United States. Must be rated "AA" or its equivalent or better by a nationally recognized statistical rating organization ("NRSRO"). Limited to 30% of local agency funds.	Limited to securities approved by the Finance and Personnel Committee.

Commercial Paper	<p>Must be of “prime” quality of the highest ranking or of the highest letter and number rating as provided for by an NRSRO. Issuers must be organized and operating in the United States as a general corporation, have assets exceeding \$500 million, and has debt other than commercial paper, if any, that is rated “A” or its equivalent or better by an NRSRO. May not exceed 270 days maturity. Local agencies, that have less than \$100 million of investment assets under management may invest no more than 25% of their moneys in eligible commercial paper. Local agencies that have \$100 million or more of investment assets under management may invest up to 40% percent of their moneys in eligible commercial paper. A local agency may invest no more than 10% of its total investment assets in the commercial paper and the medium-term notes of any single issuer.</p>	Limited to corporations approved by the Finance and Personnel Committee.
Negotiable Certificates of Deposit	<p>Issued by national or state-chartered banks, savings associations, federal associations, state or federal credit unions, or by a federally licensed or state-licensed branch of a foreign bank. Specified restrictions on credit unions for conflicts of interest. Limited to 30% of local agency funds.</p>	Limited to domestic and foreign banks and thrift institutions approved by the Finance and Personnel Committee.
Repurchase and Reverse Repurchase Agreements	<p>Repurchase agreements are limited to a term of one year or less, and securities underlying the agreement shall be valued at 102% or greater of the funds borrowed against the securities, with the value adjusted at least quarterly.</p> <p>Reverse repurchase agreements, including securities lending agreements, are limited to 20% of the base portfolio value and to terms of 92 days or less unless a minimum earning or spread for the entire term is guaranteed in writing. Securities being sold on reverse must be owned by the agency for at least 30 days prior to sale. Reverse repurchase agreements shall be made with primary dealers of the Federal Reserve Bank of New York, or nationally and state chartered banks with a significant banking relationship with the local agency.</p>	All reverse repurchase agreements must have the prior approval of the Finance and Personnel Committee.

Medium Term Notes	All debt securities issued by U.S. organized and operating corporations or depository institutions licensed by the U.S. or any state and operating within the U.S. Notes must be rated "A" or its equivalent or better by an NRSRO. May not exceed five years maturity, 30% of local agency funds, and no more than 10% of its total investment assets in the commercial paper and the medium-term notes of any single issuer.	For depository institutions, same as shown under Negotiable Certificates of Deposit. For corporations, limited to those approved by the Finance and Personnel Committee.
Shares of Beneficial Interest	Issued by diversified management companies investing in securities and obligations as authorized by Cal. Gov. Code §53601. Companies shall have the highest ranking or highest letter and numerical rating assigned by not less than two NRSROs, or shall have a registered and experienced investment advisor with assets under management in excess of \$500 million. Purchase price shall not include any commissions. Limited to 20% of funds of which no more than 10% may be with any one fund.	No additional restrictions.
Collateralized Negotiable Securities	Notes, bonds or obligations secured by a valid first priority security interest in securities specified in Cal. Gov. Code §53651. (Cal. Gov. Code §53601(n).) Collateral to be placed by delivery or book-entry into the custody of a trust company or trust department of a bank not affiliated with the issuer. Security interest perfected in accordance with Uniform Commercial Code or applicable federal regulations. Collateral requirements are the same as required to secure bank deposits made by local agencies as specified in Cal. Gov. Code §53652.	No investment in collateralized negotiable securities shall be made without the prior approval of the Finance and Personnel Committee.



Collateralized Mortgage Obligations and Asset- Backed Securities	Mortgage pass-through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable pass- through certificate, or consumer receivable-backed bond. For these securities eligible for investment but not issued or guaranteed by the United States or a federal agency, the securities must have an “AA” rating or its equivalent as rated by an NRSRO, must have a maximum remaining maturity of five years or less, and may not exceed 20% of surplus funds.	No investment in collateralized mortgage obligations or asset-backed securities shall be made without the prior approval of the Finance and Personnel Committee.
Financial Futures and Options	Authorizes the investment in financial futures and financial option contracts in any of the investment categories contained in Cal. Gov. Code §53601.1	No investments in financial futures and financial option contracts are to be made without the prior approval of the Finance and Personnel Committee.
Prohibited Investments	A local agency shall not invest any funds in inverse floaters, range notes, mortgage derived interest-only strips, or any security that could result in zero interest accrual if held to maturity. However, a local agency may hold prohibited instruments until their maturity dates. Notwithstanding the prohibition above, a local agency may invest in securities issued by, or backed by, the United States government that could result in zero- or negative-interest accrual if held to maturity, in the event of, and for the duration of, a period of negative market interest rates. A local agency may hold these instruments until their maturity dates. This section shall remain in effect only until January 1, 2026, and as of that date is repealed. (Cal. Gov. Code §53601.6.)	No additional restrictions.
Local Agency Investment Fund	Permits a local agency to deposit funds with the State Treasurer for the purpose of investment in securities prescribed in Cal. Gov. Code §§16429.1 <i>et seq.</i>	No additional restrictions.

Orange County Treasury Pool	Permits a local agency to deposit funds with the County Treasurer for investment in securities prescribed in Cal. Gov. Code §53635 or 53684.	No investments are to be made with the Orange County Treasury Pool without the prior approval of the Board.
Inactive Public Deposits	Deposits or contracts with Federal Reserve System banks insured by FDIC, savings associations or federal associations which are home loan bank members or insured by FSLIC, and state or federal credit unions. Specified restrictions on credit unions.	No inactive public deposits are to be made without the prior approval of the Finance and Personnel Committee.
Public Finance Contracts	Includes interest rate swap agreements, currency swap agreements, forward payment conversion agreements, futures, or index-based agreements to hedge payment, currency, rate, spread or similar exposure. Requires certain determinations by governing body. (Cal. Gov. Code §§5920 <i>et seq.</i> )	The Board is authorized to approve the general parameters for swap transaction types, maximum notional amount(s) and maximum duration(s). The Finance and Personnel Committee shall structure specific parameters for individual transactions including notional amount, transaction timing, counterparty selection, index to be used and ISDA agreement approval. (Resolution 2003-36)
Real Estate Investments	Authorized to invest no more than 30% of the District's Replacement Fund in real estate located in Orange County. (Cal. Wat. Code §35912.)	Real estate investments shall be made in accordance with existing Board policies (Resolution 1990-30). All real estate investments must be individually approved by the Board.

## **AGENDA ITEM 13.B**

The following are the claims referenced on the agenda and related to the Closed Session Conference with Legal Counsel on Anticipated Litigation.

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# IRVINE RANCH WATER DISTRICT CLAIM FORM

INSTRUCTIONS: Please complete this form and submit with attachments to Irvine Ranch Water District, Risk Manager, 15600 Sand Canyon Avenue, Irvine, CA 92618.

Name of Claimant: Eurenzie Moratalla Phone: 714-651-5002 email: eurenzie.tan@yahoo.com

Home Address of Claimant: \_\_\_\_\_

1. Date and time of incident: 07/16/2024 and 9:20am

2. Location of incident: Jeffrey and Trabaco Street in Irvine

3. How did this incident occur? (Give complete information) Claimant came to a complete stop as her light was red. Defendant then rear ended the claimant while operating the vehicle at an unsafe speed and distracted.

4. Describe the damage that resulted from the incident: Rear end damage to the claimant's vehicle

5. Give the name(s) of the public employee(s) causing the injury, damage, or loss, if known: \_\_\_\_\_

Rene Francisco Bravo Venegas

6. What is the approximate amount of damage sustained? >\$35,000.00

*(Please give the amount claimed as of the date of presentation of the claim, including the estimated amount of any injury, damage or loss, insofar as it may be known at the time of presentation of this claim, together with the basis of computation of the amount claimed, with invoices or estimates, if appropriate.)*

7. Were the police at the scene?  Yes  No

8. Was a report filed?  Yes  No (If yes, please attach a copy of the police report if available.)

9. Please attach all receipts, invoices or estimates and photographs related to this incident.

*I hereby certify under penalty of perjury that the facts hereinabove set forth are true and correct to the best of my knowledge.*

Signature of Claimant or Representative of Claimant: \_\_\_\_\_

Date: 9/11/24

### ADVISORY

Section 72 of the Penal Code provides that "every person who, with intent to defraud, presents for allowance or for payment to any state board or officer, or to any county, city, or district board or officer, authorized to allow or pay the same if genuine, any false or fraudulent claim, bill, account, voucher, or writing, is punishable either by imprisonment, by a fine, or both".



# IRVINE RANCH WATER DISTRICT CLAIM FORM

INSTRUCTIONS: Please complete this form and submit with attachments to Irvine Ranch Water District, Risk Manager, 15600 Sand Canyon Avenue, Irvine, CA 92618.

Name of Claimant: Hanna Alexis Moratalla Phone: 714-651-5002 email: eurenzie.tan@yahoo.com

Home Address of Claimant: \_\_\_\_\_

1. Date and time of incident: 07/16/2024 and 9:20am

2. Location of incident: Jeffrey and Trabaco Street in Irvine

3. How did this incident occur? (Give complete information) Claimant was a passenger in the drivers vehicle. Defendant then rear ended the claimant while operating the vehicle at an unsafe speed and distracted.

4. Describe the damage that resulted from the incident: Rear end damage to the vehicle

5. Give the name(s) of the public employee(s) causing the injury, damage, or loss, if known: Rene Francisco Bravo Venegas


6. What is the approximate amount of damage sustained? >\$35,000.00  
*(Please give the amount claimed as of the date of presentation of the claim, including the estimated amount of any injury, damage or loss, insofar as it may be known at the time of presentation of this claim, together with the basis of computation of the amount claimed, with invoices or estimates, if appropriate.)*

7. Were the police at the scene?  Yes  No

8. Was a report filed?  Yes  No (If yes, please attach a copy of the police report if available.)

9. Please attach all receipts, invoices or estimates and photographs related to this incident.

*I hereby certify under penalty of perjury that the facts hereinabove set forth are true and correct to the best of my knowledge.*

Signature of Claimant or Representative of Claimant:  Date: 9/11/24

**ADVISORY**  
*Section 72 of the Penal Code provides that "every person who, with intent to defraud, presents for allowance or for payment to any state board or officer, or to any county, city, or district board or officer, authorized to allow or pay the same if genuine, any false or fraudulent claim, bill, account, voucher, or writing, is punishable either by imprisonment, by a fine, or both".*



# IRVINE RANCH WATER DISTRICT CLAIM FORM

INSTRUCTIONS: Please complete this form and submit with attachments to Irvine Ranch Water District, Risk Manager, 15600 Sand Canyon Avenue, Irvine, CA 92618.

Name of Claimant: Ethan Gabriel Moratalla Phone: 714-651-5002 email: eurenzie.tan@yahoo.com

Home Address of Claimant: 97 Field Poppy Irvine, CA 92660

1. Date and time of incident: 07/16/2024 and 9:20am

2. Location of incident: Jeffrey and Trabaco Street in Irvine

3. How did this incident occur? (Give complete information) Claimant was a passenger in the drivers vehicle. Defendant then rear ended the claimant while operating the vehicle at an unsafe speed and distracted.

4. Describe the damage that resulted from the incident: Rear end damage to the vehicle

5. Give the name(s) of the public employee(s) causing the injury, damage, or loss, if known: \_\_\_\_\_

Rene Francisco Bravo Venegas

6. What is the approximate amount of damage sustained? >\$35,000.00

*(Please give the amount claimed as of the date of presentation of the claim, including the estimated amount of any injury, damage or loss, insofar as it may be known at the time of presentation of this claim, together with the basis of computation of the amount claimed, with invoices or estimates, if appropriate.)*

7. Were the police at the scene?  Yes  No

8. Was a report filed?  Yes  No (If yes, please attach a copy of the police report if available.)

9. Please attach all receipts, invoices or estimates and photographs related to this incident.

*I hereby certify under penalty of perjury that the facts hereinabove set forth are true and correct to the best of my knowledge.*

Signature of Claimant or Representative of Claimant: \_\_\_\_\_

Date: \_\_\_\_\_

9/11/24

## ADVISORY

*Section 72 of the Penal Code provides that "every person who, with intent to defraud, presents for allowance or for payment to any state board or officer, or to any county, city, or district board or officer, authorized to allow or pay the same if genuine, any false or fraudulent claim, bill, account, voucher, or writing, is punishable either by imprisonment, by a fine, or both".*



# IRVINE RANCH WATER DISTRICT CLAIM FORM

INSTRUCTIONS: Please complete this form and submit with attachments to Irvine Ranch Water District, Risk Manager, 15600 Sand Canyon Avenue, Irvine, CA 92618.

Name of Claimant: Lakeshore Landlessee PT, LLC Phone: 949.955.5253 work email: jbrand@sentre.com

Address of Claimant: 18101 Von Karman Ave., Suite 1220 Irvine CA 92612

1. Date and time of incident: February 21, 2024 at approximately 7:45 am.
2. Location of incident: On the Lakeshore property between the Il Fornaio restaurant (18051 Von Karman Avenue, Irvine, CA) and the 18-Story Office Building (18101 Von Karman Avenue, Irvine, CA).
3. How did this incident occur? (Give complete information) an IRWD valve failed.

4. Describe the damage that resulted from the incident: The flood caused by the waterline break brought water, mud, and debris into our underground tunnel system damaging the drywall, doors, walkway system, etc.. Additionally, the water, mud, and debris contaminated the adjacent onsite lake and further spread into the multi-use campus damaging the surrounding landscape, pedestrian walkways, and artificial turf.

5. Give the name(s) of the public employee(s) causing the injury, damage, or loss, if known: Not applicable

6. What is the approximate amount of damage sustained? See attached tracking sheet of invoices paid to date as well as projected expenses (estimate).

*(Please give the amount claimed as of the date of presentation of the claim, including the estimated amount of any injury, damage or loss, insofar as it may be known at the time of presentation of this claim, together with the basis of computation of the amount claimed, with invoices or estimates, if appropriate.)*

7. Were the police at the scene?  Yes  No

8. Was a report filed?  Yes  No (If yes, please attach a copy of the police report if available.)

9. Please attach all receipts, invoices or estimates and photographs related to this incident.

*I hereby certify under penalty of perjury that the facts hereinabove set forth are true and correct to the best of my knowledge.*

Signature of Claimant or Representative of Claimant: [Signature]

Date: 2/15/2024

### ADVISORY

Section 72 of the Penal Code provides that "every person who, with intent to defraud, presents for allowance or for payment to any state board or officer, or to any county, city, or district board or officer, authorized to allow or pay the same if genuine, any false or fraudulent claim, bill, account, voucher, or writing, is punishable either by imprisonment, by a fine, or both".





RECEIVED

MAY 06 2024

FINANCE  
IRVINE RANCH WATER DISTRICT

**IRVINE RANCH WATER DISTRICT CLAIM FORM**

INSTRUCTIONS: Please complete this form and submit with attachments to Irvine Ranch Water District, Risk Manager, 15600 Sand Canyon Avenue, Irvine, CA 92618.

Name of Claimant: PMI Charter LLC Phone: 949-724-0505 email: pm.sofiirvine@avenue5apt.com

Home Address of Claimant: 2750 Kelvin Ave. Irvine CA 92614

1. Date and time of incident: April 14th, 2024 approximately around 8AM

2. Location of incident: Property Parking garage

3. How did this incident occur? (Give complete information) Pipe burst through IRWD mainline causing severe flood within parking garage of the property. The amount of water that had collected was ankle high due to a broken water main.

4. Describe the damage that resulted from the incident: Severe water damage throughout parking garage, resulting in a massive cleanup service required, in addition to (2) property elevator cabins failing, requiring extensive repair. The floor drain lines, as well as sewer main lines were severely backed up requiring extensive hydrojetting .

5. Give the name(s) of the public employee(s) causing the injury, damage, or loss, if known: \_\_\_\_\_

6. What is the approximate amount of damage sustained? \$77,577.50  
*(Please give the amount claimed as of the date of presentation of the claim, including the estimated amount of any injury, damage or loss, insofar as it may be known at the time of presentation of this claim, together with the basis of computation of the amount claimed, with invoices or estimates, if appropriate.)*

7. Were the police at the scene?  Yes  No

8. Was a report filed?  Yes  No (If yes, please attach a copy of the police report if available.)

9. Please attach all receipts, invoices or estimates and photographs related to this incident.

*I hereby certify under penalty of perjury that the facts hereinabove set forth are true and correct to the best of my knowledge.*

Signature of Claimant or Representative of Claimant [Signature] Date: 5/2/24

**ADVISORY**

*Section 72 of the Penal Code provides that "every person who, with intent to defraud, presents for allowance or for payment to any state board or officer, or to any county, city, or district board or officer, authorized to allow or pay the same if genuine, any false or fraudulent claim, bill, account, voucher, or writing, is punishable either by imprisonment, by a fine, or both".*

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